



**บริษัท ไทยเซ็นทรัลเคมี จำกัด (มหาชน)**  
**THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED**

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ทะเบียนเลขที่ บมจ. 0107536000277 REG. No. 0107536000277

(Translation)

No. 039/2566

16 June 2023

Subject: Opinion of the Company on the Tender Offer (Form 250-2) of Thai Central Chemical Public Company Limited and Opinion of the Independent Financial Advisor on the Tender Offer

To: The President  
The Stock Exchange of Thailand

Enclosure: 1. A copy of the Opinion of the Company on the Tender Offer (Form 250-2)  
2. A copy of the Opinion of the Independent Financial Advisor on the Tender Offer

As Thai Central Chemical Public Company Limited (the "Company") has received a copy of the Tender Offer for Securities of the Company (Form 247-4) from Sojitz Corporation and I S T S (Thailand) Company Limited (The major shareholder of the Company) on 25 May 2023, the Company has prepared the Opinion of the Company on the Tender Offer (Form 250-2) and appointed Jay Capital Advisory Company Limited to act as the independent financial advisor ("Independent Financial Advisor") for the shareholders to provide the opinion on the Tender Offer of the Company pursuant to the Notification of the Capital Market Supervisory Board No. TorChor 40/2552 re: statement Form and Period for Preparing Opinion on Tender Offer.

The Company hereby submits a copy of the Opinion of the Company on the Tender Offer (Form 250-2) and a copy of the Opinion of the Independent Financial Advisor on the Tender Offer for your consideration, details of which are shown in the Enclosure.

Please be informed accordingly.

Sincerely yours,

Mr. Takahiro Yamashita  
President  
Thai Central Chemical Public Company Limited

Company Secretary, Tel. 0 2639 8888 ext. 8909

*-English Translation-*

**Opinion of the Company on the Tender Offer for Securities  
(Form 250-2)**

Of



**Thai Central Chemical Public Company Limited**

The Tender Offer

**Sojitz Corporation**

**And**

**ISTS (Thailand) Company Limited**

Independent Financial Advisor



**Jay Capital Advisory Limited**

**16 June 2023**

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***This English translation is prepared solely for the convenience of foreign shareholders of Thai Central Chemical Public Company Limited and should not be relied upon as the definitive and official opinion of the Company on the Tender Offer. The Thai language version of the Opinion of the Company on the Tender Offer is the definitive and official document and shall prevail in all respects in the event of any inconsistency with the English translation.***

### Opinion of the Company on the Tender Offer for Securities (Form 250-2)

16 June 2023

To Shareholders of Thai Central Chemical Public Company Limited

Reference to the date of 25 May 2023, Thai Central Chemical Public Company Limited (“TCCC” or “the Business” or “the Company”) has received a copy of Tender Offer for securities (“the Tender Offer” or “Form 247-4”) from Sojitz Corporation (“Sojitz”) and I S T S (Thailand) Company Limited (“I S T S”) (collectively called “the Offerors”), in order to delist entire securities of the Business from the Stock Exchange of Thailand (“SET”) with the following details:

Type of Securities	Number of securities to be tendered		Percentage of securities to be tendered to		Offer price per unit (THB) <sup>/2</sup>	Total tender offer value (THB)
	Shares/Units	Voting rights	Total paid-up securities of the Business <sup>/1</sup>	Total voting rights of the Business		
Ordinary shares	96,720,795	96,720,795	16.54	16.54	40.00	3,868,831,800
Preferred shares	-	-	-	-	-	-
Warrants	-	-	-	-	-	-
Convertible debentures	-	-	-	-	-	-
Other securities (if any)	-	-	-	-	-	-
<b>Total</b>				<b>16.54</b>	<b>Total</b>	<b>3,868,831,800</b>

Remark : <sup>/1</sup> As of the date that the Offeror submitted the Tender Offer (Form 247-4), the Business has only one type of securities which is issued and paid-up ordinary shares of 584,714,068 shares. Each ordinary share is entitled to one vote.

<sup>/2</sup> Shareholders who accept the Tender Offer (each an “Offeree”), are subject to payment of a brokerage fee of 0.25 percent of the Offer Price plus value added tax (“VAT”) of 7.00 percent of the brokerage fee. Therefore, the net share price to be received by the Offeree will be THB 39.893 (Thirty Nine Point Eight Nine Three Baht) per share.

#### Offer Price

The Offeror has determined the Tender Offer Price for the Business’s ordinary share at THB 40.00 (Forty Baht) per share (the “Offer Price”), which is not lower than the highest price calculated based on the criteria specified under the Notification of the Capital Market Supervisory Board No. Tor Chor. 12/2554. Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (as amends) (“Tor Chor. 12/2554”) which are:

- (1) Highest price that the following persons has purchased ordinary shares or preference shares during 90 days prior to the submission of the Tender Offer to the SEC.



- (a) The Offeror
- (b) Related parties under Section 258 of the Offeror
- (c) Concert party of the Offeror
- (d) Related parties under Section 258 of person under (c)
- (2) Five-day volume weighted average market price (VWAP) prior to the day the board has reached the resolution to delist the securities, or the day the shareholders reached the resolution to delist the securities, whichever happens first (Market Value Approach).
- (3) Net asset value of the Business, calculated from its adjusted book value to reflected latest market prices of the Business's assets and liabilities (Adjusted Book Value Approach).
- (4) Fair value of the Business's ordinary shares assessed by the independent financial advisor.

The Tender Offeree are subject to payment of a brokerage fee of 0.25 percent of the Offer Price plus VAT of 7.00 percent of the brokerage fee. Therefore, the net share price to be received by the Offeree will be THB 39.893 (Thirty-Three Point Eight Nine Three Baht) per share. Whereby such price is the final offer price which will not be changed (Final Offer) (unless falling under the condition(s) as specified in Form 247-4).

In the case where the Offeree is a juristic person not operating any business in Thailand (except for the case where the Offeree can show to the Tender Offer Agent that the Offeree resides in a country which has a double tax treaty with Thailand and the double tax treaty exempts withholding tax on capital gains from the sale of securities in Thailand), such Offeree is subject to a 15.00 percent withholding tax on capital gains on sale of securities, which is the difference between the Offer Price and the price at which the Offeree originally paid to acquire the tendered securities. The price at which such Offeree originally paid to acquire the tendered securities must be declared to the Tender Offer Agent by completing the Form for Confirmation of Cost of Tendered Securities. In the event that any Offeree fails to declare the aforementioned information, the Tender Offer Agent will determine the amount of withholding tax calculated by multiplying the Offer Price by the total number of tendered securities of the Business and will deduct the withholding tax accordingly.

#### Offer Period

The Tender Offer period will last a total of 45 business days from 29 May 2023 to 2 August 2023 inclusive (the "Offer Period"), during the office hours of the Tender Offer Agent from 9:00 a.m. to 4:00 p.m., and the Offer Period is final period without further extension (Final Period) (unless falling under the condition(s) as specified in Form 247-4)

In this regard, in case that there is an announcement of extra financial institutions' holidays during the Offer Period, the Offeror will extend the Offer Period to meet the requirement of 45 business days pursuant to Tor Chor. 12/2554.

#### Conditions of Change to the Tender Offer

- The Offerors may reduce the Offer Price or extend the Offer Period in the case of any event or action that occurs during the Offer Period which causes severe damage to the status or assets of the Business.
- The Offerors may change the offer or extend the Offer Period to compete with other offerors who has submitted a tender offer for securities of the Business during the Offer Period.

#### Conditions for Cancellation of the Tender Offer

The Offerors may cancel the Tender Offer upon the occurrence of one or more of the following events:

- Any event or action occurring after the submission of the Tender Offer to the Office of the Securities and Exchange Commission (the "SEC") but within the Offer Period which causes or may cause severe damage to the status or the assets of the Business, where such event or action has



not result solely from the actions of the Offeror or actions for which the Offeror is responsible for;  
or

- Any event occurring which results in the cancellation of the request for delisting of TCCC's securities from the SET.

Tender Offer Revocation Period

The Offeree is able to revoke its acceptance of the Tender Offer at the office of the Tender Offer Agent on any business day between 29 May 2023 to 26 June 2023 inclusive (totaling 20 business days) during the hours of 9:00 a.m. to 4:00 p.m.

In addition, if there is any announcement of additional public holiday during the Offer Period, the Offerors will extend the Offer Period and the Offeree is able to revoke its acceptance within 20 business days according to Tor Chor. 12/2554.



## 1. The status of The Business Regarding the Past Performance and the Projected Performance in the Future with Assumptions Used in the Projection

### 1.1. General Information of TCCC

<b>Company Name</b>	Thai Central Chemical Public Company Limited
<b>Type of Business</b>	the Manufacturer and Distributor of chemical fertilizer
<b>Company Registration Number</b>	0107536000277
<b>Paid-up Capital</b>	1,754,142,204.00 Baht Common Stock 584,714,068 Shares Par Value 3.00 Baht
<b>Address of Head Office</b>	8-1 - 806, 8-9 - 810 8th Floor, Mitrtown Office Tower, 944 Rama 4 Road, Wangmai, Pathumwan Bangkok 10330
<b>Website</b>	www.tcccthai.com

### 1.2. History and development of the Business

The Thai Central Chemical Public Company Limited (“**the Company**” or “**the Business**” or “**TCCC**”) was established on 6 March 1973 with the purpose of produce and distribute the chemical fertilizer under OX - Brand, Singha, Baby and TCCC Brand under the cooperation of by the government (under cooperation of the Ministry of Finance) and private sector, consisted of Metro Co., Ltd., Sojitz Corporation (formerly Nissho Iwai Corporation) and Central Glass Co., Ltd. Later on, the Business registered on the Stock Exchange of Thailand in October 1991, with a registered capital of THB 700.00 million. The circumstances are the Business’s highlight development as follows:

Year	Historical Development
1973	▪ TCCC was established under the name of Thai Central Chemicals Company Limited as a joint venture between the Thai government and Japanese investors to produce and distribute fertilizers.
1975	▪ TCCC started the production of the first plant in Prapadaeng plant site.
1991	▪ TCCC registered on the Stock Exchange of Thailand with a registered capital of THB 700.00 million.
1993	▪ TCCC changed its name to Thai Central Chemical Public Company Limited and became a publicly listed company on the Stock Exchange of Thailand
1998	▪ TCCC started the production of the second plant in Nakhon Luang plant site.
2016	▪ TCCC announced plans to invest in a new fertilizer production plant in Myanmar and established Yangon branch and TCCC Myanmar Limited.
2018	▪ TCCC Myanmar Limited expand the operation to the warehouse.

### 1.3. Nature of business operation

Thai Central Chemical Public Company Limited is one of the largest producer and distributor of compound chemical fertilizers in Thailand. The chemical fertilizer production consists of basic nutrients which are Nitrogen (N), Phosphate (P2O5) and Potassium (K2O) and secondary nutrients such as Magnesium (MgO), Sulphur (S) and other supplementary nutrients such as Zinc (Zn) Manganese (Mn) Iron (Fe) and Boron (B) which promotes healthy growth of crops, both in quantity and quality.

The Business operates 2 large and international - standard plants, having the combined total capacity of 1.2 million metric tons a year. The first company is located in Samut Prakarn Province



(Phrapradaeng plant site) and the second is located in Nakhon Luang, Phra Nakhon Si Ayuttaya Province (Nakhon Luang plant site). In Phrapradaeng plant site, the manufacturing process has utilized the natural gas which helps lower the cost and produce less pollution, substituting for the fuel oil since 2007. Moreover, the Business has installed and operated the Cogeneration power plant which can produce electricity at the capacity of 4 MW. in order to supply electricity within the plant site in 2013. In Nakhon Luang plant site, the Business has utilized LPG which is the clean and eco - friendly fuel in production of steam, substituting the oil fuel.

### Production Capacity

The production capacity of the plant sites is as follows:

Description	Phrapradaeng Plant Site	Nakhon Luang Plant Site
Production Capacity per Year	850,000.00 metric tons	350,000.00 metric tons
Warehouse Capacity	100,000.00 metric tons	90,000.00 metric tons
Raw Materials unload per Day	6,000.00 metric tons	4,000.00 metric tons
Wharf Dimension	Length 310 meters and Depth 8.4 meters (27 feet)	Length 189 meters and Depth 5 meters (16 feet)
Wharf Capacity	Accommodate TWO 20,000.00 - 25,000.00 metric tons	Accommodate THREE 500.00 - 2,500.00 metric tons

### Chemical Fertilizer production process

The Business's process of compound chemical fertilizers can be classified in 7 main processes as follows:

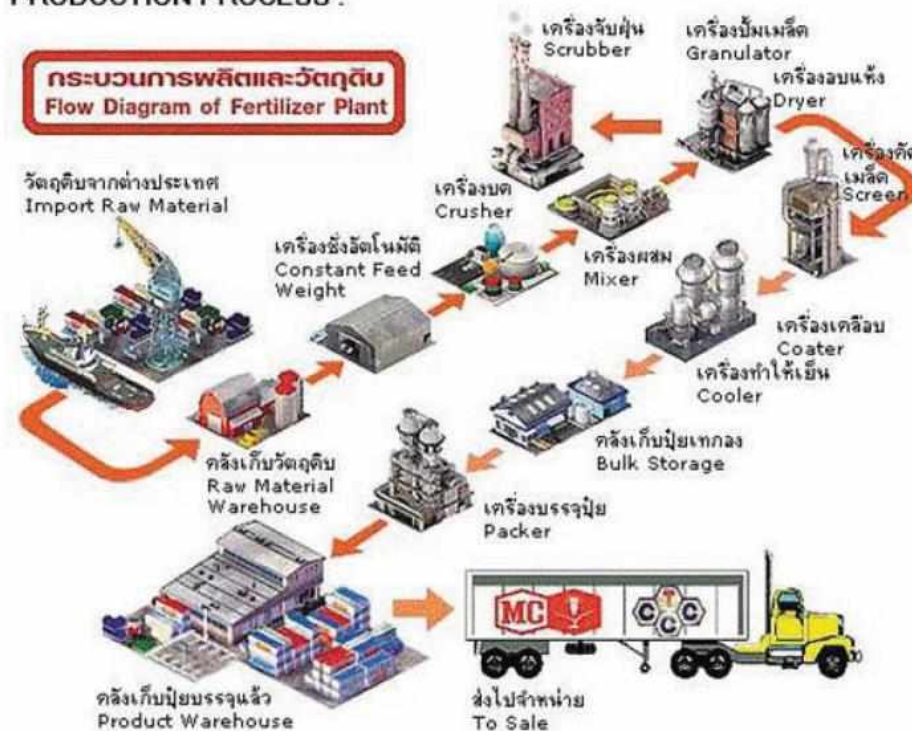
1. Raw material preparation: The Business import raw materials that used to make chemical fertilizers, such as ammonium sulphate, urea, and potash, from the overseas to the Business' raw material warehouse.
2. Synthesis: The raw materials are processed and combined through various chemical reactions to produce the desired fertilizer products.
3. Granulation: The synthesized product is then granulated, meaning it is converted into small, uniform - sized pellets or pills that can be easily applied to crops.
4. Drying: The granulated fertilizer product is then dried to remove excess moisture and improve its shelf life.
5. Screening: The dried fertilizer is screened to remove any oversized or undersized particles, ensuring that the final product meets the desired size specifications.
6. Cooling: The dried fertilizer is cooled to prevent caking or clumping and to improve its handling characteristics.
7. Packaging: The screened fertilizer is then transfer to the bulk storage and then packaged into bags, ready for distribution and sale to customers.

TCCC employs advanced production technologies and quality control measures to ensure that its fertilizer products meet the highest industry standards for quality, purity, and effectiveness.





## PRODUCTION PROCESS :



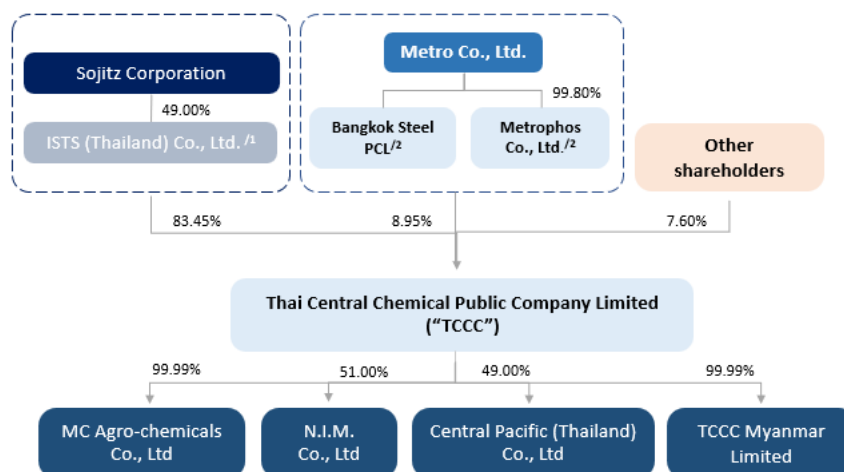
## 1.4. Revenue Structure

The revenue structure of the Business is classified by the ratio of domestic and international sales for year 2020 – 2022 and for 3-month ended 31 March 2022 and 2023 as follows:

Company Name	(Unit : THB million)									
	2020		2021		2022		Q1/2022		Q1/2023	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Thai Central Chemical Public Company Limited	8,943.35	92.07	11,708.93	92.55	12,517.00	91.08	1,507.28	85.50	1,755.89	89.62
MC Agro-Chemicals Company Limited	225.68	2.32	322.16	2.55	254.47	1.85	64.27	3.65	41.62	2.12
N.I.M. Company Limited	118.15	1.22	128.49	1.02	127.08	0.92	31.67	1.79	32.45	1.66
Central Pacific (Thailand) Company Limited.	0.81	0.01	0.67	0.01	0.67	-	0.04	-	-	-

Company Name	(Unit : THB million)									
	2020		2021		2022		Q1/2022		Q1/2023	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
TCCC Myanmar Limited	425.89	4.38	491.46	3.88	843.24	6.14	159.70	9.06	129.34	6.60
<b>Total</b>	<b>9,713.88</b>	<b>100.00</b>	<b>12,651.71</b>	<b>100.00</b>	<b>13,742.46</b>	<b>100.00</b>	<b>1,762.96</b>	<b>100.00</b>	<b>1,959.30</b>	<b>100.00</b>

### 1.5. Shareholding Structure as of 12 May 2023



Remark: /1 Sojitz Corp. is a related person with ISTS pursuant to Section 258 of the Securities and Exchange Act B.E. 2535 by holding 49.00% shares of ISTS.

/2 Metro hold the subsidiaries stock as follows:

- Bangkok Steel as Metro holds 33.30% shares of Three Mitr Marketing (TMM) and TMM holds 69.48% shares of Bangkok Steel
- 99.80% shares of Metrophos

/3 Metro is a related person with ISTS pursuant to Section 258 of the Securities and Exchange Act B.E. 2535

### Subsidiaries and associates of the Business

Company Name	Established	Shareholding (%)	Registered Capital (THB million)	Paid-up Capital (THB million)	Type of Business
Thai Central Chemical Public Company Limited	6 Mar 1973	-	1,754.00	1,754.00	Chemical Fertilizer
<b>Subsidiaries and Associate Companies</b>					
MC Agro-Chemicals Company Limited	22 Jan 1988	99.99	50.00	50.00	Repacking and Formulating
N.I.M. Company Limited	14 Feb 1974	51.00	125.00	125.00	Chemical Tank Yard
Central Pacific (Thailand) Company Limited.	16 Jan 1975	49.00	200.00	200.00	Trading

Company Name	Established	Shareholding (%)	Registered Capital (THB million)	Paid-up Capital (THB million)	Type of Business
TCCC Myanmar Limited	3 Oct 2016	99.99	\$12.50 <sup>/1</sup>	\$12.50 <sup>/1</sup>	Import Chemical Fertilizer

Remark: /1 million of United States dollars

## 1.6. Shareholders

### 1.6.1 Shareholders list prior to the Tender Offer

As of 12 May 2023, the major shareholders are as follow:

#### The Business's major shareholders as of 12 May 2023

No.	Name <sup>/1</sup>	Number of Shares	% of the total issued and paid-up shares and total voting rights in the Business
1	Sojitz Corporation <sup>/2</sup>	256,833,457	43.92
	ISTS (Thailand) Co., Ltd. <sup>/2</sup>	231,159,816	39.53
	<b>Sojitz Corporation Group</b>	<b>487,993,273</b>	<b>83.46</b>
2	Metro Co., Ltd.	15,175,191	2.60
	Bangkok Steel Public Company Limited	20,497,742	3.51
	Metrophos Co., Ltd.	16,614,500	2.84
	<b>Metro Co., Ltd. Group</b>	<b>52,287,433</b>	<b>8.94</b>
3	Central Glass Co., Ltd.	12,617,141	2.16
4	Bangkok Bank PCL.	11,292,800	1.93
5	Ms. Samamongkol Kanchanaporn	2,155,019	0.37
6	Mr. Phirawat Thammapimon	1,624,900	0.28
7	Mr. Suparoek Mongkolsamai	1,100,000	0.19
8	Trans-Asia Pacific Ltd.	1,000,000	0.17
9	BNY Mellon Nominees Limited	766,770	0.13
10	Ms. Chada Techjaroenpanich	691,100	0.12
<b>Total top 10 major shareholders</b>		<b>571,797,136</b>	<b>97.74</b>
Other shareholders		13,185,632	2.26
<b>Total</b>		<b>584,714,068</b>	<b>100.00</b>

Source: TCCC's Website (<https://www.tcccthai.com/th/about/shareholder-structure>)

Remark: /1 Total number of minority shareholders is 2,006 persons, in the amount of 44,187,590 shares, or 7.56 percent of paid-up capital (information as of 13 March 2023)

/2 Sojitz Corporation is the related person with ISTS (Thailand) Co., Ltd. pursuant to Section 258 Securities and Exchange Act B.E. 2535 by holding the shares at 49% of the registered capital and has 6,370 votes rights out of 11,470 votes.

### 1.6.2 Potential shareholding structure after the Tender Offer

In the case of all existing shareholders of the Business decide to dispose TCCC's shares that they hold to the Offerors, the Offerors will hold the Business's shares 100.00% of total issued and paid-up shares of the Business which details are as follows:



Shareholders	Number of shares	%
Sojitz Corporation	286,509,893	49.00
I S T S (Thailand) Company Limited	298,204,175	51.00
<b>Total</b>	<b>584,714,068</b>	<b>100.00</b>

*Remark: The tendered shares may also be transferred among the Tender Offerors in order to maintain the status of a Thai company according to the Foreign Business Act B.E. 2542 (1999) (as amended) and the Land Code (as amended), which states that, among other conditions, foreigners can hold shares in a company not exceeding 49.00% of the total issued shares of the Business, and for other legal compliance purposes.*

## 1.7. Board of Directors

### 1.7.1. List of Board of Directors prior to the Tender Offer

As of 8 May 2023 the Business's Board of Directors and management are as follow:

**The Business's board of directors as of 8 May 2023**

	Name	Position
1.	Mr. Yuji Yuasa	Corporate Board Chairman
2.	Mr. Takahiro Yamashita	President, Director
3.	Mr. Takayuki Tohei	Director
4.	Mr. Chanand Sophonpanich	Director
5.	Mr. Ek - Rit Boonpiti	Director
6.	Mr. Takuji Nakagawa	Director
7.	Mr. Suvat Suebsantikul	Independent Director, Chairman of The Audit Committee
8.	Mr. Opas Sripornkijachorn	Independent Director, Audit Committee
9.	Mr. Kasemsak Masayavanij	Independent Director, Audit Committee

Source: TCCC

### 1.7.2. List of Board of Directors after the Completion of Tender Offer

As stated in Form 247-4, after the completion of the Tender Offer, the Board of Directors will be nominated as deemed appropriate in the interest of the Business. At present, the offerors do not have a plan to change the directors; however, the offerors may appoint any person as a director for the benefit of the Business in the future. Any change of Board of Directors of the Business has to be complied with the Business's Articles of Association, relevant rules and regulations of the Office of the Securities and Exchange Commission ("SEC") and the SET.

## 1.8. Financial status and operating performance

Thai Central Chemical Public Company Limited	For the year ended 31 December			For 3-month ended 31 March
Balance Sheet (Unit: THB million)	2020	2021	2022	2023
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	2,902.74	4,504.54	5,518.94	6,293.31
Trade and other receivables	628.28	373.40	472.91	688.11
Inventories	1,654.08	1,918.95	3,566.35	3,147.45
Other current financial assets	4,497.35	3,592.01	470.89	190.75
Other current assets	0.72	2.08	1.90	2.23



Thai Central Chemical Public Company Limited	For the year ended 31 December			For 3-month ended 31 March
Balance Sheet (Unit: THB million)	2020	2021	2022	2023
<b>Total Current Assets</b>	<b>9,683.18</b>	<b>10,390.98</b>	<b>10,030.99</b>	<b>10,321.84</b>
<b>Non – Current Assets</b>				
Investment in an associate	136.81	136.98	136.85	136.81
Investment properties	29.21	29.21	29.21	29.21
Property, plant and equipment	1,563.38	1,525.60	1,489.16	1,504.27
Right – of – use assets	136.81	126.94	128.06	136.67
Other intangible assets other than goodwill	545.90	545.90	545.90	545.90
Deferred tax assets	45.64	45.85	50.14	56.21
Other Non – Current Assets	6.31	8.37	8.52	8.58
<b>Total Non – Current Assets</b>	<b>2,464.05</b>	<b>2,418.85</b>	<b>2,387.85</b>	<b>2,417.66</b>
<b>Total Assets</b>	<b>12,147.23</b>	<b>12,809.83</b>	<b>12,418.84</b>	<b>12,739.50</b>
<b>Liabilities and shareholders' equity</b>				
<b>Current Liabilities</b>				
Bank overdrafts and short – term borrowings from financial institutions	162.26	198.22	301.79	280.53
Trade and other current payables	623.79	744.32	428.93	819.47
Current portion of lease liabilities	19.42	16.26	16.87	19.49
Current income tax payable	200.48	147.64	122.23	124.24
Current provision for employee benefits	8.39	12.96	4.89	24.31
Other current financial liabilities	1.42	11.20	6.08	14.27
Other current liabilities	24.12	38.40	37.26	36.58
<b>Total Current Liabilities</b>	<b>1,039.88</b>	<b>1,169.00</b>	<b>918.04</b>	<b>1,318.88</b>
<b>Non – Current Liabilities</b>				
Lease liabilities	45.37	33.13	33.52	40.17
Deferred tax liabilities	116.61	116.61	116.61	116.61
Non – current provision for employee benefit	161.30	158.47	167.36	147.74
Other Non – Current Liabilities	17.85	17.53	19.45	17.27
<b>Total Non – Current Liabilities</b>	<b>341.13</b>	<b>325.74</b>	<b>336.94</b>	<b>321.79</b>
<b>Total Liabilities</b>	<b>1,381.01</b>	<b>1,494.75</b>	<b>1,254.98</b>	<b>1,640.67</b>
<b>Equities</b>				
Authorized Share Capital	1,754.15	1,754.15	1,754.15	1,754.15
Issued and paid-up share capital	1,754.14	1,754.14	1,754.14	1,754.14
Discount on ordinary shares	(43.57)	(43.57)	(43.57)	(43.57)
Retained Earnings (Deficit)	9,021.43	9,551.40	9,396.11	9,363.54
Others Component of shareholder's equity	(59.32)	(46.73)	(41.35)	(79.87)
<b>Total attributions to owners of the parent</b>	<b>10,672.68</b>	<b>11,215.24</b>	<b>11,065.33</b>	<b>10,994.25</b>
Non – Controlling Interests	93.54	99.84	98.53	104.58
<b>Total Equity</b>	<b>10,766.22</b>	<b>11,315.08</b>	<b>11,163.85</b>	<b>11,098.83</b>

Thai Central Chemical Public Company Limited	For the year ended 31 December			For 3-month ended 31 March
Balance Sheet (Unit: THB million)	2020	2021	2022	2023
Liabilities and shareholders' equity	12,147.23	12,809.83	12,418.84	12,739.50

Source: TCCC's audited financial statement for the year 2020-2022 and reviewed interim financial statements for the first quarter of 2022, and 2023

Thai Central Chemical Public Company Limited	For the year ended 31 December			For 3-month ended 31 March	
Income Statement (Unit: THB million)	2020	2021	2022	2022	2023
Revenues from sales	9,313.16	11,953.44	12,753.09	1,571.21	1,818.80
Revenues from services	121.14	133.79	132.73	32.91	33.17
<b>Total Revenue</b>	<b>9,434.30</b>	<b>12,087.23</b>	<b>12,885.82</b>	<b>1,604.13</b>	<b>1,851.97</b>
Cost of the sales of goods	(6,954.31)	(9,604.94)	(11,353.36)	(1,535.72)	(1,694.00)
Costs of the rendering of services	(43.18)	(35.67)	(40.23)	(9.71)	(10.06)
<b>Gross profit</b>	<b>2,436.81</b>	<b>2,446.62</b>	<b>1,492.23</b>	<b>58.69</b>	<b>147.90</b>
Interest income	53.13	33.39	30.80	5.52	11.16
Other income	54.98	90.66	111.11	6.12	7.10
<b>Profit before expenses</b>	<b>2,544.92</b>	<b>2,570.67</b>	<b>1,634.14</b>	<b>70.33</b>	<b>166.16</b>
Selling expenses	(323.34)	(216.43)	(212.69)	(32.77)	(65.72)
Administrative expenses	(308.13)	(296.83)	(291.70)	(71.26)	(80.22)
Managements' remuneration	(38.59)	(39.26)	(46.85)	(11.74)	(11.37)
Other expense	-	-	-	(39.77)	(34.09)
<b>Total Expenses</b>	<b>(670.06)</b>	<b>(552.52)</b>	<b>(551.25)</b>	<b>(155.54)</b>	<b>(191.40)</b>
<b>Profit from operating activities</b>	<b>1,874.86</b>	<b>2,018.15</b>	<b>1,082.89</b>	<b>(85.20)</b>	<b>(25.23)</b>
Finance costs	(4.81)	(4.30)	(11.34)	(4.29)	(4.27)
Share of profit from investment in an associate	0.24	0.17	(0.13)	0.04	(0.04)
<b>Profit before income tax expense</b>	<b>1,870.29</b>	<b>2,014.02</b>	<b>1,071.42</b>	<b>(89.45)</b>	<b>(29.54)</b>
Income tax expense	(379.91)	(410.95)	(214.61)	14.52	3.03
<b>Profit for the year</b>	<b>1,490.38</b>	<b>1,603.06</b>	<b>856.81</b>	<b>(74.93)</b>	<b>(26.51)</b>
Profit attributable to owners of the parent	1,472.32	1,578.67	833.77	(80.72)	(32.56)
Profit attributable to non – controlling interests	18.06	24.39	23.05	5.78	6.05

Source: TCCC's audited financial statement for the year 2020-2022 and reviewed interim financial statements for the first quarter of 2022, and 2023

Thai Central Chemical Public Company Limited	For the year ended 31 December			For 3-month ended 31 March	
Statement of Cash flows (Unit: THB million)	2020	2021	2022	2022	2023
Net cash from (used in) operating activities	1,883.41	1,921.24	(963.78)	86.13	574.13
Net cash from (used in) investing activities	(1,875.12)	779.00	2,930.57	1,328.57	227.63
Net cash from (used in) financing activities	(610.45)	(1,077.80)	(949.00)	(16.61)	(27.10)

Thai Central Chemical Public Company Limited	For the year ended 31 December			For 3-month ended 31 March	
Effect of exchange rate changes on cash and cash equivalents	(2.22)	(20.65)	(3.39)	(0.81)	(0.30)
<b>Net increase in cash and cash equivalents</b>	<b>(604.38)</b>	<b>1,601.80</b>	<b>1,014.40</b>	<b>1,397.28</b>	<b>774.38</b>

Source: TCCC's audited financial statement for the year 2020-2022 and reviewed interim financial statements for the first quarter of 2022, and 2023

Thai Central Chemical Public Company Limited	For the year ended 31 December			For 3-month ended 31 March	
Key Financial Ratios	2020	2021	2022	2022	2023
<b>Liquidity Ratio</b>					
Current Ratio (times)	9.31	8.89	10.93	4.02	7.83
Quick Ratio (times)	3.34	4.17	6.53	2.39	5.29
<b>Activity Ratio</b>					
Total Asset Turnover (times)	0.82	0.98	1.03	0.90	1.02
Average Collection Period (Days)	20.85	14.31	11.99	17.53	17.12
Average Sale Period (Days)	88.93	67.64	87.86	87.32	83.97
Average Payment Period (Days)	12.35	18.89	18.79	83.14	48.66
Cash Cycle (Days)	97.43	63.05	81.06	21.71	52.43
<b>Profitability Ratio</b>					
Gross Profit Margin (%)	25.83	20.24	11.58	3.66	7.99
Net Profit Margin (%)	15.67	13.13	6.58	(4.64)	(1.42)
Earnings Per Share (THB per share)	2.52	2.70	1.43	(0.14)	(0.06)
Price-to-Earnings Ratio (times)	10.79	12.36	16.68	13.80	27.18
Return on Equity (%)	14.35	14.43	7.48	11.77	8.35
Return on Asset (%)	16.18	16.17	8.58	11.62	8.79
<b>Leverage Ratio</b>					
Debt to Equity Ratio (times)	0.13	0.13	0.11	0.29	0.15
Interest Coverage Ratio (times)	390.01	468.93	95.45	(19.86)	(5.92)

Source: Setsmart

## **Explanation and Assessment of Financial Statements and Overall Operating performance of the Business**

### **Analysis of Business performance**

#### **Revenue**

During 2020 – 2022, and the first 3 months of 2022 and 2023, the total revenue of the Business was THB 9,434.30 million, THB 12,087.23 million, THB 12,885.82 million, THB 1,604.13 million, and THB 1,851.97 million, respectively. The Business's revenues comprise of revenue from sales and revenue from service.

In 2021, the Business has total revenue equivalent to THB 12,087.23 million, increased from the previous year by THB 2,652.92 million or increased by 28.12%. which was mainly due to increase in sales of chemical fertilizer in the total amount of THB 11,642 million, risen by THB 2,547 million or 28% compared to 2020 because the three contributing reasons; the increased price of most cash crops, the customers' demand to secure inventories to minimize the consequence from rising international price of raw materials and the positive factors from the adequate level of water and supplies. Moreover, income from other businesses was from the sales of pesticides used in the agricultural sector as well





as servicing tank rental and terminal operation for the storage of liquid chemicals used in various industries. The revenue generated by these businesses in 2021 was THB 445 million, increased by THB 106 million or 31% compared with THB 339 million in 2020 mainly due to the increase of pesticides' sales.

In 2022, the Business has total revenue equivalent to THB 12,885.82 million, increased from the previous year by THB 798.60 million or increased by 6.61%. The main reason was the higher fertilizer's selling price than the previous year due to higher international raw material price caused by the unbalance of supply- demand in the global fertilizer market amid the Russia-Ukraine conflict. Furthermore, the Business has an income from other businesses such as the sales of pesticides and servicing tank rental and terminal operation for the storage of liquid chemicals. In 2022, such income was amounting to THB 377 million, slightly decreased by THB 68 million or 15% from 2021. The reason was from the drop of sales from pesticides used in the agricultural sector and the lower volume of chemicals storage in the tank.

In the first 3 months of 2023, the Business has total revenue equivalent to 1,851.97 THB million, increased from the same period of the prior year by THB 247.85 million or increased by 15.45%. The main reason was due to the higher average selling prices of fertilizers per unit as the Business has also been affected by the consequence volatility of fertilizer prices in the global market.

### **Gross Profit**

In 2020 – 2022 and the first 3 months of 2022 and 2023, the Business has gross profit equivalent to THB 2,436.81 million, THB 2,446.62 million, THB 1,492.23 million, THB 58.69 million, and THB 147.90 million respectively representing gross profit margins of 25.83%, 20.24%, 11.58%, 3.66% and 7.99% respectively.

In 2021, the Business's gross profit margin dropped from the previous year despite the increase in total revenue because the government controlled strictly over ceiling of fertilizer's selling price while the raw material price in international markets increased gradually due to global supply-chain disruption under continuity of Covid 19. Hence, the Business's gross profit ratio is inevitably reduced from 25.83% to 20.24% when compared with the year 2020.

In 2022, the Business's gross profit margin decreased from the previous year. The reason was mainly a result of the increase of raw material costs from the chemical fertilizer affected by the global fertilizer market because of supply-side issues, including production halt in Europe, supply-chain disruptions due to Russia- Ukraine conflict, sanctions against Russia and Belarus, and trade restrictions in China, as well as the depreciation of Thai baht resulted in the higher import costs while the Business's selling prices are difficult to increase due to the government's price control policy to support farmers' living costs. As a result, the Business's margin was mostly at its lowest level compared with the previous year.

In the first 3 months of 2023, the Business's gross profit margin increased to 7.99% which is higher than the same period of the prior year due to the downward trend of raw material prices and strict control of selling prices from the government last year.

### **Selling and Administrative Expenses**

The Business's expenses consist of selling expenses, administrative expenses, and managements' remuneration. During 2020 – 2022, and the first 3 months of 2022 and 2023, the Business has total





expenses equivalent to THB 670.06 million, THB 552.52 million, THB 551.25 million, THB 155.54 million, and THB 191.40 million, respectively.

In 2021, the Business's total expense decreased from the previous year by THB 117.54 million or decreased by 17.54%. The Primary reason was the decrease in selling expenses by THB 106.91 million which was the result of the Business's decision to lower sales-related cost, aligning with their focus on controlling production costs following the impact of rising material costs. Additionally, the administrative expenses also decreased due to limitations on filed activities during the COVID-19.

In 2022, the Business's total expenses continue to maintain at the same level as they are slightly decreased from the previous year by THB 1.27 million or decreased by 0.23% as the Business continued to mitigate the implicate of fluctuation in global fertilizer prices.

In the first 3 months of 2023, the Business's total expenses increased by THB 35.86 million or 23.06% compared to the same period of the prior year. It is because the Business increased in marketing and sales promotion activities to expand the market and retain existing customers which caused a higher in the expenses compared to the same period of the prior year which the situation of Covid-19 pandemic is not fully recovered.

### **Net Profit**

From the factors and circumstances as mentioned above, the Business's net profit in 2020 – 2022, and the first 3 months of 2022 and 2023 was THB 1490.38 million, THB 1603.06 million, THB 856.81 million, THB (74.93) million, and THB (26.51) million respectively with a net profit margin of 15.80%, 13.26%, 6.65%, (4.64%) and (1.43%) respectively. Net profit of the Business in 2021, increased 7.56% from 2020 mainly due to the increase of revenue. In 2022, the net profit decreased by 46.55% from 2021 mainly due to the increase of raw material cost. Lastly, in the first 3 months of 2022 and 2023, the Business has recorded loss mainly because of the downtrend in fertilizer prices, which made our customers hesitate to stock fertilizer in their inventories. However, under these circumstances, the TCCC's management will constantly monitor relevant factors such as fertilizer demand in the global market, which is a key factor in determining the Business's production cost and selling price, to secure an optimal profit.

Net profit of the Business (after deducting net profit attributable to minority interest) in 2020 - 2022, and the first 3 months of 2022 and 2023 was THB 1,472.32 million, THB 1,578.67 million, THB 833.77 million, THB (80.72) million, and THB (32.56) million, respectively.

### **Financial Position**

#### **Assets**

As of 31 December 2020 - 2022 and 31 March 2023, the Business has total asset equivalent to THB 12,147.23 million, THB 12,809.83 million, THB 12,418.84 million, and THB 12,739.50 million, respectively.

As of 31 December 2021, the Business has total asset increased from the previous year by THB 662.60 million or increased by 5.45% due to the increase of cash and cash equivalent by THB 1,601.80 million or increased by 55.18%, which was enhanced by the sales performance in the year. In the meantime, the situation of raw material prices forced the Business to strictly control the cash collection from customers, which resulted in a 40.57% decrease in trade and other current receivables, and 16.1%



increase in Inventories. However, the Business's other current financial assets dropped by THB 905.34 million or dropped by 20.13% due to the decrease in the Business's time deposit.

As of 31 December 2022, the Business has total asset decreased from the previous year by THB 391.00 million or decreased by 3.05% mainly due to the decrease in other current financial asset by THB 3,121.12 million or decreased by 86.89% impacted by the reduction in the Business's time deposit at banks for purchasing expensive raw materials and derivatives from forward exchange contract. However, the inventory of the Business increased by THB 1,647.40 million or 85.85% as the impact from the value of raw materials increased.

As of 31 March 2023, the Business has total assets increased from the end of 2022 by THB 320.66 million or decreased by 2.58% as the Business's cash and cash equivalent increased by THB 774.37 million or by 14.03%, trade and other receivables increased by THB 215.20 million or 45.51%, and the Business's inventories dropped by THB 418.90 million or 11.75%, respectively. Moreover, the other current financial assets dropped by THB 280.15 million or by 59.49% due to a decrease in time deposits maturity date over 3 months but less than 1 year.

### **Liabilities**

As of 31 December 2020 – 2022 and the first 3 months of 2023, the Business has total liabilities equivalent to THB 1,381.01 million, THB 1,494.75 million, and THB 1,254.98 million, and 1,640.67 respectively.

As of 31 December 2021, the Business's total liabilities have increased from the previous year by THB 113.74 million or increased by 8.24% since trade and other current payables increased by THB 120.53 million or 19.32% and bank overdrafts and short-term borrowings from financial institutions increased by THB 35.96 million or 22.16%.

As of 31 December 2022, the Business's total liabilities have decreased from the previous year by THB 239.77 million or decreased by 16.04% since trade and other current payables decreased by THB 315.40 million or 42.37%.

As of 31 March 2023, the Business's total liabilities have increased from the end of 2022 by THB 385.69 million or 30.73% as trade and other current payables increased by THB 390.54 million or 91.05%.

### **Shareholders' equity**

As of 31 December 2020 - 2022 and 31 March 2023, the Business's shareholders' equity was THB 10,766.22 million, THB 11,315.08 million, THB 11,163.85 million, and THB 11,098.83 million, respectively, which was attributed to owners of the parent in total of 10,672.68 million, THB 11,215.24 million, THB 11,065.33 million, and THB 10,994.25 million, respectively.

As of 31 December 2021, the Business's equity has increased from the previous year by THB 548.86 million or increased by 5.87% as the retained earnings increased by THB 529.97 million or increased by 0.30% because the Business has profit and other comprehensive income for the year in the amount of THB 1,603.06 million, while the Business has paid dividend in the amount of THB 1,070.08 million.

As of 31 December 2022, the Business's equity has decreased from the previous year by THB 151.23 million or decreased by 1.34% as the retained earnings decreased by THB 155.29 million or decreased by 1.63% because the Business has profit and other comprehensive income for the year in the amount of THB 856.81 million, while the Business has paid dividend in the amount of THB 1,018.15 million.



As of 31 March 2023, the Business's equity has decreased from the end of 2022 by THB 65.02 million or decreased by 0.58% as the retained earnings decreased by THB 32.56 million or decreased by 0.35% because of the Business's net loss during the period.

### **Cash Flows**

As of 31 December 2020 – 2022 and 31 March 2023, the Business has cash and cash equivalents to THB 2,902.74 million, THB 4,504.54 million THB 5,518.94 million, and 6,293.31 respectively.

In 2021, Net cash provided by (used in) operating activities was THB 1,921.24 million, compared to the cash flow in 2020 with a change of THB 37.83 million. The main reason was an increase in net profit from the Business's performance. Net cash provided by (used in) investing activities was THB 779.00 million, compared to the cashflow in 2020 with a change of THB 2,654.13 million. The main reason was the Business's significant reduction in time deposits investment. Net cash provided by (used in) financing activities was THB (1,077.88) million, compared to the cash flow in 2020 with a change of THB (467.35) million due to the Business's higher dividend payment from 1.10 baht per share in 2020 (based on appropriation of net profit for 2019) to 1.80 baht per share in 2021 (based on an appropriation of net profit for 2020).

In 2022, Net cash provided by (used in) operating activities was THB (963.78) million, compared to the cash flow in 2021 with a change of THB (2,885.02) million due to a decrease in Net profit and an increase in Inventories. However, net cash provided by (used in) investing activities in 2022 was THB 2,930.57 million, compared to the cash flow in 2021 with a change of THB 2,151.56 million. The main reason was the Business's significant reduction in time deposits investment from time deposits maturity date over 3 months but less than 1 year to time deposits with maturity within 3 months resulting in the Business's higher cash flow. Net cash provided by (used in) financing activities was THB (949.00) million, compared to the cash flow in 2021 with a change of THB 128.80 million due to cash inflow from Short-term borrowings from financial institutions and lower Dividend payments compared with the previous year.

In the first 3 months of 2023, net cash provided by (used in) operating activities was THB 574.13 million, compared to the cash flow from the previous period with a change of THB 488.01 million due to decrease in inventories. However, net cash provided by (used in) investing activities was THB 227.63 million, compared to the cash flow from the previous period with a change of THB (1,100.94) million due to the Business's significant reduction in time deposits investment. The main reason was from the change of time deposits to time deposits with maturity within 3 months. These changes were implemented to increase the flexibility of the Business's operations amidst the significantly increased interest rates on time deposits resulting in the Business's higher cash flow. Net cash provided by (used in) financing activities was THB (27.10) million, compared to the cash flow from the previous period with a change of THB (10.49) million. The main reason was the cash outflows from Short-term borrowings from financial institutions.

### **1.9. Expected Future Performance**

The Tender Offerors have no plan to significantly change the Business's objectives during 12 months period after the end of the Tender Offer period. The Business still continues to focus on the business of producing and distributing the chemical fertilizer, and sales of pesticides used in the agricultural sector as well as servicing tank rental and terminal operation for the storage of liquid chemicals used in various industries.



However, the Tender Offerors may consider the adjustment of business plans to be complied with relevant laws and regulations which effective at that time and may also include the adjustment of the financial structure to manage cash in the Business. The Tender Offerors and the Business may consider together with the adjustments in business plans and financial structure or other significant adjustment on the financial status or the business conditions of the Business or any other necessary adjustment.

## 2. The Opinion on the Accuracy of the Business's Information Appeared in the Tender Offer Statement

The Board of Directors views that the information about the Business stated in part 3: Information of the Business of the Tender Offer (Form 247-4) dated 25 May 2023 is materially accurate.

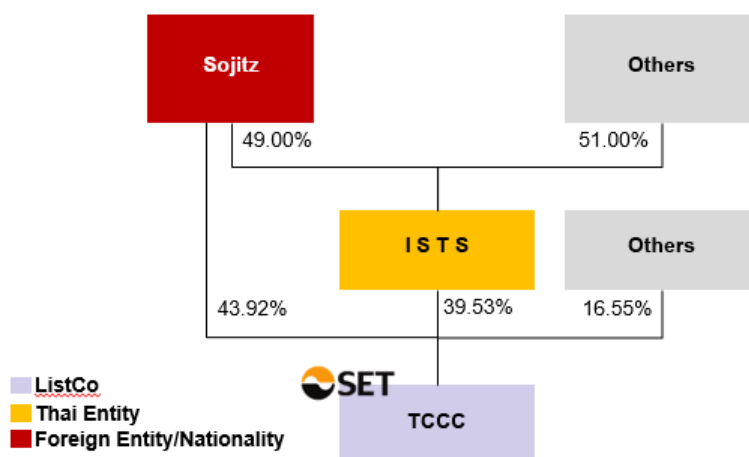
## 3. Relationship between the Offerors and the Business, Major Shareholders or Directors of the Business

### 3.1. Summarize the Material Information of any Contract/Agreement/Memorandum of Understanding, entered into by the Offerors or the Related Parties prior to making the Tender Offer for the Purpose of Acquiring Securities of the Business, regardless of whether or not such Contract/Agreement/Memorandum of Understanding is entered into for the Tender of Securities in the Tender Offer

- None -

### 3.2. Shareholding whether Direct or Indirect, by the Offerors or the persons authorized to bind the Offerors (in the case the offeror is the juristic person) in the Business or major shareholders of the Business (in the case the major shareholders of the Business is the juristic person)

Sojitz directly holds a 43.92% controlling stake in the Business and I S T S directly holds a 39.53% controlling stake in the Business, prior to the initiation of the Tender Offer. At the same time, Sojitz indirectly holds a controlling stake in the Business by directly holding 49.00% of the total shares issued in I S T S; this relationship is shown in the diagram below:



**3.3. Shareholding, whether direct or indirect, by the Business, major shareholders or directors of the Business in the Offeror (in the case the Offeror is the juristic person)****3.3.1. Shareholding by the Business in the Tender Offerors**

-None-

**3.3.2. Shareholding by the major shareholder of the business in the Tender Offerors**

-None-

**3.3.3. Shareholding by the director of the Business in the Tender Offerors**

-None-

**3.4. Other relationships****3.4.1. Joint Directorship**

The director of the Tender Offeror who is director of the Business is as follows:

Name	Position in Sojitz		Position in the Business	
	Director	Executive	Director	Executive
Mr. Yuji Yuasa	-	Chief Operating Officer, Consumer Industry & Agriculture Business Division	Chairman of Board of Director	-

**3.4.2. Related Party Transactions**

The Business and subsidiaries had related party transaction with Sojitz, the related transactions between the Business including subsidiaries and the Tender Offerors were as follows:

*Unit: THB million (unless stated otherwise)*

Company name and relationship	Account Name	Business / Subsidiary	Year End 31 December				End 31 March	
			2019	2020	2021	2022	2022	2023
Sojitz Corporation (Offeror and Major Shareholder)	Trade payables	MC Agro-Chemicals Company Limited	2.9	4.3	5.1	5.1	-	3.5
	Purchases	MC Agro-Chemicals Company Limited	9.6	8.3	11.8	9.7	-	3.5
	Revenue from sales and services	N.I.M. Company Limited	3.7	-	-	-	-	-

**3.4.3. Joint Investment**

- None -

**3.5. Other Information for the Securities Holders' Decision Making****3.5.1. Securities in the Business held by the Tender Offerors prior the Tender Offer****3.5.1.1. Ordinary Shares**

No.	Name	Class of shares	Number of shares	Percentage compared to the total number of issued shares and total voting rights
1.	The Tender Offerors	Ordinary shares	487,993,273	83.46
	- <i>Sojitz Corporation</i>	<i>Ordinary shares</i>	<i>256,833,457</i>	<i>43.92</i>
	- <i>ISTS (Thailand) Company Limited</i>	<i>Ordinary shares</i>	<i>231,159,816</i>	<i>39.53</i>
2.	Person in the same group of the Tender Offerors	-	-	-
3.	Related parties under Section 258 of I and II	-	-	-
4.	Other agreements resulting in an addition acquisition of shares by the persons under I and III	-	-	-
<b>Total</b>			<b>487,993,273</b>	<b>83.46</b>

**3.5.1.2. Convertible Securities**

- None -

**3.6. Sources of Funds used by the Offeror for the Tender Offer**

The Offerors will make a tender offer for all 96,720,795 ordinary shares of TCCC, representing 16.54% of the total issued and paid-up shares of the Business at the Offer Price of THB 40.00 per share. The total purchase value equals THB 3,868,831,800. The source of funds for the Tender Offer can be summarized as follows:

1. Sojitz's cash and cash equivalents: as of 1 May 2023, Sojitz has cash and cash equivalents of JPY 10,000,103,911 or approximately THB 2,524,656,234 (JPY/THB= 3.96 quoted by Bank of Thailand's daily exchange rate as of 25 May 2023) with the financial support confirmation letter issued by Sojitz to reserve the source of funds for the Tender Offer for securities to Sojitz, and;
2. Credit facilities from Bank of Ayudhya Public Company Limited in the amount of up to THB 2,800,000,000.

In this regard, when considering source of cash from cash and cash equivalents of Sojitz as of 1 May 2023 and credit facilities from Bank of Ayudhya, the Business's Board of Directors has reviewed the Offerors' source of funds and has determined that the Offeror has sufficient capital for the tender offer.



**3.7. Plan to Sell Shares of the Business**

At the date of the submission of the Tender Offer, the Tender Offerors have no plan to either sell or transfer shares in a significant amount within 12 months from the end of the Offer Period unless the condition below occur as follows:

1. The Tender Offerors are obligated to comply with the effective laws and regulations at that particular time.
2. The Tender Offerors may sell or transfer the securities of the Business to between the Tender Offerors or their major shareholders or persons under Section 258 for the purpose of business restructuring in accordance with the suitability of the business operations in order to improve efficiency and competitiveness, including the benefits of conducting business as a member of the Tender Offerors' group.

**3.8. Other Necessary Information**

- None -

**4. The Opinion of the Business's Board of Directors to Shareholders**

The Business's Board of Directors Meeting No. 6/2023 held on 6 June 2023 considered the Tender Offer (Form 247-4) of the Tender Offeror and Opinion of the Independent Financial Advisor on the Tender Offer for Delisting of Securities from the Stock Exchange of Thailand prepared by Jay Capital Advisory Limited ("Independent Financial Advisor" or "IFA"). The 5 directors, who are not interested directors, considered and voted on the agenda item related to the consideration of the Tender Offer are as follows:

No.	Name	Position	Interests in the Offeror	% of Stake in the Business as of 12 May 2023
1	Mr. Chanand Sophonpanich	Director	None	None
2	Mr. Ek-Rit Boonpiti	Director	None	None
3	Mr. Suvat Suebsantikul	Independent Director / Chairman of Audit Committee	None	None
4	Mr. Opas Sripornkijachorn	Independent Director / Member of Audit Committee	None	None
5	Mr. Kasemsak Masayavanich	Independent Director / Member of Audit Committee	None	None

The interested directors of the Business is Mr. Yuji Yuasa, Mr. Takahiro Yamashita, Mr. Takayuki Tohei, and Mr. Takuji Nakagawa did not take part in considering and voting the matters related the Tender Offer (Form 247-4) of the Tender Offeror.

**4.1. Reasons to Accept or Reject the Tender Offer**

The Business's Board of Directors (excluding directors with conflict of interests) considered the Tender Offer Document (Form 247-4) and the opinion of the IFA on the Tender Offer. The opinion of the Board of Directors was aligned with the opinion of the IFA that the Tender Offer and the Offer Price is appropriate and unanimously resolved that the opinion of the IFA was reasonable thus the



shareholders should, at this point in time, consider to accept the Tender Offer. The opinions of the Board of Directors are as follows:

#### **4.1.1. The Appropriateness of the Tender Offer Price**

Since the Offer Price at THB 40.00 per share is higher than the range of the fair value of the Business calculated by the IFA using the Sum of the Parts (SOTP) Approach, which is between THB 33.74 to THB 38.67 per share, with a base case of THB 36.16 per share (as detail of fair value valuation appear in IFA's report). Moreover, the Offer Price is not lower than the maximum price calculated based on the procedures and provisions in determining a tender offer price for securities delisting pursuant in accordance with Clause 56 of the Notification of the Capital Market Supervisory Board No. Tor Chor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeover dated 13 May 2011 (as amended).

#### **4.1.2. Accepting the Tender Offer provides an alternative for minority shareholders to mitigate potential risks and impacts after delisting from the SET**

Minority shareholders will be affected after the Business is delisted from the SET. Accepting this Tender Offer is an alternative for minority shareholders to dispose the Business's shares as an alternative way for minority to sell their share at appropriate price to guard against the following risks:

##### **1) Lack of Trading Liquidity**

After delisting from SET, the shareholders will not be able to trade the Business's shares on SET, which is the secondary market for trade. Trade will not be as fast and liquid. In addition, there will not be reference market price as a benchmark for share trading.

##### **2) Limitation of Investment Return**

The investment return to the shareholders will be limited in the form of dividend. The opportunity to obtain return in the form of capital gain will be limited as the Business's shares are no longer traded on the SET and there is no market price as a benchmark. Moreover, the Business's dividend payment policy in the future may be adjusted according to the policy of Sojitz and I S T S who are the current major shareholders of the Business.

##### **3) No Tax Privilege**

In case that the Business is still a listed company on the SET, capital gains from selling shares will be considered as tax - exempt income which the seller has no obligation to include capital gains from selling shares in the calculation for filing personal income tax in accordance with the ministerial regulation No. 126 (B.E. 2509). However, after the delisting, individual shareholders will no longer receive tax privilege for the exemption of capital gains tax. Any individual shareholders who trade the Business's shares after the delisting have to include capital gains from selling shares in the calculation for filing personal income tax at progressive rates.

##### **4) Limited Access to TCCC's Information**

After delisting from the SET, shareholders will receive less information since the Business will no longer be required to disclose information to the public.





Moreover, after the tender offer for voluntary delisting, of other shareholders, in case that (1) the remaining shareholders who are not the Tender Offerors, persons acting in concert and related persons under Section 258, hold a shareholding in an aggregate of not more than 5.00% of total issued and paid-up shares of the Business, or (2) the number of shareholders is not more than 100 persons, the Business will terminate the obligation to prepare and submit its financial statements and reports on its financial position and operating results to the SEC pursuant to the Capital Market according to Supervisory Board's Notification No. TorJor. 44/2556 Re: Rules, Conditions and Procedures for Disclosure of Financial Position and Operating Performance of Securities Issuing Companies.

Moreover, the Business including the Business's directors and the management are no longer required to comply with provisions under Section 3/1 of the Securities and Exchange Act B.E. 2535 (as amended) such as provisions related to connected transactions, material transactions, reports of interests by directors and executives, etc. Likewise, the directors, managements and auditors are not obligated to prepare and submit a report on their holdings of TCCC securities in accordance with the SEC Notification no. Sor.Jor.38/2561 re: Preparation and Disclosure of Reports on Securities Holdings of Directors, Executives, Auditors, Rehabilitation Plan Preparers and Managers. However, the Business is still required to comply with provisions under the Public Company Act B.E.2535 (as amended) such as preparation and submission of audited financial statements and annual reports. Minority shareholders who need the Business's information regarding the affidavit, shareholders list and financial statement, can take a copy of those documents at the Ministry of Commerce.

#### **5) Lack of Checks and Balance of Major Shareholders' Management Powers**

Currently, the Business is under the control of the Tender Offerors, who are the majority shareholders holding 83.46% of the total issued and paid up capital of the Business (information as of 12 May 2023). This allows the Tender Offerors to control the management and business direction as well as the resolutions of the shareholders' meeting on common issues that require majority votes of the shareholders who attend the meeting and are eligible to vote, such as the approval of the annual financial statements, the appointment of the board of directors and the appointment of auditor, as well as all matters to be considered and approved in the Business's meeting of shareholders.

In addition, after completion of the Tender Offer, in case that any shareholders who are not the group of the Tender Offerors collectively hold less than 10.00 percent of total issued share of the Business, such shareholders will not be able to make a written requisition to the board of directors to call for shareholders' meeting in accordance with Section 100 of the Public Company Act B.E.2535 (as amended), which resulting the risk of being unable to inspecting of the Business's management, vote for balancing, and control direction of the Business.

#### **4.2. Opinions and Rationales of Individual Directors and the Number of Shares They Hold (only in the case where the opinion in 4.1 is not unanimous)**

– None –

#### **4.3. Benefits or Impacts from the Plans and Policies of the Tender Offeror As Specified in the Tender Offer Document, including the Viabilities of Such Plans and Policies**

The Board of Directors (excluding interested directors), has considered plans after the Tender Offer as stated in Form 247-4 and has opinion as follows:



#### **4.3.1. The Status of the Business**

As stated in Form 247-4, after the SET has delisted the ordinary shares of the Business from being listed securities on the SET, the status of the Business as a listed company on the SET will cease. However, the Business shall continue to operate its business and will maintain its status as a public company limited. In any case, should there be any change to the laws related to the conversion of the Business's status and should the Business qualify for the conditions to proceed as required by law, the Tender Offerors may further consider proceeding as appropriateness and in accordance with all the relevant laws.

Nonetheless, as the Business will maintain its status as a public company limited, it is still required to make disclosures and deliveries of information according to the Public Limited Company Act B.E. 2535 (1992) (as amended), but the obligations for disclosures as a listed company on the SET, including obligations under the rules, conditions and procedures governing the disclosure of information and other acts of a Listed Company will, in whole or in part, cease.

In addition, the Tender Offerors have held shares in the Business before the Tender Offer Period totaling 83.46 percent of total voting rights of the Business. Therefore, after the completion of the Tender Offer Period and the SET's delisting of the Business's securities, in case that the Business has shareholders who are not the Tender Offerors, including their concert parties and their persons under Section 258, holding less than 5.00 percent of the total voting rights of the Business after the completion of the Tender Offer and the SET delist the ordinary shares of the Business from being listed securities on the SET, this would result in (1) the cessation of the Business's obligation to prepare and deliver financial statements to the SEC in accordance to the Notification of the Capital Market Supervisory Board TorChor. 44/2556 re: the Rules, Conditions and Procedures for Disclosure regarding Financial and Non-financial Information of Securities Issuers (2) the Business as well as the directors and executives of the Business no longer being under the requirements related to the governance of a listed company in accordance to Section 3/1 of The Securities and Exchange Act B.E. 2535 (1992) (including those with further amendment) such as requirements on entering into connected transaction, major transactions, and reporting of equity holdings of directors and executives, and (3) the cessation of requirements for the directors, executives and auditor of the Business to prepare and disclose reports of their securities holdings in accordance to the Notification of the Office of the Securities and Exchange Commission No. Sor Jor. 38/2561 Re: Preparation of Report on Changes to the Securities and Derivatives Holding of Director, Executive, Auditor, Plan Preparer and Plan Administrator.

#### Opinion of the Board of Directors

The Board of Directors (excluding interested directors), has considered the status of the Business as stated in Form 247-4 and agreed with Independent Financial Advisor's opinion that although the Business is no longer a listed company in the Stock Exchange of Thailand, the Board of Directors still has duty to supervise the Business to be comply with relevant laws which include the Public Limited Company Act and Corporate Governance Code since the Business still has duty to comply with Public Limited Company Act. Hence, the Business's shareholders still have rights as prescribed by the Public Limited Company Act such as attending shareholder meetings, voting for directors, receiving dividends and receiving of information, etc.

Moreover, after the delisting of the Business's securities from the SET, the Business is still able to manage its liquidity by borrowing from financial institutions, issuing debentures, and/or using internal cash flow to support the business operation. In addition, if necessary and appropriate, the Business can obtain financial support from Sojitz and/or I S T S, a major shareholder.



#### **4.3.2. Policy and Plans of Business Operations**

##### **Business Objectives**

As stated in Form 247-4, after the Tender Offer and the Business's status as a listed company on the SET has ended, the Tender Offerors do not have any plan to make any material changes to the Business's core business but may consider adjusting operational plan in certain business units to increase operational efficiency and business competitiveness within the 12 months following the end of the Offer Period. Any decision to adjust any operation plan must be complied with related rules and regulations that are effective at that particular time.

Nevertheless, if needed and for the best interest of the Business, the Tender Offerors may cooperate with the Business to adjust business plans or in the case of a significant change to the Business position or other necessary changes, the Tender Offerors may review and reconsider the Business's operational policies in order to be suitable to the Business's operation and financial position and to avoid any potential negative consequences which may affect its operations, or to improve the efficiency and competitiveness of the Business in the future. Nevertheless, if the Tender Offerors intend to make any change significantly different from those specified in the Tender Offer, the Tender Offerors will seek for an approval from the board of directors' meeting and/or the shareholders' meeting and other necessary approval to comply with related rules and regulations that are effective at that particular time.

##### Opinion of the Board of Directors

The Board of Directors (excluding interested directors) has considered the Business objective as stated in Form 247-4 and agreed with Independent Financial Advisor's opinion that the Business still continues to focus on the main business operations. Therefore, the Board of Directors expects that the Business will not have a significant impact on the overall company. However, there may be a possibility that the Business and the Tender Offeror will consider the adjustment of the business plans and financial structure to be more appropriate and highly beneficial to the Business's business operations.

In the event that the Business will significantly change the business objectives that are different from those specified in the Tender Offer, the Business will ask for an approval from the Board of Directors and/or the Shareholders' meeting and/or other related contractual parties (if necessary) in order to comply with the relevant laws and regulations effective at that time.

##### **Business Operation and Expansion Plans**

As stated in Form 247-4, after the Tender Offer and the Business's status as a listed company on the SET has ended, the Tender Offerors have no plans to significantly increase their investment that is inconsistent with normal business investment plans within the 12 months following the end of the Offer Period.

Nevertheless, if needed and for the best interest of the Business, the Tender Offerors may cooperate with the Business to review and reconsider its investment expansion plans as necessary and appropriate in order to improve the operation efficiency, management and business development of each current business of the Business. If the Tender Offerors intend to make any change significantly different from those specified in the Tender Offer, the Tender Offerors will seek for an approval from the board of directors' meeting and/or the shareholders' meeting and other necessary approval to comply with related rules and regulations that are effective at that particular time.



### Opinion of the Board of Directors

The Board of Directors (excluding interested directors) has considered the investment or production capacity expansion plan as stated in Form 247-4 and agreed with Independent Financial Advisor's opinion that at present, the Business has chemical fertilizer's manufacturing capacity for a total of 1.2 million metric tons a year which is sufficient to produce products to meet the needs of customers and suit the current market conditions. Hence, the Business has not been significantly affected in case that there is no any plan to expand investment or production capacity in any way except for the normal investment plan for maintaining the machine in order to keep them in a good condition.

### **Corporate structure, management, and recruitment**

As stated in Form 247-4, after the Tender Offer and the Business's status as a listed company on the SET has ended, the Tender Offerors do not have any plan to make any material changes to corporate structure, management, and recruitment within the 12 months following the end of the Offer Period. If there is any change of director and executive of the Business, the Tender Offerors will comply with the relevant laws and regulations.

### Opinion of the Board of Directors

The Board of Directors (excluding interested directors), has considered the plan of corporate structure, management, and recruitment as stated in Form 247-4 and agreed with Independent Financial Advisor's opinion that the Business will not be affected by the aforementioned plan. At present, the 2 out of the total of 9 directors are the representatives of Metro Co., Ltd. group, and Bangkok Bank PCL who have been selected and appointed based on their profound knowledge, abilities, and extensive experience within the business area. So, Sojitz and I S T S have significant roles in the formulation of policies, business plans and operations of the Business. After this Tender Offer and the Business doesn't have the status of being a listed company, the Business may not renew the term of the position for independent directors and audit committee when the term becomes expired. The consideration to change the number of the directors will be based on the best interests of the Business.

Moreover, the Board of Directors (excluding interested directors) opine that, at the present, the 4 out of 9 directors and the executives of the Business are representative of Sojitz including (1) Mr. Yuji Yuasa, (2) Takahiro Yamashita, (3) Takayuki Tohei, and (4) Takuji Nakagawa. As a result, after the completion of the Tender Offer and the Business doesn't have the status of being a listed company, the executives of the Business will still follow policies and business plans that Sojitz and I S T S has set as usual.

In the event of any changes in the corporate structure and management practices, the Business and the Tender Offerors will proceed accordingly to ensure compliance with the decision of the board of directors or shareholders' meeting of the Business, and/or relevant laws (if necessary) in order to maximize the benefits of the Business.

### **Plan on disposal of existing core assets**

As stated in Form 247-4, within the 12 months following the end of the Offer Period and the Business's status as a listed company on the SET has ended, the Tender Offerors have no plans for the Business to acquire or undertake significant asset disposition that is inconsistent with normal business investment plans. Nevertheless, if the Tender Offerors intend to make any changes significantly different from those specified in the Tender Offer, the Tender Offerors will seek for an approval from



the Board of Directors' meeting and/or the shareholders' meeting and other necessary approval to comply with related rules and regulations that are effective at that particular time.

#### Opinion of the Board of Directors

The Board of Directors (excluding interested directors) has considered the core asset disposal plan as stated in Form 247-4 and agreed with Independent Financial Advisor's opinion that the Business will not be affected because the Tender Offeror has no plan to significantly dispose main assets of the Business during the 12 months after the Tender Offer date. The main assets of the Business such as the land, building, machinery, office buildings that are still used in the operation of producer and distributor of compound chemical fertilizers in Thailand which is the main business of the Business.

In the event that the Tender Offerors aim to significantly sell the main assets within 12 months after the end of the Tender Offer period, which is different from that stated in Form 247-4, the Tender must be approved from the Board of Directors and/or the Shareholders' Meeting and other authorities (if necessary) in order to comply with the Business's regulation, relevant laws and regulations effective at that time.

#### **Plan on changing financial structure**

As stated in Form 247-4, Within 12 months after the end of the Offer Period, the Tender Offerors have no plan to make any material change to the financial structure. However, any financial restructuring whose goal is to increase efficiency in the management of the Business and to create maximum benefits for the overall business of the Business, including borrowing and lending, must be approved pursuant to the delegation of authority (DOA) of the Business and the relevant rules and regulations.

#### Opinion of the Board of Directors

The Board of Directors (excluding interested directors), has considered the financial restructuring plan as stated in Form 247-4 and agreed with Independent Financial Advisor's opinion that the Business and its shareholders will not be affected because the Tender Offeror has no plan to significantly change the financial structure of the Business during the 12 months after the Tender Offer date which at present, the Business's financial structure is suitable with the Business and general management, whereby the Business is able to manage its liquidity for the business operations by using internal cash flows from operations and the Business can also borrow from financial institutions to support the business operations and working capital.

#### **Dividend payment policy**

As stated in Form 247-4, currently, the Business has the policy to pay dividend no less than 60 percent of the net profit (from separated financial statement) under the exception of the case that it plans to expand its business, in the need of funds, or its net profit does not meet the appropriate target. However, the Tender Offerors have no plan or policy to adjust the dividend payment policy for 12-month period from the end of the Offer Period.

Nevertheless, if necessary or in case of significant changes of financial status or business conditions or other necessary changes, the Tender Offerors may determine the aforementioned dividend policy as appropriate for the operation and the financial position of the Business in accordance with the best benefit to the Business and the shareholders of the Business. Nevertheless, if the Tender Offerors makes any changes on dividend policy of the Business, the Tender Offerors must comply with related rules and regulations that are effective at that particular time.



### Opinion of the Board of Directors

The Board of Directors (excluding interested directors) has considered the dividend payment policy as stated in Form 247-4 and agreed with Independent Financial Advisor's opinion that the Business and its shareholders will not be affected because the Tender Offerors has no plan to significantly change the dividend payment policy of the Business during 12 months from the end of the Tender Offer period which does not have any impact on the Business. However, the dividend payment of the Business is uncertain depending on the Business's performance and dividend payment policy of the Tender Offeror.

If necessary or in the event that there is a significant change in the financial status or the Business condition of the Business or other necessary changes, The Tender Offerors may modify the dividend payment policy of the Business in the future in order to be suitable with the operations and financial status of the Business or to increase efficiency and competitiveness in the future. However, the shareholders who reject the Tender offer and still are the Business's shareholders may be affected by the changing of the dividend policy in the future. This is the factor that the shareholders should consider for making the decision to accept or reject the Tender offer.

### **4.3.3. Related Party Transaction**

As stated in Form 247-4, currently, the Business has set out policies and procedures regarding approval of related party transactions in compliance with the rules and regulations stipulated by the SET and the SEC to prevent any conflict of interest on a related party transaction between the Business, its subsidiaries, associate companies, related companies and/or any persons who may have potential conflict.

Within the 12 months following the end of the Offer Period and the Business's status as a listed company on the SET has ended, the Tender Offerors have no plans to significantly increase or change related party transactions with the Business and/or its subsidiaries from the current operation, except that the Tender Offerors may enter into related party transactions with the Business and/or its subsidiaries as a financial provider and/or financial receiver for liquidity management of the Business.

Nevertheless, after the Tender Offer and the termination of the Business's status being listed company, if the Business has shareholders who are not the Tender Offerors, including their concert parties and their persons under Section 258, holding less than 5.00 percent of the total voting rights of the Business, the Business, directors and management of the Business will be no longer obligated to regulations under section 3/1 of the Securities and Exchange Act B.E. 2535 (including those with further amendment), which include the exemption from obligation related to related party transactions. In such case, if there are any other related party transactions that may occur in the future, the Business is no longer obligated to the SET and SEC regulations. The following related party transactions will take into account of the necessity, reasonability, reasonability and will be arranged with similar purpose as the prior the related party transactions shown in Part 2; Section 4.4.2 in Form 247-4. Nevertheless, the transactions must comply with the Public Limited Company Act and related rules and regulations that are effective at that particular time.

### Opinion of the Board of Directors

The Board of Directors (excluding interested directors) has considered the related party transaction as stated in Form 247-4 and agreed with Independent Financial Advisor's opinion that the related party transactions that may arise in the future will be considered the necessity and reasonableness of the transactions, and the benefits to the Business and its shareholders. Consideration, approval and



disclosure of such transactions will be conducted in observance of the Business's articles of association and applicable laws.

#### **4.4. Additional Opinion of the Board of Directors of the Business (only in Case of a Tender Offer for Delisting of Securities in Accordance with the Stock Exchange of Thailand's Requirements)**

##### **4.4.1. Benefits to and Impacts on Shareholders who Decline the Tender Offer**

The Board of Directors of the Business (excluding interested directors) has considered and deemed that after the delisting from SET, shareholders who decline the Tender Offer will remain the Business's shareholders and still be entitled to the rights stipulated in the Business's Articles of Association and the Public Limited Companies Act B.E. 2535 such as attending shareholder's meetings, receiving dividend payment, receiving the Business's information and news disclosed to the shareholders' meeting and annual report. In addition, in case minority shareholders who need the Business's information regarding the affidavit, shareholders list and audited financial statement of the Business, shareholders can take a copy of those documents at Ministry of Commerce.

However, the shareholders who decline the Tender Offer may be affected by the Business's status as no longer a listed company on SET such as lack of trading liquidity, chance to obtain investment return in a form of capital gains from trading securities will be limited since there is no secondary market for trading, the individual shareholder will not receive a tax privilege on the capital gain, limited access to TCCC's news and the minor shareholders will be unable to balance the power of the major shareholders.

##### **4.4.2. The Appropriateness of the Tender Offer Price**

The Board of Directors (excluding interested directors) have considered and agreed with the Independent Financial Advisor that the Offer Price at THB 40.00 per share is appropriate as the Offer Price is higher than the range of the fair value of the Business calculated by the IFA using the adjusted book value approach, which is between THB 33.74 to THB 38.67 per share, with a base case of THB 36.16 per share. Moreover, the Offer Price is not lower than the maximum price calculated based on the procedures and provisions in determining a tender offer price for securities delisting pursuant in accordance with Clause 56 of the Notification of the Capital Market Supervisory Board No. Tor Chor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeover dated 13 May 2011 (as amended).





**5. The Opinion of the Shareholders' Financial Advisory Who is the Financial Advisor Certified by the SEC**

Please see details of Opinion of the Independent Financial Advisor on the Tender Offer for Delisting of Securities from the Stock Exchange of Thailand of Thai Central Chemical Public Company Limited as enclosed.

However, the decision to accept or reject the Tender Offer, shareholders should consider Opinion of the Business on the Tender Offer for Securities (Form 250-2) and Opinion of the Independent Financial Advisor, including other creditably information in order to make the decision. The final decision depends on each shareholder's discretion.

The Business hereby certifies that all the above information is true, complete, and correct, and there is no information that may cause a misunderstanding in a material aspect among other parties, nor any concealment of material information that should have been explicitly revealed.

**Thai Central Chemical Public Company Limited**

*-Mr. Takahiro Yamashita-*

(Mr. Takahiro Yamashita)

Authorized director

*-Mr. Takayuki Tohei-*

(Mr. Takayuki Tohei)

Authorized director





**Opinion of the Independent Financial Advisor  
Regarding the Delisting Tender Offer of the Company's securities  
from the Stock Exchange of Thailand**

of



**Thai Central Chemical Public Company Limited**

Presented to

**The Shareholders of Thai Central Chemical Public Company Limited**

Prepared by



**Jay Capital Advisory Company Limited**

**16 June 2023**

This English report of the Independent Financial Advisor's Opinion has been prepared solely for the convenience of foreign shareholders of Thai Central Chemical Public Company Limited and should not be relied upon as the definitive and official document. The Thai language version of the Independent Financial Advisor's Opinion is the definitive and official document and shall prevail in all aspects in the event of any inconsistency with this English Translation.

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## Glossary

Abbreviation	Full Name
The Company, the Business or TCCC	: Thai Central Chemical Public Company Limited
TCCCM	: TCCC Myanmar Limited
MCA	: MC Agro-Chemicals Company Limited
NIM	: N.I.M. Company Limited
CTP	: Central Pacific (Thailand) Company Limited
Sojitz	: Sojitz Corporation
I S T S	: I S T S (Thailand) Company Limited
Tender Offerors	: Sojitz Corporation and I S T S (Thailand) Company Limited
Independent Financial Advisor or IFA	: Jay Capital Advisory Limited
SET	: The Stock Exchange of Thailand
SEC	: The Office of the Securities and Exchange Commission
SET Delisting Rules	: Notification of the Board of Governors of the Stock Exchange of Thailand Re: Procedures for Voluntary Delisting B.E. 2564 2021)
Free Float Requirement	: SET rules concerning distribution of minority shareholding which stipulates at least 150 minority shareholders shall hold in aggregate at least 15.00% of total issued and paid-up shares of the Business
Requirement for Maintaining SET	: Regulation of the Stock Exchange of Thailand Re: Listing of Ordinary
Business Takeover Rules	: Notification of the Capital Market Supervisory Board Tor.Chor 12/2554 re: Rules, Conditions and Procedures for Securities Acquisitions for Business Takeovers Dated 13 May 2011 (as amended)
SET Delisting Rules	: Notification of the Stock Exchange of Thailand re: SET Delisting B.E. 2564 dated 5 October 2021
Independent Property Appraisers	: Independent property appraisers approved by the SEC (except Japan Valuers (Myanmar) Company Limited) as follows: <ul style="list-style-type: none"> <li>• UK Valuation and Agency Company Limited</li> <li>• Thai Property Appraisal Lynn Phillips Company Limited</li> <li>• Japan Valuers (Myanmar) Company Limited</li> <li>• Agency for Real Estate Affair Company Limited</li> </ul>
UK Valuation	: UK Valuation and Agency Company Limited
Lynn	: Thai Property Appraisal Lynn Phillips Company Limited
JVM	: Japan Valuers (Myanmar) Company Limited
AREA	: Agency for Real Estate Affair Company Limited

Opinion of the Independent Financial Advisor on the tender offer for delisting of the Company's securities from the Stock Exchange of Thailand (For the purpose of translation only)

16 June 2023

Attention: The shareholders of Thai Central Chemical Public Company Limited

Subject: Opinion of the Independent Financial Advisor on the tender offer for delisting of the Company's securities from the Stock Exchange of Thailand

According to the resolution of the 2023 Annual General Meeting of Shareholders No. 51 of Thai Central Chemical Public Company Limited ("TCCC" or "the Business" or "the Company") on 28 April 2023 has resolved to approve the delisting of the securities of TCCC from being listed on the Stock Exchange of Thailand ("SET"). The Company has received letter approving the delisting of the securities of TCCC from being listed on the SET on 12 May 2023. However, the delisting is subject to the condition that TCCC shall procure the Offerors, namely Sojitz Corporation ("Sojitz") and I S T S (Thailand) Company Limited ("I S T S") (collectively called "the Offerors"), proceed with a tender offer for the securities of TCCC to the shareholders in accordance with regulations and requirements of The Office of the Securities and Exchange Commission (the "SEC"). The offering period is 45 business days before SET has considered the date of delisting of securities from SET.

In this regard, TCCC's board of director has appointed Jay Capital Advisory Limited to be Independent Financial Advisor ("the Independent Financial Advisor" or "IFA") rendering opinion to minority shareholders by considering the Tender Offer for Securities by the Sojitz and I S T S, dated 25 May 2023 and the amended Tender Offer for Securities No.1 by the Sojitz and I S T S, dated 8 June 2023 (collectively called "Form 247-4"), as to comply with regulations and requirements of SEC.

As a basis of analysis and opinion rendered, the IFA has gathered information from interviews, documents obtained from the Business as well as other information available in the public domain and current economic conditions. Any significant changes to this information in the future may alter the IFA's opinion on the transaction accordingly. Information and documents used in preparing this report are as follows:

- The resolutions of the Business's Board of Director's Meetings and Information Memorandum relating to the transaction.
- Tender Offer for Securities (Form 247-4) and the amendment
- Information of the transaction which is disclosed through the information service system of SET and/or website of the Business and/or in public.
- Annual Information Disclosure (Form 56-1) of the Business for the year 2022.
- The Business's audited or reviewed financial statements for the year ended 31 December 2020 – 2022 and the Business's financial statement for the three-month period ended March 31, 2023.
- Information from interviews with the Business's managements and employees.
- Information and documents obtained from the Business.

In addition, the IFA's opinion was based on the following assumptions:

- Information and documents obtained from the Business, as well as interviews with the Business's managements and employees and related persons were valid and true. The opinions obtained were credible and close to the current situation.
- No past or imminent or impending events would create significant impacts on the Business's operating and financial performance.

The IFA certified that we have studied, analyzed and prudently performed our duties as an Independent Financial Advisor, complying with the generally accepted professional standard and rendered our opinion based on the unbiased analysis with regards to the best benefit of the shareholders.

Opinion of the Independent Financial Advisor on the tender offer for delisting of the Company's securities from the Stock Exchange of Thailand (For the purpose of translation only)

Nevertheless, should such information and documents obtained from the Business be incorrect and/or untrue and/or incomplete and/or have any substantial changes in the future, the opinion provided by the IFA may differ accordingly. The IFA is unable to assess the impact from such factors to the Business and its shareholders. The objective of this report is to provide an opinion on the transaction to the Business's shareholders. The voting decision is the sole discretion of the shareholders, which shall include the consideration of advantages, disadvantages, and risk associated with the transaction to make the most appropriate decision. In this regard, the opinion of the IFA does not certify the success of the transaction as well as the possible impacts. The IFA does not hold any responsibilities for the impacts that might arise from this transaction both directly and indirectly.

In making the decision to accept or reject the Tender Offer, the shareholders should take into consideration of the reasons and opinion in all aspects provided herein as a basis for decision making. Nonetheless, the final decision whether to accept or reject the Tender Offer should be made solely based on the consideration and discretion of the shareholder.

## Executive Summary

Pursuant to the to the resolution of the Board of Directors' Meeting of from Sojitz Corporation ("Sojitz"), held on 26 January 2023, to approve the delisting of Thai Central Chemical Public Company Limited ("TCCC" or "the Business" or "the Company") shares from the Stock exchange of Thailand ("SET"), Sojitz and ISTS (Thailand) Company Limited ("ISTS") (collectively, "Tender Offerors") have resolved to make a tender offer for the remaining 96,720,795 shares, representing of 16.54%, in order to delist the Business's securities on the SET. The offering price is THB 40.00 per share, equivalent in total to THB 3,868.83 million. As major shareholders of the business holding 487,993,273 ordinary shares, representing 83.46% of its total issued and paid-up shares (information as of 12 May 2023), the Tender Offerors intend to make a tender offer to delist the Business's from being securities listed on the SET at the offering price of THB 40.00 per share, which is a price not lower than the highest price calculated using the criteria for determining the tender offer price for delisting of securities prescribed under the Notification of the Capital Market Supervisory Board No. Tor Chor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (as amends) ("Business Takeover Rules"). The Tender Offerors will proceed with the tender offer in to delist the Business's shares from being listed securities on the SET after all of the following conditions are satisfied:

- (1) The shareholders' meeting of the shareholders' meeting of the Business resolves to approve the delisting of the Business's securities from the SET with the votes of not less than three-fourths of the total issued shares of the Business and there shall be no shareholders opposing the delisting of securities with the votes exceeding 10.00 percent of the total issued shares of the Business; and
- (2) The delisting of delisting of the Business's securities shall be approved and or waived by the relevant regulatory agencies, including the SET, financial institutions and other contractual parties under the relevant agreements (if necessary).

Because of the fulfillment of the conditions precedent specified: (1) The annual general meeting No.51/2023 of the Business, held on 28 April 2023, has resolved to pass a resolution approving the delisting of the Business's shares from being securities listed on the SET and (2) Tender Offerors received the notification of the approval of the delisting of the Business's shares from being securities listed on the SET on 12 May 2023. Therefore, Tender Offerors have an intention to make a tender offer for all the shares of the Business to delist the Business's from being securities listed on the SET, under the condition that Sojitz and I S T S will procure the Tender Offerors to conduct the Tender Offer from the shareholders as to comply with the regulation of SEC with the Tender offer period of 45 business days before SET has considered the date of delisting of securities from SET.

On 25 May 2023, the Business has received the Tender Offer (Form 247-4) from Sojitz and I S T S which is the Tender Offerors. The significant details are as follows:

### Key Details of Tender Offer by the Tender Offerors

<b>Name of the Tender Offerors</b>	:	- Sojitz Corporation ("Sojitz") - ISTS (Thailand) Company Limited ("ISTS")
<b>Name of the Tender Offer Preparer</b>	:	Kiatnakin Phatra Securities Public Company Limited
<b>Tender Offer Agent</b>	:	Kiatnakin Phatra Securities Public Company Limited
<b>Type and Amount of the Offered Securities</b>	:	96,720,795 issued and paid-up ordinary shares of TCCC, representing 16.54% of the total issued and paid-up ordinary shares of the Business.
<b>Offer Price</b>	:	THB 40.00 per share. Shareholders who accept the Tender Offer (each an "Offeree") are subject to payment of a brokerage fee of 0.25 percent of the Offer Price plus value added tax ("VAT") of 7.00 percent of the

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		brokerage fee. Therefore, the net share price to be received by the Offeree will be THB 39.893 per share.
<b>Offer Period</b>	:	<p>The Tender Offer period will last a total of 45 business days from 29 May 2023 to 2 August 2023 inclusive (the "Offer Period"), during the office hours of the Tender Offer Agent from 9:00 a.m. to 4:00 p.m. Such Offer Period is the final period which will not be extended (subject to the conditions specified in Form 247-4)</p> <p>In this regard, in case where there is an announcement of extra financial institutions' holidays during the Offer Period, the Offerors will extend the Offer Period to meet the requirement of 45 business days pursuant to the Notification No. Tor Chor. 12/2554</p>
<b>Tender Offer Revocation Period</b>	:	<p>The Offeree is able to revoke his or her intention to sell shares at the office of the Tender Offer Agent from 29 May 2023 to 26 June 2023 on every business day of the Tender Offer Agent during the hours of 9:00 a.m. to 4:00 p.m., totaling 20 business days.</p> <p>In addition, if there is any announcement of additional public holiday during the Offer Period, the Tender Offerors will extend the Offer Period and the Offeree is able to revoke its acceptance within 20 business days according to Tor Chor. 12/2554.</p>
<b>Settlement and Payment Procedure</b>	:	The Offerors will make payment to the Tender Offerees within 2 business days from the last day of the Offer Period, which is 4 August 2023.
<b>Conditions of Change to the Tender Offer</b>	:	<p>The Offerors may change the Tender Offer upon the occurrence of one or more of the following events:</p> <ul style="list-style-type: none"> <li>• The Offerors may reduce the Offer Price or extend the Offer Period in the case of occurrence of any event or action during the Offer Period, causing material damage to the status or assets of the Business.</li> <li>• The Offerors may change the offer or extend the Offer Period to compete with another offeror who has submitted a tender offer for shares of the Business during the Offer Period.</li> </ul>
<b>Conditions for Cancellation of the Tender Offer</b>	:	<p>The Offerors may cancel the Tender Offer upon the occurrence of one or more of the following events:</p> <ul style="list-style-type: none"> <li>• any event or act occurring after the submission of the Tender Offer to the Office of SEC but within the Offer Period, which causes or may cause material damage to the status or the assets of the Business, where such event or action has not resulted from the act of the Tender Offerors or any act for which the Tender Offerors are responsible; or</li> <li>• any event occurring which results in the cancellation of the request for delisting of TCCC's securities from the SET.</li> </ul>

The Business has appointed Jay Capital Advisory Limited to be Independent Financial Advisor ("the Independent Financial Advisor" or "IFA") to rendering opinion to minority shareholders by considering the appropriateness of the Tender Offer as well as other underlying reasons for accepting and/or rejecting the Tender Offer which can be summarized as follows:

**Summary of Opinion of the Independent Financial Advisor**

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Independent Financial Advisor deems that the tender offer price of THB 40.00 per share is **appropriate** since the tender offer price is higher than the value of ordinary share that Independent Financial Advisor assesses by using Sum of the Parts (SOTP) Approach. The IFA opines that the valuation of TCCC's shareholders' equity using this method is the most appropriate method, because this approach considers the performance of TCCC, TCCC Myanmar Limited ("TCCCM"), MC Agro-Chemicals Company Limited ("MCA"), and N.I.M. Company Limited ("NIM") to generate profit and cash flow in the future and considering fair market value of operating assets of Central Pacific (Thailand) Company Limited ("CTP"). Therefore, this valuation approach reflects the fair value of the Business. Therefore, the share valuation result ranges between THB 33.74 to THB 38.67 per share, with a base case of THB 36.16 per share (Detail can be found in Part 2.1 of this report). Moreover, the tender offer price is not lower than the maximum price calculated in accordance with the regulations set by the SEC in considering the suitability of the tender offer price in the event of a tender offer for the delisting of securities in accordance with Clause 56 of the Notification of the Capital Market Supervisory Board No. Tor Chor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeover dated on 13 May 2011 (as amended).

After the delisting of securities from the SET, if the minor shareholders still hold the Business's shares, those shareholders will be affected in which the Business not being a listed company in the SET as follows:

- The Business's shares will no longer be traded on the SET which impacts the shareholders who have no liquidity for selling and buying the Business's share as there is no secondary market for securities trading. In addition, there will not be reference market price as a benchmark for share trading.
- Chance to obtain investment return in a form of capital gains from trading securities will be limited since there is no secondary market for trading and also no market price for reference. Moreover, the dividend payment policy may be adjusted in accordance with Sojitz and I S T S as a major shareholder of the Business.
- Individual shareholders will no longer benefit from tax exemptions on capital gains. Moreover, both individuals and juristic persons will not be exempt from stamp duty from transferring shares.
- Shareholders will receive less information as the Business will no longer be required to disclose information to the public. However, the Business is still required to comply with provisions under the Public Company Act B.E.2535 (as amended) such as preparation and submission of audited financial statements and annual reports.
- At present, Sojitz and I S T S as the Tender Offerors and major shareholder, holds the Business's share of 83.46% of the total number of issued and paid-up shares of the Business. The tender offerors have control power over the Business in the business directions and the shareholders' meetings. Therefore, after the completion of the Tender Offer, if the minority shareholders hold less than 10.00 percent of total issued share of the Business after the delisting tender offer, the minority shareholders will not be able to gather votes to balance the power and check the tender offeror's control.

Based on the information in this report, Independent Financial Advisor deems that **the Business's shareholders should accept the Tender Offer** for the delisting of the Company's securities from the SET. However, the final decision to approve or decline the Tender Offer for the delisting of the Company's securities from the SET depends on the individual shareholders' discretion.



## Part 1 Background and details of the Tender Offer for Delisting of Securities

### 1.1 Characteristics and Details of the Transaction

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- (1) The shareholders' meeting of the shareholders' meeting of the Business resolves to approve the delisting of the Business's securities from the SET with the votes of not less than three-fourths of the total issued shares of the Business and there shall be no shareholders opposing the delisting of securities with the votes exceeding 10 percent of the total issued shares of the Business; and,
- (2) The delisting of delisting of the Business's securities shall be approved and or waived by the relevant regulatory agencies, including the SET, financial institutions and other contractual parties under the relevant agreements (if necessary).

Because of the fulfillment of the conditions precedent specified: (1) The annual general meeting No.51/2023 of the Business, held on 28 April 2023, has resolved to pass a resolution approving the delisting of the Business's shares from being securities listed on the SET and (2) the Tender Offerors received the notification of the approval of the delisting of the Business's shares from being securities listed on the SET on 12 May 2023. Therefore, The Tender Offerors have an intention to make a tender offer for all the shares of the Business to delist the Business's from being securities listed on the SET, under the condition that Sojitz and I S T S will procure the Tender Offerer to conduct the Tender Offer from the shareholders as to comply with the regulation of SEC with the Tender offer period of 45 business days before SET has considered the date of delisting of securities from SET.

On 25 May 2023, the Business has received the Tender Offer (Form 247-4) from Sojitz and I S T S which is the Tender Offerors. The significant details are as follows:

#### Key Details of Tender Offer by the Tender Offerors

<b>Name of the Tender Offerors</b>	:	- Sojitz Corporation ("Sojitz") - ISTS (Thailand) Company Limited ("ISTS")
<b>Name of the Tender Offer Preparer</b>	:	Kiatnakin Phatra Securities Public Company Limited
<b>Tender Offer Agent</b>	:	Kiatnakin Phatra Securities Public Company Limited
<b>Type and Amount of the Offered Securities</b>	:	96,720,795 issued and paid-up ordinary shares of TCCC, representing 16.54% of the total issued and paid-up ordinary shares of the Business.
<b>Offer Price</b>	:	THB 40.00 per share. Shareholders who accept the Tender Offer (each an "Offeree") are subject to payment of a brokerage fee of 0.25 percent

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		of the Offer Price plus value added tax ("VAT") of 7.00 percent of the brokerage fee. Therefore, the net share price to be received by the Offeree will be THB 39.893 per share.
<b>Offer Period</b>	:	<p>The Tender Offer period will last a total of 45 business days from 29 May 2023 to 2 August 2023 inclusive (the "Offer Period"), during the office hours of the Tender Offer Agent from 9:00 a.m. to 4:00 p.m. Such Offer Period is the final period which will not be extended (subject to the conditions specified in Form 247-4)</p> <p>In this regard, in case where there is an announcement of extra financial institutions' holidays during the Offer Period, the Tender Offerors will extend the Offer Period to meet the requirement of 45 business days pursuant to the Notification No. Tor Chor. 12/2554</p>
<b>Tender Offer Revocation Period</b>	:	<p>The Offeree is able to revoke his or her intention to sell shares at the office of the Tender Offer Agent from 29 May 2023 to 26 June 2023 on every business day of the Tender Offer Agent during the hours of 9:00 a.m. to 4:00 p.m., totaling 20 business days.</p> <p>In addition, if there is any announcement of additional public holiday during the Offer Period, the Tender Offerors will extend the Offer Period and the Offeree is able to revoke its acceptance within 20 business days according to Tor Chor. 12/2554.</p>
<b>Settlement and Payment Procedure</b>	:	The Offerors will make payment to the Tender Offerees within 2 business days from the last day of the Offer Period, which is 4 August 2023.
<b>Conditions of Change to the Tender Offer</b>	:	<p>The Offerors may change the Tender Offer upon the occurrence of one or more of the following events:</p> <ul style="list-style-type: none"> <li>• The Offerors may reduce the Offer Price or extend the Offer Period in the case of occurrence of any event or action during the Offer Period, causing material damage to the status or assets of the Business.</li> <li>• The Offerors may change the offer or extend the Offer Period to compete with another offeror who has submitted a tender offer for shares of the Business during the Offer Period.</li> </ul>
<b>Conditions for Cancellation of the Tender Offer</b>	:	<p>The Offerors may cancel the Tender Offer upon the occurrence of one or more of the following events:</p> <ul style="list-style-type: none"> <li>• any event or act occurring after the submission of the Tender Offer to the Office of SEC but within the Offer Period, which causes or may cause material damage to the status or the assets of the Business, where such event or action has not resulted from the act of the Tender Offerors or any act for which the Tender Offerors are responsible; or</li> <li>• any event occurring which results in the cancellation of the request for delisting of TCCC's securities from the SET.</li> </ul>

## 1.2 The Tender Offerors Information

### 1.2.1 General Information of Tender Offerors

- **Sojitz Corporation**

<b>Name</b>	Sojitz Corporation
<b>Address</b>	1-1, Uchisaiwaicho 2-chome Chiyoda-ku, Tokyo, 100-8691, Japan
<b>Company Status</b>	Publicly Listed Company on Tokyo Stock Exchange (TSE: 2768)
<b>Telephone No.</b>	+ 81 3 6871 5000
<b>Facsimile No.</b>	+ 81 3 6871 2430
<b>Website</b>	<a href="https://www.sojitz.com/en/">https://www.sojitz.com/en/</a>
<b>Company Registration No.</b>	010401049977

- **ISTS (Thailand) Company Limited**

<b>Name</b>	ISTS (Thailand) Company Limited
<b>Address</b>	98 Sathon Square Office Bldg. 37 Fl. Room 3725 Sathon Nuea Rd. Silom, Bang Rak, Bangkok, Thailand, 10500
<b>Company Status</b>	Private Limited Company
<b>Telephone No.</b>	+ 66 (0) 2105 6366
<b>Facsimile No.</b>	n.a.
<b>Website</b>	n.a.
<b>Company Registration No.</b>	0105547162468

The tendered shares may also be transferred among the Tender Offerors in order to maintain the status of a Thai company according to the Foreign Business Act B.E. 2542 (1999) (as amended) and the Land Code (as amended), which states that, among other conditions, foreigners can hold shares in a company not exceeding 49.00% of the total issued shares of the company, and for other legal compliance purposes. Any inquiries can be directed to the Tender Offer Preparer and the Tender Offer Agent.

### 1.2.2 Nature of Business Operation

- **Sojitz Corporation**

At present, Sojitz Corporation operates as a general trading company that engages in various business activities worldwide. Sojitz operates through seven division as follows:

- 1) **Automotive Division** focuses on assembly and wholesale and retail sales as its core businesses. This division develops its operations in growing markets, such as Asia and Latin America, as well as in mature markets, such as Japan and the United States. The sub-division operates by its subsidiaries and associates are namely, Distributor Business, Dealership Business, Auto-Financing Business and Service Business.
- 2) **Aerospace & Transportation Project Division** develops aerospace industry businesses as a sales agent for commercial aircraft and defense systems and through its leasing, part-out, and business jet businesses. The division is also engaged in airport management, railroad, and other transportation infrastructure businesses as well as in-flight catering, freight car leasing, and other peripheral businesses. Meanwhile, this division's marine vessels business handles multiple types of new and secondhand vessels.

- 3) **Infrastructure & Healthcare Division** focuses energy, telecommunications, urban infrastructure, and healthcare operations. For renewable energy business, the division has operation in solar, onshore and offshore wind, and biomass power generation projects in Japan and overseas. For IT infrastructure, the divisions are developing data center businesses as well as ICT infrastructure sharing businesses, which include telecommunications tower that support popularization of cloud computing for business applications, teleworking, and 5G networks. Other infrastructure businesses include developing and operating industrial parks and urban project development in emerging Asian countries. In addition, company operates its healthcare business by creating healthcare platforms and solution together with operates hospital PPP projects in Turkey and Australia.
- 4) **Metals, Mineral Resources & Recycling Division** acquires coal and develops contract mining business with its flagship coal coking coal mine in Australia. This division is also growing its circular economy business focusing on metal, plastic, and other waste recycling business where the division invests in IT asset disposition company TES-AMM JAPAN K.K.; polyethylene terephthalate chemical recycling company PET REFINING TECHNOLOGY, Co., Ltd.; and renewable resource procurement platform provider Recotech Co., Ltd.
- 5) **Chemicals Division** conducts a wide variety of trading and businesses, ranging from basic chemicals, such as methanol, to functional materials focusing on plastic resins as well as inorganic chemicals like industrial salts and rare earths. The division also made several investment the related filed namely, acquisition of solvadis deutschland gmbh, a chemical marketing and distribution company in Europe.
- 6) **Consumer Industry & Agriculture Business Division** develops operations in the fields of agribusiness, foodstuffs, animal feed, livestock, forest products, and regional economic development. The division expands agri-product in Vietnam, Philippines and Thailand and entered in to household and industrial paper business since 2018 through investment in Saigon Paper Corporation. The company also recently establish Sojitz Nogyo Corporation, which builds systems that enable the year-round supply of GAP-certified agricultural products nationwide with its first initiative being trail production of onions in Tohoku region.
- 7) **Retail & Consumer Service Division** focuses on a diverse range of businesses serving consumer in Japan and overseas. Major businesses include food distribution, consumer goods distribution, aquaculture, shopping center management, and real estate.

- **ISTS (Thailand) Company Limited**

ISTS is a holding company investing in non-financial sectors. It was registered in Thailand on 8 December 2004. The company has investment in an affiliate, Thai Central Chemical Public Company Limited, which the company hold shares of 39.53%.

### 1.2.3 Registered Capital and Paid-up Capital

- **Sojitz Corporation**

As of 31 March 2023, the registered and paid-up capital of Sojitz is JPY 160,339 million (approximately THB 40,480 million) (JPY/THB=3.96 quoted by Bank of Thailand's daily exchange rate as of 25 May 2023).

- **ISTS (Thailand) Company Limited**

As of 31 December 2022, the registered capital and paid-up capital of ISTS is THB 2.00 million.

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#### 1.2.4 Shareholder Structure

- **Sojitz Corporation**

List of top 10 shareholders of Sojitz Corporation as of 31 March 2023

No.	Top 10 Shareholders	Number of Shares (In thousands)	Percentage of total share
1	The Master Trust Bank of Japan, Ltd. (Trust Account) <sup>/1</sup>	34,546	13.80
2	ICHIGO TRUST PTE LTD. (Trust Account) <sup>/2</sup>	20,726	8.28
3	Custody Bank of Japan, Ltd. (Trust Account) <sup>/3</sup>	14,883	5.95
4	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd <sup>/4</sup>	4,638	1.85
5	STATE STREET BANK WEST CLIENT - TREATY 505234	4,342	1.73
6	Japan Securities Finance Co., Ltd. <sup>/5</sup>	3,997	1.60
7	STATE STREET BANK AND TRUST COMPANY 505103	3,727	1.49
8	THE BANK OF NEW YORK MELLON 140044 <sup>/6</sup>	3,363	1.34
9	JPMorgan Securities Japan Co., Ltd <sup>/7</sup> .	2,619	1.05
10	SSBTC CLIENT OMNIBUS ACCOUNT	2,472	0.99
<b>Total of Top 10 Shareholders</b>		<b>95,313</b>	<b>38.08</b>
Other Shareholders and treasury stocks		<b>154,987</b>	<b>61.92</b>
<b>Total</b>		<b>250,300</b>	<b>100.00</b>

Source: Sojitz website (<https://www.sojitz.com/en/corporate/officer/>)

Remark:

/1 Shareholders of The Master Trust Bank of Japan, Ltd., as of 1 April 2023 are as follows:

No.	Top 10 Shareholders	Number of Shares	Percentage of total number of issued share (%)
1	Mitsubishi UFJ Trust & Banking Corporation/ <sup>1.1</sup>	55,800	46.50
2	Nippon Life Insurance Company	40,200	33.50
3	Meiji Yasuda Life Insurance Company	12,000	10.00
4	The Norinchukin Trust & Banking Co., Ltd.	12,000	10.00
<b>Total</b>		<b>120,000</b>	<b>100.00</b>

Source: The Master Trust Bank of Japan (<https://www.mastertrust.co.jp/english/corporate.html>)

/1.1 Shareholders of Mitsubishi UFJ Trust & Banking Corporation, are as follows

No.	Top 10 Shareholders	Number of Shares	Percentage of total number of issued share (%)
1	Mitsubishi UFJ Financial Group <sup>1.1.1</sup>	n.a.	100.00

Source: Capital IQ (latest updated as of 2 June 2023)

/1.1.1 Shareholders of Mitsubishi UFJ Financial Group, as of 31 March 2023 are as follows

No.	Top 10 Shareholders	Number of Shares	Percentage of total number of issued share (%)
1	The Master Trust Bank of Japan, Ltd. (Trust account)	1,945,291,400	16.13
2	Custody Bank of Japan, Ltd. (Trust account)	741,362,200	6.15
3	SSBTC CLIENT OMNIBUS ACCOUNT	257,748,540	2.13
4	THE BANK OF NEW YORK MELLON AS DEPOSITARY BANK FOR DR HOLDERS	241,322,875	2.00
5	STATE STREET BANK WEST CLIENT - TREATY 505234	218,331,191	1.81
6	The Master Trust Bank of Japan, Ltd. (Meiji Yasuda Life Insurance Company retirement benefit trust account)	175,000,000	1.45
7	JP MORGAN CHASE BANK 385781	166,053,638	1.37
8	JPMorgan Securities Japan Co., Ltd.	152,600,825	1.26
9	Toyota Motor Corporation	149,263,153	1.23

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No.	Top 10 Shareholders	Number of Shares	Percentage of total number of issued share (%)
10	GOVERNMENT OF NORWAY	147,989,424	1.22
<b>Total of top 10 shareholders</b>		<b>4,194,963,246</b>	<b>34.75</b>

Source: As Mitsubishi UFJ Financial Group is a listed company in Japan, additional information regarding shareholding information can be obtained from [https://www.mufg.jp/english/ir/stock/stock\\_information/index.html](https://www.mufg.jp/english/ir/stock/stock_information/index.html)

/2 Do not disclose the names of beneficiaries

/3 Shareholders of Custody Bank of Japan, Ltd., as of 1 January 2023 are as follows:

No.	Top 10 Shareholders	Number of Shares	Percentage of total number of issued share (%)
1	Sumitomo Mitsui Trust Holdings, Inc.	680,000	33.33
2	Mizuho Financial Group, Inc.	550,800	27.00
3	Resona Bank, Limited	340,000	16.67
4	The Dai-ichi Life Insurance Company, Limited	163,200	8.00
5	Asahi Mutual Life Insurance Company	102,000	5.00
6	Meiji Yasuda Life Insurance Company	91,800	4.50
7	Japan Post Insurance Co., Ltd.	71,400	3.50
8	Fukoku Mutual Life Insurance Company	40,800	2.00
<b>Total</b>		<b>2,040,000</b>	<b>100.00</b>

Source: Custody Bank of Japan, Ltd. (<https://www.custody.jp/english/corporate/index.html>)

/4 Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. provides securities brokerage and investment banking services in Japan which operates as subsidiary of Mitsubishi UFJ Securities Holdings Co., Ltd.

/5 Japan Securities Finance Co., Ltd. engages in securities finance, trust banking, and real estate businesses in Japan and internationally. Shareholders of Japan Securities Finance Co., Ltd., as of 31 March 2023 are as follows

No.	Top 10 Shareholders	Number of Shares	Percentage of total number of issued share (%)
1	THE SFP VALUE REALIZATION MASTER FUND LTD.	12,674	14.0
2	The Master Trust Bank of Japan, Ltd. (Trust account)	10,946	12.1
3	Capital Market Promotion Foundation	4,654	5.1
4	Custody Bank of Japan, Ltd. (Trust account)	4,228	4.7
5	Mizuho Bank, Ltd.	3,536	3.9
6	THE CHASE MANHATTAN BANK, N.A. LONDON SPECIAL OMNIBUS SECS LENDING ACCOUNT	3,530	3.9
7	INTERTRUST TRUSTEES(CAYMAN) LIMITED SOLELY IN ITS CAPACITY AS TRUSTEE OF JAPAN —UP	3,109	3.4
8	STATE STREET CLIENT OMNIBUS ACCOUNT OM44	2,006	2.2
9	Custody Bank of Japan, Ltd. (Trust account 4)	1,874	2.1
10	INTERTRUST TRUSTEES CAYMAN LIMITED AS TRUSTEE OF JAPAN —UP UNIT TRUST	1,725	1.9
<b>Total of top 10 shareholders</b>		<b>48,282</b>	<b>53.30</b>

Source: Japan Securities Finance Co., Ltd. (<https://www.jsf.co.jp/english/ir/rating/situation/>)

/6 THE BANK OF NEW YORK MELLON 140044 operates as a subsidiary of The Bank of New York Mellon Corporation. Top ten shareholders of The Bank of New York Mellon Corporation are as follows

No.	Top 10 Shareholders	Number of Shares	Percentage of total number of issued share (%)
1	Vanguard Group, Inc. (The)	72,583,632	9.20
2	Blackrock Inc.	65,986,790	8.36
3	Dodge & Cox Inc	59,834,458	7.58
4	State Street Corporation	30,906,852	3.92
5	Artisan Partners Limited Partnership	20,428,636	2.59
6	First Eagle Investment Management, LLC	16,793,152	2.13
7	FMR, LLC	16,699,598	2.12
8	Geode Capital Management, LLC	15,302,537	1.94
9	Davis Selected Advisers, LP	13,005,799	1.65
10	Longview Partners (Guernsey) LTD	12,459,610	1.58
<b>Total of top 10 shareholders</b>		<b>324,001,064</b>	<b>41.07</b>

Source: Capital IQ (latest updated as of 2 June 2023)

/7 JPMorgan Securities Japan Co., Ltd. provides securities brokerage and investment banking services in Japan which operates as subsidiary of J.P. Morgan International Finance Limited.



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• **ISTS (Thailand) Company Limited**

List of shareholders of ISTS (Thailand) as of 19 March 2023

No.	Top 10 Shareholders	Number of Shares	Percentage of total number of issued share (%)	Percentage when compared to the total number of voting rights
1	Sojitz Corporation	4,900	49.00	55.54
2	GLOBAL BUSINESS MANAGEMENT CO., LTD. <sup>/1</sup>	1,700	17.00	14.82
3	THAI ADJUSTING CO., LTD. <sup>/2</sup>	1,700	17.00	14.82
4	BANGKOK CHAYORATN CO., LTD. <sup>/3</sup>	1,670	16.70	14.56
5	Mr. Chavalit Uttasart	10	0.10	0.09
6	Miss Nilobon Tangprasit	10	0.10	0.09
7	Mr. Vira Kammee	10	0.10	0.09
<b>Total</b>		<b>10,000</b>	<b>100.00</b>	<b>100.00</b>

Source: Corpus X (<https://www.corpusx.bol.co.th/>)

Remark:

/1 Shareholders of GLOBAL BUSINESS MANAGEMENT CO., LTD. as of 10 April 2023 are as follows

No.	Top 10 Shareholders	Number of Shares	Percentage of total number of issued share (%)
1	Mr. Hironobu Iriya	3,400	17.00
2	Mr. Chatree Phuyongyuth	1,660	8.30
3	Miss Kantika Tanthuvanit	1,660	8.30
4	Mr. Saneh Phurisat	1,660	8.30
5	Miss Surattana Trinratana	1,660	8.30
6	Mr. Wanchai Ratinthorn	1,660	8.30
7	Miss Pornjan Katechulasriroj	1,660	8.30
8	Mr. Tiwa Jaruke	1,660	8.30
9	Mr. Piriya Wongphayabal	1,660	8.30
10	Mr. Suvit Manomaiyanon	1,660	8.30
11	Mr. Yukio Kobe	1,660	8.30
<b>Total of top 10 shareholders</b>		<b>20,000</b>	<b>100.00</b>

Source: Corpus X (<https://www.corpusx.bol.co.th/>)

/2 Shareholders of THAI ADJUSTING CO., LTD. as of 26 July 2022 are as follows

No.	Top 10 Shareholders	Number of Shares	Percentage of total number of issued share (%)
1	NIPPON KAIJI KENTEI (THAILAND) LIMITED <sup>/2.1</sup>	98	49.00
2	Mr. Kiatchai Kowatanawintha	37	18.50
3	SBCS CO.,LTD.	27	13.50
4	Mr. Kosit Positwinyu	14	7.00
5	Mr. Prasit Sopitsirikul	14	7.00
6	Mr. Somchai Saengow	10	5.00
<b>Total of top 10 shareholders</b>		<b>200</b>	<b>100.00</b>

Source: Corpus X (<https://www.corpusx.bol.co.th/>)

/2.1 Shareholders of NIPPON KAIJI KENTEI (THAILAND) LIMITED as of 26 July 2022 are as follows

No.	Top 10 Shareholders	Number of Shares	Percentage of total number of issued share (%)
1	NIPPON KAIJI KENTEI KYOKAI	9,998	99.98
2	Mr. Takeshi Saito	1	0.01
3	Mr. Akio Harada	1	0.01
<b>Total of top 10 shareholders</b>		<b>10,000</b>	<b>100.00</b>

Source: Corpus X (<https://www.corpusx.bol.co.th/>)

/3 Shareholders of BANGKOK CHAYORATN CO., LTD. as of 17 May 2023 are as follows

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No.	Top 10 Shareholders	Number of Shares	Percentage of total number of issued share (%)
1	AIOI NISSAY DOWA INSURANCE CO.,LTD.	39,000	39.00
2	Bangkok Insurance Foundation	24,900	24.90
3	BANGKOK INSURANCE PUBLIC COMPANY LIMITED <sup>/3.1</sup>	10,000	10.00
4	TOYOTA MOTOR THAILAND CO.,LTD. <sup>/3.2</sup>	10,000	10.00
5	Mr. Chai Sophonpanich	1,600	1.60
6	Mr. Apisit Anantanarat	1,600	1.60
7	Miss Paweena Juchuan	1,500	1.50
8	Mr. Chakkrit Chewanuntapornchai	1,500	1.50
9	Mr. Chawan Sophonpanich	1,100	1.10
10	M.L. Chalitphong Sanidvong	1,100	1.10
<b>Total of top 10 shareholders</b>		<b>92,300</b>	<b>92.30</b>

Source: Corpus X (<https://www.corpusx.bol.co.th/>)

/3.1 Additional information regarding shareholding information can be obtained from SET website ([www.set.or.th](http://www.set.or.th))

/3.2 Shareholders of TOYOTA MOTOR THAILAND CO.,LTD. as of 24 February 2023 are as follows:

No.	Top 10 Shareholders	Number of Shares	Percentage of total number of issued share (%)
1	TOYOTA MOTOR CORPORATION CO.,LTD.	6,499,672	86.43
2	THE SIAM CEMENT PUBLIC COMPANY LIMITED	752,000	10.00
3	VORACHAK YONT CO.,LTD.	101,231	1.35
4	BANGKOK BANK PUBLIC COMPANY LIMITED	98,247	1.31
5	TOYOTA PHRAE LORTRAKOOL TOYOTA'S DEALER CO.,LTD.	9,982	0.13
6	PHITHAN PHANICH LTD.	5,600	0.07
7	TOYOTA CHIANGMAI CO.,LTD.	5,241	0.07
8	BARA WINDSOR & CO.,LTD.	4,900	0.07
9	CHAROEN THAI MOTOR SALES CO.,LTD.	4,900	0.07
10	TOYOTA LAMPANG COMPANY LIMITED	4,658	0.06
<b>Total of top 10 shareholders</b>		<b>7,486,431</b>	<b>100.00</b>

Source: Corpus X (<https://www.corpusx.bol.co.th/>)

### 1.2.5 List of Board of Directors

- Sojitz Corporation**

List of the Board of Directors of Sojitz Corporation as of 1 April 2023

No.	List of Directors	Title
1	Mr. Masayoshi Fujimoto	Director / President and CEO
2	Mr. Seiichi Tanaka	Director
3	Mr. Ryutaro Hirai	Director / Executive Vice President
4	Mr. Masaaki Bito	Director / Senior Managing Executive Officer
5	Mr. Norio Otsuka	Chairperson of Board of Director / Independent Director
6	Ms. Naoko Saiki	Independent Director
7	Mr. Ungyong Shu	Independent Director
8	Ms. Haruko Kokue	Independent Director

Source: Sojitz website (<https://www.sojitz.com/en/corporate/officer/>)

- ISTS (Thailand) Company Limited**

List of the Board of Directors of ISTS (Thailand) as of 19 March 2023

No.	List of Directors	Title
1	Miss Warunee Archamongkol	Director
2	Mr. Hidemasa Miura	Director



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No.	List of Directors	Title
3	Mr. Jiro Nishiyama	Director

Source: *Corpus X* (<https://www.corpusx.bol.co.th/>)

## 1.2.6 Summary of the Financial Status and Performance of the Tender Offerors

### • Sojitz Corporation

Summary of financial position and operational performance of Sojitz according to consolidated for the fiscal year ended 31 March 2020 - 2023 are as follows:

(Unit: JPY million)	Year Ended 31 March							
	FY2019		FY2020		FY2021		FY2022	
	Separated Financial Statement	Consolidate Financial Statement	Separated Financial Statement	Consolidate Financial Statement	Separated Financial Statement	Consolidate Financial Statement	Separated Financial Statement	Consolidate Financial Statement
Total assets	1,492,438	2,230,285	1,500,259	2,300,115	1,683,267	2,661,680	1,588,873	2,660,843
Total liabilities	1,100,804	1,608,387	1,079,853	1,645,476	1,222,630	1,897,802	1,107,289	1,784,266
Total shareholder's equity	391,634	621,898	420,405	654,639	460,636	763,878	481,583	876,576
Registered capital	160,339	160,339	160,339	160,339	160,339	160,339	160,339	160,339
Issued and fully paid-up	160,339	160,339	160,339	160,339	160,339	160,339	160,339	160,339
Total revenue	2,411,526	1,754,825	2,334,428	1,602,485	678,262	2,100,752	763,373	2,479,840
Total expenses <sup>/1</sup>	(2,436,515)	(1,742,062)	(2,360,759)	(1,603,548)	(705,390)	(2,065,833)	(790,589)	(2,431,900)
Profit for the year	32,116	64,573	39,462	29,417	50,389	85,471	81,927	115,824
Profit for the year Attributable to Owners of the Parent	32,116	60,821	39,462	27,001	50,389	82,332	81,927	111,247
Earnings per share (JPY) <sup>/2</sup>	26	49	165	113	216	353	355	482
Dividend per share (JPY)	17	n.a.	10	n.a.	106	n.a.	130	n.a.
Book value per share (JPY) <sup>/2</sup>	321	475	1,753	2,582	1,996	3,154	2,086	3,629

Source: *Sojitz's audited consolidated and separated financial statements ended 31 March 2020, 2021, 2022, and 2023*

Shareholders can access information through Sojitz's website (<https://www.sojitz.com/en/ir/financial/>)

Remark: <sup>/1</sup> Total expenses for the consolidated financial statements: cost of sales, selling, general and administrative expenses, other operating expenses, interest expenses, other financial costs and income tax expenses. Total expenses for the separate financial statements: cost of sales, selling, general and administrative expenses and total non-operating expenses (interest expenses, loss on valuation of derivatives, other).

<sup>/2</sup> Effective 1 October 2021, Sojitz conducted a five-for-one share consolidation of common shares of stock. The figures for Earnings per share (JPY) and Book value per share (JPY) are calculated based on the assumption that this stock consolidation was conducted with an effective date of 1 April 2020.

### • ISTS (Thailand) Company Limited

Summary of financial position and operational performance of ISTS for the fiscal year ended 31 December 2020 - 2022 are as follows:

(Unit: THB)	Year Ended 31 December		
	2020	2021	2022
Total assets	1,293,144,366	1,332,385,346	1,369,686,301
Total liabilities	505,145	502,390	602,999

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(Unit: THB)	Year Ended 31 December		
	2020	2021	2022
Total shareholder's equity	1,292,639,221	1,331,882,956	1,369,083,302
Registered capital	2,000,000	2,000,000	2,000,000
Issued and fully paid-up	2,000,000	2,000,000	2,000,000
Total revenue	255,416,893	416,539,232	393,780,663
Total expenses	(2,905,599)	(2,814,297)	(2,905,687)
Profit for the year	252,511,294	413,724,935	390,874,976
Earnings per share (THB) <sup>/1</sup>	25,251	41,372	39,087
Dividend per share for ordinary shares (THB)	4,650	3,938	3,719
Dividend per share for preference shares (THB)	812,375	687,818	649,606
Book value per share (THB) <sup>/1</sup>	129,264	133,188	136,908

Source: ISTS's Audited Financial Statement

Remark: /1 Total shares of 10,000 include 9,510 fully paid ordinary shares and 490 preference shares of THB 200 each

### 1.3 Sources of Funds used by the Tender Offerors for the Tender Offer

The Tender Offerors will make a tender offer for all 96,720,795 ordinary shares of TCCC, representing 16.54 % of the total issued and paid-up shares of the Business at the Offer Price of THB 40.00 per share. The total purchase value equals THB 3,868,831,800

The source of funds for the Tender Offer can be summarized as follows:

1. Cash and cash equivalents of Sojitz as of 1 May 2023 was in the total amount JPY 10,000,103,911 or approximately THB 2,524,656,234 (JPY/THB= 3.96 quoted by Bank of Thailand's daily exchange rate as of 25 May 2023) with the financial support confirmation letter issued by Sojitz to reserve the source of funds for the Tender Offer for securities to Sojitz
2. Credit facilities from Bank of Ayudhya Public Company Limited in the amount of up to THB 2,800,000,000

The IFA has verified the source of funds of the Tender Offerors by analyzing cash from Cash and cash equivalents of Sojitz as of 1 May 2023 and credit facilities from Bank of Ayudhya. Based on the evaluation, the IFA has concluded that the Tender Offerors's source of funds is sufficient to conduct and complete this tender offer.

## Part 2 Opinion of the Independent Financial Advisor

### 2.1 Appropriateness of the Offering Price

Independent Financial Advisor has assessed the Business's share value referring the information from the financial statements, public information, the Business's publications, financial projections and business plans, important assumptions which prepared by the Business, management interviews, other information prepared by the Business, and the property appraisal report from an independent property appraiser. While preparing this report, the Independent Financial Advisor has no reasonable to suspect that all information and documents including interviews with the Business's management are lack of accuracy and completeness in essence which will have significant impact on data analysis and there is no event that have occurred, are going to occur or has possibility to occur on the assumptions that the Independent Financial Advisor used in making opinion which has a significant effect on the business performance and financial status of the Business.

Independent Financial Advisor has made judgments on establishing important assumptions with conservative basis. Therefore, Independent Financial Advisor is unable to assess the effect of changes in situations and factors after the study period and has no obligation to change and update such information to the current.

In determining the appropriateness of the tender offer price, Independent Financial Advisor has assessed the value of the Business's ordinary shares by using valuation methods according to financial theories as follows:

- 1) Book Value Approach
- 2) Adjusted Book Value Approach
- 3) Historical Market Price Approach
- 4) Market Comparable Approach
- 5) Sum of the Parts (SOTP) Approach

The valuation of ordinary share in each approach is as follows:

#### 2.1.1 Book Value Approach

The ordinary share valuation by using book value approach is a valuation method that considers the Business's book value at a particular time. Independent Financial Advisor has used information based on the consolidated financial statements for the quarter ended 31 March 2023 which is latest review financial statement at the time of this report.

The ordinary share valuation by using book value approach is calculated by using shareholders' equity that appears in the Business's consolidated financial statements divided by the total number of issued and paid-up capital. The details are as follows:

#### TCCC's share valuation based on the Book Value Approach on 31 March 2023

(Unit: THB million)	Value
Issued and paid-up capital	1,754.14
Premium on Ordinary shares	(43.57)
Retained earnings	9,363.54
- Appropriated - legal reserve	175.42
- Unappropriated	9,188.13
<b>Deduct</b> Other components of equity	(79.87)

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(Unit: THB million)	Value
<b>Total shareholders' equity attributable to owner of the parent</b>	<b>10,994.25</b>
Number of issued and paid-up shares par value at THB 3.00 per share (million share)	584.71
<b>Book value per share (THB)</b>	<b>18.80</b>

Source: the reviewed, financial statement of TCCC for the period ended 31 March 2023

From the ordinary share valuation by using book value approach, **the fair value of the Business's share is THB 18.80 per share which is lower than the tender offer price at THB 40.00 per share by THB 21.20 per share or 52.99%.**

Independent Financial Advisor deems that the ordinary share valuation by using book value approach is not appropriate since this approach shows book value that appears in the financial statements at a particular time without taking into account of the Business's fair value of assets, performance, ability to generate profit and future cash flows.

### 2.1.2 Adjusted Book Value Approach

The ordinary shares valuation using adjusted book value approach is a valuation method that considers the Business's book value for the quarter ended 31 March 2023 from the consolidated financial statements which is latest review financial statement to be adjusted with the significant items, commitments, contingencies and surplus or deficit on some assets that are appraised by the Independent Property Appraiser in order to reflect the most current fair value of assets.

The Business has appointed independent appraisers which are approved by the SEC, to assess the fair value of the assets of TCCC, which comprise of lands and other land improvement, buildings, trademark and brand, machinery and equipment and vehicle. The appraisal was conducted for public purposes. (Please see the details of asset appraisal in Enclosure 2: Summary of the asset appraisal report of TCCC by the Independent asset appraiser). The details of Company's asset appraisal are as follows:

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### 2.1.2.1 Assets of TCCC

The valuation of fixed assets of TCCC consists of investment properties, land and land improvements, buildings, machinery and equipment, and trademark. The details of the appraised assets are as follows:

#### (1) Investment properties

The appraisal of TCCC's investment properties consists of 9 land. The details are as follows:

Details of TCCC's land									
List	Land no. 1	Land no. 2	Land no. 3	Land no. 4	Land no. 5	Land no. 6	Land no. 7	Land no. 8	Land no. 9
<b>Property Type</b>	Two Parts of Industrial Land Plot	Residential Land Plot	Agricultural Land Plot		Agricultural Land Plot (Rice field)	2 - Part Vacant Land	Vacant land (For residential development)		Vacant Land (Agricultural Land Plot)
<b>Location</b>	Huakhao Sub - district, Singka Nakhon District, Songkhla Province	Hat Yai Sub - district, Hat Yai District, Songkhla Province	Nongkum Sub - district, Borploy District, Kanchanaburi Province	Hua Ngua Sub - district, Yangtalad District, Kalasin Province	Yangtalad and Klongkham Sub - district, Yangtalad District, Kalasin Province	Krabi Sub - district, Muang District, Krabi Province	Paknam Sub - district, Muang District, Krabi Province	Tamnan Sub - district, Muang District, Phatthalung Province	Thungtumsa Sub - district, Hat Yai District, Songkhla Province.
<b>Land area size (Rai - Ngan - Wah)</b>	181-0-50.4								
<b>Land owner</b>	TCCC								
<b>Encumbrances</b>	None								
<b>Expropriation</b>	None as at 1 March 2023	Not in the expropriation line at the assessment date							

## (2) Land and land improvements

The appraisal of 3 land of TCCC are as follows:

Details of TCCC's land			
List	Land no. 1	Land no. 2	Land no. 3
Plot of Land	22 Plots	41 Plots	1 Plots
Location	No. 284, Suksawat Road, Pakklong Bangplakod Sub - district, Muang District, Samutprakarn Province	No. 50 Moo 5, Sai Ayutthaya - Nakhon Luang Road (TorLor. 3063), Nong Sakae Sub - district, Nakhon Luang District, Phra Nakhon Si Ayutthaya Province	No. 124, Moo 1, Karnchanawanit Road (Highway No. 407), Thakham Sub - district, Hatyai District, Songkhla Province.
Land area size (Rai - ngan - wah)	227-3-94.6		
Land owner	TCCC		
Encumbrances	None		
Expropriation	Not in the expropriation line at the assessment date		

## (3) Buildings

The appraisal of 3 groups of TCCC's buildings are as follows:

Detail of TCCC's buildings			
List	TCCC's buildings group 1	TCCC's buildings group 2	TCCC's buildings group 3
Property details	20 Buildings	42 Buildings	7 Buildings
Location	No. 284, Suksawat Road, Pakklong Bangplakod Sub - district, Muang District, Samutprakarn Province	No. 50 Moo 5, Sai Ayutthaya - Nakhon Luang Road (TorLor. 3063), Nong Sakae Sub - district, Nakhon Luang District, Phra Nakhon Si Ayutthaya Province	No. 124, Moo 1, Karnchanawanit Road (Highway No. 407), Thakham Sub - district, Hatyai District, Songkhla Province.
Age of building	11 - 49 years	7 - 34 years	33 years
Building owner	TCCC	TCCC	TCCC
Utilization	Industrial Utilization	Industrial Utilization and agricultural warehouse	Industrial Utilization
Expropriation	Not in the expropriation line at the assessment date		-

#### (4) Machinery and Equipment

Details of TCCC's machinery and equipment

List	Machinery and equipment group 1	Machinery and equipment group 2	Machinery and equipment group 3	Machinery and equipment group 4
Property details	Machines and vehicles used for business operations in the Phra Pradaeng factory located at Phra Samut Chedi District Samut Prakan Province with a total of 2,428 items.	Vehicles used in TCCC's head office located in Pathumwan District, Bangkok with a total of 10 items.	Machinery and vehicles used for business operations in Nakhon Luang Factory, Nakhon Luang District, Phra Nakhon Si Ayutthaya Province with a total of 1,034 items.	Machine and vehicle used in Hat Yai warehouse located at Hat Yai District Songkhla Province with a total of 9 items.
Location	Nos. 284, 284/1 Moo 1, Suksawad Road, Pakklong Bang Plakod Sub-district, Phra Samut Jedee District, Samut Prakan Province	801-806, 809-810, 8 <sup>th</sup> Floor, Mitrtown Office Tower 944 Rama 4 Road, Wangmai Sub-district, Pathumwan District, Bangkok Metropolis	No. 50, Moo 5, Nakhon Luang-Pachee Road, Khlong Sa-Kae Sub-district, Nakhon Luang District, Phra Nakhon Si Ayutthaya Province	No. 124, Moo 1, Thakam Sub-district, Hat Yai District, Songkhla Province

#### (5) Trademark/ Brands

TCCC is one of the largest chemical fertilizer manufacturer and distributor in Thailand. The Business promotes and markets under the brands including "OX-Brand", "Baby", "Singha" and "TCCC". The appraisal of TCCC's trademark is as follows:

Details of TCCC's Trademark

OX-Brand	Baby	Singha	TCCC
			

Source: TCCC's brand valuation report dated on 2 March 2023

The value of TCCC's assets appraised by independent appraisers can be summarized as follows:

Summary of TCCC's assets

Assets	Approach	Unit: THB million		
		Book value as of 31 Mar 23 <sup>/1</sup>	Appraised value	Increase (decrease) of asset value
Investment properties	Comparison Approach (Market Approach)	29.21	59.45	30.24
Land and land improvements	Depreciated Replacement Cost	320.49	1,982.10	1,661.61

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Assets	Approach	Unit: THB million		
		Book value as of 31 Mar 23 <sup>/1</sup>	Appraised value	Increase (decrease) of asset value
Buildings	Depreciated Replacement Cost	254.11	853.22	599.11
Machinery and vehicle	Cost Approach	448.80	994.79	545.98
Trademark/ Brands	Relief from Royalty Method	545.90	2,831.06	2,285.16
<b>Total</b>		<b>1,598.51</b>	<b>6,720.62</b>	<b>5,122.11</b>

Remark: /1 Book value is based on TCCCM's consolidated financial statements.

### 2.1.2.2 Assets of TCCCM

The valuation of fixed assets of TCCCM consists of land, buildings, and plant, machinery and vehicles. The details of the appraised property are as follows:

#### (1) Land and Land improvements

The appraisal of 1 land of TCCCM are as follows:

Details of TCCCM's land	
List	Land
Property Type	Industrial Utilization
Location	No. C+15 + C-18, Zone (A), Thilawa Special Economic Zone, Yangon Region, Myanmar
Land area size (Rai - Ngan - Wah)	19-1-87.5
Land owner	TCCCM
Encumbrances	The government and leased to Myanmar Japan Thilawa Development Limited and sub-leased to TCCCM as of 5 June 2014 for the period of approximately 50 years for the initial term with the option to extend another 25 years in the future.

#### (2) Buildings

The appraisal of 1 groups of TCCCM's buildings are as follows:

Detail of TCCCM's buildings	
List	TCCCM's buildings
Property details	3 main building structure which is main building structure, truck scale office building and guard house building and other facilities
Location	No. C+15 + C-18, Zone (A), Thilawa Special Economic Zone, Yangon Region, Myanmar
Building owner	TCCCM

#### (3) Plant, machinery, and vehicle

The appraisal of TCCCM's plant, machinery and vehicle are as follows:



**Details of TCCCM's plant, machinery and vehicle**

List	Plant, machinery and vehicle
Asset details	Plant, machines and vehicles used for business operations in the chemical fertilizer industry of TCCCM in Myanmar with a total of 17 items.
Location	No. C+15 + C-18, Zone (A), Thilawa Special Economic Zone, Yangon Region, Myanmar

The value of TCCCM's assets appraised by independent appraisers can be summarized as follows:

**Summary of TCCCM's assets**

Assets	Approach	Unit: THB million			
		Book value as of 31 Mar 23 <sup>/1</sup>	Appraised value	Percentage shareholding of TCCC (%)	Increase (decrease) of asset value
Buildings	replacement cost of building	93.11	176.28	99.99	83.17
<b>Total</b>		<b>93.11</b>	<b>176.28</b>	<b>99.99</b>	<b>83.17</b>

Remark: /1 Book value is based on TCCC's financial statements.

/2 Because the appraised value of TCCCM's Land and plant Machinery and Vehicle that is THB 48.54 million and 24.71, respectively are lower than the book value that is THB 76.71 million and THB 30.43 million, respectively. Therefore, the IFA considers the book value of such assets for the valuation of TCCC ordinary shares by the adjusted book value approach. The details of the appraisal are shown in Attachment 2.

### 2.1.2.3 Assets of MCA

The valuation of fixed assets of MCA consists of land, buildings, and machinery. The details of the appraised property are as follows:

#### (1) Land and Land improvements

The appraisal of 1 land of MCA are as follows:

**Details of MCA's land**

List	Land
Plot of Land	1 Plot
Location	Bangpoo Industrial Estate Project (Soi 12B), Soi Thetsaban Bangpoo 77 (Pattana Road), Sukhumvit Road (Old Sai), Phraeksa Subdistrict, Mueang Samut Prakan District Samut Prakan Province
Land area size (Rai - Ngan - Wah)	6-0-44.6
Land owner	MCA
Encumbrances	Mortgage with the bank starting from 2008 as collateral for revolving credit facilities. The contract is renewed annually according to the Bank's review of credit facilities.

## (2) Buildings

The appraisal of 1 groups of MCA's buildings are as follows:

Detail of MCA's buildings	
List	MCA's buildings
Property details	15 buildings and 1 Building improvement
Location	Bangpoo Industrial Estate Project (Soi 12B), Soi Thetsaban Bangpoo 77 (Pattana Road), Sukhumvit Road (Old Sai), Phraeksa Subdistrict, Mueang Samut Prakan District Samut Prakan Province
Age of building	24 years
Building owner	MCA
Encumbrances	Mortgage with the bank starting from 2011 as collateral for revolving credit facilities. The contract is renewed annually according to the Bank's review of credit facilities.

## (3) Machinery, equipment, and vehicle

The appraisal of machinery, equipment and vehicle of MCA are as follows:

Details of MCA's machinery, equipment and vehicle	
List	Machinery and equipment
Asset details	Machinery and equipment for the pesticide packaging industry and vehicles in Mueang Samut Prakan District Samut Prakan Province with a total 269 items
Location	Bangpoo Industrial Estate Project (Soi 12B), Soi Thetsaban Bangpoo 77 (Pattana Road), Sukhumvit Road (Old Sai), Phraeksa Subdistrict, Mueang Samut Prakan District Samut Prakan Province

The value of MCA's assets appraised by independent appraisers can be summarized as follows:

Summary of MCA's assets					
Assets	Approach	Unit: THB million			
		Book value as of 31 Mar 23 <sup>/1</sup>	Appraised value	Percentage shareholding of TCCC (%)	Increase (decrease) of asset value
Land	Comparison Approach (Market Approach)	21.56	58.70	100.00	37.15
Buildings	Depreciated Replacement Cost	-	23.62		23.62
Machinery, equipment and vehicle	Cost Approach	7.47	16.97		9.50
Total		29.03	99.29	100.00	70.26

Remark: /1 Book value is based on MCA's financial statements.

#### 2.1.2.4 Assets of NIM

The valuation of fixed assets of NIM consists of buildings, warehouse, machinery and vehicle. The details of the appraised property are as follows:

##### (1) Building and warehouse

**Details of NIM's building and warehouse**

List	Buildings
Property details	3 Buildings
Location	No. 284 Moo 1, Pakklong Bangplakod Sub-district, Muang District, Samutprakarn Province
Age of building	3-37 years
Building owner	NIM
Utilization	Industrial Utilization

##### (2) Machinery and vehicle

**Details of NIM's machinery and vehicle**

List	Machinery and equipment
Asset details	Machine and vehicle used in NIM liquid chemical tank plant in Phra Samut Jedee District Samut Prakan Province with a total of 54 items
Location	Nos. 284, Moo 1, Suksawad Road, Pakklong Bang Plakod Sub-district, Phra Samut Jedee District, Samut Prakan Province

The value of NIM's assets appraised by independent appraisers can be summarized as follows:

**Summary of NIM's assets**

Assets	Approach	Unit: THB million			
		Book value as of 31 Mar 23 <sup>/1</sup>	Appraised value	Percentage shareholding of TCCC (%)	Increase (decrease) of asset value
Building <sup>/2</sup>	Depreciated Replacement Cost	-	2.60	51.00	1.33
Machinery and vehicle	Cost Approach	1.24	34.95		17.19
<b>Total</b>		<b>1.24</b>	<b>37.55</b>	<b>51.00</b>	<b>18.52</b>

Remark: /1 Book value is based on NIM's financial statements.

/2 Because the appraised value of NIM's warehouse that is THB 10.24 million is lower than the book value that is THB 12.96 million. Therefore, the IFA considers the book value of such assets for the valuation of TCCC ordinary shares by the adjusted book value approach. The details of the appraisal are shown in Attachment 2.

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### 2.1.2.5 Assets of CTP

TCCC holds 49.00% of CTP, which is considered as an associate of the Business. The valuation from an independent appraiser of fixed assets of CTP is land, and the details of the appraised property are as follows:

#### Details of CTP's Land

List	Details
Property Type	Vacant Land
Location	Puchaosamingprai Road, Samrong Tai Sub-district, PhraPradaeng District, Samut Prakan, Thailand
Land area size (Rai - Ngan - Wah)	12-0-0
Land owner	CTP
Encumbrances	None
Expropriation	No eminent domain in this area affects the site.

The value of CTP's assets appraised by independent appraisers can be summarized as follows:

#### Summary of CTP's assets

Assets	Approach	Unit: THB million			
		Book value as of 31 Mar 23 <sup>/1</sup>	Appraised value	Percentage shareholding of TCCC (%)	Increase (decrease) of asset value
Land	Market Approach	105.00	451.20	49.00	169.64
<b>Total</b>		<b>105.00</b>	<b>451.20</b>	<b>49.00</b>	<b>169.64</b>

Remark: /1 Book value is based on CT's financial statements.

From the above valuation of assets, The IFA has adjusted the book value of TCCC as of 31 March 2023 with the increase in the fair value of the assets of TCCC, NIM, MCA and TCCCM as well as investment in associate, CTP, to reflect the fair value of TCCC's shareholders' equity value as follows.

#### TCCC's share valuation based on the Adjusted Book Value Approach on 31 March 2023

Item	Value (Unit: THB million)
<b>Total shareholders' equity attributable to owners of the parent</b>	10,994.25
Add Increase in the value of assets appraised by the independent appraisers <sup>/1</sup>	5,463.39
Deduct Dividend payment <sup>/2</sup>	(818.60)
<b>Adjusted book value of shareholders' equity</b>	<b>15,639.34</b>
Number of issued and paid-up shares par value at THB 3.00 per share	584.71
<b>Adjusted book value per share (THB)</b>	<b>26.75</b>

Remark: /1 JVM is an appraiser operating in Myanmar which is not listed as an independent appraiser approved by the SEC, however, IFA had assessed on the qualifications of the appraiser and found that the appraiser is a subsidiaries of Japan Valuer Co., Ltd, which is certified as a member of Royal Institution of Chartered Surveyors (RICS).

/2 On April 28, 2023, the Ordinary Shareholders' meeting of the Business passed a resolution to pay dividends to shareholders at Baht 1.40 per share, totaling Baht 818.60 million as an appropriation of profit for the year 2022.

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From the ordinary share valuation by using adjusted book value approach, **the fair value of the Business's share is THB 26.75 per share which is lower than the tender offer price at THB 40.00 per share by THB 13.25 per share or 33.13%.**

Independent Financial Advisor deems that the ordinary share valuation by using adjusted book value approach is not appropriate since this approach shows book value that appears in the financial statements at a particular time which has already reflected the current fair value of the Business's assets. However, this valuation approach doesn't take into account of the Business's performance, ability to generate profit and future cash flows.

### 2.1.3 Historical Market Price Approach

This approach of ordinary share valuation considers the value and volume of TCCC's share being traded on the SET. The IFA calculates the volume weighed average price ("VWAP") for the previous 15 - 360 working days to 24 May 2023, which is the last day to trade in shares before the summit of the Tender Offerors' Tender Offer Document (Form 247-4). The historical market price of the shares will reflect the supply and demand of the Business's ordinary shares on the SET where the investors, based on their consideration of related information, would forecast the Business's business performance and the general condition of the market and economy in the future. Additional information in the calculation of the previous period VWAP for the Business are as follows:

**Calculation of Company's share price by Historical Market Price Approach**

Historical period (Business days)	Market price (THB per share)			Trading value (THB million)	Trading volume (shares)	VWAP (THB per share)
	Highest	Lowest	Average			
15	39.50	39.00	39.27	1,227,195.00	31,240.00	39.28
30	39.50	38.75	39.08	1,731,952.50	44,346.67	39.05
60	40.00	38.50	39.04	3,087,830.08	78,806.78	39.18
90	40.00	28.00	36.66	3,697,049.72	96,740.45	38.22
180	40.00	25.50	31.92	1,947,790.36	52,098.88	37.39
270	40.00	25.25	30.93	1,587,448.70	44,809.29	35.43
360	40.00	25.25	31.58	1,552,384.96	44,159.89	35.15
<b>Range of the Business's share price (THB per share)</b>					<b>35.15 – 39.28</b>	

Source: [www.setsmart.com](http://www.setsmart.com) as of 24 May 2023

Remark: 15 historical days fall within the date range of 2 May 2023 – 24 May 2023

30 historical days fall within the date range of 5 April 2023 – 24 May 2023

60 historical days fall within the date range of 21 February 2023 – 24 May 2023

90 historical days fall within the date range of 10 January 2023 – 24 May 2023

180 historical days fall within the date range of 29 August 2022 – 24 May 2023

270 historical days fall within the date range of 8 April 2022 – 24 May 2023

360 historical days fall within the date range of 25 November 2021 – 24 May 2023

Based on the table above, **the fair value of the Business's share ranges between THB 35.15 – 39.28 per share, which is lower than the offer price at THB 40.00 per share by THB 0.72 – 4.85 per share or 1.79 % - 12.12 %.**

Independent Financial Advisor deems that the ordinary share valuation by using market value approach is not appropriate since this approach shows the stock's market price which reflects demand and supply of investors, perspective on fundamentals, performance, and growth of the Business, perceiving of relevant news and enclosed information. However, upon consideration of the amount of the Business's shares being trade for the previous period of 15 - 360 working days, the average daily trading volume is approximately 56,028.85 shares or 0.005% - 0.017% of the Business's total paid up shares. This indicates

quite low liquidity on the SET. The market price of the Business's ordinary shares traded in the Stock Exchange of Thailand may not reflect the fair value as well as it should.

#### 2.1.4 Market Comparable Approach

The ordinary share valuation by using market comparable approach is a valuation method that considers market ratio of the listed companies with an assumption that the listed companies that have similar business description and business operation should have similar market ratio. However, the comparable companies may differ from the Business in terms of company size, growth, ability to generate profit, capital structure, accounting policy and etc. which may be a limitation of the ordinary share valuation by this approach.

For the ordinary share valuation by using market comparable approach, Independent Financial Advisor calculates the Business's share value by using 3 approaches which are Price to Book Value Ratio Approach, Price to Earnings Ratio Approach and EV/EBITDA Ratio Approach.

TCCC is the producer and distributor of Compound chemical fertilizers; therefore, Independent Financial Advisor chooses 5 listed companies that have similar business description, products, and geography. The details are as follows:

TCCC and Comparable Listed Companies for Comparison					
Company	Business Description	Unit: THB million			
		Asset	Revenue	EBITDA	Net Profit
<b>Thai Central Chemical Public Company Limited ("SET: TCCC")<sup>1</sup></b>	<b>TCCC manufactures, imports, exports, and distributes various chemical fertilizers in Thailand and also imports and distributes herbicide, fungicide.</b>	12,739.50	1,851.97	35.42	(26.51)
<b>Listed companies for comparison</b>					
Petrovietnam Camau Fertilizer Joint Stock Company ("HOSE: DCM") <sup>2</sup>	DCM produces and trades in fertilizers for agriculture and oil and gas industries in Vietnam. It is also involved in the manufacturing and selling of nitrogen compound and basic chemicals.	21,157.20	21,176.64	6,282.53	4,398.31
PetroVietnam Fertilizer and Chemicals Corporation - JSC ("HOSE: DPM") <sup>2</sup>	DPM produces and trades in fertilizers, liquid ammonia, industrial gas, and other chemical products for the agriculture, and oil and gas industries in Vietnam and internationally.	22,900.27	23,323.13	6,585.53	5,388.24
Lam Thao Fertilizers & Chemicals Joint Stock Company ("HNX: LAS") <sup>2</sup>	LAS manufactures and trades in fertilizers and chemicals in Vietnam. It offers superphosphate, NPK - S, axit sunfuric, and other products.	34,277.16	21,491.24	3,314.47	2,319.69
Anhui Sierte Fertilizer industry Limited Company ("SZSE: 002538" or "ANHUI") <sup>2</sup>	ANHUI produces and sells chemical fertilizers in China. It offers phosphate compound fertilizers, soil testing formula fertilizer and ecological fertilizers. ANHUI also	2,865.18	4,812.20	272.92	131.33

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Company	Business Description	Unit: THB million			
		Asset	Revenue	EBITDA	Net Profit
	engages in the mining and sales of phosphate rock.				
PM Thoresen Asia Holdings Public Company Limited ("SET: PMTA") <sup>/2</sup>	PMTA is a listed holding company which has Baconco as a core company located in Vietnam. Baconco is engaged in developing, producing, marketing, selling, and distributing agrochemical products.	2,392.13	3,931.89	162.52	37.77

Remark: /1 Audited financial statement for the period ending as 31 March 2023

/2 Financial items as shown are referred from the latest financial position and last 12 months performance based on financial statement, information as of 24 May 2023

From the table above, the IFA has selected the comparable companies of TCCC including DCM, DPM, LAS, ANHUI and PMTA which their main business and revenues are contributed from manufacturing, distribution, and processing of fertilizer. Details of TCCC's share valuation based on the Market Comparable Approach are as follows:

#### Price to Book Value Ratio Approach

For the valuation of TCCC's shares based on the Price to Book Value Ratio Approach, the IFA has specified 24 May 2023, which is the last day to trade in shares before the summit of the Tender Offerors' Tender Offer Document (Form 247-4). The IFA uses this date to calculate the average price - to - book value ratio ("P/BV") for the period of 15 to 360 trading days prior, as follows:

#### Historical average P/BV of comparable companies as of 24 May 2023

Comparable Company (Times)	Historical Periods (Business days)						
	15 Days	30 Days	60 Days	90 Days	180 Days	270 Days	360 Days
HOSE: DCM	1.17	1.18	1.20	1.25	1.46	1.66	1.91
HOSE: DPM	1.03	1.00	0.99	1.07	1.20	1.39	1.56
SZSE: 002538	1.13	1.18	1.25	1.28	1.33	1.41	1.45
HNX: LAS	0.83	0.78	0.74	0.72	0.77	0.91	1.12
SET: PMTA	0.56	0.58	0.59	0.59	0.60	0.65	0.69
<b>Average</b>	<b>0.94</b>	<b>0.94</b>	<b>0.95</b>	<b>0.98</b>	<b>1.07</b>	<b>1.20</b>	<b>1.35</b>

Source: Capital IQ as of 24 May 2023

Remark: 15 historical days fall within the date range of 2 May 2023 – 24 May 2023

30 historical days fall within the date range of 5 April 2023 – 24 May 2023

60 historical days fall within the date range of 21 February 2023 - 24 May 2023

90 historical days fall within the date range of 10 January 2023 - 24 May 2023

180 historical days fall within the date range of 29 August 2022 - 24 May 2023

270 historical days fall within the date range of 8 April 2022 - 24 May 2023

360 historical days fall within the date range of 25 November 2021 - 24 May 2023

From the table above, the IFA calculated the value of TCCC's ordinary shares by taking the average historical P/BV ratios of comparable companies during the prior 15 - 360 days up to 24 May 2023, and multiply them by the book value of TCCC's shareholders' equity, which is based on the reviewed financial statement for the quarter ended 31 March 2023, of THB 10,994.25 million, or a book value per share of THB 18.80. The details of TCCC's share valuation using the Price to Book Value Ratio Approach are as follows:



**TCCC's share value by P/BV ratio approach as of 24 May 2023**

Historical Period (Business Days)	Average P/BV (Times) (1)	Book Value per share (THB per Share) (2)	Fair Value (THB per Share) (3) = (1) x (2)
15 days	0.94	18.80	17.75
30 days	0.94		17.76
60 days	0.95		17.88
90 days	0.98		18.47
180 days	1.07		20.16
270 days	1.20		22.62
360 days	1.35		25.34
Range of TCCC’s share value (THB per share)			17.75 – 25.34

From the ordinary share valuation by using price to book value ratio approach, **the fair value of the Business's share ranges between THB 17.75 – 25.34 per share which is lower than the tender offer price at THB 40.00 per share by THB 14.66 – 22.25 per share or 36.65% - 55.63%.**

Independent Financial Advisor deems that the ordinary share valuation by using price to book value ratio approach is not appropriate since this approach doesn't take into account of the performance and growth trend of the Business. Therefore, this approach doesn't reflect the Business's ability to generate profit in the future. Moreover, comparable companies may differ from the Business in terms of company size, growth, ability to generate profit, capital structure, accounting policy and etc.

**Price to Earnings Ratio Approach**

For the valuation of TCCC's shares based on the Price to Earnings Approach, the IFA calculated average historical Price to Earnings Ratio ("P/E") for 15 - 360 business days of comparable companies up 24 May 2023, which is the last day to trade in shares before the summit of the Tender Offerors' Tender Offer Document (Form 247-4). The details of the share valuation are as follows:

**Historical average P/E of comparable companies as of 24 May 2023**

Comparable Company (Times)	Historical Periods (Business days)						
	15 Days	30 Days	60 Days	90 Days	180 Days	270 Days	360 Days
HOSE: DCM	4.51	4.01	3.57	3.51	3.85	4.78	7.47
HOSE: DPM	3.57	3.10	2.78	2.80	2.88	3.39	4.92
SZSE: 002538	13.12	12.52	12.36	12.37	12.02	13.15	13.82
HNX: LAS	13.72	12.91	12.22	12.12	13.77	17.10	21.31
SET: PMTA	25.04	18.97	15.81	13.46	11.41	10.99	11.09
<b>Average</b>	<b>11.99</b>	<b>10.30</b>	<b>9.35</b>	<b>8.85</b>	<b>8.79</b>	<b>9.88</b>	<b>11.72</b>

Source: Capital IQ as of 24 May 2023

Remark: 15 historical days fall within the date range of 2 May 2023 – 24 May 2023

30 historical days fall within the date range of 5 April 2023 – 24 May 2023

60 historical days fall within the date range of 21 February 2023 - 24 May 2023

90 historical days fall within the date range of 10 January 2023 - 24 May 2023

180 historical days fall within the date range of 29 August 2022 - 24 May 2023

270 historical days fall within the date range of 8 April 2022 - 24 May 2023

360 historical days fall within the date range of 25 November 2021 - 24 May 2023

From the above table, the IFA calculated the value of TCCC's ordinary shares by taking the average historical P/E ratios of comparable companies during the prior 15 - 360 days up to 24 May 2023 and



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multiply them with the last twelve-month earnings of TCCC from 1 April 2022 to 31 March 2023, based on the audited financial statement for the period ended 30 September 2022 and reviewed financial statement for the quarter ended 31 March 2023. The details of TCCC's share valuation using the Price to Earnings Ratio Approach are as follows:

**TCCC's share value by P/E ratio approach as of 24 May 2023**

Historical Period (Business Days)	Average P/E (Times) (1)	Earnings per Share (THB per Share) (2) <sup>1</sup>	Fair Value (THB per Share) (3) = (1) x (2)
15 days	11.99	1.51	18.09
30 days	10.30		15.53
60 days	9.35		14.10
90 days	8.85		13.35
180 days	8.79		13.25
270 days	9.88		14.90
360 days	11.72		17.68
Range of TCCC's share value (THB per share)			13.25 – 18.09

From the ordinary share valuation by using Price to Earnings ratio approach, **the fair value of the Business's share ranges between THB 13.25 – 18.09 per share which is lower than the tender offer price at THB 40.00 per share by THB 21.91 – 26.75 per share or 54.78% - 66.87%.**

Therefore, Independent Financial Advisor has opinion that the ordinary share valuation by using Price to Earnings ratio approach is not appropriate since this approach only compares price with earnings in the past without taking into account of the performance and growth trend of the Business. Therefore, this approach doesn't reflect the Business's ability to generate profit in the future. Moreover, comparable companies may differ from the Business in terms of company size, growth, ability to generate profit, capital structure, accounting policy and etc.

**EV to EBITDA Ratio Approach**

For the valuation of TCCC's shares based on the Enterprise Value to Earnings Before Interest, Taxes, and Depreciation and Amortization (EV/EBITDA) Ratio Approach, the IFA calculated average historical EV to EBITDA ("EV/ EBITDA") for 15 - 360 business days of comparable companies up to 24 May 2023, which is the last day to trade in shares before the summit of the Tender Offerors' Tender Offer Document (Form 247-4). The details of the share valuation are as follows:

**Historical average EV/EBITDA of comparable companies as of 24 May 2023**

Comparable Company (Times)	Historical Periods (Business days)						
	15 Days	30 Days	60 Days	90 Days	180 Days	270 Days	360 Days
HOSE: DCM	0.79	0.75	0.71	0.80	1.23	1.75	2.70
HOSE: DPM	1.39	1.13	0.96	1.02	1.13	1.51	2.46
SZSE: 002538	7.80	7.29	7.25	7.28	7.01	7.36	7.62
HNX: LAS	6.36	6.48	6.95	7.06	7.38	8.79	10.53
SET: PMTA	6.55	6.89	7.00	6.49	6.29	6.05	6.37
<b>Average</b>	<b>4.58</b>	<b>4.51</b>	<b>4.58</b>	<b>4.53</b>	<b>4.61</b>	<b>5.09</b>	<b>5.94</b>

Source: Capital IQ as of 24 May 2023

Remark: 15 historical days fall within the date range of 2 May 2023 – 24 May 2023

30 historical days fall within the date range of 5 April 2023 – 24 May 2023

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60 historical days fall within the date range of 21 February 2023 - 24 May 2023

90 historical days fall within the date range of 10 January 2023 - 24 May 2023

180 historical days fall within the date range of 29 August 2022 - 24 May 2023

270 historical days fall within the date range of 8 April 2022 - 24 May 2023

360 historical days fall within the date range of 25 November 2021 - 24 May 2023

**EV/EBITDA TCCC's Share Valuation using EV/ EBITDA Ratio Approach**

Item (Unit: THB million)	Historical Period (Business Days)						
	15 days	30 days	60 days	90 days	180 days	270 days	360 days
Average EV/EBITDA (times) (1)	4.58	4.51	4.58	4.53	4.61	5.09	5.94
EBITDA of the Business (THB million) (2)	1,399.71						
Enterprise Value (3) = (1) x (2)	6,407.82	6,309.92	6,404.68	6,340.91	6,446.99	7,127.78	8,309.10
Add: Cash and cash equivalent <sup>/1</sup> (THB million) (4)	6,293.31						
Deduct: Interest Bearing Debt <sup>/1</sup> (THB million) (5)	(280.53)						
Deduct: Dividend paid <sup>/2</sup> (6)	(818.60)						
<b>Equity Value (7) = ((3) + (4) - (5) - (6))</b>	<b>11,602.00</b>	<b>11,504.11</b>	<b>11,598.86</b>	<b>11,535.09</b>	<b>11,641.17</b>	<b>12,321.96</b>	<b>13,503.28</b>
Number of shares (million shares) (8)	584.71						
Equity Value per share (THB per share)	19.84	19.67	19.84	19.73	19.91	21.07	23.09
<b>Range of the Business's share price (THB per share)</b>	<b>19.67 – 23.09</b>						

Remark: /1 As of 31 March 2023

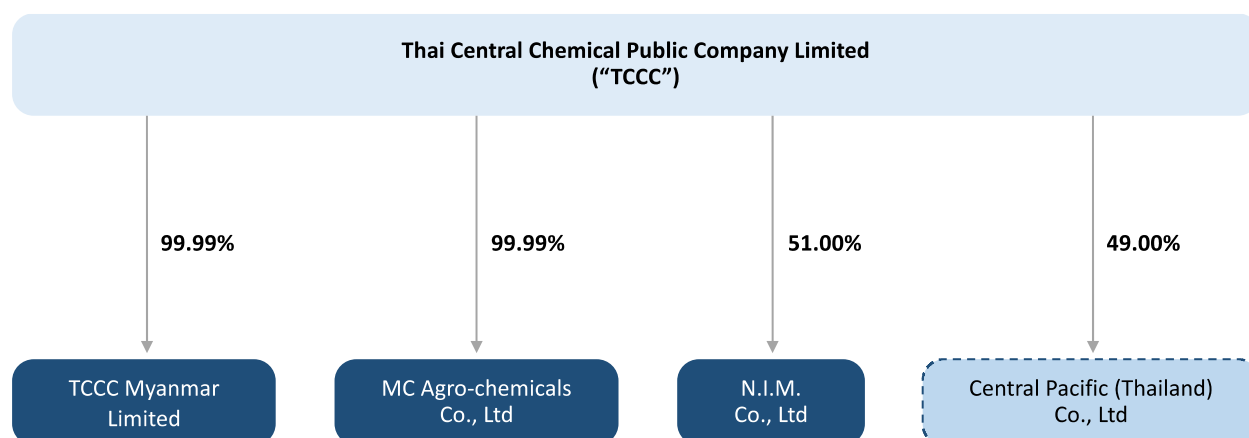
/2 On April 28, 2023, the Ordinary Shareholders' meeting of the Business passed a resolution to pay dividends to shareholders at Baht 1.40 per share, totaling Baht 818.60 million as an appropriation of profit for the year 2022.

From the ordinary share valuation by using EV to EBITDA ratio approach, **the fair value of the Business's share ranges between THB 19.67 – 23.09 per share which is lower than the tender offer price at THB 40.00 per share by THB 16.91 – 20.33 or 42.27% - 50.81%.**

Therefore, Independent Financial Advisor has opinion that the ordinary share valuation by using EV to EBITDA ratio approach is not appropriate since this approach only compares price with EBITDA in the past without taking into account of the performance and growth trend of the Business. Therefore, this approach doesn't reflect the Business's ability to generate profit in the future. Moreover, comparable companies may differ from the Business in terms of company size, growth, ability to generate profit, capital structure, accounting policy and etc.

## 2.1.5 Sum Of The Parts Approach

The Business group shareholding structure can be summarized as follows:



To determine the equity value of TCCC using this approach, the IFA considers the aggregate fair value of the group of companies being evaluated. To ensure an accurate assessment of the fair value of each company, the IFA selects a valuation approach that aligns with the differing operations of each company. The fair value of each company can then be summarized as follows:

**Fair value by shareholding ratio of TCCC's Investment**

No.	Company	Valuation Approach	Fair Value of Shareholders' Equity (Unit: THB million)	Proportion of TCCC's Investment (%)	Fair Value by Shareholding Ratio of Investment (Unit: THB million)
1	TCCC	Sum of the Parts	18,739.54 - 21,365.29	100.00	18,739.54 - 21,365.29
2	TCCCM	Discounted cash Flow	333.39 - 506.33	100.00	333.39 - 506.33
3	MCA	Discounted cash Flow	76.69 - 116.36	100.00	76.69 - 116.36
4	NIM	Discounted cash Flow	673.65 - 750.07	51.00	343.56 - 382.54
5	CTP	Adjusted Book Value	485.33	49.00	237.81
<b>Range of company's share price</b>					<b>19,731.00 - 22,608.33</b>
Number of issued and paid-up shares, par value at THB 3.00 per share (million shares)					584.71
<b>Share Price (THB per share)</b>					<b>33.74 - 38.67</b>

Remark: /1 Detail of CTP's valuation can be found in Part 2.1.2 of this report.

The detail of valuation of the Business's shareholders' equity are as follows:

### 1. Valuation of Separated TCCC's Shareholders' Equity

The IFA calculated the value of separated TCCC's shareholders' equity by using the discounted cash flow approach, which considers the Business's ability to generate cash flow in the future by determining the present value of Free Cash Flow to the Firm using an appropriate Weighted Average Cost of Capital

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("WACC") of the Business. The forecast period is 4 years 9 months, from April 2023 to December 2027. The approach assumes a going concern basis under the current economic conditions and circumstances to derive the present value of the Business's shares at the valuation date of May 24, 2023.

In this valuation, the IFA has prepared the financial forecast based on the significant assumptions based on the news, public information, the information received from the Business as well as interviews with TCCC's managements.

The details of financial assumptions are as follows:

#### a) Overall Assumptions

Summary of Overall Assumptions		
Assumption	Description	Reference
Date of Valuation	24 May 2023 (The last business day to trade in shares before submitting of the Tender Offerors' Tender Offer Document (form 247-4))	Tender Offer Document (form 247-4) submitted on 25 April 2023
Projection Period	4 years 9 months forecast from 1 April - 31 December 2027	IFA
Inflation Rate	<ul style="list-style-type: none"> <li>Global: 2.38% per year (10-year average Thai inflation rate from 2013 - 2022)</li> <li>Thailand: 1.21% per year (10-year average Thai inflation rate from 2013 - 2022)</li> <li>Cambodia: 2.03% per year (10-year average Cambodian inflation rate from 2011 - 2021)</li> <li>Myanmar: 4.56% per year (10-year average Myanmar inflation rate from 2011 - 2021)</li> </ul>	World Bank Bank of Thailand World Bank World Bank
Corporate Income Tax Rate	20.00%	The Revenue Department

#### b) Revenue Assumptions

TCCC is operating in the business of compound chemical fertilizer which the Business is one of the largest producer and distributor in Thailand under the brands such as Ox-brand, Baby, Singha and TCCC. The Business has 2 large and international standard plants with total capacity of 1.2 million metric tons per year.

The revenue of TCCC can be categorized into 2 types as follows:

1. Revenue from sales including sales of rice fertilizer, non-rice fertilizer, and other products which TCCC has sold the products in local and international market
2. Other income comprises of interest income, rental income, and miscellaneous service income.

The revenue assumptions can be summarized as follows:

Summary of Revenue Assumptions		
Assumption	Description	Reference
<b>1. Revenue from sales</b>		
Revenue from sales of TCCC comes from sales of compound chemical fertilizer comprising of 3 categories as follows:		- Management interview

Assumption	Description	Reference
<ul style="list-style-type: none"><li>• Rice fertilizer</li><li>• Non - rice fertilizer</li><li>• Other products comprise of imported single fertilizer, urea, imported compound fertilizer, etc.</li></ul> <p>According to TCCC’s sales distribution channels, TCCC has distributed its fertilizer to be sold in both local and international market, which are Thailand’s neighboring countries including Cambodia and Myanmar. For exporting to neighboring countries, TCCC has established its branch in Yangon, Myanmar in 2016 to support TCCC’s market expansion in Myanmar market, named TCCCM, and TCCC also exports and sells its product in Myanmar through TCCCM, while TCCC sells its product to Cambodia through agent in Thailand.</p> <p>Regarding the market situation in 2022, fertilizer’s raw material prices had sharply increased because of supply-side issues, including a production crunch in Europe, disruptions due to sanctions on Russia and Belarus, and trade restrictions in China. It causes a sharply increase in selling price and decrease in sales quantity.</p> <p>Regarding the projection, the IFA has estimated revenue from sales by considering management interview, review of TCCC’s historical performance, and trend of agricultural and chemical fertilizer industry in order to forecast sales from the key-driving factors, including the sales quantity and average selling price per tons.</p> <ul style="list-style-type: none"><li>• <b>Sales quantity</b></li></ul> <p>According to the Business’s historical performance, sales quantity is subject to fluctuations depending on various factors including the limitation of supplies and raw materials price which affect both the selling price together with the sales quantity.</p> <p>Based on the management interview, review of TCCC’s historical performance, and trend of agricultural and chemical fertilizer industry, the IFA views that the overall sales quantity of 2023 shall be recovered and increased from 2022 due to the increase in stability of raw material’s price and supply in global market. Then sales quantity in the local market is projected to grow at the rate of 1.00% per year in accordance with the 10-years CAGR of Thai’s agricultural production index while sale quantity of exporting to Cambodia is stable and Myanmar follows TCCCM plan.</p> <ul style="list-style-type: none"><li>• <b>Selling price</b></li></ul> <p>According to the Business’s historical performance, selling price is subject to fluctuations depending on various factors including the limitation of supplies and raw materials price which affect the selling price together with the sales quantity. Also, in Thailand, chemical fertilizer is subject to price control by the Ministry of Commerce under The Price of Good and Service Act, BE 2542 (1999).</p> <p>Based on the management interview, review of TCCC’s historical performance, and trend of agricultural and chemical fertilizer industry, the IFA views that the overall selling price of 2023 shall be decrease from 2022 due to the increase in</p>	<ul style="list-style-type: none"><li>- TCCC Annual Report</li><li>- Management interview</li><li>- Audited and reviewed financial statement for the year 2018 - 2022 and Q1 2023</li><li>- 10-year Agri Index from 2013 - 2022 (CAGR)</li><li>- Industry outlook</li><li>- Projection by the IFA</li></ul>	

Assumption	Description				Reference
stability of raw material’s price and supply in global market which align with the Business’s view. For 2024 onwards, the IFA views that the selling price will increase equivalent to global inflation because raw material which is mainly imported from several countries.					
Thus, the revenue of the Business in projection period will be as follows:					
Actual		Forecast			
2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027		
Quantity sold (tons)					
582,004.16 - 881,003.23	78,160.68	649,243.83	739,123.62 - 764,231.42		
Unit price (THB/ton)					
11,442.60 - 21,088.38	22,101.56	16,975.81	17,968.95 - 19,296.65		
Total revenue (THB million)					
8,283.40 - 12,273.52	1,727.47	11,021.44	13,281.27 - 14,747.11		
2. Other Income					
Interest income	Based on management interview and historical data, the IFA has estimated interest received on deposits equals 0.26% per year referencing historical interest rate from the local financial institutions.			- Management Interview - Audited and reviewed financial statement for the year 2018 - 2022 and Q1 2023 - Projection by the IFA	
Other Income	Comprise of rental income, service income and gain from disposal of assets.  The IFA estimated the other income in April 2023 – December 2027 by referencing amount of other income in 2022, without growth rate, which is amounting to THB 23.40 million in April to December 2023 and THB 28.93 million in 2024 - 2027.			- Management Interview - Audited and reviewed financial statement for the year 2018 - 2022 and Q1 2023 - Projection by the IFA	

### c) Cost of Goods Sold Assumption

The cost of goods sold of TCCC could be categorized into 3 groups as follows:

1. Variable costs including fertilizer raw material and packaging cost
2. Fixed costs including personnel, safety and training, repair and maintenance, and other cost
3. Depreciation and amortization

The cost of goods sold assumptions could be summarized as follows:

#### Summary of Assumptions on Cost of Goods Sold

Assumption	Description	Reference
Cost of goods sold of TCCC mainly comprises of as follows:		<ul style="list-style-type: none"> <li>- Management interview</li> <li>- TCCC Annual Report</li> </ul>
• Variable costs		

Assumption	Description	Reference																										
	<p>Comprise of raw materials cost, fuel cost, electricity cost, and packaging cost, etc.</p> <p>Mostly, variable cost is raw material cost which, approximately, 75.00% - 80.00% of raw materials are imported from overseas. Regarding the market situation in 2022, fertilizer’s raw material prices had sharply increased because of supply-side issues, including a production crunch in Europe, disruptions due to sanctions against Russia and Belarus, and trade restrictions in China.</p> <p>Based on the management interview, review of TCCC’s historical performance, cost breakdown for the year 2018 - 2022 and trend of agricultural and chemical fertilizer industry, the IFA views that 2023 is a transition year that raw material cost will be gradually decrease compared to the prior year due to the increase of stability of raw materials price, e.g. single fertilizer, and transportation cost, then reach to the target variable cost under normal situation in 2024 onwards.</p> <p>● <b>Fixed costs</b></p> <p>Comprise of employee expenses, insurance premium, utility expenses, repair and maintenance cost</p> <p>Based on the management interview, review of TCCC’s historical performance, cost breakdown for the year 2018 - 2022 and trend of agricultural and chemical fertilizer industry, IFA has estimated the fixed cost based on fixed cost of 2022 with growth rate of 1.21% Thai inflation rate</p> <p>● <b>Depreciation and amortization</b></p> <p>Comprise of factories’ building, machinery, and equipment, etc.</p> <p>Depreciation expenses calculated from cost of assets by using straight - line method are as follows:</p> <table><tr><th>Item</th><th>Estimated asset’s useful life (Unit: Year)</th></tr><tr><td>Land improvement</td><td>10</td></tr><tr><td>Buildings</td><td>20</td></tr><tr><td>Machinery and equipment</td><td>5 - 20</td></tr><tr><td>Vehicles</td><td>5 - 10</td></tr></table> <p>Thus, the cost of goods sold of the Business in projection period will be as follows:</p> <table><tr><th colspan="4">(Unit: % to total revenue from sales)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2018 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>74.06% - 89.99%</td><td>95.50%</td><td>85.37%</td><td>83.67% - 84.28%</td></tr></table>	Item	Estimated asset’s useful life (Unit: Year)	Land improvement	10	Buildings	20	Machinery and equipment	5 - 20	Vehicles	5 - 10	(Unit: % to total revenue from sales)				Actual		Forecast		2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	74.06% - 89.99%	95.50%	85.37%	83.67% - 84.28%	<ul style="list-style-type: none"><li>- Audited and reviewed financial statement for the year 2018 - 2022 and Q1 2023</li><li>- Cost breakdown for the years 2018 - 2022 and Q1 2023</li><li>- Fixed assets register for the year 2022</li><li>- Industry outlook</li><li>- Projection by the IFA</li></ul>
Item	Estimated asset’s useful life (Unit: Year)																											
Land improvement	10																											
Buildings	20																											
Machinery and equipment	5 - 20																											
Vehicles	5 - 10																											
(Unit: % to total revenue from sales)																												
Actual		Forecast																										
2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027																									
74.06% - 89.99%	95.50%	85.37%	83.67% - 84.28%																									

#### d) Selling Expenses Assumptions

Selling expenses of TCCC are as follows:

1. Personnel expenses
2. Travelling and entertainment expenses



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3. Advertising and promotion expenses
4. Office expenses
5. Fees
6. Depreciation and amortization expenses
7. Others

The selling expenses assumptions can be summarized as follows:

**Summary of Assumptions on Selling Expenses**

Summary of Assumptions on Selling Expenses

Assumption	Description	Reference																		
Personnel expenses	<p>Personal expenses consist of salary, bonus, and other employee benefits.</p> <p>Based on management interviews, and review of TCCC’s historical performance, currently, TCCC has a total of 33 employees and has no plan to hire additional employee.</p> <p>Therefore, the IFA views that personnel expenses as follows:</p> <table><tr><th>Actual</th><th colspan="2">Forecast</th></tr><tr><th>2022</th><th>2023</th><th>2024 - 2027</th></tr><tr><td colspan="3">Number of Employees (person)</td></tr><tr><td>33</td><td colspan="2">33</td></tr><tr><td colspan="3">Monthly Expenses (THB)</td></tr><tr><td>54,525.80 per person per month</td><td>56,706.83 per person per month</td><td>Growth at 4.00% from the previous year based on TCCC policy</td></tr></table>	Actual	Forecast		2022	2023	2024 - 2027	Number of Employees (person)			33	33		Monthly Expenses (THB)			54,525.80 per person per month	56,706.83 per person per month	Growth at 4.00% from the previous year based on TCCC policy	<ul style="list-style-type: none"><li>- Management interview</li><li>- TCCC Annual Report</li><li>- Audited and reviewed financial statement for the year 2018 - 2022 and Q1 2023</li><li>- Projection by the IFA</li></ul>
Actual	Forecast																			
2022	2023	2024 - 2027																		
Number of Employees (person)																				
33	33																			
Monthly Expenses (THB)																				
54,525.80 per person per month	56,706.83 per person per month	Growth at 4.00% from the previous year based on TCCC policy																		
Travelling and entertainment expenses	<p>Based on management interviews, and review of TCCC’s historical performance, the IFA views that the travelling and entertainment expenses in 2023 onwards will be equal to its expenses in pre-covid period as follows:</p> <table><tr><th colspan="4">(Unit: % to revenue from sales)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2018 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>0.03% - 0.19%</td><td>0.10%</td><td>0.19%</td><td>0.18%</td></tr></table>	(Unit: % to revenue from sales)				Actual		Forecast		2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	0.03% - 0.19%	0.10%	0.19%	0.18%	<ul style="list-style-type: none"><li>- Management interview</li><li>- TCCC Annual Report</li><li>- Audited and reviewed financial statement for the year 2018 - 2022 and Q1 2023</li><li>- Projection by the IFA</li></ul>		
(Unit: % to revenue from sales)																				
Actual		Forecast																		
2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027																	
0.03% - 0.19%	0.10%	0.19%	0.18%																	
Advertising and promotion expenses	<p>Comprise of promotion expense, advertising expenses</p> <p>Based on management interviews, and review of TCCC’s historical performance, as TCCC plan to increase marketing activities in post-covid period, the IFA views that the advertising and promotion expenses will be to 2.16% from April to December 2023 and 2.36% in 2024 onwards which equal to the average of the expense to revenue from sales during 2018 - 2020 as follows:</p>	<ul style="list-style-type: none"><li>- Management interview</li><li>- TCCC Annual Report</li><li>- Audited and reviewed financial statement for the year 2018 - 2022 and Q1 2023</li></ul>																		

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Assumption	Description	Reference																
	<table><tr><th colspan="4">(Unit: % to revenue from sales)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2018 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>0.80% - 2.68%</td><td>2.16%</td><td>2.16%</td><td>2.36%</td></tr></table>	(Unit: % to revenue from sales)				Actual		Forecast		2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	0.80% - 2.68%	2.16%	2.16%	2.36%	<ul style="list-style-type: none"><li>- Projection by the IFA</li></ul>
(Unit: % to revenue from sales)																		
Actual		Forecast																
2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027															
0.80% - 2.68%	2.16%	2.16%	2.36%															
Office expenses	<p>Comprise of office equipment rental, bank charges</p> <p>Based on management interviews, and review of TCCC’s historical performance, the IFA views that these expenses are as follows:</p> <table><tr><th colspan="4">(Unit: THB million)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2018 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>1.98 - 3.28 per year</td><td>0.33</td><td>2.16</td><td>Growth at 1.21% from the previous year based on Thai inflation rate</td></tr></table>	(Unit: THB million)				Actual		Forecast		2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	1.98 - 3.28 per year	0.33	2.16	Growth at 1.21% from the previous year based on Thai inflation rate	<ul style="list-style-type: none"><li>- Management interview</li><li>- TCCC Annual Report</li><li>- Audited and reviewed financial statement for the year 2018 - 2022 and Q1 2023</li><li>- Projection by the IFA</li></ul>
(Unit: THB million)																		
Actual		Forecast																
2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027															
1.98 - 3.28 per year	0.33	2.16	Growth at 1.21% from the previous year based on Thai inflation rate															
Fees	<p>Comprise of bank fees</p> <p>Based on management interviews, and review of TCCC’s historical performance, the IFA views that these expenses are as follows:</p> <table><tr><th colspan="4">(Unit: THB million)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2018 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>0.10 - 1.38 per year</td><td>-</td><td>0.66</td><td>Growth at 1.21% from the previous year based on Thai inflation rate</td></tr></table>	(Unit: THB million)				Actual		Forecast		2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	0.10 - 1.38 per year	-	0.66	Growth at 1.21% from the previous year based on Thai inflation rate	<ul style="list-style-type: none"><li>- Management interview</li><li>- TCCC Annual Report</li><li>- Audited and reviewed financial statement for the year 2018 - 2022 and Q1 2023</li><li>- Projection by the IFA</li></ul>
(Unit: THB million)																		
Actual		Forecast																
2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027															
0.10 - 1.38 per year	-	0.66	Growth at 1.21% from the previous year based on Thai inflation rate															
Depreciation and amortization expenses	<p>Depreciation and amortization expenses calculated from cost of assets by using straight - line method are as follows:</p> <table><tr><th colspan="2">(Unit: THB million)</th></tr><tr><th>Item</th><th>Estimated asset’s useful life (Unit: Year)</th></tr><tr><td>Buildings</td><td>20</td></tr><tr><td>Furniture and office equipment</td><td>3 - 20</td></tr><tr><td>Vehicles</td><td>5 - 10</td></tr></table>	(Unit: THB million)		Item	Estimated asset’s useful life (Unit: Year)	Buildings	20	Furniture and office equipment	3 - 20	Vehicles	5 - 10	<ul style="list-style-type: none"><li>- Management interview</li><li>- TCCC Annual Report</li><li>- Audited and reviewed financial statement for the year 2018 - 2022 and Q1 2023</li><li>-</li><li>-</li></ul>						
(Unit: THB million)																		
Item	Estimated asset’s useful life (Unit: Year)																	
Buildings	20																	
Furniture and office equipment	3 - 20																	
Vehicles	5 - 10																	

Assumption	Description	Reference																
Other expenses	<p>Comprise of transportation and loading expenses</p> <p>Based on management interviews, and review of TCCC’s historical performance, the IFA views that these expenses are as follows:</p> <table><tr><th colspan="4">(Unit: % to revenue from sales)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2018 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>0.17% - 0.45%</td><td>0.22%</td><td>0.33%</td><td>0.31% based on average of 2020 - 2022</td></tr></table>	(Unit: % to revenue from sales)				Actual		Forecast		2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	0.17% - 0.45%	0.22%	0.33%	0.31% based on average of 2020 - 2022	<ul style="list-style-type: none"><li>- Management interview</li><li>- TCCC Annual Report</li><li>- Audited financial statement for the year 2018 - 2022 and reviewed financial statement of Q1 2023</li><li>- Projection by the IFA</li></ul>
(Unit: % to revenue from sales)																		
Actual		Forecast																
2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027															
0.17% - 0.45%	0.22%	0.33%	0.31% based on average of 2020 - 2022															

#### e) Administrative Expenses Assumptions

Administrative expenses of TCCC are as follows:

1. Personnel expenses
2. Travelling and entertainment expenses
3. Advertising and promotion expenses
4. Office expenses
5. Fees
6. Depreciation and amortization expenses
7. Others

The administrative expenses assumptions can be summarized as follows:

#### Summary of Assumptions on Administrative Expenses

Summary of Assumptions on Administrative Expenses

Assumption	Description	Reference																		
Personnel expenses	<p>Personal expenses consist of salary, bonus, and other employee benefits.</p> <p>Based on management interviews, and review of TCCC’s historical financial statement, currently, TCCC has a total of 108 employees and has no plan to hire additional employee. Therefore, the IFA has estimated personnel expenses as follows:</p> <table><tr><th>Actual</th><th colspan="2">Forecast</th></tr><tr><th>2022</th><th>2023</th><th>2024 - 2027</th></tr><tr><td colspan="3">Number of Employees (person)</td></tr><tr><td>108</td><td colspan="2">108</td></tr><tr><td colspan="3">Monthly Expenses (THB)</td></tr><tr><td>52,103.90 per person per month</td><td>54,188.06 per person per month</td><td>Growth at 4.00% from the previous year based on TCCC policy</td></tr></table>	Actual	Forecast		2022	2023	2024 - 2027	Number of Employees (person)			108	108		Monthly Expenses (THB)			52,103.90 per person per month	54,188.06 per person per month	Growth at 4.00% from the previous year based on TCCC policy	<ul style="list-style-type: none"><li>- Management interview</li><li>- TCCC Annual Report</li><li>- Audited financial statement for the year 2018 - 2022 and reviewed financial statement of Q1 2023</li><li>- Projection by the IFA</li></ul>
Actual	Forecast																			
2022	2023	2024 - 2027																		
Number of Employees (person)																				
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52,103.90 per person per month	54,188.06 per person per month	Growth at 4.00% from the previous year based on TCCC policy																		

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Assumption	Description	Reference																
Travelling and entertainment expenses	<p>Based on management interviews, and review of TCCC’s historical financial statement, the IFA has estimated travelling and entertainment expenses as follows:</p> <table><tr><th colspan="4">(Unit: THB million)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2018 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>8.01 - 21.80 per year</td><td>2.84</td><td>17.72</td><td>Growth at 1.21% from the previous year based on Thai inflation rate</td></tr></table>	(Unit: THB million)				Actual		Forecast		2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	8.01 - 21.80 per year	2.84	17.72	Growth at 1.21% from the previous year based on Thai inflation rate	<ul style="list-style-type: none"><li>- Management interview</li><li>- TCCC Annual Report</li><li>- Audited financial statement for the year 2018 - 2022 and reviewed financial statement of Q1 2023</li><li>- Projection by the IFA</li></ul>
(Unit: THB million)																		
Actual		Forecast																
2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027															
8.01 - 21.80 per year	2.84	17.72	Growth at 1.21% from the previous year based on Thai inflation rate															
Advertising and promotion expenses	<p>Comprise of subscription fee, miscellaneous expenses, etc.</p> <p>Based on management interviews, and review of TCCC’s historical financial statement, the IFA has estimated advertising and promotion expenses as follows:</p> <table><tr><th colspan="4">(Unit: % to revenue from sales)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2018 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>0.44% - 0.65%</td><td>0.81%</td><td>0.48%</td><td>0.45% based on average of 2020 - 2022</td></tr></table>	(Unit: % to revenue from sales)				Actual		Forecast		2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	0.44% - 0.65%	0.81%	0.48%	0.45% based on average of 2020 - 2022	<ul style="list-style-type: none"><li>- Management interview</li><li>- TCCC Annual Report</li><li>- Audited financial statement for the year 2018 - 2022 and reviewed financial statement of Q1 2023</li><li>- Projection by the IFA</li></ul>
(Unit: % to revenue from sales)																		
Actual		Forecast																
2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027															
0.44% - 0.65%	0.81%	0.48%	0.45% based on average of 2020 - 2022															
Office expenses	<p>Comprise of insurance premium, office service fee, etc.</p> <p>Based on management interviews, and review of TCCC’s historical financial statement, the IFA has estimated office expenses as follows:</p> <table><tr><th colspan="4">(Unit: THB million)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2018 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>14.39 - 19.93 per year</td><td>3.71</td><td>11.37</td><td>Growth at 1.21% from the previous year based on Thai inflation rate</td></tr></table>	(Unit: THB million)				Actual		Forecast		2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	14.39 - 19.93 per year	3.71	11.37	Growth at 1.21% from the previous year based on Thai inflation rate	<ul style="list-style-type: none"><li>- Management interview</li><li>- TCCC Annual Report</li><li>- Audited financial statement for the year 2018 - 2022 and reviewed financial statement of Q1 2023</li><li>- Projection by the IFA</li></ul>
(Unit: THB million)																		
Actual		Forecast																
2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027															
14.39 - 19.93 per year	3.71	11.37	Growth at 1.21% from the previous year based on Thai inflation rate															
Fees	<p>Comprise of audit fee, professional fee, director fee.</p> <p>Based on management interviews, and review of TCCC’s historical financial statement, the IFA has estimated fees as follows:</p>	<ul style="list-style-type: none"><li>- Management interview</li><li>- TCCC Annual Report</li></ul>																

Assumption	Description	Reference																
	<table><tr><th colspan="4">(Unit: THB million)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2018 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>11.53 - 22.93 per year</td><td>6.50</td><td>9.72</td><td>Growth at 1.21% from the previous year based on Thai inflation rate</td></tr></table>	(Unit: THB million)				Actual		Forecast		2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	11.53 - 22.93 per year	6.50	9.72	Growth at 1.21% from the previous year based on Thai inflation rate	<ul style="list-style-type: none"><li>- Audited financial statement for the year 2018 - 2022 and reviewed financial statement of Q1 2023</li><li>- Projection by the IFA</li></ul>
(Unit: THB million)																		
Actual		Forecast																
2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027															
11.53 - 22.93 per year	6.50	9.72	Growth at 1.21% from the previous year based on Thai inflation rate															
Depreciation and amortization expenses	<p>Depreciation and amortization expenses calculated from cost of assets by using straight - line method are as follows:</p> <table><tr><th>Item</th><th>Estimated asset’s useful life (Unit: Year)</th></tr><tr><td>Buildings</td><td>20</td></tr><tr><td>Furniture and office equipment</td><td>3 - 20</td></tr><tr><td>Vehicles</td><td>5 - 10</td></tr></table>	Item	Estimated asset’s useful life (Unit: Year)	Buildings	20	Furniture and office equipment	3 - 20	Vehicles	5 - 10	<ul style="list-style-type: none"><li>- Management interview</li><li>- TCCC Annual Report</li><li>- Audited financial statement for the year 2018 - 2022 and reviewed financial statement of Q1 2023</li><li>- Projection by the IFA</li></ul>								
Item	Estimated asset’s useful life (Unit: Year)																	
Buildings	20																	
Furniture and office equipment	3 - 20																	
Vehicles	5 - 10																	
Other expenses	<p>Comprise of public donation, telecommunication expenses, software maintenance, etc.</p> <p>Based on management interviews, and review of TCCC’s historical financial statement, the IFA has estimated other expenses as follows:</p> <table><tr><th colspan="4">(Unit: % to revenue from sales)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2020 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>0.16% - 0.25%</td><td>0.38%</td><td>0.16%</td><td>0.19% based on average of 2020 - 2022</td></tr></table>	(Unit: % to revenue from sales)				Actual		Forecast		2020 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	0.16% - 0.25%	0.38%	0.16%	0.19% based on average of 2020 - 2022	<ul style="list-style-type: none"><li>- Management interview</li><li>- TCCC Annual Report</li><li>- Audited financial statement for the year 2018 - 2022 and reviewed financial statement of Q1 2023</li><li>- Projection by the IFA</li></ul>
(Unit: % to revenue from sales)																		
Actual		Forecast																
2020 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027															
0.16% - 0.25%	0.38%	0.16%	0.19% based on average of 2020 - 2022															

#### f) Management Remuneration Assumptions

The management remuneration consists of salary, bonus, and other employee benefits.

The management remuneration assumptions can be summarized as follows:

#### Summary of Assumptions on Management Remuneration

Assumption	Description	Reference
Management Remuneration	Based on management interviews, and review of historical financial statement, and the Business's policy,	- Management interview

Assumption	Description	Reference
	the IFA has estimated management remuneration 34.91 million in April to December 2023 and THB 46.24 million in 2024 - 2027.	<ul style="list-style-type: none"> <li>- TCCC Annual Report</li> <li>- Audited and reviewed financial statement for the year 2018 - 2022 and Q1 2023</li> <li>- TCCC's policy</li> </ul>

**g) Finance Costs and Corporate Income Tax Assumptions**

**Summary of assumptions on financial costs and corporate income tax expense**

Summary of assumptions on financial costs and corporate income tax expense

Assumption	Description	Reference																												
Financial cost	<div>Finance cost of TCCC consist of interest expenses from lease liabilities and bank charge, the IFA has estimated financial cost as follows:</div> <table><tr><th colspan="4">(Unit: THB million)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2018 – 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 – 2027</th></tr><tr><td colspan="4">Interest expenses</td></tr><tr><td>0.14 – 2.03 per year</td><td>0.44</td><td>0.60</td><td>0.98 - 1.54 per year according to lease liabilities schedule</td></tr><tr><td colspan="4">Bank charge</td></tr><tr><td>0.12 - 0.27 per year</td><td>-</td><td>0.18</td><td>0.18 per year based on average the expenses of 2020 - 2022</td></tr></table>	(Unit: THB million)				Actual		Forecast		2018 – 2022	Q1 2023	Q2 - Q4 2023	2024 – 2027	Interest expenses				0.14 – 2.03 per year	0.44	0.60	0.98 - 1.54 per year according to lease liabilities schedule	Bank charge				0.12 - 0.27 per year	-	0.18	0.18 per year based on average the expenses of 2020 - 2022	<div>- Management interview</div> <div>- Lease liabilities schedule</div> <div>- Lease contract</div>
(Unit: THB million)																														
Actual		Forecast																												
2018 – 2022	Q1 2023	Q2 - Q4 2023	2024 – 2027																											
Interest expenses																														
0.14 – 2.03 per year	0.44	0.60	0.98 - 1.54 per year according to lease liabilities schedule																											
Bank charge																														
0.12 - 0.27 per year	-	0.18	0.18 per year based on average the expenses of 2020 - 2022																											
Corporate income tax expense	The IFA assumes a corporate income tax rate of 20.00% throughout the projection period based on the current Thailand corporate income tax rate.	<div>- P.N.D. 50 for the year 2021</div> <div>- P.N.D. 51 for the year 2022</div>																												

**h) Working Capital Assumptions**

**Summary of assumptions on working capital**

Summary of assumptions on working capital		
Assumption	Description	Reference
Based on management interviews, and historical financial statement, the IFA has estimated working capital by averaging day outstanding 2019 - 2022 which the results are as follows:		<ul style="list-style-type: none"><li>- Management interview</li><li>- TCCC Annual Report</li><li>- Audited and reviewed financial</li></ul>
Items	(Unit: days)	
Day sales outstanding	20.56 days	
Day inventory outstanding	85.47 days	

Assumption	Description	Reference
Day payable outstanding	26.33 days	statement for the year 2018 - 2022 and Q1 2023 - Projection by the IFA

**i) Capital Expenditures (CAPEX) Assumptions**

**Summary of assumptions on Capital Expenditures (CAPEX)**

Assumption	Description	Reference
Capital Expenditures (CAPEX)	<p>Investment cost for improvement and maintenance fixed assets to extend their useful life.</p> <p>Based on management interviews, TCCC currently does not have a major overhaul or investment in new machinery or equipment within the next 2 - 3 years. However, based on management interviews, and review of historical financial statement, average CAPEX per year was approximately THB 250.00 million.</p> <p>In accordance with above information, the IFA has estimated an annual capital expenditure amount of THB 185.22 million for April - December 2023 and THB 250.00 million for the year 2024 - 2027.</p>	<p>- Management interview</p> <p>- Audited and reviewed financial statement for the year 2018 - 2022 and Q1 2023</p> <p>- Actual CAPEX 2018 - 2022 and Q1 2023</p> <p>- Projection by the IFA</p>

**j) Terminal Value Assumption**

**Summary of assumption on Terminal Value**

Assumption	Description	Reference
Terminal value	Terminal value is estimated to be on 31 December 2027, based on a terminal growth rate of 1.00% under conservative basis, the IFA assumed that the Business will continue to operate its business on going concern basis after projected period with assumed perpetual growth rate of 1.00% to reflect the growth rate of TCCC business from growth in quantity sold and selling price, and also reflect the market situation in the long - term.	<p>- Management interview</p> <p>- Projection by the IFA</p>

**k) Discount Rate**

The IFA has considered Weighted Average Cost of Capital (WACC) as discount rate for calculating the present value of TCCC's free cash flow to firm. The WACC can be calculated as the following formula:

$$WACC = K_e \times [E/(D+E)] + K_d \times (1 - t) \times [D/(D+E)]$$

However, in calculating WACC,  $K_e$  must be determined using Capital Asset Pricing Model (CAPM) according to the following formula:

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



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Whereby

- Rf = The risk - free rate based on the 35-year Thai government bond yield on 24 May 2023, of 3.48% per year (Source: ThaiBMA Government Bond Yield)
- Rm = The market return of 10.30%, of which the IFA has determined based on average changes of the Stock Exchange of Thailand Index for the last 20 years during June 2003 - March 2023 (source: www.set.or.th and the IFA's calculation)
- $\beta$  = The coefficient of the volatility of comparative companies which are listed companies in the business of manufacturing, Distribution, and Processing of fertilizer, calculated from the average stock price over 1 year up to 24 May 2023 as follows:

Symbol	Company Name	Unlevered Beta
HOSE:DCM	Petrovietnam Camau Fertilizer Joint Stock Company	1.13
HOSE:DPM	PetroVietnam Fertilizer and Chemicals Corporation Joint Stock Company	0.94
SZSE:002538	Anhui Sierte Fertilizer Industry Limited Company	1.05
HNX:LAS	Lam Thao Fertilizers & Chemicals Joint Stock Company	1.33
SET:PMTA	PM Thoresen Asia Holdings Public Company Limited	0.36
<b>Average</b>		<b>0.96</b>

The IFA has adjusted for the impact of debt incurred by removing the above - mentioned capital structure with the equation  $\text{Unlevered Beta} = \text{Levered Beta} / (1 + (1 - \text{tax}) \times (\text{IBD}/\text{E}))$ . Then Unlevered Beta and the TCCC's capital structure in the audited financial statements as of 31 March 2023, are used to calculate  $\text{Levered Beta} = \text{Unlevered Beta} \times (1 + (1 - \text{tax}) \times (\text{IBD}/\text{E}))$ , which gives a beta of 0.98.

From the above assumptions, Ke can be calculated as follows:

**Calculation of the Cost of Equity (Ke) of TCCC**

Factors	Assumption
Risk - free Rate (Rf) (1)	3.48%
Risk Premium (Rm - Rf) (2)	6.82%
$\beta$ (3)	0.98
<b>Cost of Equity or Ke (4) = (1) + [(3) x (2)]</b>	<b>10.17%</b>

From the above Ke, WACC can be calculated as follows:

- Ke = The cost of equity based on CAPM, as per the above formula at 10.17%.
- Kd = The cost of interest - bearing debt of TCCC equals to 4.79%, calculated on the basis of weighted average interest rates of TCCC's debt as of 30 March 2023.
- t = Corporate income tax rate of TCCC is 20.00%.
- IBD/(IBD+E) = The interest - bearing debt to capital ratio of TCCC according to its capital structure as derived from the audited financial statements as of 31 March 2023 of 2.47%.

**Calculation of WACC of TCCC**

Factors	Assumption
Cost of Equity or Ke (1)	10.17%
Cost of Debt or Kd (2)	4.97%

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Factors	Assumption
IBD/(IBD+E) (3)	2.47%
Corporate income tax rate or t (4)	20.00%
<b>Weighted Average Cost of Capital or WACC (5) = {(1) x [1 - (3)]} + {(2) x [1 - (4)] x (3)}</b>	<b>10.02%</b>

From the above table, the WACC of TCCC is 10.02%.

#### l) Present Value of Free Cash Flow Calculation

From the above assumptions, the IFA has prepared the free cash flow forecast and adopted the WACC as a discount rate to determine the present value of the future cash flow and the value of TCCC's shareholders' equity as follows:

##### Summary of the free cash flow projection of TCCC (April 2023 - December 2027)

(Unit: THB million)	Apr - Dec	Jan - Dec			
	2023	2024	2025	2026	2027
Earnings before interest and taxes (EBIT)	1,114.89	1,477.92	1,519.42	1,549.35	1,694.50
Deduct: Tax and tax shield benefits	(222.98)	(295.58)	(303.88)	(309.87)	(338.90)
Net operating profit after tax (NOPAT)	891.91	1,182.33	1,215.54	1,239.48	1,355.60
Add: Depreciation and amortization	185.39	284.84	331.64	376.14	308.07
Add (Deduct): Change in net working capital	9.76	307.68	(105.11)	(85.14)	(87.97)
Deduct: Capital expenditure	(185.22)	(250.00)	(250.00)	(250.00)	(250.00)
Free cash flow to firm	901.84	1,524.85	1,192.07	1,280.48	1,325.69
Add: Terminal value	-	-	-	-	14,849.42
Total free cash flow to firm	901.84	1,524.85	1,192.07	1,280.48	16,175.12
PV of free cash flow to firm	14,417.49	Discount Rate equals to 10.02%, applied to discount the free cash flow of April 2023 - December 2027 for deriving net present value of free cash flow as of 24 May 2023.			
Add: Cash and cash equivalents as of 31 March 2023	6,132.67				
Deduct: Dividend paid at THB 1.40 per share	(818.60)				
Add: Market value of investment properties	293.37				
Equity value	20,024.93				

From the above table, **the equity value of TCCC based on Sum of the Parts (SOTP) Approach (SOTP) is THB 20,024.93 million.**

#### m) Sensitivity Analysis

The fair value of TCCC's share using Sum of the Parts (SOTP) Approach under the base case is THB 20,024.93 million. The IFA has conducted a sensitivity analysis based on TCCC's key operational factors which are change of sales quantity and growth rate of selling price. The IFA adjusted these factors, and the result are as follows:

##### Sensitivity analysis of TCCC's share value using SOTP based on change of sales quantity

Sales Quantity (Unit: tons)	(5.00%)	Base case	5.00%
<u>Case:</u> Sales quantity change (+/-) 5.00%	20,021.29	20,024.93	20,028.58

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**Sensitivity analysis of TCCC's share value using SOTP based on growth rate of selling price**

<b>Selling Price (Unit: THB million/ton)</b>	<b>(3.00%)</b>	<b>Base case</b>	<b>3.00%</b>
<u>Case:</u> Growth rate of selling price change (+/-) 3.00%	18,739.54	20,024.93	21,365.29

Based on the above sensitivity analysis, **the fair value of separated TCCC's equity ranges between THB 18,379.54 – 21,365.29 million.**

## 2. Valuation of TCCCM's Shareholders' Equity

The IFA calculated the value of TCCCM's shareholders' equity by using the discounted cash flow approach, which considers the Business's ability to generate cash flow in the future by determining the present value of Free Cash Flow to the Firm using an appropriate Weighted Average Cost of Capital ("WACC") of the Business. The duration of forecast period is 4 years 9 months, from April 2023 to December 2027. The approach assumes that the firm will continue to operate after the forecast period without any significant changes and would remain under similar economic conditions to achieve the present value of the shareholders' equity on 24 May 2023.

The details of financial assumptions are as follows:

### a) Overall Assumption

**Summary of Overall Assumption**

<b>Assumption</b>	<b>Description</b>	<b>Reference</b>
Date of Valuation	24 May 2023 (The last business day to trade in shares before submitting of the Tender Offerors' Tender Offer Document (form 247-4))	Tender Offer Document (form 247-4) submitted on 25 April 2023
Projection Period	4 years 9 months forecast from 1 April 2023 - 31 December 2027	IFA
Inflation Rate	<ul style="list-style-type: none"> <li>Global: 2.38% per year (10-year average global inflation rate from 2013 - 2022)</li> <li>Thailand: 1.21% per year (10-year average Thai inflation rate from 2013 - 2022)</li> <li>Myanmar: 4.56% per year (10-year average Myanmar inflation rate from 2013 - 2022)</li> </ul>	World Bank  Bank of Thailand  World Bank
Corporate Income Tax Rate	22.00% with 50% of tax loss carry forward benefit	The Revenue Department of Myanmar

*Remark: Historical financial information used in the projection are based on the Business's consolidated financial statements in THB currency.*

### b) Revenue Assumption

TCCCM is importer and distributor of chemical fertilizer in Myanmar. Revenue of TCCCM can be categorized into 2 types as follows:

1. Revenue from sales of including sales of chemical fertilizer.
2. Other revenue comprises of interest income and other income.

The revenue assumption can be summarized as follows:

### Summary of Assumptions on Revenue

Assumption	Description	Reference
<b>1. Revenue from sales</b>		
	<p>Revenue from sales of TCCCM comes from sales of compound chemical fertilizer which include various formula for different types of plants and soil condition. TCCC has established its branch in Yangon, Myanmar in 2016 to support TCCC's market expansion in Myanmar and started operation of the warehouse in 2018 to support high sales quantity in the country.</p> <p>For the supply chain of TCCCM, compound fertilizer and other raw materials are imported from both TCCC Thailand and other exporters from many countries. Regarding the market situation in 2022, fertilizer's raw material prices had sharply increased because of supply-side issues, including a production crunch in Europe, disruptions due to sanctions on Russia and Belarus, and trade restrictions in China. It causes a sharply increase in selling price and decrease in sales quantity.</p> <p>Regarding the projection, the FIA has estimated revenue from sales by considering management interview, review historical performance, and trend of agricultural and chemical fertilizer industry to forecast the sales from the key-driving factors, including the sales quantity and average selling price per tons.</p> <ul style="list-style-type: none"> <li> <b>Sales quantity</b>  According to the Business's historical performance, sales quantity is subject to fluctuations depending on various factors including the limitation of supplies and raw materials price which affect both the selling price together with the sales quantity. </li> </ul> <p>Based on the management interview, review of historical performance, and trend of agricultural and chemical fertilizer industry, the IFA views that the overall sales quantity of 2023 shall be recovered and increased sharply from 2022 due to the increase in stability of raw material's price, supply in global market, company's cumulated customer base, and market expansion plan.</p> <ul style="list-style-type: none"> <li> <b>Selling price</b>  According to the Business's historical performance, selling price is subject to fluctuations depending on various factors including Myanmar currency fluctuation, the limitation of supplies and raw materials price which affect the selling price together with the sales quantity. </li> </ul> <p>Based on the management interview, historical performance and trend of agricultural and chemical fertilizer industry, the IFA views that the overall selling price of April – December 2023 shall be decrease from 2022 and January – March 2023 due to the increase in stability of raw material's price and supply in global market which align with the Business's view. For 2024 onwards, the IFA views that the selling price will increase equivalent to global inflation because raw material which is mainly are imported from several countries.</p> <p>Thus, the revenue of the Business in projection period will be as follows:</p>	<ul style="list-style-type: none"> <li>- Management interview</li> <li>- Audited financial statement for the year 2018 - 2022</li> <li>- Management account for Q1 2023</li> <li>- 10-year Agri Index from 2013 - 2022 (CAGR)</li> <li>- Industry outlook</li> <li>- Projection by the IFA</li> </ul>

Assumption	Description			Reference
Actual		Forecast		
2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	
Quantity sold (million tons)				
27,054.10 - 35,153.35	3,537.20	20,651.25	29,643.75 - 34,875.00	
Unit price (THB/ton)				
12,021.17 - 31,064.81	36,492.80	33,049.69	35,082.55 - 40,101.70	
Total revenue (THB million)				
422.58 - 840.43	129.08	682.52	1,039.98 - 1,398.55	
2. Other revenue				
Other revenue	Comprise of interest income and other income.  Based on management interviews and review of historical financial statement, the IFA views that other revenue in April 2023 - December 2027 by referencing average percentage to revenue from sales in 2018-2022 at 0.31%.			<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li></ul>

### c) Cost of Goods Sold Assumption

According to audited financial statements, management account, financial information, and management interview, the Business has policy to control Cost of Goods Sold in a range of proportion to revenue from sales.

Assumptions on cost of goods sold can be summarized as follows:

Summary of Assumptions on Cost of Goods Sold				
Assumption	Description			Reference
Cost of Goods Sold of TCCCM mainly comprises of cost of raw materials, manufacturing costs including employee expenses, utility expenses, repair and maintenance expenses, and depreciation and amortization costs.  In 2018 – 2022, the percentage of Cost of Goods Sold to revenue is relatively fluctuated due to exchange rate fluctuation and raw material price. However, Myanmar government doesn't have policy to control fertilizer price unlike Thailand.  Based on the management interview and information presented in the financial statements, TCCCM has policy to control cost of goods sold as percentage to revenue from sales aligning with its parent company's policy in long-term to keep the positive gross profit. Therefore, IFA has estimated cost of goods sold under the assumption as follows:	<b>(Unit: % to total revenue from sales)</b>			
	Actual		Forecast	
	2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027
	84.51% - 102.50%	69.72%	82.68%	82.56%
				- Management interview - Audited financial statement for the year 2018 – 2022 - Management account for Q1 2023 - Industry outlook - Projection by the IFA

**d) Selling Expense Assumption**

The selling expenses are comprised of advertisement expense, promotion expense, employee salary, and other. Based on the management interview and information presented in the financial statements, IFA has estimate selling expense by using percentage of sales method and the assumptions can be summarized as follows:

Summary of Assumptions on Selling Expense			
Assumption	Description	Reference	
Selling expense	Based on management interviews and review of historical financial statement, the IFA has estimated selling expense by using average percentage of selling expense to revenue from sales in 2018 - 2022 at 8.35% to forecast in April 2023 - December 2027 constantly, the summary can are as follows:	<ul style="list-style-type: none"> <li>- Management interview</li> <li>- Audited financial statement for the year 2018 – 2022</li> <li>- Management account for Q1 2023</li> <li>- Projection by the IFA</li> </ul>	
	(Unit: % to revenue from sales)		
	Actual	Forecast	
	2018 - 2022	Q1 2023	Q2 - Q4 2023
	2024 - 2027		
	3.09% - 12.00%	10.42%	7.96%
			8.35% based on average 2018 - 2022

**e) Administration Expense Assumption**

Assumptions on administrative expense can be summarized as follows:

Summary of Assumptions on Administration Expense			
Assumption	Description	Reference	
Administrative expense	Administrative expense is comprised of personnel expense, office rental, and other expense.	<ul style="list-style-type: none"> <li>- Management interview</li> <li>- Audited financial statement for the year 2018 – 2022</li> <li>- Management account for Q1 2023</li> <li>- Projection by the IFA</li> </ul>	
	Based on management interviews and review of historical financial statement, the IFA has estimated administrative expenses as follows:		
	(Unit: THB million)		
	Actual	Forecast	
	2018 - 2022	Q1 2023	Q2 - Q4 2023
	2024 - 2027		
	41.88 - 56.20 per year	10.28	44.81
			57.10 - 63.70 per year
Amortization expense	Depreciation expenses are calculated using straight - line method are as follows:		
	Item		
	Estimated asset's useful life (Unit: Year)		
	Buildings	20	
	Office equipment and furniture	3 - 20	
	Vehicles	5 - 10	

**f) Other Expense Assumption**

The other expenses are comprised of loss on sales of assets and loss on exchange rate expense.

Assumptions on other expense can be summarized as follows:

Summary of Assumptions on Other Expense				
Assumption	Description			Reference
Loss on exchange rate	Based on management interviews and review of historical financial statement, the IFA has estimated loss on exchange rate on 2018 - 2020 financial record, and exclude 2021 - 2022 due to political factors in Myanmar have significant effect to the exchange rate, summary are as follows:			<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 – 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>
	(Unit: % to revenue from sales)			
	Actual		Forecast	
	2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027
0.04% - 6.64%	17.58%	-	0.73% based on average 2018 - 2020	

**g) Financial Expense Assumption**

Financial Expense assumptions can be summarized as follows:

Summary of assumptions on Financial Expense				
Assumption	Description			Reference
Financial expense	Based on management interviews and review of historical financial statement, the IFA has estimated financial expense based on average percentage in 2018 - 2022, summary are as followed:			<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 – 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>
	(Unit: % to revenue from sales)			
	Actual		Forecast	
	2018 - 2022	Q1 2023	Q2 - Q4 2023	
0.00% - 0.41%	-	0.10%	0.08% based on average 2018 - 2022	
Interest expense	Based on management interviews and review of historical financial statement, the IFA has estimated interest expense based on 3.34% interest rate of short-term loan, summary can be as followed:			<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 – 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>
	(Unit: THB million)			
	Actual		Forecast	
	2018 - 2022	Q1 2023	Q2 - Q4 2023	
2.39 - 6.75 per year	3.57	4.26	4.82 - 7.39 per year	



#### h) Tax Assumption

Tax assumptions can be summarized as follows:

Summary of Assumptions on Tax		
Assumption	Description	Reference
Tax	IFA assumes a Myanmar corporate income tax rate of 22.00%, however, TCCCM has tax loss carry forward and Myanmar has policy of 50% of tax benefit for 5 years.	<ul style="list-style-type: none"> <li>- Internal revenue department of Myanmar</li> <li>- Management interview</li> </ul>

#### i) Working Capital Assumption

Working capital assumptions can be summarized as follows:

Summary of assumption on Working Capital		
Assumption	Description	Reference
Based on management interviews, and historical financial statement, the IFA has estimated working capital by averaging day outstanding 2019 - 2022 which the results are as follows:		<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 – 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>
Items	(Unit: days)	
Day sales outstanding	13.92 days	
Day inventory outstanding	86.06 days	
Day payable outstanding	37.14 days	

#### j) Capital Expenditure (CAPEX) Assumption

Capital expenditure assumptions can be summarized as follows:

Summary of assumption on Capital Expenditure		
Assumption	Description	Reference
Capital Expenditures (CAPEX)	<p>Investment cost for improvement and maintenance fixed assets to extend their useful life.</p> <p>Based on management interviews, the IFA has estimated an annual capital expenditure amount of THB 3.65 million for April – December 2023 and THB 8.22 million for the year 2024 - 2027.</p>	<ul style="list-style-type: none"> <li>- Management interview</li> <li>- Audited financial statement for the year 2018 – 2022</li> <li>- Management account for Q1 2023</li> <li>- Projection by the IFA</li> </ul>

**k) Terminal Value Assumption**

**Summary of assumption on Terminal Value**

Assumption	Description	Reference
Terminal value	Terminal value is estimated to be on 31 December 2027, based on a terminal growth rate of 1.00% under conservative basis, the IFA assumed that the Business will continue to operate its business on going concern basis after projected period with assumed perpetual growth rate of 1.00% to reflect the growth rate of TCCCM business from growth in quantity sold and selling price, and also reflect the market situation in the long - term.	- Management interview - Projection by the IFA

**l) Discount Rate**

The IFA has considered Weighted Average Cost of Capital (WACC) as discount rate for calculating the present value of TCCCM's free cash flow to firm, which equals to 10.02% by referencing WACC of TCCC

**m) Present Value of Free Cash Flow Calculation**

From the above assumptions, the IFA has prepared the free cash flow forecast and adopted the WACC as a discount rate to determine the present value of the future cash flow and the value of TCCCM' shareholders' equity as follows:

**Summary of the free cash flow projection of TCCCM (April 2023 - December 2027)**

(Unit: THB million)	Apr - Dec	Jan - Dec			
	2023	2024	2025	2026	2027
<b>Earnings before interest and taxes (EBIT)</b>	<b>21.36</b>	<b>40.66</b>	<b>61.05</b>	<b>64.33</b>	<b>67.76</b>
<u>Deduct:</u> Tax and tax shield benefits	(1.57)	(4.47)	(6.72)	(7.08)	(7.45)
<b>Net operating profit after tax (NOPAT)</b>	<b>19.79</b>	<b>36.19</b>	<b>54.33</b>	<b>57.26</b>	<b>60.30</b>
<u>Add:</u> Depreciation and amortization	22.52	25.25	25.56	24.80	21.06
<u>Add (Deduct):</u> Change in net working capital	(6.42)	(31.97)	(35.61)	(8.68)	(9.07)
<u>Deduct:</u> Capital expenditure	(3.65)	(8.22)	(8.22)	(8.22)	(8.22)
<b>Free cash flow to firm</b>	<b>32.24</b>	<b>21.25</b>	<b>36.06</b>	<b>65.16</b>	<b>64.07</b>
<u>Add:</u> Terminal value	-	-	-	-	717.66
<b>Total free cash flow to firm</b>	<b>32.24</b>	<b>21.25</b>	<b>36.06</b>	<b>65.16</b>	<b>781.73</b>
<b>PV of free cash flow to firm</b>	<b>614.85</b>	<i>Discount Rate equals to 10.02%, applied to discount the free cash flow of April 2023 – December 2027 for deriving net present value of free cash flow as of 24 May 2023.</i>			
<u>Add:</u> Cash and cash equivalent as of 31 March 2023	37.37				
<u>Deduct:</u> Interest Bearing Debt as of 31 March 2023	(232.99)				
<b>Equity value</b>	<b>419.23</b>				

From the above table, the equity value of TCCCM based on Discounted Cash Flow Approach (DCF) is THB 419.23 million.

## n) Sensitivity Analysis

The fair value of TCCCM's share using Discounted Cash Flow (DCF) Approach under the base case is THB 419.23 million. The IFA has conducted a sensitivity analysis based on TCCCM's key operational factors, which are change of sales quantity and growth rate of selling price. The IFA adjusted these factors, and the result are as follows:

### Sensitivity analysis of TCCCM's share value using DCF based on change of sales quantity

Sales Quantity (Unit: tons)	(5.00%)	Base case	5.00%
Case: Sales quantity change (+/-) 5.00%	374.14	419.23	464.33

### Sensitivity analysis of TCCCM's share value using DCF based on growth rate of selling price

Selling Price (Unit: THB million/ton)	(5.00%)	Base case	5.00%
Case: Growth rate of selling price change (+/-) 5.00%	333.39	419.23	506.33

Based on the above sensitivity analysis, **the fair value of TCCCM's equity THB 333.39 - 506.33 million.**

## 3. Valuation of MCA's Shareholders' Equity

The IFA calculated the value of MCA's shareholders' equity by using the discounted cash flow approach, which considers the Business's ability to generate cash flow in the future by determining the present value of Free Cash Flow to the Firm using an appropriate Weighted Average Cost of Capital ("WACC") of the Business. The duration of forecast period 4 years 9 months, from April 2023 to December 2027. The approach assumes that the firm will continue to operate after the forecast period without any significant changes and would remain under similar economic conditions to achieve the present value of the shareholders' equity on 24 May 2023.

The details of financial assumptions are as follows:

### a) Overall Assumption

#### Summary of Overall Assumption

Assumption	Description	Reference
Date of Valuation	24 May 2023 (The last business day to trade in shares before submitting of the Tender Offerors' Tender Offer Document (form 247-4))	Tender Offer Document (form 247-4) submitted on 25 April 2023
Projection Period	4 years 9 months forecast from 1 April 2023 - 31 December 2027	IFA
Inflation Rate	<ul style="list-style-type: none"> <li>Global: 2.38% per year (10-year average global inflation rate from 2013 - 2022)</li> <li>Thailand: 1.21% per year (10-year average Thai inflation rate from 2013 - 2022)</li> </ul>	World Bank Bank of Thailand
Corporate Income Tax Rate	20.00%	Thai Revenue Department

### b) Revenue Assumption

MCA is importer and distributor of both technical pesticide and finished product which used in Agriculture, Public health, and livestock, marketed under the brand OX - brand. The business sector includes the

marketing of formulated, finished products, repacking service, and quality control checks by modern laboratory. The Business has one factory plant with total capacity of 23,600 tons per year.

Revenue of MCA can be categorized into 3 types as follows:

1. Revenue from sales of products including herbicide, insecticide, fungicide, molluscicide, fertilizer, pest, and other products
2. Revenue from rendering manufacturing OEM service
3. Other revenue comprises of sales of used chemical container

The revenue assumption can be summarized as follows:

Summary of Assumptions on Revenue		
Assumption	Description	Reference
<b>1. Revenue from sales</b>		
<p>Revenue from sales of MCA is categorized by types of products as follows:</p> <ul style="list-style-type: none"> <li>• herbicide</li> <li>• insecticide</li> <li>• fungicide</li> <li>• molluscicide, fertilizer, other</li> <li>• pesticide</li> <li>• product packaging</li> </ul> <p>Regarding the market situation in 2021-2022, the raw material prices had sharply increased because of global supply shortage due to several reasons such as pandemic production disruption and shipping cost increased which resulting a sharply increase in selling price and decrease in sales quantity.</p> <p>Regarding the projection, the IFA has estimated revenue from sales by considering management interview, review of historical performance, and trend of agricultural industry to forecast sales from the key-driving factors, including the sales quantity and average selling price per tons.</p> <p>• <b>Sales quantity</b></p> <p>According to the Business's historical performance, sales quantity is subject to fluctuations depending on various factors including the limitation of supplies and raw materials price which affect both the selling price together with the sales quantity.</p> <p>Based on the management interview, review of historical performance, and trend of agricultural industry, the IFA views that the overall sales quantity of 2023 shall be recovered and increased from 2022 due to the increase in stability of raw material's price and supply in global market. In 2024 onward, sales quantity is projected to grow at the rate of 1.00% % per year in accordance with the 10-years CAGR of Thai's agricultural production index.</p> <p>• <b>Selling price</b></p> <p>According to the Business's historical performance, selling price is subject to fluctuations depending on various factors including the limitation of supplies and raw materials price which affect the selling price together with the sales quantity. In addition, in Thailand, herbicide, fungicide, and other agricultural related products subject to price control by the Ministry of Commerce under The Price of Good and Service Act, BE 2542 (1999)</p>		<ul style="list-style-type: none"> <li>- Management interview</li> <li>- MCA' historical data</li> <li>- Audited financial statement for the year 2018 – 2022</li> <li>- Management account for Q1 2023</li> </ul>

Assumption	Description				Reference																																
	Based on the management interview, review of MCA’s historical performance and trend of agricultural industry, the IFA views that the overall selling price of 2023 shall be decrease from 2022 due to the increase in stability of raw material’s price, supply in global market, and transportation cost which align with the Business’s view. For 2024 onwards, the IFA views that the selling price will increase equivalent to global inflation at 2.38% because raw material which is main are imported from other countries, except for revenue from product packaging that is not directly affected by external economic factors.																																				
	Thus, the revenue of the Business in projection period will be as follows:																																				
	<table><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2018 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td colspan="4">Quantity sold (tons)</td></tr><tr><td>1,046.09 - 2,289.25</td><td>183.55</td><td>1,124.85</td><td>1,321.48 - 1,361.53</td></tr><tr><td colspan="4">Unit price (THB/ton)</td></tr><tr><td>152,496.10 - 230,850.59</td><td>211,809.68</td><td>276,945.67</td><td>274,175.43 - 294,200.52</td></tr><tr><td colspan="4">Total revenue (THB million)</td></tr><tr><td>212.69 - 349.10</td><td>38.88</td><td>311.52</td><td>362.32 - 400.56</td></tr></table>				Actual		Forecast		2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	Quantity sold (tons)				1,046.09 - 2,289.25	183.55	1,124.85	1,321.48 - 1,361.53	Unit price (THB/ton)				152,496.10 - 230,850.59	211,809.68	276,945.67	274,175.43 - 294,200.52	Total revenue (THB million)				212.69 - 349.10	38.88	311.52	362.32 - 400.56	
Actual		Forecast																																			
2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027																																		
Quantity sold (tons)																																					
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Total revenue (THB million)																																					
212.69 - 349.10	38.88	311.52	362.32 - 400.56																																		
2. Revenue from rendering service																																					
	Revenue from rendering service is from manufacturing OEM Herbicide, insecticide, fungicide, molluscicide, fertilizer, pest, and other products for B2B customers.				<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 – 2022</li><li>- Management account for Q1 2023</li><li>- Industry outlook</li><li>- Projection by the IFA</li></ul>																																
	Based on management interviews and review of historical financial statement and related information found that the revenue from rendering service for the past 3 years did not vary from the other. Therefore, the IFA has estimated revenue from rendering service as follows:																																				
	<table><tr><th colspan="4">(Unit: THB million)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2020 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>10.42 - 13.82</td><td>1.54</td><td>7.62</td><td>9.16</td></tr></table>				(Unit: THB million)				Actual		Forecast		2020 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	10.42 - 13.82	1.54	7.62	9.16																	
(Unit: THB million)																																					
Actual		Forecast																																			
2020 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027																																		
10.42 - 13.82	1.54	7.62	9.16																																		
3. Other Income																																					
	Other income is from sales of used chemical containers.				<ul style="list-style-type: none"><li>- Management Interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>																																
	Based on management interview and review of historical financial statement, the IFA’s estimation are as follows:																																				
	<table><tr><th colspan="4">(Unit: % to total revenue)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2020 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>0.15% - 0.25%</td><td>0.29%</td><td>0.17%</td><td>0.19%</td></tr></table>				(Unit: % to total revenue)				Actual		Forecast		2020 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	0.15% - 0.25%	0.29%	0.17%	0.19%																	
(Unit: % to total revenue)																																					
Actual		Forecast																																			
2020 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027																																		
0.15% - 0.25%	0.29%	0.17%	0.19%																																		

### c) Cost of Goods Sold Assumption

Cost of goods sold mainly consist of raw material cost, personnel expense, general expense, and depreciation expense. According to audited financial statements, management account, financial information, and management interview, the Business has policy to control Cost of Goods Sold in a range of proportion to revenue from sales.

Assumptions on cost of goods sold can be summarized as follows:

Summary of assumptions on Cost of goods sold																					
Assumption	Description				Reference																
Cost of product sold	<p>Cost of product sold comprise of raw materials, manufacturing costs including personnel expense, utility expense, and depreciation expense.</p> <p>Based on the management interview and review of historical financial statements and management interview, the percentage of cost of goods sold to revenue remained relatively consistent across 2018 - 2022. Therefore, IFA has estimated the percentage to revenue from sales as follows:</p> <table><tr><th colspan="4">(Unit: % to revenue from sales)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2018 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>77.73% - 80.59%</td><td>83.66%</td><td>80.94%</td><td>81.24%</td></tr></table>				(Unit: % to revenue from sales)				Actual		Forecast		2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	77.73% - 80.59%	83.66%	80.94%	81.24%	<ul style="list-style-type: none"><li>- Management interview</li><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Industry outlook</li><li>- Projection by the IFA</li></ul>
(Unit: % to revenue from sales)																					
Actual		Forecast																			
2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027																		
77.73% - 80.59%	83.66%	80.94%	81.24%																		
Cost of rendering service	<p>Based on management interviews and review of historical financial statement, percentage of cost of rendering service can be fluctuated by the requirement, scope of service, and agreement of each client. IFA has estimated cost of rendering service as follows:</p> <table><tr><th colspan="4">(Unit: % to revenue from rendering service)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2018 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>46.87% - 61.20%</td><td>48.18%</td><td>59.89%</td><td>56.47% - 57.60%</td></tr></table>				(Unit: % to revenue from rendering service)				Actual		Forecast		2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	46.87% - 61.20%	48.18%	59.89%	56.47% - 57.60%	
(Unit: % to revenue from rendering service)																					
Actual		Forecast																			
2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027																		
46.87% - 61.20%	48.18%	59.89%	56.47% - 57.60%																		
Depreciation	<p>Depreciation expenses are calculated using straight - line method are as follows:</p> <table><tr><th>Item</th><th>Estimated asset's useful life (Unit: Year)</th></tr><tr><td>Building</td><td>20</td></tr><tr><td>Machinery</td><td>5</td></tr><tr><td>Office equipment and furniture</td><td>5</td></tr><tr><td>Vehicle</td><td>5</td></tr></table>				Item	Estimated asset's useful life (Unit: Year)	Building	20	Machinery	5	Office equipment and furniture	5	Vehicle	5							
Item	Estimated asset's useful life (Unit: Year)																				
Building	20																				
Machinery	5																				
Office equipment and furniture	5																				
Vehicle	5																				

#### d) Selling Expenses Assumptions

Selling expenses of MCA are as follows:

1. Personnel expenses
2. Travelling and entertainment expenses
3. Advertising, promotion, and commission expenses
4. Office expenses
5. Registration advisor and audit fee
6. Depreciation expense
7. Others

The selling expenses assumptions can be summarized as follows:

#### Summary of Assumptions on Selling Expenses

Summary of Assumptions on Selling Expenses

Assumption	Description	Reference																		
Personnel expenses	<p>Personnel expenses consist of salary, bonus, and other benefits.</p> <p>Based on management interviews and review of historical financial statement, currently, MCA has a total of 18 selling employees and has no plan to increase number of employees. Therefore, the IFA views that personnel expenses as follows:</p> <table><tr><th>Actual</th><th colspan="2">Forecast</th></tr><tr><th>2022</th><th>2023</th><th>2024 - 2027</th></tr><tr><td colspan="3">Number of Employees (person)</td></tr><tr><td>18</td><td colspan="2">18</td></tr><tr><td colspan="3">Monthly Expenses (THB)</td></tr><tr><td>38,990.80 per person per month</td><td>51,712.38 per person per month</td><td>Growth at 4.00% from the previous year based on MCA policy</td></tr></table>	Actual	Forecast		2022	2023	2024 - 2027	Number of Employees (person)			18	18		Monthly Expenses (THB)			38,990.80 per person per month	51,712.38 per person per month	Growth at 4.00% from the previous year based on MCA policy	<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>
Actual	Forecast																			
2022	2023	2024 - 2027																		
Number of Employees (person)																				
18	18																			
Monthly Expenses (THB)																				
38,990.80 per person per month	51,712.38 per person per month	Growth at 4.00% from the previous year based on MCA policy																		
Travelling and entertainment expenses	<p>Based on management interviews and review of company's historical financial statement, the IFA views that travelling and entertainment expenses in 2023 onwards will be equal to its average expenses in 2018 - 2022 as follows:</p> <table><tr><th colspan="4">(Unit: THB million)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2018 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>0.75 - 1.30 per year</td><td>0.36</td><td>0.65</td><td>Growth at 1.21% from the previous year based on Thai inflation rate</td></tr></table>	(Unit: THB million)				Actual		Forecast		2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	0.75 - 1.30 per year	0.36	0.65	Growth at 1.21% from the previous year based on Thai inflation rate	<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>		
(Unit: THB million)																				
Actual		Forecast																		
2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027																	
0.75 - 1.30 per year	0.36	0.65	Growth at 1.21% from the previous year based on Thai inflation rate																	



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Assumption	Description	Reference																
Advertising, promotion, and commission expenses	Based on management interviews and review of company’s historical financial statement, the IFA views that advertising, promotion, and commission expenses in 2023 onwards will be equal to 1.90% of revenue from product sold based on the percentage in 2022	<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>																
Office expenses	<p>Based on management interview and review of historical financial statement, the IFA’s estimation are as follows:</p> <table><tr><th colspan="4">(Unit: THB million)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>0.44 per year</td><td>0.10</td><td>0.35</td><td>Growth at 1.21% from the previous year based on Thai inflation rate</td></tr></table>	(Unit: THB million)				Actual		Forecast		2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	0.44 per year	0.10	0.35	Growth at 1.21% from the previous year based on Thai inflation rate	<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>
(Unit: THB million)																		
Actual		Forecast																
2022	Q1 2023	Q2 - Q4 2023	2024 - 2027															
0.44 per year	0.10	0.35	Growth at 1.21% from the previous year based on Thai inflation rate															
Registration advisor and audit fee	<p>Based on management interview and review of historical financial statement, the IFA’s estimation are as follows:</p> <table><tr><th colspan="4">(Unit: THB million)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>5.12 per year</td><td>1.65</td><td>3.52</td><td>Growth at 1.21% from the previous year based on Thai inflation rate</td></tr></table>	(Unit: THB million)				Actual		Forecast		2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	5.12 per year	1.65	3.52	Growth at 1.21% from the previous year based on Thai inflation rate	<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>
(Unit: THB million)																		
Actual		Forecast																
2022	Q1 2023	Q2 - Q4 2023	2024 - 2027															
5.12 per year	1.65	3.52	Growth at 1.21% from the previous year based on Thai inflation rate															
Depreciation expense	<p>Depreciation expenses are calculated using straight - line method are as follows:</p> <table><tr><th>Item</th><th>Estimated asset’s useful life (Unit: Year)</th></tr><tr><td>Building</td><td>20</td></tr><tr><td>Machinery</td><td>5</td></tr><tr><td>Office equipment and furniture</td><td>5</td></tr><tr><td>Vehicle</td><td>5</td></tr></table>	Item	Estimated asset’s useful life (Unit: Year)	Building	20	Machinery	5	Office equipment and furniture	5	Vehicle	5	<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>						
Item	Estimated asset’s useful life (Unit: Year)																	
Building	20																	
Machinery	5																	
Office equipment and furniture	5																	
Vehicle	5																	
Others	Based on management interview and review of historical financial statement, the IFA’s estimation are as follows:	<ul style="list-style-type: none"><li>- Management interview</li></ul>																

Assumption	Description				Reference
	(Unit: THB million)				<ul style="list-style-type: none"><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>
	Actual		Forecast		
	2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	
	1.07 per year	0.29	0.80	Growth at 1.21% from the previous year based on Thai inflation rate	

#### e) General & Administrative Expense Assumption

General & administrative expenses of MCA are as follows:

1. Personnel expenses
2. Travelling and entertainment expenses
3. Office expenses
4. Repair and maintenance
5. Registration advisor and audit fee
6. Management remuneration
7. Depreciation expense
8. Provision for bad debt
9. Others

General & administrative expenses assumptions can be summarized as follows:

#### Summary of Assumptions on General & Administrative Expenses

Summary of Assumptions on General & Administrative Expenses

Assumption	Description	Reference																		
Personnel expenses	<p>Personnel expenses consist of salary, bonus, and other benefits.</p> <p>Based on management interviews and review of historical financial statement. Currently, MCA has a total of 39 administrative employees and has no plan to hire additional employee. Therefore, the IFA has estimated personnel expenses as follows:</p> <table><tr><th>Actual</th><th colspan="2">Forecast</th></tr><tr><th>2022</th><th>2023</th><th>2024 – 2027</th></tr><tr><td colspan="3">Number of Employees (person)</td></tr><tr><td>39</td><td colspan="2">39</td></tr><tr><td colspan="3">Monthly Expenses (THB)</td></tr><tr><td>45,553.63 per person per month</td><td>56,263.42 per person per month</td><td>Growth at 4.00% from the previous year based on MCA policy</td></tr></table>	Actual	Forecast		2022	2023	2024 – 2027	Number of Employees (person)			39	39		Monthly Expenses (THB)			45,553.63 per person per month	56,263.42 per person per month	Growth at 4.00% from the previous year based on MCA policy	<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>
Actual	Forecast																			
2022	2023	2024 – 2027																		
Number of Employees (person)																				
39	39																			
Monthly Expenses (THB)																				
45,553.63 per person per month	56,263.42 per person per month	Growth at 4.00% from the previous year based on MCA policy																		
Travelling and entertainment expenses	Based on management interviews and review of company's historical financial statement, the IFA views that travelling and entertainment expenses in 2023	<ul style="list-style-type: none"><li>- Management interview</li></ul>																		

Opinion of the Independent Financial Advisor on the tender offer for delisting of the Company's securities from the Stock Exchange of Thailand (For the purpose of translation only)

Assumption	Description	Reference																
	<p>onwards will be equal to its average expenses in 2018 - 2022 as follows:</p> <table><tr><th colspan="4">(Unit: THB million)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2018 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>1.51 – 2.13 per year</td><td>0.61</td><td>1.06</td><td>Growth at 1.21% from the previous year based on Thai inflation rate</td></tr></table>	(Unit: THB million)				Actual		Forecast		2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	1.51 – 2.13 per year	0.61	1.06	Growth at 1.21% from the previous year based on Thai inflation rate	<ul style="list-style-type: none"><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>
(Unit: THB million)																		
Actual		Forecast																
2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027															
1.51 – 2.13 per year	0.61	1.06	Growth at 1.21% from the previous year based on Thai inflation rate															
Office expenses	<p>Based on management interview and review of historical financial statement, the IFA’s estimation are as follows:</p> <table><tr><th colspan="4">(Unit: THB million)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2018 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>0.75 – 1.04 per year</td><td>0.21</td><td>0.66</td><td>Growth at 1.21% from the previous year based on Thai inflation rate</td></tr></table>	(Unit: THB million)				Actual		Forecast		2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	0.75 – 1.04 per year	0.21	0.66	Growth at 1.21% from the previous year based on Thai inflation rate	<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>
(Unit: THB million)																		
Actual		Forecast																
2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027															
0.75 – 1.04 per year	0.21	0.66	Growth at 1.21% from the previous year based on Thai inflation rate															
Repair and maintenance	<p>Based on management interview and review of historical financial statement, the IFA’s estimation are as follows:</p> <table><tr><th colspan="4">(Unit: THB million)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2018 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>0.67 – 0.85 per year</td><td>0.30</td><td>0.45</td><td>Growth at 1.21% from the previous year based on Thai inflation rate</td></tr></table>	(Unit: THB million)				Actual		Forecast		2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	0.67 – 0.85 per year	0.30	0.45	Growth at 1.21% from the previous year based on Thai inflation rate	<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>
(Unit: THB million)																		
Actual		Forecast																
2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027															
0.67 – 0.85 per year	0.30	0.45	Growth at 1.21% from the previous year based on Thai inflation rate															
Registration advisor and audit fee	<p>Comprise of audit fee, consultant fee, hazardous substance registration fee, ISO system expense and consulting fees, other fee</p> <p>Based on management interview and review of historical financial statement, the IFA’s estimation are as follows:</p> <table><tr><th colspan="4">(Unit: THB million)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>1.29 per year</td><td>0.34</td><td>0.97</td><td>Growth at 1.21% from the previous year based on</td></tr></table>	(Unit: THB million)				Actual		Forecast		2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	1.29 per year	0.34	0.97	Growth at 1.21% from the previous year based on	<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>
(Unit: THB million)																		
Actual		Forecast																
2022	Q1 2023	Q2 - Q4 2023	2024 - 2027															
1.29 per year	0.34	0.97	Growth at 1.21% from the previous year based on															

Opinion of the Independent Financial Advisor on the tender offer for delisting of the Company's securities from the Stock Exchange of Thailand (For the purpose of translation only)

Assumption	Description				Reference																
				Thai inflation rate																	
Management remuneration	Based on management interview and review of historical financial statement, the IFA’s estimation are as follows:  <table><tr><th colspan="4">(Unit: THB million)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>0.14 per year</td><td>0.03</td><td>0.11</td><td>Growth at 1.21% from the previous year based on Thai inflation rate</td></tr></table>				(Unit: THB million)				Actual		Forecast		2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	0.14 per year	0.03	0.11	Growth at 1.21% from the previous year based on Thai inflation rate	<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>
(Unit: THB million)																					
Actual		Forecast																			
2022	Q1 2023	Q2 - Q4 2023	2024 - 2027																		
0.14 per year	0.03	0.11	Growth at 1.21% from the previous year based on Thai inflation rate																		
Depreciation expense	Depreciation expenses are calculated using straight - line method are as follows:  <table><tr><th>Item</th><th>Estimated asset’s useful life (Unit: Year)</th></tr><tr><td>Buildings</td><td>20</td></tr><tr><td>Office equipment and furniture</td><td>5</td></tr><tr><td>Vehicles</td><td>5</td></tr></table>				Item	Estimated asset’s useful life (Unit: Year)	Buildings	20	Office equipment and furniture	5	Vehicles	5	<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>								
Item	Estimated asset’s useful life (Unit: Year)																				
Buildings	20																				
Office equipment and furniture	5																				
Vehicles	5																				
Provision for bad debt	Based on management interviews and review of historical financial statement, the IFA has estimated provision for bad debt expense at 0.01% of revenue from product sold based on accounting standard.				<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>																
Others	Comprise of utility bill, security expense, environmental maintenance expense, and miscellaneous expense  Based on management interview and review of historical financial statement, the IFA’s estimation are as follows:  <table><tr><th colspan="4">(Unit: THB million)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>1.27 per year</td><td>0.30</td><td>0.99</td><td>Growth at 1.21% from the previous year based on</td></tr></table>				(Unit: THB million)				Actual		Forecast		2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	1.27 per year	0.30	0.99	Growth at 1.21% from the previous year based on	<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>
(Unit: THB million)																					
Actual		Forecast																			
2022	Q1 2023	Q2 - Q4 2023	2024 - 2027																		
1.27 per year	0.30	0.99	Growth at 1.21% from the previous year based on																		

Opinion of the Independent Financial Advisor on the tender offer for delisting of the Company's securities from the Stock Exchange of Thailand (For the purpose of translation only)

Assumption	Description				Reference
				Thai inflation rate	

#### f) Financial Expense Assumptions

Financial Expense assumptions can be summarized as follows:

Summary of assumptions on Financial Expense					
Assumption	Description				Reference
Bank charge	Based on management interviews and review of historical financial statement, the IFA has estimated bank charge fee based on percentage of revenue from main products sold the summary are as follows:				<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>
	(Unit: % to revenue from main product sold)				
	Actual		Forecast		
	2020 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	
	0.11% - 0.12%	0.24%	0.12%	0.12% based on average of 2020 - 2022	

#### g) Finance Cost and Tax Assumptions

Interest Expense and Tax assumptions can be summarized as follows:

Summary of Assumption on Interest Expense and Tax		
Assumption	Description	Reference
Finance cost	<p>Finance cost comprises of interest expense on short-term loan and interest expense on hire purchase. Based on management interviews and review of historical financial statement, the IFA has estimated finance cost are as follows:</p> <ul style="list-style-type: none"> <li>• Interest expense on short-term loan calculate based on average interest in 2019 - 2020 at 3.10%</li> <li>• Interest expense on hire purchase calculate based on the lease liabilities schedule</li> </ul>	<ul style="list-style-type: none"> <li>- Management interview</li> <li>- Audited financial statement for the year 2018 - 2022</li> <li>- Management account for Q1 2023</li> <li>- Projection by the IFA</li> </ul>
Tax	The IFA assumes a corporate income tax rate of 20.00% throughout the projection period based on the current Thailand corporate income tax rate.	<ul style="list-style-type: none"> <li>- P.N.D. 50 for the year 2021</li> <li>- P.N.D. 51 for the year 2022</li> <li>- Projection by the IFA</li> </ul>

#### h) Working Capital Assumptions

Working capital assumptions can be summarized as follows:

#### Summary of Assumption on Working Capital

Assumption	Description	Reference
Based on management interviews and review of historical financial statement, the IFA has estimated working capital as follows:		<ul style="list-style-type: none"> <li>- Management interview</li> <li>- Audited financial statement for the year 2018 - 2022</li> <li>- Management account for Q1 2023</li> <li>- Projection by the IFA</li> </ul>
Items	(Unit: days)	
Day sales outstanding	62.12 days	
Day inventory outstanding	140.00 days	
Day payable outstanding	30.55 days	

#### i) Capital Expenditure Assumptions

Capital expenditure assumptions can be summarized as follows:

#### Summary of Assumption on Capital Expenditure

Assumption	Description	Reference
Capital Expenditures (CAPEX)	<p>Investment cost for maintenance fixed assets to extend their useful life.</p> <p>Based on management interviews and review of historical financial statement, the IFA has estimated capital expenditure amount of THB 0.74 million for April - December 2023 and THB 2.13 million for the year 2024 - 2027.</p>	<ul style="list-style-type: none"> <li>- Management interview</li> <li>- Audited financial statement for the year 2018 - 2022</li> <li>- Management account for Q1 2023</li> </ul>

#### j) Terminal Value Assumptions

#### Summary of Assumption on Terminal Value

Assumption	Description	Reference
Terminal value	Terminal value is estimated to be on 31 December 2027, based on a terminal growth rate of 1.00% under conservative basis, the IFA assumed that the Business will continue to operate its business on going concern basis after projected period with assumed perpetual growth rate of 1.00% to reflect the growth rate of MCA business from growth in quantity sold and selling price, and also reflect the market situation in the long - term.	<ul style="list-style-type: none"> <li>- Management interview</li> <li>- Projection by the IFA</li> </ul>

#### k) Discount Rate

The IFA has considered Weighted Average Cost of Capital (WACC) as discount rate for calculating the present value of MCA's free cash flow to firm, which equals to 10.02% by referencing WACC of TCCC.

## l) Present Value of Free Cash Flow Calculation

From the above assumptions, the IFA has prepared the free cash flow forecast and adopted the WACC as a discount rate to determine the present value of the future cash flow and the value of MCA's shareholders' equity as follows:

### Summary of the free cash flow projection of MCA (April 2023 - December 2027)

(Unit: THB million)	Apr - Dec	Jan - Dec			
	2023	2024	2025	2026	2027
Earnings before interest and taxes (EBIT)	16.05	12.12	12.54	12.78	12.85
Deduct: Tax and tax shield benefits	(3.21)	(2.42)	(2.51)	(2.56)	(2.57)
Net operating profit after tax (NOPAT)	12.84	9.70	10.03	10.23	10.28
Add: Depreciation and amortization	0.56	0.98	1.27	1.49	1.89
Add (Deduct): Change in net working capital	8.21	(4.30)	(5.34)	(5.37)	(5.65)
Deduct: Capital expenditure	(0.74)	(2.13)	(2.13)	(2.13)	(2.13)
Free cash flow to firm	20.86	4.24	3.83	4.21	4.39
Add: Terminal value	-	-	-	-	49.15
Total free cash flow to firm	20.86	4.24	3.83	4.21	53.54
PV of free cash flow to firm	63.80	Discount Rate equals to 10.02%, applied to discount the free cash flow of April 2023 – December 2027 for deriving net present value of free cash flow as of 24 May 2023.			
Add: Cash and cash equivalent as of 31 March 2023	80.27				
Deduct: Interest Bearing Debt as of 31 March 2023	(47.54)				
Equity value	96.53				

From the above table, **the equity value of MCA based on Discounted Cash Flow Approach (DCF) is THB 96.53 million.**

## m) Sensitivity Analysis

The fair value of MCA's share using Discounted Cash Flow (DCF) Approach under the base case is THB 96.53 million. The IFA has conducted a sensitivity analysis based on MCA's key operational factors which are change of sales quantity and growth rate of selling price. The IFA adjusted these factors, and the result are as follows:

### Sensitivity analysis of MCA's share value using DCF based on change of sales quantity

Sales Quantity (Unit: tons)	(5.00%)	Base Case	5.00%
Case: Sales quantity change (+/-) 5.00%	76.69	96.53	116.36

### Sensitivity analysis of MCA's share value using DCF based on growth rate of selling price

Selling Price (Unit: THB million/ton)	(3.00%)	Base case	3.00%
Case: Growth rate of selling price change (+/-) 3.00%	91.53	96.53	98.56

Based on the above sensitivity analysis, **the fair value of MCA's equity ranges between THB 76.69 – 116.36 million.**

#### 4. Valuation of NIM's Shareholders' Equity

The IFA calculated the value of NIM's shareholders' equity by using the discounted cash flow approach, which considers the Business's ability to generate cash flow in the future by determining the present value of Free Cash Flow to the Firm using an appropriate Weighted Average Cost of Capital ("WACC") of the Business. The forecast period is 4 years 9 months, from April 2023 to December 2027. The approach assumes a going concern basis under the current economic conditions and circumstances to derive the present value of the Business's shares at the valuation date of May 24, 2023.

In this valuation, the IFA has prepared the financial forecast based on the significant assumptions based on the news, public information, the information received from NIM as well as interviews with NIM's managements.

The details of financial assumptions are as follows:

##### a) Overall Assumptions

Summary of Overall Assumptions		
Assumption	Description	Reference
Date of Valuation	24 May 2023 (The last business day to trade in shares before submitting of the Tender Offerors' Tender Offer Document (form 247-4))	Tender Offer Document (form 247-4) submitted on 25 April 2023
Projection Period	4 years 9 months forecast from 1 April 2023 - 31 December 2027	IFA
Inflation Rate	Thailand: 1.21% per year (10-year average Thai inflation rate from 2012 - 2021)	Bank of Thailand
Corporate Income Tax Rate	20.00%	The Revenue Department

##### b) Revenue Assumptions

NIM is a joint venture made up of the shares of TCCC, Metro Company Limited and Sojitz (Thailand) Company Limited established since 1974. The Business is operating in the business of liquid chemical storage tank terminal operation and rental service for storage of liquid chemicals used in various industries. The storage tanks provided by NIM consist of carbon steel and stainless steel tanks in various size e.g. 500 KL, 650 KL, 1,000 KL, 1,500 KL and 2,000 KL.

The revenue of NIM can be categorized into 2 types as follows:

1. Revenue from rendering of service as follows:
  - 1.1. Tank storage service fees
  - 1.2. Wharfage fees
  - 1.3. Service charges
2. Other income comprises of interest income and miscellaneous service income

The revenue assumptions could be summarized as follows:



### Summary of Assumptions on Revenue

Assumption	Description	Reference																												
1. Revenue from rendering of service																														
<ul style="list-style-type: none"><li><b>Tank storage service fees</b></li></ul> <p>Revenue from tank storage service fees is an income from rendering of tank storage service.</p> <p>In this regard, the IFA has estimated revenue from service by considering the key factors involved, including the utilization rate and rental fees based on fees of the current contract as at April 2023 with growth of 1.21% per year in accordance with Thai inflation rate. The details are as follows:</p> <table><tr><th>Tank Size</th><th>Utilization Rate (Unit: %)</th></tr><tr><td>Size 55 - 2,000 KL (42 Tanks)</td><td>100.00% based on historical utilization rate during January 2018 - March 2023</td></tr></table>	Tank Size	Utilization Rate (Unit: %)	Size 55 - 2,000 KL (42 Tanks)	100.00% based on historical utilization rate during January 2018 - March 2023	<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- NIM’s rent summary</li><li>- Projection by the IFA</li></ul>																									
Tank Size	Utilization Rate (Unit: %)																													
Size 55 - 2,000 KL (42 Tanks)	100.00% based on historical utilization rate during January 2018 - March 2023																													
<ul style="list-style-type: none"><li><b>Wharfage fees</b></li></ul> <p>Revenue from wharfage fees is contributed from wharfage usage of which NIM charges the usage fee at fixed rate per movement volume (tons). Regarding the estimation, the IFA has estimated revenue from this service by considering the key factors involved, including the movement volume and fixed service fee in accordance with management interview and historical financial information.</p>																														
<ul style="list-style-type: none"><li><b>Service charges</b></li></ul> <p>Revenue from service charge is a service fee charged from movement volume (tons) at fixed rate. Regarding the estimation, the IFA has estimated revenue from this service by considering the key factors involved, including the movement volume and fixed service fee in accordance with management interview and historical financial information.</p> <p>Thus, the revenue from rendering of service estimation will be as follows:</p> <table><tr><th rowspan="2">(unit: THB million)</th><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2018 - 2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>Tank storage service fees</td><td>78.36 - 88.66</td><td>21.92</td><td>65.84</td><td>88.82 - 92.08</td></tr><tr><td>Wharfage fees</td><td>0.28 - 0.42</td><td>0.10</td><td>0.33</td><td>0.44 - 0.49</td></tr><tr><td>Service charges</td><td>32.22 - 37.48</td><td>10.02</td><td>27.16</td><td>38.38 - 42.23</td></tr><tr><td><b>Service revenue</b></td><td><b>112.22 - 126.27</b></td><td><b>32.05</b></td><td><b>93.32</b></td><td><b>127.64 - 134.79</b></td></tr></table>	(unit: THB million)	Actual		Forecast		2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	Tank storage service fees	78.36 - 88.66	21.92	65.84	88.82 - 92.08	Wharfage fees	0.28 - 0.42	0.10	0.33	0.44 - 0.49	Service charges	32.22 - 37.48	10.02	27.16	38.38 - 42.23	<b>Service revenue</b>	<b>112.22 - 126.27</b>	<b>32.05</b>	<b>93.32</b>	<b>127.64 - 134.79</b>	
(unit: THB million)		Actual		Forecast																										
	2018 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027																										
Tank storage service fees	78.36 - 88.66	21.92	65.84	88.82 - 92.08																										
Wharfage fees	0.28 - 0.42	0.10	0.33	0.44 - 0.49																										
Service charges	32.22 - 37.48	10.02	27.16	38.38 - 42.23																										
<b>Service revenue</b>	<b>112.22 - 126.27</b>	<b>32.05</b>	<b>93.32</b>	<b>127.64 - 134.79</b>																										
2. Interest Income																														
Based on management interview and historical data, the IFA has estimated interest received on deposits equals 0.33% per year referencing historical interest rate from the local financial institutions.		<ul style="list-style-type: none"><li>- Management Interview</li><li>- Audited financial statement for the year 2018 - 2022</li></ul>																												

	<ul style="list-style-type: none"><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>		
<b>3. Other Income</b>			
Comprise of gain on claim and miscellaneous income			<ul style="list-style-type: none"><li>- Management Interview</li></ul>
Based on management interview and review of historical financial statement, the IFA’s estimation are as follows:			<ul style="list-style-type: none"><li>- Audited financial statement for the year 2018 - 2022</li></ul>
<b>(Unit: % to total revenue from service)</b>			
<b>Actual</b>		<b>Forecast</b>	
<b>2020 - 2022</b>	<b>Q1 2023</b>	<b>Q2 - Q4 2023</b>	<b>2024 - 2027</b>
1.00% - 3.38%	0.55%	1.84%	1.51%
			<ul style="list-style-type: none"><li>- Management account for Q1 2023</li><li>- Projection by the IFA</li></ul>

### c) Cost of Service Assumption

Cost of service of NIM could be categorized into 3 types as follows:

1. Personal expenses
2. Depreciation and amortization
3. Other expenses

The cost of service assumptions could be summarized as follows:

Summary of Assumptions on Cost of Service														
Assumption	Description	Reference												
<b>Cost of Service</b>														
	<p>Cost of service of NIM mainly comprises of personal expenses, depreciation and amortization and other expenses.</p> <p>In this regard, the IFA has estimated cost of service by considering the key factors involved, including average staff cost per head. The details are as follows:</p>	<ul style="list-style-type: none"> <li>- Management interview</li> <li>- Audited financial statement for the year 2018 - 2022</li> <li>- Management account for Q1 2023</li> </ul>												
Personal expenses	<p>Personal expenses consist of salary, bonus and other employee benefits.</p> <p>Based on management interviews, and review of historical financial statement, currently, NIM has a total of 48 employees and has no plan to hire additional employee. Therefore, the IFA has estimated personnel expenses as follows:</p> <table border="1"> <thead> <tr> <th>Actual</th><th colspan="2">Forecast</th></tr> <tr> <th>2022</th><th>2023</th><th>2024 - 2027</th></tr> </thead> <tbody> <tr> <td colspan="3">Number of Employees (person)</td></tr> <tr> <td>48</td><td colspan="2">48</td></tr> </tbody> </table>	Actual	Forecast		2022	2023	2024 - 2027	Number of Employees (person)			48	48		<ul style="list-style-type: none"> <li>- Management interview</li> <li>- Audited financial statement for the year 2018 - 2022</li> <li>- Management account for Q1 2023</li> <li>- Cost breakdown for the years 2018 - 2022 and Q1 2023</li> </ul>
Actual	Forecast													
2022	2023	2024 - 2027												
Number of Employees (person)														
48	48													

Assumption	Description			Reference																
	<table><tr><th colspan="3">Monthly Expenses (THB)</th></tr><tr><td>20,522.29 per person per month</td><td>20,522.29 per person per month</td><td>Growth at 4.00% from the previous year based on NIM policy</td></tr></table>			Monthly Expenses (THB)			20,522.29 per person per month	20,522.29 per person per month	Growth at 4.00% from the previous year based on NIM policy	- Projection by the IFA										
Monthly Expenses (THB)																				
20,522.29 per person per month	20,522.29 per person per month	Growth at 4.00% from the previous year based on NIM policy																		
Depreciation and amortization	<p>Depreciation expenses calculated from cost of assets by using straight - line method are as follows:</p> <table><tr><th>Item</th><th>Estimated asset's useful life (Unit: Year)</th></tr><tr><td>Buildings &amp; Chemical Tanks</td><td>20</td></tr><tr><td>Machinery and equipment</td><td>10</td></tr><tr><td>Vehicle</td><td>5</td></tr><tr><td>Other assets</td><td>5</td></tr></table>			Item	Estimated asset's useful life (Unit: Year)	Buildings & Chemical Tanks	20	Machinery and equipment	10	Vehicle	5	Other assets	5	- Management interview - Audited financial statement for the year 2018 - 2022 - Management account for Q1 2023 - Projection by the IFA						
Item	Estimated asset's useful life (Unit: Year)																			
Buildings & Chemical Tanks	20																			
Machinery and equipment	10																			
Vehicle	5																			
Other assets	5																			
Other costs	<p>Comprise of wharfage fee, insurance premium, utilities cost, etc.</p> <p>Based on management interview and review of historical financial statement, the IFA's estimation are as follows:</p> <table><tr><th colspan="4">(Unit: THB million)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>27.53 per year</td><td>7.47</td><td>20.61</td><td>Growth at 2.00% from the previous year based on management interview</td></tr></table>			(Unit: THB million)				Actual		Forecast		2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	27.53 per year	7.47	20.61	Growth at 2.00% from the previous year based on management interview	- Management interview - Audited financial statement for the year 2018 - 2022 - Management account for Q1 2023 - Cost breakdown for the years 2018 - 2022 and Q1 2023 - Projection by the IFA
(Unit: THB million)																				
Actual		Forecast																		
2022	Q1 2023	Q2 - Q4 2023	2024 - 2027																	
27.53 per year	7.47	20.61	Growth at 2.00% from the previous year based on management interview																	

#### d) Selling Expenses Assumptions

Selling expenses of NIM consist of travelling expenses, advertising expenses and other miscellaneous expenses.

The selling expenses assumptions can be summarized as follows:

Summary of Assumptions on Selling Expenses		
Assumption	Description	Reference
Selling expenses	Based on management interview and historical data, the IFA has estimated selling expenses equals to 1.43% of total revenue from service. The details are as follows:	<ul style="list-style-type: none"> <li>- Management interview</li> <li>- Audited financial statement for the year 2018 - 2022</li> </ul>

Assumption	Description				Reference
	(Unit: % to total revenue from service)				<ul style="list-style-type: none"><li>- Management account for Q1 2023</li><li>- Cost breakdown for the years 2018 - 2022</li><li>- Projection by the IFA</li></ul>
	Actual		Forecast		
	2020 - 2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	
	1.27% - 1.71%	1.27%	1.49%	1.43% based on average of 2018 - 2022	

#### e) Administrative Expenses Assumptions

Administrative expenses of NIM can be categorized into 3 types as follows:

1. Personal expenses
2. Depreciation
3. Other expenses

The administrative expenses assumptions can be summarized as follows:

Summary of Assumptions on Administrative Expenses																						
Assumption	Description		Reference																			
Administrative Expenses																						
Personal expenses	Personal expenses consist of salary, bonus, and other employee benefits.		<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Cost breakdown for the years 2018 – 2022 and Q1 2023</li><li>- Projection by the IFA</li></ul>																			
				Based on management interviews, and review of historical financial statement, currently, NIM has a total of 5 employees and has no plan to hire additional employee. Therefore, the IFA has estimated personnel expenses as follows:																		
	<table><tr><th>Actual</th><th colspan="2">Forecast</th></tr><tr><th>2022</th><th>2023</th><th>2024 - 2027</th></tr><tr><td colspan="3">Number of Employees (person)</td></tr><tr><td>5</td><td colspan="2">5</td></tr><tr><td colspan="3">Monthly Expenses (THB)</td></tr><tr><td>80,990.00 per person per month</td><td>80,990.00 per person per month</td><td>Growth at 4.00% from the previous year based on NIM policy</td></tr></table>			Actual	Forecast		2022	2023	2024 - 2027	Number of Employees (person)			5	5		Monthly Expenses (THB)			80,990.00 per person per month	80,990.00 per person per month	Growth at 4.00% from the previous year based on NIM policy	
	Actual	Forecast																				
	2022	2023		2024 - 2027																		
	Number of Employees (person)																					
	5	5																				
	Monthly Expenses (THB)																					
	80,990.00 per person per month	80,990.00 per person per month		Growth at 4.00% from the previous year based on NIM policy																		
	Depreciation and amortization			<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li></ul>																		
Depreciation expenses calculated from cost of assets by using straight - line method are as follows:																						
<table><tr><th>Item</th><th>Estimated asset's useful life (Unit: Year)</th></tr><tr><td>Furniture &amp; fixture</td><td>5</td></tr></table>		Item	Estimated asset's useful life (Unit: Year)		Furniture & fixture	5																
Item	Estimated asset's useful life (Unit: Year)																					
Furniture & fixture	5																					

Assumption	Description				Reference																		
	<table><tr><td>Vehicle</td><td>5</td></tr><tr><td>Office equipment</td><td>5</td></tr></table>				Vehicle	5	Office equipment	5	<ul style="list-style-type: none"><li>- Management account for Q1 2023</li><li>- Cost breakdown for the years 2018 - 2022 and Q1 2023</li><li>- Fixed assets register for the year 2018 - 2022</li><li>- Projection by the IFA</li></ul>														
Vehicle	5																						
Office equipment	5																						
Other expenses	<p>Comprise of utilities expenses (office), insurance premium (office), etc.</p> <p>Based on management interviews, and review of historical financial statement, the IFA’s estimation are as follows:</p> <table><tr><th colspan="4">(Unit: THB million)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>6.92 per year</td><td>1.37</td><td>5.69</td><td>Growth at 2.00% from the previous year based on management interview</td></tr></table>				(Unit: THB million)				Actual		Forecast		2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	6.92 per year	1.37	5.69	Growth at 2.00% from the previous year based on management interview	<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- Cost breakdown for the years 2018 - 2022 and Q1 2023</li><li>- Projection by the IFA</li></ul>		
(Unit: THB million)																							
Actual		Forecast																					
2022	Q1 2023	Q2 - Q4 2023	2024 - 2027																				
6.92 per year	1.37	5.69	Growth at 2.00% from the previous year based on management interview																				

#### f) Management Remuneration Assumptions

The management remuneration consists of salary, bonus, and other employee benefits.

The management remuneration assumptions can be summarized as follows:

#### Summary of Assumptions on Management Remuneration

Summary of Assumptions on Management Remuneration

Assumption	Description	Reference																
Management remuneration	<p>Based on management interviews, and review of historical financial statement, the IFA has estimated management remuneration as follows:</p> <table><tr><th colspan="4">(Unit: THB million)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td>0.52 per year</td><td>0.02</td><td>0.51</td><td>Growth at 2.00% from the previous year</td></tr></table>	(Unit: THB million)				Actual		Forecast		2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	0.52 per year	0.02	0.51	Growth at 2.00% from the previous year	<ul style="list-style-type: none"><li>- Management interview</li><li>- Audited financial statement for the year 2018 - 2022</li><li>- Management account for Q1 2023</li><li>- NIM’s policy</li><li>- Projection by the IFA</li></ul>
(Unit: THB million)																		
Actual		Forecast																
2022	Q1 2023	Q2 - Q4 2023	2024 - 2027															
0.52 per year	0.02	0.51	Growth at 2.00% from the previous year															

Assumption	Description				Reference
				based on management interview	

**g) Finance Costs and Corporate Income Tax Assumptions**

**Summary of assumptions on finance costs and corporate income tax expense**

Summary of assumptions on finance costs and corporate income tax expense

Assumption	Description	Reference																												
Finance cost	<div>Finance cost of NIM consist of interest expenses from lease liabilities and bank charge, the IFA has estimated finance cost as follows:</div> <table><tr><th colspan="4">(Unit: THB million)</th></tr><tr><th colspan="2">Actual</th><th colspan="2">Forecast</th></tr><tr><th>2022</th><th>Q1 2023</th><th>Q2 - Q4 2023</th><th>2024 - 2027</th></tr><tr><td colspan="4">Interest expenses</td></tr><tr><td>0.44 - 1.14 per year</td><td>0.18</td><td>0.26</td><td>0.37 - 0.73 per year based on the lease liabilities schedule</td></tr><tr><td colspan="4">Bank charge</td></tr><tr><td>0.02 - 0.03 per year</td><td>0.00</td><td>0.02</td><td>0.02% of revenue from service based on average of 2018 - 2022</td></tr></table>	(Unit: THB million)				Actual		Forecast		2022	Q1 2023	Q2 - Q4 2023	2024 - 2027	Interest expenses				0.44 - 1.14 per year	0.18	0.26	0.37 - 0.73 per year based on the lease liabilities schedule	Bank charge				0.02 - 0.03 per year	0.00	0.02	0.02% of revenue from service based on average of 2018 - 2022	<div><ul style="list-style-type: none"><li>- Management interview</li><li>- Lease liabilities schedule</li><li>- Lease contract</li><li>- Projection by the IFA</li></ul></div>
(Unit: THB million)																														
Actual		Forecast																												
2022	Q1 2023	Q2 - Q4 2023	2024 - 2027																											
Interest expenses																														
0.44 - 1.14 per year	0.18	0.26	0.37 - 0.73 per year based on the lease liabilities schedule																											
Bank charge																														
0.02 - 0.03 per year	0.00	0.02	0.02% of revenue from service based on average of 2018 - 2022																											
Corporate income tax expense	<div>The IFA assumes a corporate income tax rate of 20.00% throughout the projection period based on the current Thailand corporate income tax rate.</div>	<div><ul style="list-style-type: none"><li>- P.N.D. 50 for the year 2021</li><li>- P.N.D. 51 for the year 2022</li></ul></div>																												

**h) Working Capital Assumptions**

**Summary of assumptions on working capital**

Assumption	Description	Reference
Based on management interviews, and review of historical financial statement, the IFA has estimated working capital by averaging day outstanding for the year 2019 - 2022 which the results are as follows:		<ul style="list-style-type: none"> <li>- Management interview</li> <li>- Audited financial statement for the year 2018 - 2022</li> <li>- Management account for Q1 2023</li> </ul>
Items	(Unit: days)	
Day receivable outstanding	16.58 days	
Day payable outstanding	14.92 days	

Assumption	Description	Reference
		- Projection by the IFA

**i) Capital Expenditures (CAPEX) Assumptions**

**Summary of assumptions on Capital Expenditures (CAPEX)**

Assumption	Description	Reference
Capital Expenditures (CAPEX)	<p>Investment cost for improvement and maintenance fixed assets to extend their useful life.</p> <p>Based on management interviews, NIM currently does not have a major overhaul or investment in new machinery or equipment within the next 2 - 3 years. However, based on management interviews, and review of historical financial statement, average CAPEX per year was approximately THB 4.00 million.</p> <p>In accordance with above information, the IFA has estimated an annual capital expenditure amount of THB 4.00 million for the year 2023 - 2027.</p>	- Management interview

**j) Terminal Value Assumption**

**Summary of assumption on Terminal Value**

Assumption	Description	Reference
Terminal value	Terminal value is estimated to be on 31 December 2027, based on a no terminal growth (terminal growth rate = 0) under conservative basis, the IFA views that the Business will continue to operate its business on going concern basis after projected period with assumed no perpetual growth to reflect the current NIM business which is quite stable with fully capacity utilized, and has no expansion plan in the future.	<p>- Management interview</p> <p>- IFA estimation</p>

**k) Discount Rate**

The IFA has considered Weighted Average Cost of Capital (WACC) as discount rate for calculating the present value of NIM's free cash flow to firm, which equals to 10.02% by referencing WACC of TCCC.

**l) Present Value of Free Cash Flow Calculation**

From the above assumptions, the IFA has prepared the free cash flow forecast and adopted the WACC as a discount rate to determine the present value of the future cash flow and the value of NIM's shareholders' equity as follows:

**Summary of the free cash flow projection of NIM (April 2023 - December 2027)**

(Unit: THB million)	Apr - Dec	Jan - Dec			
	2023	2024	2025	2026	2027
Earnings before interest and taxes (EBIT)	43.46	59.17	60.10	60.95	62.05

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(Unit: THB million)	Apr - Dec	Jan - Dec			
	2023	2024	2025	2026	2027
<u>Deduct:</u> Tax and tax shield benefits	(8.69)	(11.83)	(12.01)	(12.19)	(12.40)
<b>Net operating profit after tax (NOPAT)</b>	<b>34.77</b>	<b>47.34</b>	<b>48.09</b>	<b>48.77</b>	<b>49.64</b>
<u>Add:</u> Depreciation and amortization	3.39	4.78	5.16	5.30	5.31
<u>Add (Deduct):</u> Change in net working capital	0.64	(0.07)	(0.05)	(0.04)	(0.06)
<u>Deduct:</u> Capital expenditure	(4.00)	(4.00)	(4.00)	(4.00)	(4.00)
<b>Free cash flow to firm</b>	<b>34.80</b>	<b>48.05</b>	<b>49.19</b>	<b>50.03</b>	<b>50.89</b>
<u>Add:</u> Terminal value	-	-	-	-	508.08
<b>Total free cash flow to firm</b>	<b>34.80</b>	<b>48.05</b>	<b>49.19</b>	<b>50.03</b>	<b>558.97</b>
<b>PV of free cash flow to firm</b>	<b>508.01</b>	<i>Discount Rate equals to 10.02%, applied to discount the free cash flow of April 2023 – December 2027 for deriving net present value of free cash flow as of 24 May 2023.</i>			
<u>Add:</u> Cash and cash equivalents as of 31 March 2023	203.61				
<b>Equity value</b>	<b>711.62</b>				

From the above table, the equity value of NIM based on Discounted Cash Flow Approach (DCF) is THB 711.62 million.

#### m) Sensitivity Analysis

The fair value of NIM's share using Discounted Cash Flow (DCF) Approach under the base case is THB 711.62 million. The IFA has conducted a sensitivity analysis based on NIM's key operational factors which are utilization rate and growth rate of rental fee. The IFA adjusted these factors, and the result are as follows:

##### Sensitivity analysis of NIM's share value using DCF based on change of utilization rate

Utilization Rate (Unit: %)	(5.00%)	Base case
<u>Case:</u> Change of utilization rate (-) 5.00%	673.65	711.62

##### Sensitivity analysis of NIM's share value using DCF based on growth rate of rental fee

Rental Fee / month (Unit: THB / month)	(1.00%)	Base case	1.00%
<u>Case:</u> Growth rental rate (+/-) 1.00%	674.31	711.62	750.07

Based on the above sensitivity analysis, **the fair value of NIM's equity ranges between THB 673.65 – 750.07 million.**

#### 5. Valuation of CTP's Shareholders' Equity

The ordinary shares valuation using adjusted book value approach is a valuation method that considers CTP's book value for the year ended 31 March 2023 which is the latest audited financial statements to be adjusted with the significant items, commitments, contingencies and surplus or deficit on some assets that are appraised by the Independent Property Appraiser in order to reflect the most current fair value of assets.

The Business has appointed Agency for Real Estate Affairs (AREA) Co., Ltd. as an independent appraiser who is approved by the SEC, to assess the fair value of the assets of CTP comprising of lands, and land



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improvement. The appraisal was conducted report dated 22 February 2023 for public purposes. (Please see the details of asset appraisal in Section 2.1.2.5 of this report). The summary of CTP's asset appraisal are as follows:

**Summary of CTP's assets**

Assets	Approach	Unit: THB million		
		Book value as of 31 Mar 23 <sup>/1</sup>	Valuation Value	Increase (decrease) of asset value
Land	Market Approach	105.00	451.20	346.20

From the table above, the IFA has adjusted the book value of CTP as of 31 March 2023 with the increase in the fair value of its assets to reflect the fair value of CTP's shareholders' equity value and CTP's shareholders' equity value attributable to TCCC as follows:

**CTP's share valuation based on the Adjusted Book Value Approach on 31 March 2023**

Item	Value (Unit: THB million)
<b>Total shareholders' equity of CTP</b>	<b>139.13</b>
<b>Add</b> Increase in the value of assets appraised by the independent appraisers	346.20
<b>Adjusted book value of shareholders' equity</b>	<b>485.33</b>
% of CTP's share held by TCCC	49.00%
<b>Total shareholders' equity attributable to TCCC</b>	<b>237.81</b>

Remark : /1 Appraised during February 2023 by Agency for Real Estate Affairs (AREA) Co., Ltd.

Consequently, **the fair value of CTP's equity and share attributable to TCCC are THB 237.81 million.**

Regarding the valuation of TCCC's shareholder equity using Sum of the Parts (SOTP) Approach, the summary of valuation result are as follows:

**Shareholders' equity using Sum of the Parts: SOTP**

No.	Company	Valuation Approach	Fair Value of Shareholders' Equity (Unit: THB million)	Proportion of TCCC's Investment (%)	Fair Value by Shareholding Ratio of Investment (Unit: THB million)
1	TCCC	Sum of the Parts	18,739.54 - 21,365.29	100.00	18,739.54 - 21,365.29
2	TCCCM	Discounted cash Flow	333.39 - 506.33	100.00	333.39 - 506.33
3	MCA	Discounted cash Flow	76.69 - 116.36	100.00	76.69 - 116.36
4	NIM	Discounted cash Flow	673.65 - 750.07	51.00	343.56 - 382.54
5	CTP	Adjusted Book Value	485.33	49.00	237.81
<b>Range of company's share price</b>					<b>19,731.00 - 22,608.33</b>
Number of issued and paid-up shares, par value at THB 3.00 per share (million shares)					584.71
<b>Share Price (THB per share)</b>					<b>33.74 - 38.67</b>

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From the above table, **the fair value of TCCC's share using Sum of the Parts: SOTP ranges between THB 33.74 – 38.67 per share which is lower than the tender offer price at THB 40.00 per share by THB 1.33 – 6.26 per share or 3.34% - 15.64%**

## 6. Summary of the valuation of TCCC's shareholders' equity and share

The valuation of TCCC's shareholders' equity based on 5 valuation approaches and the appropriateness of each approach are as follows:

**Summary of appropriateness of the valuation approach**

Valuation Approach	Appropriateness	Description
Book Value Approach	Inappropriate	<u>Not appropriate</u> since this approach shows book value that appears in the financial statements at a particular time without taking into account of the Business's fair value of assets, performance, and ability to generate profit and future cash flows.
Adjusted Book Value Approach	Inappropriate	<u>Not appropriate</u> since this approach shows book value that appears in the financial statements at a particular time which has already reflected the current fair value of the Business's assets. However, this valuation approach doesn't take into account of the Business's performance, ability to generate profit and future cash flows.
Historical Market Price Approach	Inappropriate	<u>Not appropriate</u> since this approach shows the stock's market price which reflects demand and supply of investors, perspective on fundamentals, performance and growth of the Business, perceiving of relevant news and enclosed information. However, when considering the Business's average trading volume during the period using in the share valuation, the turnover ratio is quite low. So, the market price of the Business's ordinary shares traded on the SET may not reflect the fairness value as well as it should.
Market Comparable Approach - P/BV Ratio - P/E Ratio - EV/EBITDA Ratio	Inappropriate	<u>Not appropriate</u> since this approach doesn't take into account of the performance and growth trend of the Business. Therefore, this approach doesn't reflect the Business's ability to generate profit in the future. Moreover, comparable companies may differ from the Business various aspects, for instance, company size, growth, ability to generate profit, capital structure, and accounting policy.
<b>Sum of the Parts (SOTP) Approach</b>	<b>Appropriate</b>	<b><u>Appropriate</u></b> since this approach consider the performance of TCCC, TCCCM, MCA, and NIM to generate profit and cash flow in the future and considering fair market value of operating assets of Central Pacific. Therefore, this valuation approach reflects the fair value of the Business.

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The summary of shareholders' equity valuation of TCCC according to each valuation approach is as follows:

**Summary of the Business's share valuation**

Valuation Approach	Fair Value by IFA (THB/share)	The Offering Price (THB/share)	The appropriate of valuation approach	The IFA price is higher (lower) than the Offering price (%)
Book Value Approach	18.80	40.00	Inappropriate	52.99
Adjusted Book Value Approach	26.75		Inappropriate	33.13
Historical Market Price Approach	35.15 – 39.28		Inappropriate	1.79 – 12.12
Market Comparable Approach				
- P/BV Ratio	17.75 – 25.34		Inappropriate	36.65 – 55.63
- P/E Ratio	13.25 – 18.09		Inappropriate	54.78 – 66.87
- EV/EBITDA Ratio	19.67 – 23.09		Inappropriate	42.27 – 50.81
<b>Sum of the Parts (SOTP) Approach</b>	<b>33.74 – 38.67</b>		<b>Appropriate</b>	<b>(1.33) - (6.26)</b>

From the above table, **the fair value of TCCC's share using Sum of the Parts: SOTP ranges between THB 33.74 – 38.67 per share which is lower than the tender offer price at THB 40.00 per share by THB 1.33 – 6.26 per share or 3.34% - 15.64%**

## 2.2 Rationale to Accept and/or Reject the Tender Offer

### 2.2.1 Reasons to accept the Tender Offer

The IFA has considered the Tender Offer (Form 247-4), the Tender Offer price and the relevant information of the Business. The IFA deems that the shareholders **should accept the Tender Offer** with the following reasons:

#### a. The appropriateness of the Tender Offer Price

The Tender Offer Price at THB 40.00 per share is reasonable as the Tender Offer Price is higher than the value of the ordinary shares accessed by the IFA, which based on the Sum of The Parts Approach. The IFA opines that valuation using the Sum of The Parts Approach is the most appropriate method, because this approach considers the performance of TCCC, TCCCM, MCA, and NIM to generate profit and cash flow in the future and considering fair market value of operating assets of CTP. The fair value TCCC's shareholders' equity value is in the range of THB 33.74 - 38.67 per share. The base case equals THB 36.16 per share (Detail can be found in Part 2.1 of this report). In addition, the Tender Offer price is not lower than the maximum price calculated in accordance with the regulations set by the SEC in considering the suitability of the tender offer price in the event of a tender offer for the delisting of securities in accordance with Clause 56 of the Notification of the Capital Market Supervisory Board No. Tor Chor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeover dated on 13 May 2011 (as amended, which details are as following:

#### Calculation Criteria of Offer Price for Delisting of Securities

Criteria	Price (THB per share)
1. The highest price that the tender offerors or person under Section 258 of the tender offeror, has acquired shares during a period of 90 days prior to the date of submission of the tender offer to the SEC.	-None-
2. Weight average price of share for 5 business day prior to date that the Board of Directors resolves to propose the delisting of the Business's securities to shareholders' meeting.	30.43
3. Net asset value calculated by using the adjusted book value that reflect the current market value of the Business's assets and liabilities as of 31 March 2023.	26.75
4. Fair value of the Business assessed by the Independent Financial Advisor	33.74 - 38.67

Remark: /1 The fair value of the Business is appraised by an independent financial advisor of the Offeror, Kiatnakin Phatra Securities Public Company Limited

#### b. Impact on Minority Shareholders after delisting the Company's securities from SET

After delisting the Company's securities from SET, the minority shareholders may be impacted in the following issues:

##### 1) Lack of Trading Liquidity

After delisting from SET, the shareholders will not be able to trade the Company's shares on SET, which is the secondary market for trade. Trade will not be as fast and liquid. In addition, there will not be reference market price as a benchmark for share trading.

##### 2) Limitation of Investment Return

The investment return to the shareholders will be limited in the form of dividend. The opportunity to obtain return in the form of capital gain will be limited as the Company's shares are no longer traded on the SET and there is no market price as a benchmark. Moreover, the Business's dividend payment policy in the future may be adjusted according to the policy of Sojitz and I S T S who are the current major shareholders of the Business.

##### 3) No Tax Privilege

In case that the Business is still a listed company on the SET, capital gains from selling shares will be considered as tax - exempt income which the seller has no obligation to include capital gains from selling shares in the calculation for filing personal income tax in accordance with the ministerial regulation No. 126 (B.E. 2509). However, after the delisting, individual shareholders will no longer receive tax privilege for the exemption of capital gains tax. Any individual shareholders who trade the Company's shares after the delisting have to include capital gains from selling shares in the calculation for filing personal income tax at progressive rates.

##### 4) Limited Access to TCCC's Information

After delisting from the SET, shareholders will receive less information since the Business will no longer be required to disclose information to the public.

Moreover, after the tender offer for voluntary delisting, of other shareholders, in case that (1) the remaining shareholders who are not the Tender Offerors, persons acting in concert and related persons

under Section 258, hold a shareholding in an aggregate of not more than 5.00% of total issued and paid-up shares of the Business, or (2) the number of shareholders is not more than 100 persons, the Business will terminate the obligation to prepare and submit its financial statements and reports on its financial position and operating results to the SEC pursuant to the Capital Market according to Supervisory Board's Notification No. TorJor. 44/2556 Re: Rules, Conditions and Procedures for Disclosure of Financial Position and Operating Performance of Securities Issuing Companies.

Moreover, the Business including the Business's directors and the management are no longer required to comply with provisions under Section 3/1 of the Securities and Exchange Act B.E. 2535 (as amended) such as provisions related to connected transactions, material transactions, reports of interests by directors and executives and etc. Likewise, the directors, managements and auditors are not obligated to prepare and submit a report on their holdings of TCCC securities in accordance with the SEC Notification no. Sor.Jor.38/2561 re: Preparation and Disclosure of Reports on Securities Holdings of Directors, Executives, Auditors, Rehabilitation Plan Preparers and Managers.

However, the Business is still required to comply with provisions under the Public Company Act B.E.2535 (as amended) such as preparation and submission of audited financial statements and annual reports. Minority shareholders who need the Business's information regarding the affidavit, shareholders list and financial statement, can take a copy of those documents at the Ministry of Commerce.

## **5) Lack of Checks and Balance of Major Shareholders' Management Powers**

Currently, the Business is under the control of the Tender Offerors, who are the majority shareholders holding 83.46% of the total issued and paid up capital of the Business (information as of 12 May 2023). This allows the Tender Offerors to control the management and business direction as well as the resolutions of the shareholders' meeting on common issues that require majority votes of the shareholders who attend the meeting and are eligible to vote, such as the approval of the annual financial statements, the appointment of the Board of Directors and the appointment of auditor, as well as all matters to be considered and approved in the Business's meeting of shareholders.

In addition, after completion of the Tender Offer, in case that any shareholders who are not the group of the Tender Offerors collectively hold less than 10.00 percent of total issued share of the Business, such shareholders will not be able to make a written requisition to the Board of Directors to call for shareholders' meeting in accordance with Section 100 of the Public Company Act B.E.2535 (as amended), which resulting the risk of being unable to inspecting of the Business's management, vote for balancing, and control direction of the Business.

### **2.2.2 Reasons for rejecting the Tender Offer**

In case, shareholders still hold the Business's shares, the shareholders is still entitled to the rights stipulated in the Business's Articles of Association and the Public Limited Companies Act B.E. 2535 such as attending the shareholders' meeting, receiving of the information and news disclosed to the shareholders' meeting, annual report and etc.

For the shareholder's return, shareholders may have an opportunity to receive dividend. According to the current dividend payment policy, the Business considers paying dividend not less than 60.00% of the net profit (from separated financial statement). The dividend payment will depend on the necessity of cash utilization in the future. However, the future dividend payout by the Business is uncertain depending on the Business's performance and Sojitz and I S T S's policy as the current major shareholder of the Business who has the control power to set out the Business's dividend payment policy. The shareholders may receive more or less dividend depending on future circumstances.

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Nevertheless, shareholders are still legally entitled to shareholders' rights of the Business and will have an opportunity to obtain capital gain if there are any other investors who are willing to buy the Business's shares, which not trading through the SET. However, shareholders have an obligation on capital gain tax (if any) and stamp duty for share transferring.

## **2.3 Benefits or impacts of plans and policies stipulated in the Tender Offer and Viability of Such Plans and Policies**

The IFA has considered benefits and effects from plans and policies that the Tender Offer stated in Form 247-4 and also the possibility of plans and policies which can be summarized as follows:

### **The Status of the Business**

As stated in Form 247-4, after the SET has delisted the ordinary shares of the Business from being listed securities on the SET, the status of the Business as a listed company on the SET will cease. However, the Business shall continue to operate its business and will maintain its status as a public company limited. In any case, should there be any change to the laws related to the conversion of the Business's status and should the Business qualify for the conditions to proceed as required by law, the Tender Offerors may further consider proceeding as appropriateness and in accordance with all the relevant laws.

Nonetheless, as the Business will maintain its status as a public company limited, it is still required to make disclosures and deliveries of information according to the Public Limited Company Act B.E. 2535 (1992) (as amended), but the obligations for disclosures as a listed company on the SET, including obligations under the rules, conditions and procedures governing the disclosure of information and other acts of a Listed Company will, in whole or in part, cease.

If the Business has shareholders who are not the Tender Offerors, including their concert parties and their persons under Section 258, holding less than 5.00 percent of the total voting rights of the Business after the completion of the Tender Offer and the SET delist the ordinary shares of the Business from being listed securities on the SET, this would result in (1) the cessation of the Business's obligation to prepare and deliver financial statements to the SEC in accordance to the Notification of the Capital Market Supervisory Board TorChor. 44/2556 re: the Rules, Conditions and Procedures for Disclosure regarding Financial and Non-financial Information of Securities Issuers (2) the Business as well as the directors and executives of the Business no longer being under the requirements related to the governance of a listed company in accordance to Section 3/1 of The Securities and Exchange Act B.E. 2535 (1992) (including those with further amendment) such as requirements on entering into connected transaction, major transactions, and reporting of equity holdings of directors and executives, and (3) the cessation of requirements for the directors, executives and auditor of the Business to prepare and disclose reports of their securities holdings in accordance to the Notification of the Office of the Securities and Exchange Commission No. Sor Jor. 38/2561 Re: Preparation of Report on Changes to the Securities and Derivatives Holding of Director, Executive, Auditor, Plan Preparer and Plan Administrator.

### **Opinion of the Independent Financial Advisor**

The IFA has considered the status of the Business as stated in Form 247-4 and deems that after delisting of the Business's securities from SET, the Business still has alternatives to raise the capital such as loans from financial institutions and issuing debentures to institutional investors and/or its majority shareholder. In addition, the Business may ask the Offerors, as the major shareholder of the Business, to provide financial support, if appropriate and necessary. Therefore, the Business will be able to operate its future plans without being significantly affected by the delisting from SET. However, the shareholders who decline the Tender Offer may be affected by the Business's status as no longer a listed company on SET such as lack of trading liquidity, limitation of chance to obtain investment return in a form of capital



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gains from trading securities will be limited since there is no secondary market for trading, the individual shareholder will not receive any tax privilege, limited access to TCCC's information news and the minor shareholders will be unable to balance the power of the major shareholders.

Although the Business is no longer a listed company in the SET, the Board of Directors still has duty to supervise the Business to be complied with relevant regulations and laws which include the Public Limited Company Act and Corporate Governance Code since the Business still has duty to comply with Public Limited Company Act. So the Business's shareholders still have rights as prescribed by the Public Limited Company Act such as attending shareholder meetings, voting for directors, receiving dividends, receiving information and etc.

### **2.3.1 Policy and Plans of Business Operations**

#### **Business Objectives**

As stated in Form 247-4, After the Tender Offers and the Business's status as a listed company on the SET has ended, the Tender Offerors do not have any plan to make any material changes to the Business's core business but may consider adjusting operational plan in certain business units to increase operational efficiency and business competitiveness within the 12 months following the end of the Offer Period. Any decision to adjust any operation plan must be complied with related rules and regulations that are effective at that particular time.

Nevertheless, if needed and for the best interest of the Business, the Tender Offerors may cooperate with the Business to adjust business plans or in the case of a significant change to the Business position or other necessary changes, the Tender Offerors may review and reconsider the Business's operational policies in order to be suitable to the Business's operation and financial position and to avoid any potential negative consequences which may affect its operations, or to improve the efficiency and competitiveness of the Business in the future. Nevertheless, if the Tender Offerors intend to make any change significantly different from those specified in the Tender Offer, the Tender Offerors will seek for an approval from the Board of Directors' meeting and/or the shareholders' meeting and other necessary approval to comply with related rules and regulations that are effective at that particular time.

#### Opinion of the Independent Financial Advisor

Independent Financial Advisor has considered the business objectives as stated in Form 247-4 and deems that the Business will not have a significant impact on the business operation since the Business still continues to focus on the same main business operations and has no plan to change its business operation. However, the Offerors and the Business may consider together to adjust the business plan and financial structure in order to be appropriate and highly beneficial to the Business's business operations.

In the event that the Business will significantly change the business objectives that are different from those specified in the Tender Offer within the 12-month period from the end of the Tender Offer period, the Business must be approved by the Board of Directors and/or the Shareholders' meeting and other related contractual parties (if necessary) in order to comply with the relevant laws and regulations effective at that time.

#### **Business Operation and Expansion Plans**

After the Tender Offer and the Business's status as a listed company on the SET has ended, the Tender Offerors have no plans to significantly increase their investment that is inconsistent with normal business investment plans within the 12 months following the end of the Offer Period.

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Nevertheless, if needed and for the best interest of the Business, the Tender Offerors may cooperate with the Business to review and reconsider its investment expansion plans as necessary and appropriate in order to improve the operation efficiency, management and business development of each current business of the Business. If the Tender Offerors intend to make any change significantly different from those specified in the Tender Offer, the Tender Offerors will seek for an approval from the Board of Directors' meeting and/or the shareholders' meeting and other necessary approval to comply with related rules and regulations that are effective at that particular time.

### Opinion of the Independent Financial Advisor

The IFA has considered the investment or production capacity expansion plan as stated in Form 247-4 and deems that the Tender Offerors have no plan to expand the investment or the production capacity which is consistent with the Business's business plan that the Business has no plan to invest or add more production capacity within 12 months period after the Tender Offer except for machinery maintenance.

Currently, the Business has the production capacity of approximately 1.20 million metric tons a year for chemical fertilizer, which the IFA believes that the current production lines are capable of meeting customer demand and are appropriate for the current market situation. So, the Business has not been significantly affected if no any plan to expand investment or production capacity in any way. However, the Tender Offerors still have a maintenance plan for machines in order to keep them in a good condition.

### **Plan on changing corporate structure, management, and recruitment**

As stated in Form 247-4, after the Tender Offer and the Company's status as a listed company on the SET has ended, the Tender Offerors do not have any plan to make any material changes to corporate structure, management, and recruitment within the 12 months following the end of the Offer Period. If there is any change of director and executive of the Business, the Tender Offerors will comply with the relevant laws and regulations.

### Opinion of the Independent Financial Advisor

The IFA has considered the organizational restructuring, administration and employment plans as stated in Form 247-4 and deems that the Business has currently 4 out of the total of 9 directors who are representative from Sojitz, and 2 out of the total of 9 directors are the representatives of Metro Co.,Ltd. group, and Bangkok Bank PCL. Lastly, the 3 out of the total of 9 directors are independent directors. Therefore, the Tender Offerors currently have significant roles in the formulation of policies, business plans and operations of the Business. After this Tender Offer and the Business doesn't have the status of being a listed company, the Business may not renew the term of the director position for independent directors and audit committee when the term of independent director and audit committee becomes expired. Moreover, the Tender Offerors have no plan to significantly change the Business's number of employees and the managerial structure. As a result, after this Tender Offer and the Business doesn't have the status of being a listed company, the management of the Business will still follow policies and business plans that Sojitz and I S T S has set as usual.

In the event that the Business will change the organizational structure, business management and employment, the Business and the Tender Offerors will appropriately proceed in order to comply with the Business's regulations, resolution of the Board of Directors, resolution of the Shareholders' meetings and/or the relevant laws in order to follow the Corporate Governance Code and the best interest for the Business.



### **Plan on disposal of existing core assets**

As stated in Form 247-4, within the 12 months following the end of the Offer Period and the Business's status as a listed company on the SET has ended, the Tender Offerors have no plans for the Business to acquire or undertake significant asset disposition that is inconsistent with normal business investment plans. Nevertheless, if the Tender Offerors intend to make any changes significantly different from those specified in the Tender Offer, the Tender Offerors will seek for an approval from the Board of Directors' meeting and/or the shareholders' meeting and other necessary approval to comply with related rules and regulations that are effective at that particular time.

### Opinion of the Independent Financial Advisor

The IFA has considered the fixed asset disposal plan as stated in Form 247-4 and deems that the Tender Offerors have no plan to dispose core assets of the Business. The main assets of the Business such as the land, building, machinery, office buildings, which are consistent with the Business's business operations that are still used in the operation of producer and distributor of compound chemical fertilizers in Thailand, which is the main business of the Business, and pesticides used in the agricultural sector as well as servicing tank rental and terminal operation for the storage of liquid chemicals used in various industries.

In the event that the Business will significantly dispose main assets that are different from those specified in the Form 247-4 in the Tender Offer within the 12-month period from the end of the Tender Offer period, the Tender Offerors must be approved by the Board of Directors and/or the Shareholders' Meeting and other related contractual parties (if necessary) in order to comply with the relevant laws and regulations effective at that time.

### **Plan on changing financial structure**

As stated in Form 247-4, Within 12 months after the end of the Offer Period, the Tender Offerors have no plan to make any material change to the financial structure. However, any financial restructuring whose goal is to increase efficiency in the management of the Business and to create maximum benefits for the overall business of the Business, including borrowing and lending, must be approved pursuant to the delegation of authority (DOA) of the Business and the relevant rules and regulations.

### Opinion of the Independent Financial Advisor

The IFA has considered the plan for financial restructuring plan as stated in Form 247-4 and deems that the Business doesn't have any impact from the plan for changing financial structure since the Tender Offerors has no plan to significantly change the financial structure of the Business unless for increasing efficiency of financial management of the Business, including borrowing and lending. However, at present, the Business's financial structure is suitable with the business operation and general management, whereby the Business is able to manage its liquidity for the business operations by using internal cash flows from operations and the Business can also borrow from financial institutions to support the business operations and working capital.

### **Plan on changing dividend payment policy**

As stated in Form 247-4, currently, the Business has the policy to pay dividend no less than 60.00 percent of the net profit (from separated financial statement) under the exception of the case that it plans to expand its business, in the need of funds, or its net profit does not meet the appropriate target. However, the Tender Offerors have no plan or policy to adjust the dividend payment policy for 12-month period from the end of the Offer Period.

## Opinion of the Independent Financial Advisor on the tender offer for delisting of the Company's securities from the Stock Exchange of Thailand (For the purpose of translation only)

Nevertheless, if necessary or in case of significant changes of financial status or business conditions or other necessary changes, the Tender Offerors may determine the aforementioned dividend policy as appropriate for the operation and the financial position of the Business in accordance with the best benefit to the Business and the shareholders of the Business. Nevertheless, if the Tender Offerors makes any changes on dividend policy of the Business, the Tender Offerors must comply with related rules and regulations that are effective at that particular time.

### Opinion of the Independent Financial Advisor

The IFA has considered the dividend payment policy as stated in Form 247-4 and deems that the Tender Offerors have no plan to significantly change the dividend payment policy of the Business during 12 months from the end of the Tender Offer period which does not have any impact on the Business. In 2020 – 2022, the Business paid dividends to its shareholders at the rate of THB 1.80 per share, THB 1.70 per share and THB 1.40 per share, representing 68.90%, 68.49% and 95.74% of its net profit (from separated financial statement), respectively. Such dividend rate exceeded the minimum rate specified in its existing policy of 60% of the net profit (from separated financial statement). The details of the dividend payment are as follows:

**Historical Dividend Payment from 2020 - 2022**

Operating period	2020	2021	2022
Dividend payment for each operating period (THB/share)	1.80	1.70	1.40
Net earning per share based on the separated financial statement (THB/share)	2.61	2.48	1.46
Dividend payout ratio based on the stand-alone financial statement (%)	68.90	68.49	95.74

If necessary or in the event that there is a significant change in the financial status or the business condition of the Business or other necessary changes, The Tender Offerors may modify the dividend payment policy of the Business in the future in order to be suitable with the operations and financial status of the Business or to increase efficiency and competitiveness in the future. However, the shareholders who reject this Tender Offer will still be the shareholders of the Business who may affected if there is a change in the dividend payment policy of the Business in the future. This is the factor which shareholders should consider to accept or reject this Tender Offer.

### **2.3.2 Related Party Transaction**

As stated in Form 247-4, currently, the Business has set out policies and procedures regarding approval of related party transactions in compliance with the rules and regulations stipulated by the SET and the SEC to prevent any conflict of interest on a related party transaction between the Business, its subsidiaries, associate companies, related companies and/or any persons who may have potential conflict.

Within the 12 months following the end of the Offer Period and the Business's status as a listed company on the SET has ended, the Tender Offerors have no plans to significantly increase or change related party transactions with the Business and/or its subsidiaries from the current operation, except that the Tender Offerors may enter into related party transactions with the Business and/or its subsidiaries as a financial provider and/or financial receiver for liquidity management of the Business.

Nevertheless, after the Tender Offer and the termination of the Business's status being listed company, if the Business has shareholders who are not the Tender Offerors, including their concert parties and their persons under Section 258, holding less than 5.00 percent of the total voting rights of the Business, the Business, directors and management of the Business will be no longer obligated to regulations under section 3/1 of the Securities and Exchange Act B.E. 2535 (including those with further amendment), which

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include the exemption from obligation related to related party transactions. In such case, if there are any other related party transactions that may occur in the future, the Business is no longer obligated to the SET and SEC regulations. The following related party transactions will take into account of the necessity and reasonability. Nevertheless, the transactions must comply with the Public Limited Company Act and related rules and regulations that are effective at that particular time.

### Opinion of the Independent Financial Advisor

The IFA has considered the related party transaction as stated in Form 247-4 and deems that the related party transactions that may arise in the future will be taken into account of the necessity, the reasonableness of the transactions, and the benefits to the Business. Consideration, approval and disclosure of such transactions will be conducted in observance of the Business's articles of association and applicable laws.

After this Tender Offer and the listed status of the Business ends, in case that the Business has other shareholders who are not the Tender Offerors, person acting in concert with the Tender Offerors and person under Section 258 of the person acting in concert with the Tender Offerors totally hold shares not more 5.00% of the Business's total votes or having not more than 100 shareholders, the Business doesn't have duty to comply with the SEC's and SET's rules of entering into the connected transactions. However, the related party transaction that may arise in the future will be taken into account of the necessity, the reasonableness of the transactions and the benefits to the Business.

#### **2.4 Benefits to the shareholders and the impact on the shareholders in case the shareholders reject the Tender Offer (Only in the case of a tender offer for delisting from the Stock Exchange of Thailand)**

The shareholders who reject the Tender Offer will remain the Business's shareholders and still be entitled to the rights stipulated in the Business's Articles of Association and the Public Limited Companies Act B.E. 2535 such as attending the Shareholders' meetings, receiving of dividend, receiving of information and etc. Shareholders have the right to sell their shares in the Business to interested buyers. However, any profits from the sale of shares will be subject to income tax (if any). In the event of future amendments to the laws related to the conversion of the Business, and if the Business meets the conditions required by the amended laws to continue its operations, the Business or the Tender Offerors may consider taking actions to comply with the new laws and/or changing the dividend payment policy in the future. This could result in shareholders receiving reduced dividends or no dividends at all. Shareholders who reject the Tender Offer may also be impacted by the Business no longer being listed on the SET. Shareholders will receive less information since the Business will no longer have obligations to disclose information, as well as a lack of oversight and monitoring of major shareholders. Additionally, there may be a decrease in liquidity in stock trading since there would be no secondary market for trading the Business's securities, and there would be no reliable reference market price. Furthermore, individual shareholders will no longer be exempt from capital gains tax on profits from selling shares.

### Part 3 Summary of Opinion of the Independent Financial Advisor

Independent Financial Advisor deems that the tender offer price of THB 40.00 per share is **appropriate** since the tender offer price is higher than the value of ordinary share that Independent Financial Advisor assesses by using Sum of the Parts (SOTP) Approach. The IFA opines that the valuation of TCCC's shareholders' equity using this method is the most appropriate method, because this approach considers the performance of TCCC, TCCCM, MCA, and NIM to generate profit and cash flow in the future and considering fair market value of operating assets of CTP. Therefore, this valuation approach reflects the fair value of the Business. Therefore, the share valuation result ranges between THB 33.74 to THB 38.67 per share, with a base case of THB 36.16 per share (Detail can be found in Part 2.1 of this report). Moreover, the tender offer price is not lower than the maximum price calculated in accordance with the regulations set by the SEC in considering the suitability of the tender offer price in the event of a tender offer for the delisting of securities in accordance with Clause 56 of the Notification of the Capital Market Supervisory Board No. Tor Chor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeover dated on 13 May 2011 (as amended).

After the delisting of securities from the SET, if the minor shareholders still hold the Business's shares, those shareholders will be affected in which the Business not being a listed company in the SET as follows:

- The Business's shares will no longer be traded on the SET which impacts the shareholders who have no liquidity for selling and buying the Business's share as there is no secondary market for securities trading. In addition, there will not be reference market price as a benchmark for share trading.
- Chance to obtain investment return in a form of capital gains from trading securities will be limited since there is no secondary market for trading and also no market price for reference. Moreover, the dividend payment policy may be adjusted in accordance with Sojitz and I S T S as a major shareholder of the Business.
- Individual shareholders will no longer benefit from tax exemptions on capital gains. Moreover, both individuals and juristic persons will not be exempt from stamp duty from transferring shares.
- Shareholders will receive less information as the Business will no longer be required to disclose information to the public. However, the Business is still required to comply with provisions under the Public Company Act B.E.2535 (as amended) such as preparation and submission of audited financial statements and annual reports.
- At present, Sojitz and I S T S as the Tender Offerors and major shareholder, holds the Business's share of 83.46% of the total number of issued and paid-up shares of the Business. The tender offerors have control power over the Business in the business directions and the Shareholders' meetings. Therefore, after the completion of the Tender Offer, if the minority shareholders hold less than 10.00 percent of total issued share of the Business after the delisting tender offer, the minority shareholders will not be able to gather votes to balance the power and check the tender offeror's control.

Based on the information in this report, Independent Financial Advisor deems that **the Business's shareholders should accept the Tender Offer** for the delisting of the Business's securities from the SET. However, the final decision to approve or decline the Tender Offer for the delisting of the Business's securities from the SET depends on the individual shareholders' discretion.

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Jay Capital Advisory Limited, as the Independent Financial Advisor, hereby certifies that our opinion has been rendered with due care in accordance with professional standards, taking into consideration the appropriateness, the reasonability and the interests of the shareholders.

Yours Sincerely,

-Ms. Jirayong Anuman-Rajadhon-

(Ms. Jirayong Anuman-Rajadhon)

Managing Director

Jay Capital Advisory Limited, the Independent Financial Advisor

**Enclosure 1: Business Overview of Thai Central Chemical Public Company Limited**

**1. General Company Information**

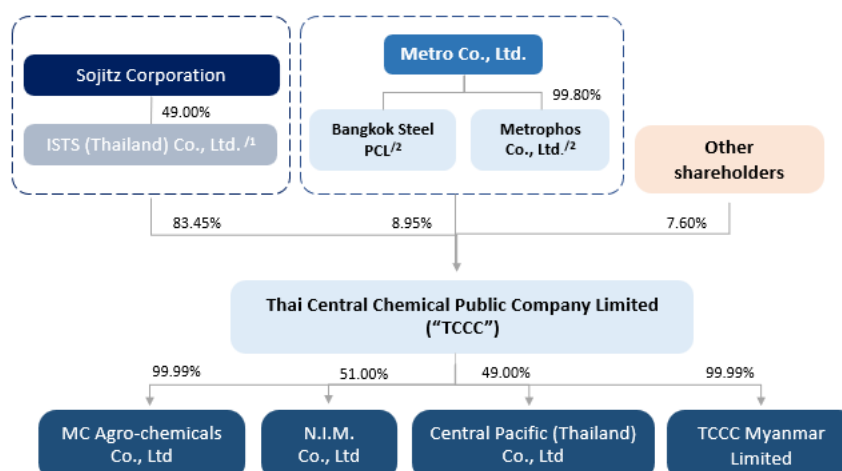
<b>Company Name</b>	Thai Central Chemical Public Company Limited
<b>Type of Business</b>	the Manufacturer and Distributor of chemical fertilizer
<b>Company Registration Number</b>	0107536000277
<b>Paid-up Capital</b>	1,754,142,204.00 Baht Common Stock 584,714,068 Shares Par Value 3.00 Baht
<b>Address of Head Office</b>	801 - 806, 809 - 810, 8th Floor, Mitrtown Office Tower, 944 Rama 4 Road, Wangmai, Pathumwan Bangkok 10330
<b>Website</b>	www.tcccthai.com

**2. History and development of the Business**

The Thai Central Chemical Public Company Limited (“TCCC” ,“the Business” or “the Company”) was established on 6 March 1973 with the purpose of produce and distribute the chemical fertilizer under OX - Brand, Singha, Baby and TCCC Brand under the cooperation of by the government (under cooperation of the Ministry of Finance) and private sector, consisted of Metro Co., Ltd., Sojitz Corporation (formerly Nissho Iwai Corporation) and Central Glass Co., Ltd. Later on, the Business registered on the Stock Exchange of Thailand in October 1991, with a registered capital of THB 700.00 million. The circumstances are the Business’s highlight development as follows:

<b>Year</b>	<b>Historical Development</b>
1973	▪ TCCC was established under the name of Thai Central Chemicals Company Limited as a joint venture between the Thai government and Japanese investors to produce and distribute fertilizers.
1975	▪ TCCC started the production of the first plant in Prapadaeng plant site.
1991	▪ TCCC registered on the Stock Exchange of Thailand with a registered capital of THB 700 million.
1993	▪ TCCC changed its name to Thai Central Chemical Public Company Limited and became a publicly listed company on the Stock Exchange of Thailand
1998	▪ TCCC started the production of the second plant in Nakhon Luang plant site.
2016	▪ TCCC announced plans to invest in a new fertilizer production plant in Myanmar and established Yangon branch and TCCC Myanmar Limited.
2018	▪ TCCC Myanmar Limited expand the operation to the warehouse.

### 3. TCCC's Company Structure



**Remark:** /1 Sojitz Corp. is a related person with ISTS pursuant to Section 258 of the Securities and Exchange Act B.E. 2535 by holding 49.00% shares of ISTS.

/2 Metro is a related person with the following companies pursuant to Section 258 of the Securities and Exchange Act B.E. 2535 by holding share of the subsidiaries stock as follows:

- Bangkok Steel as Metro holds 33.30% shares of Three Mitr Marketing (TMM) and TMM holds 69.48% shares of Bangkok Steel
- Metrophos as Metro holds 99.80% shares of Metrophos

#### Subsidiaries and associates of the Business

Company Name	Established	Shareholding (%)	Registered Capital (THB million)	Paid-up Capital (THB million)	Type of Business
Thai Central Chemical Public Company Limited	6 Mar 1973	-	1,754.00	1,754.00	Chemical Fertilizer
<b>Subsidiaries and Associate Companies</b>					
MC Agro-Chemicals Company Limited	22 Jan 1988	99.99	50.00	50.00	Repacking and Formulating
N.I.M. Company Limited	14 Feb 1974	51.00	125.00	125.00	Chemical Tank Yard
Central Pacific (Thailand) Company Limited.	16 Jan 1975	49.00	200.00	200.00	Trading
TCCC Myanmar Limited /1	3 Oct 2016	99.99	\$12.50	\$12.50	Import Chemical Fertilizer

Remark: /1 million of United States dollars

#### 4. Business Overview

Thai Central Chemical Public Company Limited is one of the largest producer and distributor of compound chemical fertilizers in Thailand. The chemical fertilizer production consists of basic nutrients which are Nitrogen (N), Phosphate (P<sub>2</sub>O<sub>5</sub>) and Potassium (K<sub>2</sub>O) and secondary nutrients such as Magnesium (MgO), Sulphur (S) and other supplementary nutrients such as Zinc (Zn) Manganese (Mn) Iron (Fe) and Boron (B) which promotes healthy growth of crops, both in quantity and quality.

The Business operates 2 large and international - standard plants, having the combined total capacity of 1.2 million metric tons a year. The first company is located in Samut Prakarn Province (Phrapradaeng plant site) and the second is located in Nakhon Luang, Phra Nakhon Si Ayutthaya Province (Nakhon Luang plant site). In Phrapradaeng plant site, the manufacturing process has utilized the natural gas which helps lower the cost and produce less pollution, substituting for the fuel oil since 2007. Moreover, the Business has installed and operated the Cogeneration power plant which can produce electricity at the capacity of 4 MW. in order to supply electricity within the plant site in 2013. In Nakhon Luang plant site, the Business has utilized LPG which is the clean and eco - friendly fuel in production of steam, substituting the oil fuel.

#### Production Capacity

The production capacity of the plant sites is as follows:

Description	Phrapradaeng Plant Site	Nakhon Luang Plant Site
Production Capacity per Year	850,000.00 metric tons	350,000.00 metric tons
Warehouse Capacity	100,000.00 metric tons	90,000.00 metric tons
Raw Materials unload per Day	6,000.00 metric tons	4,000.00 metric tons
Wharf Dimension	Length 310 meters and Depth 8.4 meters (27 feet)	Length 189 meters and Depth 5 meters (16 feet)
Wharf Capacity	Accommodate TWO 20,000.00 - 25,000.00 metric tons	Accommodate THREE 500.00 - 2,500.00 metric tons

#### Chemical Fertilizer production process

The Business's process of compound chemical fertilizers can be classified in 7 main processes as follows:

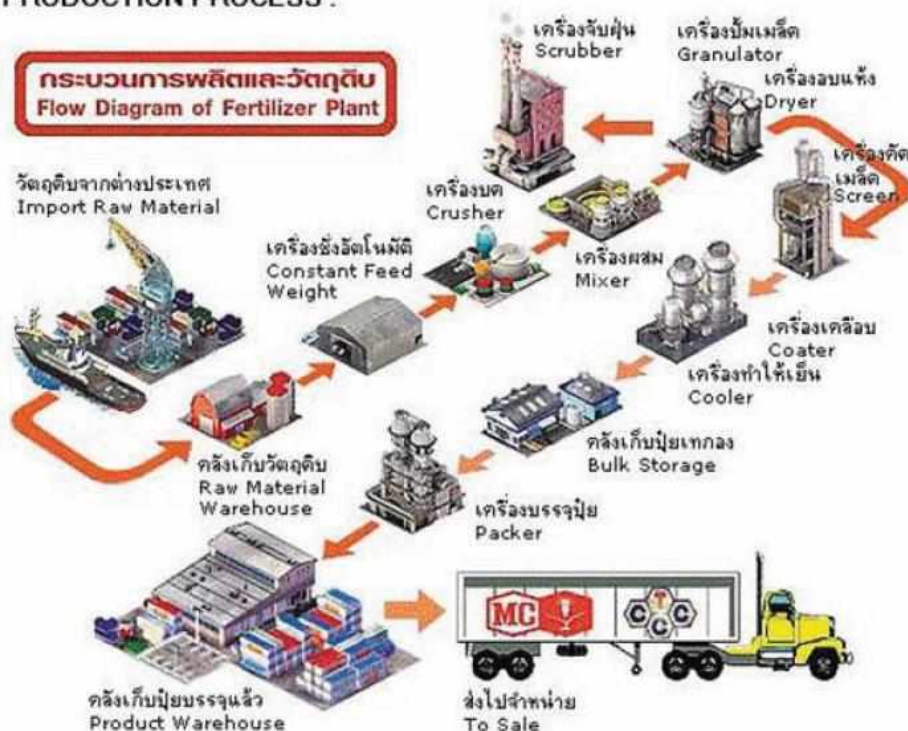
1. Raw material preparation: The Business import raw materials that used to make chemical fertilizers, such as ammonium sulphate, urea, and potash, from the overseas to the Business' raw material warehouse.
2. Synthesis: The raw materials are processed and combined through various chemical reactions to produce the desired fertilizer products.
3. Granulation: The synthesized product is then granulated, meaning it is converted into small, uniform - sized pellets or prills that can be easily applied to crops.
4. Drying: The granulated fertilizer product is then dried to remove excess moisture and improve its shelf life.
5. Screening: The dried fertilizer is screened to remove any oversized or undersized particles, ensuring that the final product meets the desired size specifications.
6. Cooling: The dried fertilizer is cooled to prevent caking or clumping and to improve its handling characteristics.
7. Packaging: The screened fertilizer is then transfer to the bulk storage and then packaged into bags, ready for distribution and sale to customers.



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TCCC employs advanced production technologies and quality control measures to ensure that its fertilizer products meet the highest industry standards for quality, purity, and effectiveness.

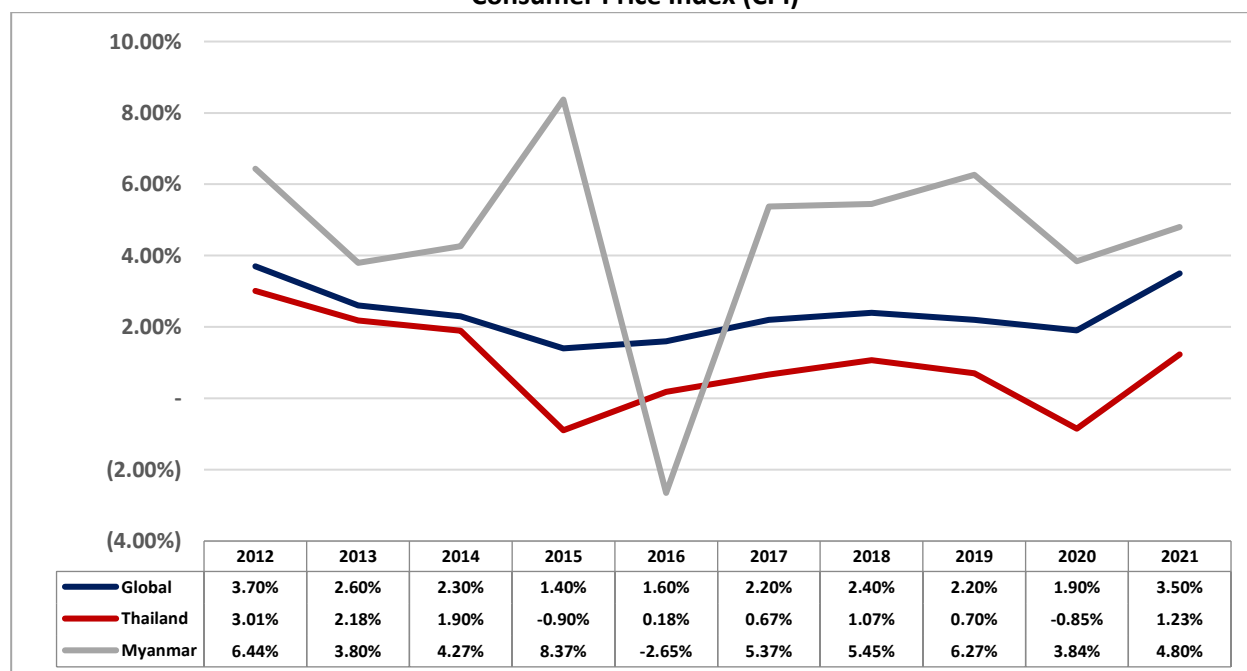
#### PRODUCTION PROCESS :



## 5. Industrial Conditions

### Inflation Overview

#### Consumer Price Index (CPI)



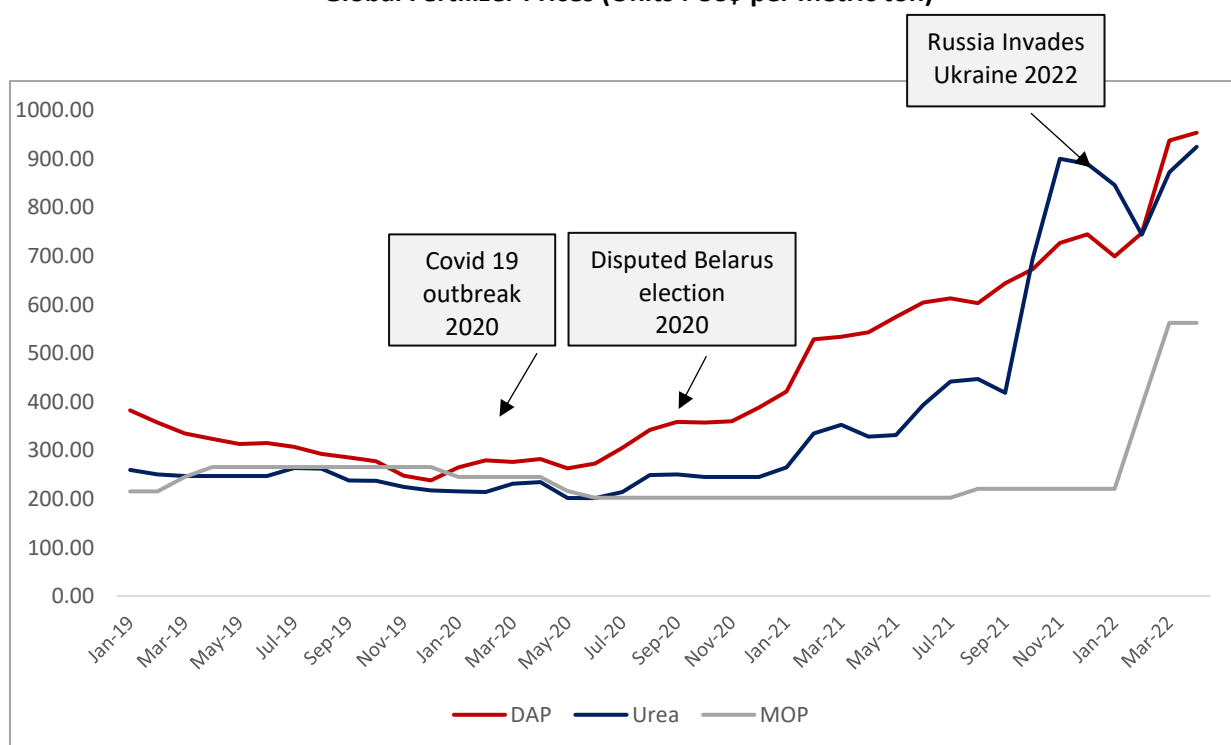
Source: World Bank, Bank of Thailand

Over the past decade, global inflation has been volatile, with a peak in 2012 followed by slower growth rate until 2015, before rising again in subsequent years. Thai inflation has remained relatively low and stable, with the exception of 2015 when it was negative. Myanmar has had a significantly higher inflation rate than Thailand and the global average, with sharp fluctuations due to political and economic instability. The COVID-19 pandemic caused a decline in global inflation rates in 2020, as economic activity decreased due to lockdowns and supply chain disruptions. 10-years inflation compound annual growth rate (CAGR) of global, Thailand and Myanmar are at 2.38%, 1.21%, and 4.56% respectively. However, in 2021, inflation rose again, due to supply chain disruptions and government stimulus measures. Overall, the inflation data highlights the unique economic and political conditions that influence inflation rates in each country.

### **Global Chemical Fertilizer Overview**

Global fertilizer industry is an essential sector that provides crucial inputs for agriculture and helps to improve crop yields and food security. The industry is made up of various players, including fertilizer manufacturers, distributors, and retailers, as well as raw material suppliers and technology providers. The demand and supply of the Global Fertilizer Industry are mainly dictated by (1) the cost competitiveness of raw materials input including phosphate, urea, and potash prices, and (2) the incentive to produce the fertilizer. Both factors result in market rationalization which shows in the World fertilizer prices records. The consequences of fertilizer price - sensitivity would reflect in the farmer's ability to source and afford fertilizers for agriculture in the next level.

**Global Fertilizer Prices (Units : US\$ per metric ton)**



Source: World Bank

Fertilizer prices reached the peak in 2022 primarily pushed up by the sanction on three key supplier countries, Belarus, Russia and Ukraine. Belarus is a major producer and exporter of potash fertilizers, which its potash industry is largely state - owned and has been a significant contributor to the country's economy. In 2022, Belarus's fertilizer industry was impacted by the sanction from Belarus that would affect in limiting its ability to export potash fertilizers to certain countries. Moreover, the country was also impacted by the logistic disruption in the Lithuanian railway network from the Russia - Ukraine war which

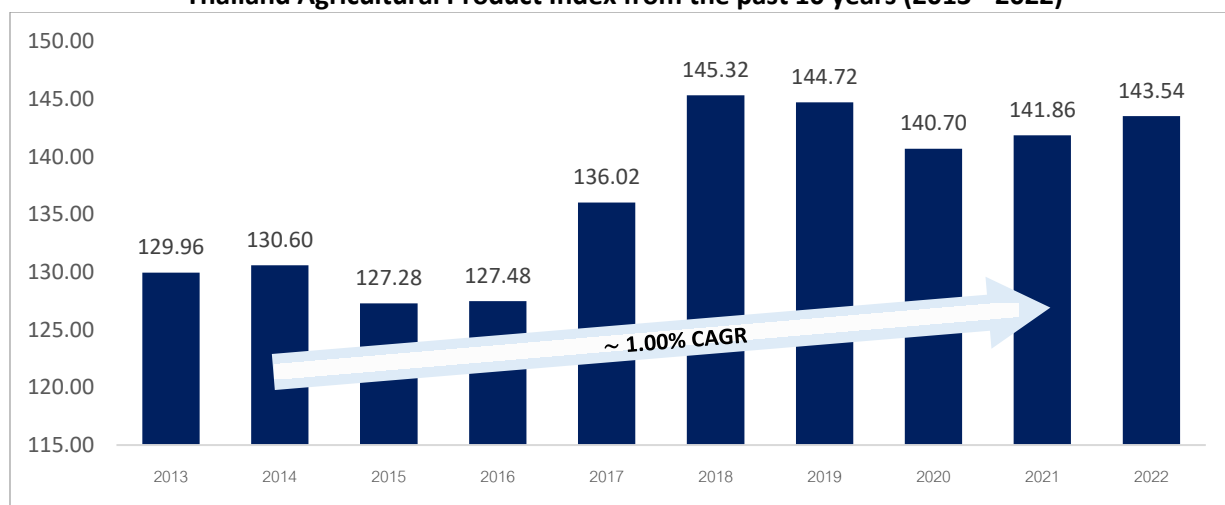
affected the potash sector as most potash suppliers are exported from Belarus transit. Furthermore, Russia and Ukraine are both major producers and exporters of nitrogen fertilizers, which are widely used in the agricultural industry. Any disruptions in their fertilizer production and supply chains could potentially impact the global supply and pricing of nitrogen fertilizers. According to the S&P Global Commodity Insights, it shows that Russia exported about 14% of nitrogen fertilizers, 14% of phosphates, and 21% of potash globally, while Russia and Belarus contributed approximately 40% of total potash exports in 2021. The conflict between Russia and Ukraine disrupted the transportation of fertilizer products, resulting in supply chain disruptions, shortages of fertilizers in certain markets, and price volatility. Refers to the International Fertilizer Association (IFA), it estimated that the consumption would drop by 1.00 - 13.00% in 2022 due to the circumstances actively demonstrating the shortfall of fertilizer supply and high fertilizer costs which may create affordability price issues for the farmer and encourage the farmers to reduce the demand for chemical fertilizer in 2022.

### **Thailand Chemical Fertilizer Overview**

Thailand is one of the leading countries in the Asia - Pacific region in terms of agricultural production. The fertilizer sector use and demand are an integral part of agricultural productivity, especially in rice and rubber which are the largest proportion of agriculture in Thailand. Climate change and the irrigation water level would influence the consumption of using fertilizer as it determines the amount of given crop cultivated in any year.

From the past 10 years, there was a gradual increase in agricultural productivity trend according to the agricultural production index, the data shows that compound annual growth rate (CAGR) was approximately 1.00%, which would be a positive impact in the chemical fertilizer sector. In 2022, the first factor for the gradual increase in production was the expansion of plantation areas for almost all major economic crops such as rice, maize, and cassava. According to the Office of Agricultural Economics, the arable area has increased by 0.89 million rai or by 0.71% in 2022 and is expected to expand by 2.77 million rai or by 19.05% next year as the government has been working to increase the arable land in the country by converting wasteland into productive agricultural land. The second is from favorable weather conditions to facilitate cultivation as the amount of rain accumulated across the country in 2022 was more than the previous year reflected in water conditions in large and medium - sized reservoirs nationwide, with a total water volume of 56,996 million cubic meters increased compared to the year 2021 with a volume of 53,248 million cubic meters or an increase of 7.04 percent according to Smart Water Operation Center.

**Thailand Agricultural Product Index from the past 10 years (2013 - 2022)**



#### Thailand Arable Land for 2021 - 2022

Items (Unit: million Rai)	2021	2022	Change (%)	2023 <sup>/1</sup>	Change (%)
Rice	71.35	72.47	1.57	74.27	2.48
Maize	6.86	6.81	(0.73)	6.77	(0.59)
Cassava <sup>/2</sup>	10.41	9.92	(4.71)	10.11	1.92
Sugarcane <sup>/3</sup>	9.54	9.78	2.52	10.49	7.26
Rubber	21.98	21.93	(0.23)	21.99	0.27
Oil Palm	6.03	6.15	1.99	6.20	0.81
<b>Total</b>	<b>126.17</b>	<b>127.06</b>	<b>0.71</b>	<b>129.83</b>	<b>2.18</b>

Source: Centre for Agricultural Information

Remark: /1 Data forecasted at November 2022

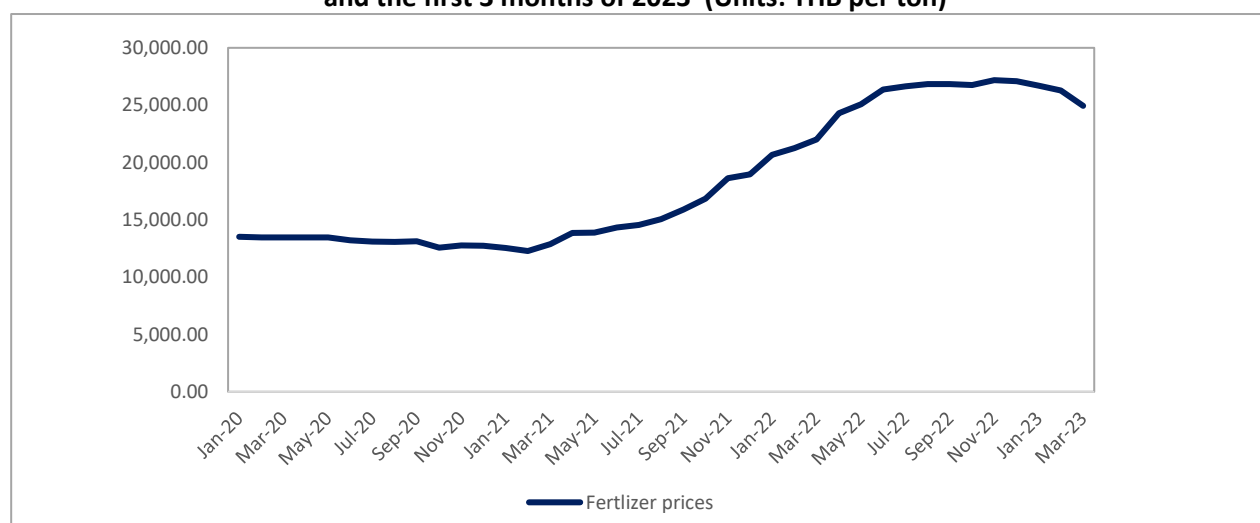
/2 Cultivated Area

/3 Productive Area

For the domestic chemical fertilizer supply, chemical fertilizers are commercially produced from various chemical compounds, for instance, nitrogen, urea, and phosphorus. Since most of these raw materials need to be imported into Thailand, the overall cost structure of the chemical fertilizer industry is highly dependent on the direction of global market's raw material prices. Any fluctuations in the prices of these raw materials can have a significant impact on the cost of production of chemical fertilizers in Thailand, which can ultimately affect the pricing of fertilizers for domestic consumers. In addition to the cost of raw materials, other factors such as energy prices for the transportation cost, and government regulations can also impact the cost structure of the chemical fertilizer industry in Thailand.

According to Office of Agricultural Economics, Thailand fertilizer prices in 2022 gradually increased to THB 25,088 per ton or increased by 67.55% compared with 2021 and maintain at the same level at the first 3 months of 2023. The first reason is mainly due to the global supply chain disruptions related by the conflict between Russia and Ukraine leading to the shortage of global fertilizer, including in Thailand. Moreover, China which is one of Thailand's raw material sources suspended fertilizer exports as the government deems to support its domestic agricultural production which may affect on phosphate market. Secondly, Domestic fertilizer prices which are normally controlled by government regulations were allowed to increase by the ministry of commerce, the particular reason for the circumstance is to alleviate the impact of rising production costs and help the fertilizer business.

#### Thailand Fertilizer Prices trend from 2020 – 2022 and the first 3 months of 2023 (Units: THB per ton)

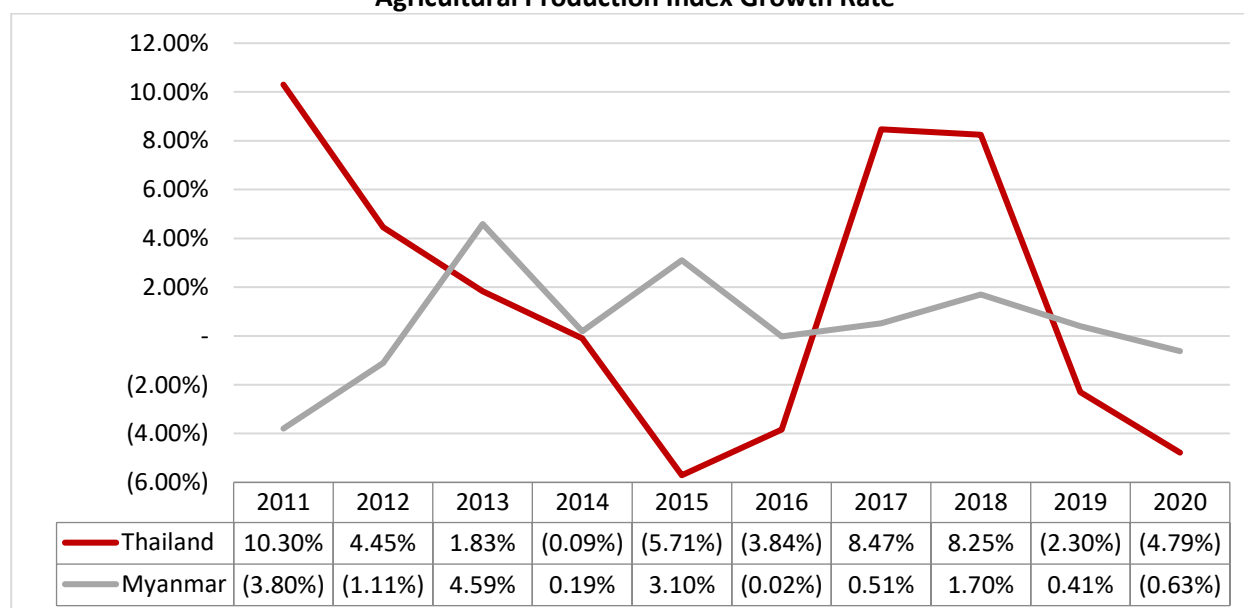


### **Thailand Chemical Fertilizer Trend**

Over the past few decades, global fertilizer consumption has been on a steady upward trend due to the increasing demand for food from a growing global population. In Thailand, the country is a major producer and exporter of agricultural products, with the agricultural sector contributing to a significant portion of the country's GDP. Fertilizer plays a crucial role in boosting agricultural productivity and crop yields in Thailand. Although the industry has had an impact on global supply chain disruption in the short to medium term, the country has seen significant growth in fertilizer use over the past few decades. According to the International Fertilizer Association, fertilizer consumption in Thailand increased from 2.3 million tons in 2000 to 5.2 million tons in 2019, representing a compound annual growth rate of 5.1%. Most of this growth has been driven by an increase in the use of nitrogen - based fertilizers, which account for more than 60% of total fertilizer consumption in Thailand.

One of the significant trends in the use of chemical fertilizers in Thailand is the shift towards more specialized and balanced fertilizers. The use of balanced fertilizers, which contain a mix of nitrogen, phosphorus, and potassium, has been on the rise, as they provide a more targeted approach to crop nutrition, improving yields and quality. Moreover, there is the adoption of new and more efficient fertilizer technologies. For example, there has been a shift towards the use of slow - release fertilizers, which release nutrients over a longer period and reduce the risk of nutrient leaching and runoff. This not only helps improve crop yields but also helps reduce the negative environmental impacts of fertilizer use.

**Agricultural Production Index Growth Rate**



Source: World Bank, Thailand's National Agricultural Big Data Center (NABC), information as of March 2023

Moreover, even there was a gradual increase in Thailand's agricultural production index over the decade, but it has experienced variations in growth rates, with negative growth rates in 2014, 2015, and 2019. In 2018, Thailand's agricultural production index showed a growth rate of 8.25%, which was the highest growth rate in the past decade. However, this was followed by a negative growth rate of 2.30% in 2019, indicating a setback in the agricultural sector's progress. On the other hand, Myanmar's agricultural production index has been more stable, with positive growth rates in most years except for 2012, 2013, and 2020. Myanmar's agricultural production index showed a growth rate of 4.59%, which was the highest growth rate in the past decade and negative 3.80% at the lowest point of the decade. Even the Myanmar agricultural production growth rate is more stable, but the actual production output is still relative low comparing to neighbor countries. Both Thailand and Myanmar heavily rely on the agricultural sector for

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employment and contribution to their respective GDPs, making it a crucial area to monitor for economic growth and stability.

## 6. Revenue Structure

The revenue structure of the Business is classified by the ratio of domestic and international sales for year 2020 – 2022 and for 3-month ended 31 March 2023 as follows:

Company	For the year ended 31 December						For 3-month ended 31 March			
	2020		2021		2022		Q1/2022		Q1/2023	
	THB Million	%	THB Million	%	THB Million	%	THB Million	%	THB Million	%
Thai Central Chemical Public Company Limited	8,943.35	92.07	11,708.93	92.55	12,517.00	91.08	1,507.28	85.50	1,755.89	89.62
MC Agro-Chemicals Company Limited	225.68	2.32	322.16	2.55	254.47	1.85	64.27	3.65	41.62	2.12
N.I.M. Company Limited	118.15	1.22	128.49	1.02	127.08	0.92	31.67	1.79	32.45	1.66
Central Pacific (Thailand) Company Limited.	0.81	0.01	0.67	0.01	0.67	0.00	0.04	-	-	-
TCCC Myanmar Limited	425.89	4.38	491.46	3.88	843.24	6.14	159.70	9.06	129.34	6.60
<b>Total</b>	<b>9,713.88</b>	<b>100.00</b>	<b>12,651.71</b>	<b>100.00</b>	<b>13,742.46</b>	<b>100.00</b>	<b>1,762.96</b>	<b>100.00</b>	<b>1,959.30</b>	<b>100.00</b>

## 7. Board of Directors

As of 8 May 2023, the Business's Board of Directors and management are as follow:

### The Business's Board of Directors as of 8 May 2023

	Name	Position
1.	Mr. Yuji Yuasa	Corporate Board Chairman
2.	Mr. Takahiro Yamashita	President, Director
3.	Mr. Takayuki Tohei	Director
4.	Mr. Chanand Sophonpanich	Director
5.	Mr. Ek - Rit Boonpiti	Director
6.	Mr. Takuji Nakagawa	Director
7.	Mr. Suvat Suebsantikul	Independent Director, Chairman of The Audit Committee
8.	Mr. Opas Sripornkijachorn	Independent Director, Audit Committee
9.	Mr. Kasemsak Masayavanij	Independent Director, Audit Committee

Source: TCCC

## 8. Shareholding Structure

As of 12 May 2023, the major shareholders are as follow:

**The Business's major shareholders as of 12 May 2023**

No.	Name <sup>/1</sup>	Number of Shares	% of the total issued and paid-up shares and total voting rights in the Business
1	Sojitz Corporation <sup>/2</sup>	256,833,457	43.92
	ISTS (Thailand) Co., Ltd. <sup>/2</sup>	231,159,816	39.53
	<b>Sojitz Corporation Group</b>	<b>487,993,273</b>	<b>83.46</b>
2	Metro Co., Ltd.	15,175,191	2.60
	Bangkok Steel Public Company Limited	20,497,742	3.51
	Metrophos Co., Ltd.	16,614,500	2.84
	<b>Metro Co., Ltd. Group</b>	<b>52,287,433</b>	<b>8.94</b>
3	Central Glass Co., Ltd.	12,617,141	2.16
4	Bangkok Bank PCL.	11,292,800	1.93
5	Ms. Samamongkol Kanchanaporn	2,155,019	0.37
6	Mr. Phirawat Thammapirom	1,624,900	0.28
7	Mr. Suparoek Mongkolsamai	1,100,000	0.19
8	Trans-Asia Pacific Ltd.	1,000,000	0.17
9	BNY Mellon Nominees Limited	766,770	0.13
10	Ms. Chada Techjaroenpanich	691,100	0.12
<b>Total top 10 major shareholders</b>		<b>571,797,136</b>	<b>97.74</b>
Other shareholders		13,185,632	2.26
<b>Total</b>		<b>584,714,068</b>	<b>100.00</b>

Source: TCCC's Website as of 12 May 2023

Remark: /1 Total number of minority shareholders is 2,006 persons, in the amount of 44,187,590 shares, or 7.56 percent of paid-up capital (information as of 13 March 2023)

/2 Sojitz Corporation is the related person with ISTS (Thailand) Co., Ltd. pursuant to Section 258 Securities and Exchange Act B.E. 2535 by holding the shares at 49% of the registered capital and has 6,370 votes rights out of 11,470 votes.

## 9. Financial status and operating performance

Thai Central Chemical Public Company Limited	As of 31 December			As of 31 March
Balance Sheet (Unit: THB million)	2020	2021	2022	2023
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	2,902.74	4,504.54	5,518.94	6,293.31
Trade and other receivables	628.28	373.40	472.91	688.11
Inventories	1,654.08	1,918.95	3,566.35	3,147.45
Other current financial assets	4,497.35	3,592.01	470.89	190.75
Other current assets	0.72	2.08	1.90	2.23
<b>Total Current Assets</b>	<b>9,683.18</b>	<b>10,390.98</b>	<b>10,030.99</b>	<b>10,321.84</b>



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Thai Central Chemical Public Company Limited	As of 31 December			As of 31 March
Balance Sheet (Unit: THB million)	2020	2021	2022	2023
<b>Non – Current Assets</b>				
Investment in an associate	136.81	136.98	136.85	136.81
Investment properties	29.21	29.21	29.21	29.21
Property, plant and equipment	1,563.38	1,525.60	1,489.16	1,504.27
Right – of – use assets	136.81	126.94	128.06	136.67
Other intangible assets other than goodwill	545.90	545.90	545.90	545.90
Deferred tax assets	45.64	45.85	50.14	56.21
Other Non – Current Assets	6.31	8.37	8.52	8.58
<b>Total Non – Current Assets</b>	<b>2,464.05</b>	<b>2,418.85</b>	<b>2,387.85</b>	<b>2,417.66</b>
<b>Total Assets</b>	<b>12,147.23</b>	<b>12,809.83</b>	<b>12,418.84</b>	<b>12,739.50</b>
<b>Liabilities and shareholders' equity</b>				
<b>Current Liabilities</b>				
Bank overdrafts and short – term borrowings from financial institutions	162.26	198.22	301.79	280.53
Trade and other current payables	623.79	744.32	428.93	819.47
Current portion of lease liabilities	19.42	16.26	16.87	19.49
Current income tax payable	200.48	147.64	122.23	124.24
Current provision for employee benefits	8.39	12.96	4.89	24.31
Other current financial liabilities	1.42	11.20	6.08	14.27
Other current liabilities	24.12	38.40	37.26	36.58
<b>Total Current Liabilities</b>	<b>1,039.88</b>	<b>1,169.00</b>	<b>918.04</b>	<b>1,318.88</b>
<b>Non – Current Liabilities</b>				
Lease liabilities	45.37	33.13	33.52	40.17
Deferred tax liabilities	116.61	116.61	116.61	116.61
Non – current provision for employee benefit	161.30	158.47	167.36	147.74
Other Non – Current Liabilities	17.85	17.53	19.45	17.27
<b>Total Non – Current Liabilities</b>	<b>341.13</b>	<b>325.74</b>	<b>336.94</b>	<b>321.79</b>
<b>Total Liabilities</b>	<b>1,381.01</b>	<b>1,494.75</b>	<b>1,254.98</b>	<b>1,640.67</b>
<b>Equities</b>				
Authorized Share Capital	1,754.15	1,754.15	1,754.15	1,754.15
Issued and paid-up share capital	1,754.14	1,754.14	1,754.14	1,754.14
Discount on ordinary shares	(43.57)	(43.57)	(43.57)	(43.57)
Retained Earnings (Deficit)	9,021.43	9,551.40	9,396.11	9,363.54
Others Component of shareholder's equity	(59.32)	(46.73)	(41.35)	(79.87)
<b>Total attributions to owners of the parent</b>	<b>10,672.68</b>	<b>11,215.24</b>	<b>11,065.33</b>	<b>10,994.25</b>
Non – Controlling Interests	93.54	99.84	98.53	104.58
<b>Total Equity</b>	<b>10,766.22</b>	<b>11,315.08</b>	<b>11,163.85</b>	<b>11,098.83</b>
<b>Liabilities and shareholders' equity</b>	<b>12,147.23</b>	<b>12,809.83</b>	<b>12,418.84</b>	<b>12,739.50</b>

Source: TCCC's audited financial statement for the year 2020-2022 and reviewed interim financial statements for the first quarter of 2022, and 2023



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Thai Central Chemical Public Company Limited	For the year ended 31 December			For 3-month ended 31 March	
Income Statement (Unit: THB million)	2020	2021	2022	2022	2023
Revenues from sales	9,313.16	11,953.44	12,753.09	1,571.21	1,818.80
Revenues from services	121.14	133.79	132.73	32.91	33.17
<b>Total Revenue</b>	<b>9,434.30</b>	<b>12,087.23</b>	<b>12,885.82</b>	<b>1,604.13</b>	<b>1,851.97</b>
Cost of the sales of goods	(6,954.31)	(9,604.94)	(11,353.36)	(1,535.72)	(1,694.00)
Costs of the rendering of services	(43.18)	(35.67)	(40.23)	(9.71)	(10.06)
<b>Gross profit</b>	<b>2,436.81</b>	<b>2,446.62</b>	<b>1,492.23</b>	<b>58.69</b>	<b>147.90</b>
Interest income	53.13	33.39	30.80	5.52	11.16
Other income	54.98	90.66	111.11	6.12	7.10
<b>Profit before expenses</b>	<b>2,544.92</b>	<b>2,570.67</b>	<b>1,634.14</b>	<b>70.33</b>	<b>166.16</b>
Selling expenses	(323.34)	(216.43)	(212.69)	(32.77)	(65.72)
Administrative expenses	(308.13)	(296.83)	(291.70)	(71.26)	(80.22)
Managements' remuneration	(38.59)	(39.26)	(46.85)	(11.74)	(11.37)
Other expense	-	-	-	(39.77)	(34.09)
<b>Total Expenses</b>	<b>(670.06)</b>	<b>(552.52)</b>	<b>(551.25)</b>	<b>(155.54)</b>	<b>(191.40)</b>
<b>Profit from operating activities</b>	<b>1,874.86</b>	<b>2,018.15</b>	<b>1,082.89</b>	<b>(85.20)</b>	<b>(25.23)</b>
Finance costs	(4.81)	(4.30)	(11.34)	(4.29)	(4.27)
Share of profit from investment in an associate	0.24	0.17	(0.13)	0.04	(0.04)
<b>Profit before income tax expense</b>	<b>1,870.29</b>	<b>2,014.02</b>	<b>1,071.42</b>	<b>(89.45)</b>	<b>(29.54)</b>
Income tax expense	(379.91)	(410.95)	(214.61)	14.52	3.03
<b>Profit for the year</b>	<b>1490.38</b>	<b>1603.06</b>	<b>856.81</b>	<b>(74.93)</b>	<b>(26.51)</b>
Profit attributable to owners of the parent	1,472.32	1,578.67	833.77	(80.72)	(32.56)
Profit attributable to non – controlling interests	18.06	24.39	23.05	5.78	6.05

Source: TCCC's audited financial statement for the year 2020-2022 and reviewed interim financial statements for the first quarter of 2022, and 2023

Thai Central Chemical Public Company Limited	For the year ended 31 December			For 3-month ended 31 March	
Statement of Cash flows (Unit: THB million)	2020	2021	2022	2022	2023
Net cash from (used in) operating activities	1,883.41	1,921.24	(963.78)	86.13	574.13
Net cash from (used in) investing activities	(1,875.12)	779.00	2,930.57	1,328.57	227.63
Net cash from (used in) financing activities	(610.45)	(1,077.80)	(949.00)	(16.61)	(27.10)
Effect of exchange rate changes on cash and cash equivalents	(2.22)	(20.65)	(3.39)	(0.81)	(0.30)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(604.38)</b>	<b>1,601.80</b>	<b>1,014.40</b>	<b>1,397.28</b>	<b>774.38</b>

Source: TCCC's audited financial statement for the year 2020-2022 and reviewed interim financial statements for the first quarter of 2022, and 2023

Thai Central Chemical Public Company Limited	For the year ended 31 December			For 3-month ended 31 March	
Key Financial Ratios	2020	2021	2022	2022	2023
<b>Liquidity Ratio</b>					
Current Ratio (times)	9.31	8.89	10.93	4.02	7.83

Thai Central Chemical Public Company Limited	For the year ended 31 December			For 3-month ended 31 March	
Key Financial Ratios	2020	2021	2022	2022	2023
Quick Ratio (times)	3.34	4.17	6.53	2.39	5.29
<b>Activity Ratio</b>					
Total Asset Turnover (times)	0.82	0.98	1.03	0.90	1.02
Average Collection Period (Days)	20.85	14.31	11.99	17.53	17.12
Average Sale Period (Days)	88.93	67.64	87.86	87.32	83.97
Average Payment Period (Days)	12.35	18.89	18.79	83.14	48.66
Cash Cycle (Days)	97.43	63.05	81.06	21.71	52.43
<b>Profitability Ratio</b>					
Gross Profit Margin (%)	25.83	20.24	11.58	3.66	7.99
Net Profit Margin (%)	15.67	13.13	6.58	(4.64)	(1.42)
Earnings Per Share (THB per share)	2.52	2.7	1.43	(0.14)	(0.06)
Price-to-Earnings Ratio (times)	10.79	12.36	16.68	13.80	27.18
Return on Equity (%)	14.35	14.43	7.48	11.77	8.35
Return on Asset (%)	16.18	16.17	8.58	11.62	8.79
<b>Leverage Ratio</b>					
Debt to Equity Ratio (times)	0.13	0.13	0.11	0.29	0.15
Interest Coverage Ratio (times)	390.01	468.93	95.45	(19.86)	(5.92)

Source: Setsmart

## **Explanation and Assessment of Financial Statements and Overall Operating performance of the Business**

### **Analysis of Business performance**

#### **Revenue**

During 2020 – 2022, and the first 3 months of 2022 and 2023, the total revenue of the Business was THB 9,434.30 million, THB 12,087.23 million, THB 12,885.82 million, THB 1,604.13 million, and THB 1,851.97 million, respectively. The Business's revenues comprise of revenue from sales and revenue from service.

In 2021, the Business has total revenue equivalent to THB 12,087.23 million, increased from the previous year by THB 2,652.92 million or increased by 28.12%. which was mainly due to increase in sales of chemical fertilizer in the total amount of THB 11,642 million, risen by THB 2,547 million or 28% compared to 2020 because the three contributing reasons; the increased price of most cash crops, the customers' demand to secure inventories to minimize the consequence from rising international price of raw materials and the positive factors from the adequate level of water and supplies. Moreover, income from other businesses was from the sales of pesticides used in the agricultural sector as well as servicing tank rental and terminal operation for the storage of liquid chemicals used in various industries. The revenue generated by these businesses in 2021 was THB 445 million, increased by THB 106 million or 31% compared with THB 339 million in 2020 mainly due to the increase of pesticides' sales.

In 2022, the Business has total revenue equivalent to THB 12,885.82 million, increased from the previous year by THB 798.60 million or increased by 6.61%. The main reason was the higher fertilizer's selling price than the previous year due to higher international raw material price caused by the unbalance of supply-demand in the global fertilizer market amid the Russia-Ukraine conflict. Furthermore, the Business has an income from other businesses such as the sales of pesticides and servicing tank rental and terminal operation for the storage of liquid chemicals. In 2022, such income was amounting to THB 377 million, slightly decreased by THB 68 million or 15% from 2021. The reason was from the drop of sales from pesticides used in the agricultural sector and the lower volume of chemicals storage in the tank.

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In the first 3 months of 2023, the Business has total revenue equivalent to 1,851.97 THB million, increased from the same period of the prior year by THB 247.85 million or increased by 15.45%. The main reason was due to the higher average selling prices of fertilizers per unit as the Business has also been affected by the consequence volatility of fertilizer prices in the global market.

### Gross Profit

In 2020 – 2022 and the first 3 months of 2022 and 2023, the Business has gross profit equivalent to THB 2,436.81 million, THB 2,446.62 million, THB 1,492.23 million, THB 58.69 million, and THB 147.90 million respectively representing gross profit margins of 25.83%, 20.24%, 11.58%, 3.66% and 7.99% respectively.

In 2021, the Business's gross profit margin dropped from the previous year despite the increase in total revenue because the government controlled strictly over ceiling of fertilizer's selling price while the raw material price in international markets increased gradually due to global supply-chain disruption under continuity of Covid 19. Hence, the Business's gross profit ratio is inevitably reduced from 25.83% to 20.24% when compared with the year 2020.

In 2022, the Business's gross profit margin decreased from the previous year. The reason was mainly a result of the increase of raw material costs from the chemical fertilizer affected by the global fertilizer market because of supply-side issues, including production halt in Europe, supply-chain disruptions due to Russia- Ukraine conflict, sanctions against Russia and Belarus, and trade restrictions in China, as well as the depreciation of Thai baht resulted in the higher import costs while the Business's selling prices are difficult to increase due to the government's price control policy to support farmers' living costs. As a result, the Business's margin was mostly at its lowest level compared with the previous year.

In the first 3 months of 2023, the Business's gross profit margin increased to 7.99% which is higher than the same period of the prior year due to the downward trend of raw material prices and strict control of selling prices from the government last year.

### Selling and Administrative Expenses

The Business's expenses consist of selling expenses, administrative expenses, and managements' remuneration. During 2020 – 2022, and the first 3 months of 2022 and 2023, the Business has total expenses equivalent to THB 670.06 million, THB 552.52 million, THB 551.25 million, THB 155.54 million, and THB 191.40 million, respectively.

In 2021, the Business's total expense decreased from the previous year by THB 117.54 million or decreased by 17.54%. The Primary reason was the decrease in selling expenses by THB 106.91 million which was the result of the Business's decision to lower sales-related cost, aligning with their focus on controlling production costs following the impact of rising material costs. Additionally, the administrative expenses also decreased due to limitations on filed activities during the COVID-19.

In 2022, the Business's total expenses continue to maintain at the same level as they are slightly decreased from the previous year by THB 1.27 million or decreased by 0.23% as the Business continued to mitigate the implicate of fluctuation in global fertilizer prices.

In the first 3 months of 2023, the Business's total expenses increased by THB 35.86 million or 23.06% compared to the same period of the prior year. It is because the Business increased in marketing and sales promotion activities to expand the market and retain existing customers which caused a higher in the expenses compared to the same period of the prior year which the situation of Covid-19 pandemic is not fully recovered.

## **Net Profit**

From the factors and circumstances as mentioned above, the Business's net profit in 2020 – 2022, and the first 3 months of 2022 and 2023 was THB 1490.38 million, THB 1603.06 million, THB 856.81 million, THB (74.93) million, and THB (26.51) million respectively with a net profit margin of 15.80%, 13.26%, 6.65%, (4.64%) and (1.43%) respectively. Net profit of the Business in 2021, increased 7.56% from 2020 mainly due to the increase of revenue. In 2022, the net profit decreased by 46.55% from 2021 mainly due to the increase of raw material cost. Lastly, in the first 3 months of 2022 and 2023, the Business has recorded loss mainly because of the downtrend in fertilizer prices, which made our customers hesitate to stock fertilizer in their inventories. However, under these circumstances, the TCCC's management will constantly monitor relevant factors such as fertilizer demand in the global market, which is a key factor in determining the Business's production cost and selling price, to secure an optimal profit.

Net profit of the Business (after deducting net profit attributable to minority interest) in 2020 - 2022, and the first 3 months of 2022 and 2023 was THB 1,472.32 million, THB 1,578.67 million, THB 833.77 million, THB (80.72) million, and THB (32.56) million, respectively.

## **Financial Position**

### **Assets**

As of 31 December 2020 - 2022 and 31 March 2023, the Business has total asset equivalent to THB 12,147.23 million, THB 12,809.83 million, THB 12,418.84 million, and THB 12,739.50 million, respectively.

As of 31 December 2021, the Business has total asset increased from the previous year by THB 662.60 million or increased by 5.45% due to the increase of cash and cash equivalent by THB 1,601.80 million or increased by 55.18%, which was enhanced by the sales performance in the year. In the meantime, the situation of raw material prices forced the Business to strictly control the cash collection from customers, which resulted in a 40.57% decrease in trade and other current receivables, and 16.1% increase in Inventories. However, the Business's other current financial assets dropped by THB 905.34 million or dropped by 20.13% due to the decrease in the Business's time deposit.

As of 31 December 2022, the Business has total asset decreased from the previous year by THB 391.00 million or decreased by 3.05% mainly due to the decrease in other current financial asset by THB 3,121.12 million or decreased by 86.89% impacted by the reduction in the Business's time deposit at banks for purchasing expensive raw materials and derivatives from forward exchange contract. However, the inventory of the Business increased by THB 1,647.40 million or 85.85% as the impact from the value of raw materials increased.

As of 31 March 2023, the Business has total assets increased from the end of 2022 by THB 320.66 million or decreased by 2.58% as the Business's cash and cash equivalent increased by THB 774.37 million or by 14.03%, trade and other receivables increased by THB 215.20 million or 45.51%, and the Business's inventories dropped by THB 418.90 million or 11.75%, respectively. Moreover, the other current financial assets dropped by THB 280.15 million or by 59.49% due to a decrease in time deposits maturity date over 3 months but less than 1 year.

### **Liabilities**

As of 31 December 2020 – 2022 and the first 3 months of 2023, the Business has total liabilities equivalent to THB 1,381.01 million, THB 1,494.75 million, and THB 1,254.98 million, and 1,640.67 respectively.

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As of 31 December 2021, the Business's total liabilities have increased from the previous year by THB 113.74 million or increased by 8.24% since trade and other current payables increased by THB 120.53 million or 19.32% and bank overdrafts and short-term borrowings from financial institutions increased by THB 35.96 million or 22.16%.

As of 31 December 2022, the Business's total liabilities have decreased from the previous year by THB 239.77 million or decreased by 16.04% since trade and other current payables decreased by THB 315.40 million or 42.37%.

As of 31 March 2023, the Business's total liabilities have increased from the end of 2022 by THB 385.69 million or 30.73% as trade and other current payables increased by THB 390.54 million or 91.05%.

### Shareholders' equity

As of 31 December 2020 - 2022 and 31 March 2023, the Business's shareholders' equity was THB 10,766.22 million, THB 11,315.08 million, THB 11,163.85 million, and THB 11,098.83 million, respectively, which was attributed to owners of the parent in total of 10,672.68 million, THB 11,215.24 million, THB 11,065.33 million, and THB 10,994.25 million, respectively.

As of 31 December 2021, the Business's equity has increased from the previous year by THB 548.86 million or increased by 5.87% as the retained earnings increased by THB 529.97 million or increased by 0.30% because the Business has profit and other comprehensive income for the year in the amount of THB 1,603.06 million, while the Business has paid dividend in the amount of THB 1,070.08 million.

As of 31 December 2022, the Business's equity has decreased from the previous year by THB 151.23 million or decreased by 1.34% as the retained earnings decreased by THB 155.29 million or decreased by 1.63% because the Business has profit and other comprehensive income for the year in the amount of THB 856.81 million, while the Business has paid dividend in the amount of THB 1,018.15 million.

As of 31 March 2023, the Business's equity has decreased from the end of 2022 by THB 65.02 million or decreased by 0.58% as the retained earnings decreased by THB 32.56 million or decreased by 0.35% because of the Business's net loss during the period.

### Cash Flows

As of 31 December 2020 – 2022 and 31 March 2023, the Business has cash and cash equivalents to THB 2,902.74 million, THB 4,504.54 million THB 5,518.94 million, and 6,293.31 respectively.

In 2021, Net cash provided by (used in) operating activities was THB 1,921.24 million, compared to the cash flow in 2020 with a change of THB 37.83 million. The main reason was an increase in net profit from the Business's performance. Net cash provided by (used in) investing activities was THB 779.00 million, compared to the cashflow in 2020 with a change of THB 2,654.13 million. The main reason was the Business's significant reduction in time deposits investment. Net cash provided by (used in) financing activities was THB (1,077.88) million, compared to the cash flow in 2020 with a change of THB (467.35) million due to the Business's higher dividend payment from 1.10 baht per share in 2020 (based on appropriation of net profit for 2019) to 1.80 baht per share in 2021 (based on an appropriation of net profit for 2020).

In 2022, Net cash provided by (used in) operating activities was THB (963.78) million, compared to the cash flow in 2021 with a change of THB (2,885.02) million due to a decrease in Net profit and an increase in Inventories. However, net cash provided by (used in) investing activities in 2022 was THB 2,930.57 million, compared to the cash flow in 2021 with a change of THB 2,151.56 million. The main reason was

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the Business's significant reduction in time deposits investment from time deposits maturity date over 3 months but less than 1 year to time deposits with maturity within 3 months resulting in the Business's higher cash flow. Net cash provided by (used in) financing activities was THB (949.00) million, compared to the cash flow in 2021 with a change of THB 128.80 million due to cash inflow from Short-term borrowings from financial institutions and lower Dividend payments compared with the previous year.

In the first 3 months of 2023, net cash provided by (used in) operating activities was THB 574.13 million, compared to the cash flow from the previous period with a change of THB 488.01 million due to decrease in inventories. However, net cash provided by (used in) investing activities was THB 227.63 million, compared to the cash flow from the previous period with a change of THB (1,100.94) million due to the Business's significant reduction in time deposits investment. The main reason was from the change of time deposits to time deposits with maturity within 3 months. These changes were implemented to increase the flexibility of the Business's operations amidst the significantly increased interest rates on time deposits resulting in the Business's higher cash flow. Net cash provided by (used in) financing activities was THB (27.10) million, compared to the cash flow from the previous period with a change of THB (10.49) million. The main reason was the cash outflows from Short-term borrowings from financial institutions.

**Enclosure 2: Summary of Asset Appraisal Report by the Independent Appraiser**

The Business has appointed independent appraisers which are approved by the SEC, to assess the fair value of the assets of TCCC, which comprise of lands and other land improvement, trademark and brand, buildings, vehicles and machinery and equipment. The appraisal was conducted for public purposes. The details are as follows:

No.	Entity	Name	Appraisal Date	Details of Assets	Appraised Value (Unit : THB million)
1	TCCC	UK Valuation and Agency Company Limited ("UK Valuation")	22 February 2023 and 7 March 2023	<ul style="list-style-type: none"> <li>• 11 lands</li> <li>• 69 buildings</li> <li>• 2,447 items of Machine and Equipment</li> <li>• 2 groups of other land improvement</li> <li>• Trademark/ Brands</li> </ul>	5,854.41
2		Thai Property Appraisal Lynn Phillips Company Limited ("Lynn")	3 March 2023	<ul style="list-style-type: none"> <li>• 1 land</li> </ul>	1,316.74
2	TCCCM	Japan Valuers (Myanmar) Company Limited ("JVM") <sup>/1</sup>	10 March 2023	<ul style="list-style-type: none"> <li>• 1 land</li> <li>• 3 Buildings</li> <li>• 17 items of Plant, Machine and Vehicle</li> </ul>	252.79
3	MCA	Prospec Appraisal Company Limited ("Prospec")	10 March 2023	<ul style="list-style-type: none"> <li>• 1 land</li> <li>• 15 Buildings and 1 Building improvement</li> <li>• 269 items of Machinery and equipment</li> </ul>	99.29
4	NIM	UK Valuation and Agency Company Limited ("UK Valuation")	18 and 20 March 2023	<ul style="list-style-type: none"> <li>• 3 Buildings</li> <li>• 54 items of Machinery and equipment</li> </ul>	47.79
5	CTP	Agency for Real Estate Affair Company Limited ("AREA")	22 February 2023	<ul style="list-style-type: none"> <li>• 1 land</li> </ul>	451.21

Remark: /1 JVM is an appraiser operating in Myanmar which is not listed as an independent appraiser approved by the SEC, however, IFA had assessed on the qualifications of the appraiser and found that the appraiser is a subsidiaries of Japan Valuer Co.,Ltd, which is certified as a member of Royal Institution of Chartered Surveyors (RICS).



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## 1. Assets of TCCC

The valuation of fixed assets of TCCC consists of investment properties, land, buildings, and machinery. The details of the appraised property are as follows:

### 1.1. The Appraisal of TCCC's investment properties

The appraisal of TCCC's investment properties consists of 9 land. The details are as follows:

#### 1.1.1. Appraisal of land which is investment properties of TCCC

The appraisal of 9 land of TCCC are as follows:

Details of TCCC's land									
List	Land no. 1	Land no. 2	Land no. 3	Land no. 4	Land no. 5	Land no. 6	Land no. 7	Land no. 8	Land no. 9
Property Type	Two Parts of Industrial Land Plot	Residential Land Plot	Agricultural Land Plot		Agricultural Land Plot (rice field)	2 - Part Vacant Land	Vacant land (for residential development)	Vacant Land (for residential development)	Vacant Land (Agricultural Land Plot)
Location	Off Songkhla - Ranot Road (Highway No.408), Huakhao Sub - district, Singka Nakhon District, Songkhla Province	Soi Wai - uthit, Petchkasem Road (Highway No. 4), Hat Yai Sub - district, Hat Yai District, Songkhla Province	Off Ladya - Borploy Road (Highway No. 3086), Nongkum Sub - district, Borploy District, Kanchanaburi Province	Yangtalad - Phonthong Road (Highway No. 2116), Hua Ngua Sub - district, Yangtalad District, Kalasin Province	Off Khonkaen - Yangtalad Road (Highway No. 12), Yangtalad and Klongkham Sub - district, Yangtalad District, Kalasin Province	Off Phet Kasem Road, Krabiyai Sub - district, Muang District, Krabi Province	Off Kieattikun Road, Paknam Sub - district, Muang District, Krabi Province	Khok Khiri - Khuan Pom Road (Highway No.3032), Tamnan Sub - district, Muang District, Phatthalung Province	Soi Norkna Leab Muang Shonla Pratan - Shong Kard Bannaysi, Hurae - Tonngancha ng Road, Thungtumsa o Sub - district, Hat Yai District, Songkhla Province.



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List	Land no. 1	Land no. 2	Land no. 3	Land no. 4	Land no. 5	Land no. 6	Land no. 7	Land no. 8	Land no. 9
Land area size (Rai - Ngan - Wah)	181-0-50.4								
Land owner	TCCC								
Encumbrances	None								
Expropriation	None as at 1 March 2023	Not in the expropriation line at the assessment date							

### 1.1.1.1. Appraisal of TCCC's land no. 1

**Comparative market data for the valuation of TCCC's land no. 1**

List	Asset of TCCC		Market Data 1	Market Data 2	Market Data 3	Market Data 4	Market Data 5
	Part 1	Part 2					
Property Type	Vacant Land (For industrial development)		Vacant Land (For residential development)				
Location	Public Road Of Songkhla - Ranot Road (Highway No.408)						
Shape & Elevation	Polygon	Rectangular	Polygon	Nearly Rectangular			
Frontage (Meters)	28	48	26	25	150	80	13.50
Width of road	4, 6 - meter traffic surface	4 - meter traffic surface	6 - meter traffic surface		4 - meter traffic surface	6 - meter traffic surface	
Public Utilities	- electricity		- water supply - electricity - telephone	- water supply - electricity	- water supply - electricity - telephone	- water supply - electricity	
City Plan	Pink Zoning						
Offer for sale (THB / Rai)	-	-	2,300,000	2,500,000	3,000,000	2,500,000	2,400,000
Adjusted Price <sup>1</sup> (THB / Rai)	-	-	2,460,000	2,460,000	2,960,000	2,460,000	2,360,000
Date	-	-	February 2023				

Remark: /1 The comparable data 1 has the elevation of land under than the Subject Land about 1.0 m. and data 2 to data 4 has higher the elevation of land than the Subject Land about 0.2m. respectively. Therefore, the asking prices will be altered as we consider the adjustment of land elevation to the same level with the Subject Land before comparison. Hence, we have adjusted the said data by reducing cost of land fill at THB 200,000 per rai per 1.0 m depth respectively.

UK Valuation then rates the assessed assets against comparative data on the components that affect the value of each asset. However, the weights and scores are based on the discretion of each assessor. The details of the asset rating are as follows:

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**Market Approach by using Weighted Quality Score (WQS) of TCCC's land no. 1 (The Subject Land 1)**

Factors	Weight (%)	Market Data 1	Market Data 2	Market Data 4	The Subject Land 1
Location	30.00%	7	7	7	8
Size & Shape of Land	45.00%	6	8	7	2
Surrounding	15.00%	6	6	4	6
Marketability	10.00%	3	8	6	5
<b>Total</b>	<b>100.00</b>	<b>600</b>	<b>740</b>	<b>645</b>	<b>470</b>
<b>Weighted Value</b>		581,047.00	254,327.00	425,884.00	1,261,258.00
<b>Market Value (THB per Rai)</b>	<b>1,260,000.00</b>				

**Market Approach by using Weighted Quality Score (WQS) of TCCC's land no. 1 (The Subject Land 2)**

Factors	Weight (%)	Market Data 2	Market Data 3	Market Data 5	The Subject Land 2
Location	25.00%	6	7	7	7
Size & Shape of Land	20.00%	8	7	8	8
Traffic & Accessibility	25.00%	7	7	7	3
Development Potential	10.00%	8	8	8	7
Surrounding	10.00%	7	7	7	5
Marketability	10.00%	7	7	7	8
<b>Total</b>	<b>100.00</b>	<b>705</b>	<b>710</b>	<b>730</b>	<b>605</b>
<b>Weighted Value</b>		576,835.00	589,689.00	505,883.00	1,672,407.00
<b>Market Value (THB per Rai)</b>	<b>1,670,000.00</b>				

Based on the comparison approach, the market value of TCCC's the Subject Land 1 and Land 2 are THB 1.26 million per rai and THB 1.67 million per rai, respectively.

**1.1.1.2. Appraisal of TCCC's land no. 2**

**Comparative market data for the valuation of TCCC's land no. 2**

List	Asset of TCCC	Market Data 1	Market Data 2	Market Data 3	Market Data 4
Property Type	Vacant Land (For residential development)				
Location	Soi Wai - uthit Petchkasem Road (Highway No. 4)	Rat Yindi Soi 7 Petchkasem Road (Highway No. 4)	Niphat Songkhro 1 Soi 4 Niphat Songkhro 1 Road	Niphat Songkhro 1 Soi 10 Petchkasem Road (Highway No. 4)	Rattana Uit Soi 8 Petchkasem Road (Highway No. 4)
Shape & Elevation	Rectangular				
Frontage (Meters)	6	32	18	10	5
Width of road	6 - meter traffic surface	8 - meter traffic surface	6 - meter traffic surface		
Public Utilities	- water Supply - Electricity	- water Supply - Electricity			

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List	Asset of TCCC	Market Data 1	Market Data 2	Market Data 3	Market Data 4
	- telephone	- Underground drainage - telephone			
City Plan	Pink Zoning				
Offer for sale (THB /s.q.wah)	-	125,000	84,500	72,580	45,000
Adjusted Price <sup>/1</sup> (THB /s.q.wah)	-	124,850	84,350	72,430	44,850
Date	-	March 2023			

**Comparative market data for the valuation of TCCC's land no. 2 (cont'd)**

List	Market Data 5	Market Data 6	Market Data 7
Property Type	Vacant Land (for residential development)		
Location	Ratutit Soi 30 Ratutit Road	Sakornmongkol Road	Soi Karnchanawanit 12/1 Karnchanawanit Road
Shape & Elevation	Rectangular		
Frontage (Meters)	14	24	8
Width of road	6 - meter traffic surface	12 - meter traffic surface	6 - meter traffic surface
Public Utilities	- water Supply - Electricity - Underground drainage - telephone		
City Plan	Pink Zoning		
Offer for sale (THB /s.q.wah)	59,027	85,000	60,000
Adjusted Price <sup>/1</sup> (THB / s.q.wah)	58,877	85,150	60,150
Date	March 2023		

Remark: /1 The comparable data 1 to data 5 has the elevation of land higher than the subject property about 0.3 m. Therefore, the asking prices will be altered as we consider the adjustment of land elevation to the same level with the subject property before comparison. Hence, we have adjusted the said data by reducing cost of land fill at THB 150 per sq.wah per 0.3 m depth.

UK Valuation then rates the assessed assets against comparative data on the components that affect the value of each asset. However, the weights and scores are based on the discretion of each assessor. The details of the asset rating are as follows:

**Market Approach by using Weighted Quality Score (WQS) of TCCC's land no. 2**

Factors	Weight (%)	Market Data 1	Market Data 2	Market Data 4	The Subject Land
Location	30.00%	8	7	6	3
Development Potential	20.00%	9	6	6	1
Size of Land	20.00%	6	7	7	6
Shape of Land	15.00%	8	7	7	5
Marketability	15.00%	4	6	7	2
<b>Total</b>	<b>100.00%</b>	<b>720</b>	<b>665</b>	<b>650</b>	<b>335</b>
<b>Weighted Value</b>		12,357.00	11,793.00	10,595.00	34,744.00
<b>Market Value (THB per sq.wah)</b>	<b>35,000.00</b>				

Based on the comparison approach, the market value of TCCC's no.2 is THB 35,000.00 per sq.wah.

**1.1.1.3. Appraisal of TCCC's land no. 3**

**Comparative market data for the valuation of TCCC's land no. 3**

List	Asset of TCCC	Market Data 1	Market Data 2	Market Data 3
Property Type	Agricultural Land Plot (Eucalyptus Plantation)	Agricultural land plot (Vacant Land)		
Location	Ladya - Borploy Road (Highway No.3086)			
Shape & Elevation	Polygon			
Frontage (Meters)	183, 760 and 778	approx. 200	approx. 230	approx. 320 and 180
Width of road	3 - meter traffic surface			10 and 7 - meter traffic surface
Public Utilities	-	-	-	- electricity
Offer for sale (THB /s.q.wah)	-	85,000	90,000	350,000
Date	-	February 2023		

**Comparative market data for the valuation of TCCC's land no. 3 (cont'd)**

List	Market Data 4	Market Data 5	Market Data 6
<b>Property Type</b>	Agricultural Land Plot (Sugarcane Plantation)	Agricultural land plot (Vacant Land)	Agricultural land plot (Vacant Land)
<b>Location</b>	off Ladya - Borploy Road (Highway No. 3086)	off Highway No. 3342 Road	off Ladya - Borploy Road (Highway No. 3086)
<b>Shape &amp; Elevation</b>	Polygon		
<b>Frontage (Meters)</b>	approx. 260	approx. 280, 1,000 and 1,200	280
<b>Width of road</b>	6 - meter traffic surface	3,6 - meter traffic surface	3 - meter traffic surface
<b>Public Utilities</b>	- electricity	-	-

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List	Market Data 4	Market Data 5	Market Data 6
Offer for sale (THB /s.q.wah)	200,000	130,000	140,000
Date	February 2023		

UK Valuation then rates the assessed assets against comparative data on the components that affect the value of each asset. However, the weights and scores are based on the discretion of each assessor. The details of the asset rating are as follows:

#### Market Approach by using Weighted Quality Score (WQS) of TCCC's land no. 3

Factors	Weight (%)	Market Data 1	Market Data 2	Market Data 4	The Subject Land
Location	25.00	4	4	6	4
Public Utilities	25.00	3	3	6	3
Traffic & Accessibility	30.00	5	5	9	5
Size of Land	20.00	7	7	8	2
<b>Total</b>	<b>100.00</b>	<b>465</b>	<b>465</b>	<b>730</b>	<b>365</b>
<b>Weighted Value</b>		15,699.00	15,699.00	25,000.00	56,398.00
<b>Market Value (THB per Rai)</b>	<b>56,000.00</b>				

Based on the comparison approach, the market value of TCCC's no.3 is THB 56,000.00 per rai.

#### 1.1.1.4. Appraisal of TCCC's land no. 4

##### Comparative market data for the valuation of TCCC's land no. 4

List	Asset of TCCC	Market Data 1	Market Data 2	Market Data 3	Market Data 4	Market Data 5
Property Type	Agricultural Land Plot		Agricultural Land Plot (Rice field)			Agricultural Land Plot
Location	Yangtalad - Phonthong Road (Highway No. 2116)					
Shape & Elevation	Polygon					
Frontage (Meters)	142	230	100	120	128	200
Width of road	16 - meter traffic surface			8 - meter traffic surface		
Public Utilities	- electricity - telephone					
City Plan	Green Zoning		White with green diagonal zoning	Green Zoning		White with green diagonal zoning
Offer for sale (THB /rai)	-	2,000,000	850,000	1,000,000	1,000,000	620,000
Date	-	February 2023				

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UK Valuation then rates the assessed assets against comparative data on the components that affect the value of each asset. However, the weights and scores are based on the discretion of each assessor. The details of the asset rating are as follows:

**Market Approach by using Weighted Quality Score (WQS) of TCCC's land no. 4**

Factors	Weight (%)	Market Data 2	Market Data 3	Market Data 4	The Subject Land
Location	25.00	7	8	8	7
Development Potential	25.00	4	6	6	6
Size of Land	30.00	3	3	8	4
Marketability	20.00	3	3	7	4
<b>Total</b>	<b>100.00</b>	<b>425</b>	<b>500</b>	<b>730</b>	<b>525</b>
<b>Weighted Value</b>		146,314.00	551,040.00	54,340.00	751,694.00
<b>Market Value (THB per Rai)</b>	<b>750,000.00</b>				

Based on the comparison approach, the market value of TCCC's no.4 is THB 750,000.00 per rai.

**1.1.1.5. Appraisal of TCCC's land no. 5**

**Comparative market data for the valuation of TCCC's land no. 5**

List	Asset of TCCC	Market Data 1	Market Data 2	Market Data 3	Market Data 4	Market Data 5
<b>Property Type</b>	Agricultural Land Plot (Rice field)					
<b>Location</b>	Off Khonkaen – Yangtalad Road (Highway No. 12)	Public Road Off Khonkaen – Yangtalad Road (Highway No. 12)				
<b>Shape &amp; Elevation</b>	Polygon				Rectangular	Polygon
<b>Frontage (Meters)</b>	-	50	150	57	100	65
<b>Width of road</b>	-	4 – meter traffic surface			8 – meter traffic surface	4 – meter traffic surface
<b>Public Utilities</b>	-	-	-	-	- water supply - electricity - telephone	-
<b>City Plan</b>	White with green diagonal zoning					Green zoning
<b>Offer for sale (THB /rai)</b>	-	250,000	300,000	209,901	1,330,000	225,352
<b>Date</b>	-	February 2023				

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UK Valuation then rates the assessed assets against comparative data on the components that affect the value of each asset. However, the weights and scores are based on the discretion of each assessor. The details of the asset rating are as follows:

**Market Approach by using Weighted Quality Score (WQS) of TCCC's land no. 5**

Factors	Weight (%)	Market Data 1	Market Data 3	Market Data 5	The Subject Land
Location	25.00	4	3	4	2
Size Land	25.00	6	7	6	5
Traffic & Accessibility	20.00	5	3	3	2
Public Utilities	10.00	5	3	3	1
Marketability	20.00	4	5	5	1
<b>Total</b>	<b>100.00</b>	<b>480</b>	<b>440</b>	<b>440</b>	<b>245</b>
<b>Weighted Value</b>		27,688.00	33,450.00	33,450.00	94,588.00
<b>Market Value (THB per Rai)</b>	<b>95,000.00</b>				

Based on the comparison approach, the market value of TCCC's no.4 is THB 95,000.00 per rai.

**1.1.1.6. Appraisal of TCCC's land no. 6**

**Comparative market data for the valuation of TCCC's land no. 6**

List	Asset of TCCC		Market Data 1	Market Data 2
	Part 1	Part 2		
Property Type	Vacant Land (For residential developments)			
Location	Public Road (without physical road) Off Phet Kasem Road		Public Road Krabi Khaothong Road	Public Road Off Panuraj Road
Shape & Elevation	Rectangular		Nearly Rectangular	Rectangular
Frontage (Meters)	33		16	20
Width of road	-		12 - meter traffic surface	4.5 - meter traffic surface
Public Utilities	-		- water supply - electricity	- water supply - electricity - telephone
City Plan	Pink Zoning			
Offer for sale (THB /sq.wah)	-		9,000	12,000
Date	-		February 2023	

**Comparative market data for the valuation of TCCC's land no. 6 (cont'd)**

List	Market Data 3	Market Data 4	Market Data 5	Market Data 6
<b>Property Type</b>	Vacant Land (For residential developments)			
<b>Location</b>	Public Road Off Watchara Road	Public Road Off Kieattikun Road	Public Road Off Phet Kasem Road	Public Road Off Phet Kasem Road



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List	Market Data 3	Market Data 4	Market Data 5	Market Data 6
Shape & Elevation	Rectangular	Nearly Rectangular		
Frontage (Meters)	40	35	20	15
Width of road	6 - meter traffic surface		10 - meter traffic surface	8 - meter traffic surface
Public Utilities	-	- water supply - electricity - telephone		- water supply - electricity
City Plan	Pink Zoning			
Offer for sale (THB /sq.wah)	9,184	12,500	10,000	8,900
Date	February 2023			

UK Valuation then rates the assessed assets against comparative data on the components that affect the value of each asset. However, the weights and scores are based on the discretion of each assessor. The details of the asset rating are as follows:

#### Market Approach by using Weighted Quality Score (WQS) of TCCC's land no. 6

Factors	Weight (%)	Market Data 1	Market Data 3	Market Data 6	The Subject Land 1&2
Location	30.00	6	5	6	5
Size Land	25.00	7	2	7	2
Traffic & Accessibility	20.00	9	5	9	4
Public Utilities	25.00	9	8	9	7
Marketability	30.00	6	5	6	5
<b>Total</b>	<b>100.00</b>	<b>760</b>	<b>500</b>	<b>760</b>	<b>455</b>
<b>Weighted Value</b>		600.00	5,832.00	600.00	7,032.00
<b>Market Value (THB per sq.wah)</b>		<b>7,000.00</b>			

Based on the comparison approach, the market value of TCCC's land no.6 (The subject land no.1&2) is THB 7,000.00 per sq.wah.

#### 1.1.1.7. Appraisal of TCCC's land no. 7

##### Comparative market data for the valuation of TCCC's land no. 7

List	Asset of TCCC	Market Data 1	Market Data 2	Market Data 3
Property Type	Vacant Land (for residential developments)			
Location	Private Road (lot no.776, in non - road condition) Off Phet Kasem Road	Public Road Krabi Khaothong Road	Public Road Off Panuraj Road	Public Road Off Watchara Road
Shape & Elevation	Rectangular	Nearly rectangular	Rectangular	
Frontage	10	16	20	187

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List	Asset of TCCC	Market Data 1	Market Data 2	Market Data 3
(Meters)				
Width of road	-	12 - meter traffic surface	4.5 - meter traffic surface	6 - meter traffic surface
Public Utilities	-	- water supply - electricity	- water supply - electricity - telephone	-
City Plan	Pink Zoning			
Offer for sale (THB /sq.wah)	-	9,000	12,000	9,184
Date	February 2023			

**Comparative market data for the valuation of TCCC's land no. 7 (cont'd)**

List	Market Data 4	Market Data 5	Market Data 6
Property Type	Vacant Land (for residential developments)		
Location	Public Road Off Kieattikun Road	Public Road Off Phet Kasem Road	
Shape & Elevation	Nearly rectangular		
Frontage (Meters)	35	20	15
Width of road	6 - meter traffic surface	10 - meter traffic surface	8 - meter traffic surface
Public Utilities	- water supply - electricity - telephone		- water supply - electricity
City Plan	Pink Zoning		
Offer for sale (THB /sq.wah)	12,500	10,000	8,900
Date	February 2023		

UK Valuation then rates the assessed assets against comparative data on the components that affect the value of each asset. However, the weights and scores are based on the discretion of each assessor. The details of the asset rating are as follows:

**Market Approach by using Weighted Quality Score (WQS) of TCCC's land no. 7**

Factors	Weight (%)	Market Data 1	Market Data 3	Market Data 5	The Subject Land
Location	25.00	6	5	7	5
Public Utilities	30.00	7	2	7	2
Traffic & Accessibility	30.00	9	5	9	2
Size of Land	15.00	9	8	9	10
<b>Total</b>	<b>100.00</b>	<b>765</b>	<b>455</b>	<b>790</b>	<b>395</b>
<b>Weighted Value</b>		561.00	5,483.00	549.00	6,593.00
<b>Market Value (THB per sq.wah)</b>	<b>6,600.00</b>				

Based on the comparison approach, the market value of TCCC's no.7 is THB 6,600.00 per sq.wah.

#### 1.1.1.8. Appraisal of TCCC's land no. 8

**Comparative market data for the valuation of TCCC's land no. 8**

List	Asset of TCCC	Market Data 1	Market Data 2	Market Data 3	Market Data 4	Market Data 5
Property Type	Vacant Land (Residential Development)	Vacant Land (Residential Land Plot)		Vacant Land (Rubber Plantation)	Vacant Land (Residential Land Plot)	
Location	Khok Khiri - Khuan Pom Road (Highway No.3032)					
Shape & Elevation	Nearly Rectangular					
Frontage (Meters)	18	24	15	35	8	26
Width of road	7 meter traffic surface			4 meter traffic surface	7 meter traffic surface	
Public Utilities	- water supply - electricity - telephone					
City Plan	White with green diagonal zoning	Pink zoning		White with green diagonal zoning		
Offer for sale (THB /sq.wah)	-	37,500	18,400	2,500	-	15,000
Date	February 2023					

UK Valuation then rates the assessed assets against comparative data on the components that affect the value of each asset. However, the weights and scores are based on the discretion of each assessor. The details of the asset rating are as follows:

**Market Approach by using Weighted Quality Score (WQS) of TCCC's land no. 8**

Factors	Weight (%)	Market Data 2	Market Data 3	Market Data 4	The Subject Land
Size of Land	30.00	7	10	7	7
Shape of Land	35.00	6	5	7	6
Condition of land	20.00	8	8	8	6
Marketability	15.00	7	10	7	7
<b>Total</b>	<b>100.00</b>	<b>685</b>	<b>785</b>	<b>720</b>	<b>645</b>
<b>Weighted Value</b>		6,212.00	1,936.00	3,020.00	11,168.00
<b>Market Value (THB)</b>	<b>11,200.00</b>				

Based on the comparison approach, the market value of TCCC's no.8 is THB 11,200.00 per sq.wah.

#### 1.1.1.9. Appraisal of TCCC's land no. 9

**Comparative market data for the valuation of TCCC's land no. 9**

List	Asset of TCCC	Market Data 1	Market Data 2	Market Data 3	Market Data 4	Market Data 5
Property Type	Vacant Land (for agriculture developments)					
Location	Off Soi Norkna Leab Muang Shonla Pratan - Shong Kard Bannaysi, Hurae - Tonnganchang	Off Soi Bannaysi	Ban Khlong Niad - Ban Na Saen Road	Off Nasan Road	Off Hurae - Tonnganchang Road	Off Hurae - Tonnganchang Road
Shape & Elevation	Nearly rectangular	Rectangle shape		Nearly rectangular	Rectangle shape	
Frontage (Meters)	-	20	32	25	40	45
Width of road	-	6 - meter traffic surface		3 - meter traffic surface	6 - meter traffic surface	
Public Utilities	- electricity	- water supply - electricity - telephone				
City Plan	Pink Zoning					
Offer for sale (THB /sq.wah)	-	4,000	3,000	1,375	1,250	3.600
Date	-	March 2023				

UK Valuation then rates the assessed assets against comparative data on the components that affect the value of each asset. However, the weights and scores are based on the discretion of each assessor. The details of the asset rating are as follows:

**Market Approach by using Weighted Quality Score (WQS) of TCCC's land no. 9**

Factors	Weight (%)	Market Data 2	Market Data 3	Market Data 4	The Subject Land
Location	30.00	7	3	4	4
Development Potential	20.00	8	4	6	6
Size of Land	15.00	6	3	5	7
Shape of Land	15.00	7	6	7	7
Marketability	20.00	8	2	4	4
<b>Total</b>	<b>100.00</b>	<b>725</b>	<b>345</b>	<b>500</b>	<b>530</b>
<b>Weighted Value</b>		205.00	161.00	886.00	1,252.00
<b>Market Value (THB per sq.wah)</b>	<b>1,250.00</b>				

Based on the comparison approach, the market value of TCCC's no.9 is THB 1,250.00 per sq.wah.

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The value of TCCC's land appraised by independent appraiser can be summarized as follows:

**Summary of TCCC's land appraisal**

Assets	Approach	Unit: THB million		
		Book value as of 31 Mar 23 <sup>/1</sup>	Appraised value	Increase (decrease) of asset value
Land no. 1	Comparison Approach	22.06	33.86	11.80
Land no. 2		0.83	2.42	1.60
Land no. 3		4.00	7.72	3.72
Land no. 4		0.82	7.92	7.10
Land no. 5		0.15	1.21	1.06
Land no. 6		0.41	2.92	2.51
Land no. 7		0.05	0.31	0.27
Land no. 8		0.50	2.43	1.93
Land no. 9		0.40	0.66	0.26
Total TCCC's land		29.21	59.45	30.24

Remark: /1 Book value is based on TCCC's consolidated financial statements.

## 1.2. The Appraisal of TCCC's land

The appraisal of 3 land of TCCC are as follows:

**Details of TCCC's land**

List	Land no. 1	Land no. 2	Land no. 3
Plot of Land	22	41	1
Location	No. 284, Suksawat Road, Pakklong Bangplakod Sub - district, Muang District, Samutprakarn Province	No. 50 Moo 5, Sai Ayutthaya - Nakhon Luang Road (TorLor. 3063), Nong Sakae Sub - district, Nakhon Luang District, Phra Nakhon Si Ayutthaya Province	No. 124, Moo 1, Karnchanawanit Road (Highway No. 407), Thakham Sub - district, Hatyai District, Songkhla Province.
Land area size (Rai - ngan - wah)	227-3-94.6		
Land owner	TCCC		
Encumbrances	None		
Expropriation	Not in the expropriation line at the assessment date		

According to TCCC's land valuation report, UK Valuation and Agency Company Limited ("UK Valuation") and Thai Property Appraisal Lynn Philips Company Limited ("Lynn"), consider that the most appropriate method for evaluating the market value of TCCC's land is the Market Approach which evaluates land values by selecting similar assets and located in the vicinity in order to analyze the asset value by considering from factors affecting the value and adjusted by weighting according to the Weight Quality Score. The comparative market data for land valuation are as follows:

### 1.2.1. Appraisal of TCCC's land no. 1

**Comparative market data for the valuation of TCCC's land no. 1**

List	Asset of TCCC	Market Data 1	Market Data 2	Market Data 3	Market Data 4	Market Data 5
Property Type	Industrial Land Plot					
Location	Suksawat Road					
Shape & Elevation	Polygon shape and filled land					
Frontage (Meters)	150	100	39	70	200	53
Width of road	24 meter traffic surface					
Public Utilities	- water supply - electricity - underground drainage - telephone					
City Plan	Violet Zoning					
Offer for sale (THB /sq.wah)	-	-	100,000	95,000	85,000	100,000
Date	March 2023					

UK Valuation then rates the assessed assets against comparative data on the components that affect the value of each asset. However, the weights and scores are based on the discretion of each assessor. The details of the asset rating are as follows:

**Market Approach by using Weighted Quality Score (WQS) of TCCC's land no. 1**

Factors	Weight (%)	Market Data 2	Market Data 3	Market Data 4	The Subject Land
Location	20.00	7	7	9	9
Size & Shape of Land	35.00	7	9	5	1
Development Potential	15.00	6	7	7	7
Environment	15.00	6	6	7	7
Marketability	15.00	5	6	4	1
<b>Total</b>	<b>100.00</b>	<b>640</b>	<b>740</b>	<b>625</b>	<b>440</b>
<b>Weighted Value</b>		14,762.00	9,810.00	15,927.00	40,499.00
<b>Market Value (THB per sq.wah)</b>	<b>40,500.00</b>				

Based on the comparison approach, the market value of TCCC's no.1 is THB 40,500.00 per sq.wah.

### 1.2.2. Appraisal of TCCC's land no. 2

**Comparative market data for the valuation of TCCC's land no. 2**

List	Asset of TCCC	Market Data 1	Market Data 2	Market Data 3	Market Data 4	Market Data 5
<b>Property Type</b>	Industrial land plot	Vacant Land				
<b>Location</b>	Ayutthaya - Nakhon Luang Road (Tor Lor. 3063)	Asia Road (Tor Lor. 32)	Off to the alley	Asia Road (Tor Lor. 32)	Ayutthaya - Nakhon Luang Road (Tor Lor. 3063)	Asia - Khlong Salak Road (Or. 2033)
<b>Shape &amp; Elevation</b>	Polygon	Rectangular	Polygon	-	Rectangular	-
<b>Frontage (Meters)</b>	330	Size 97x312 meters	-	40	Size 70 x 225 meters	40
<b>Width of road</b>	16,6 - meter traffic surface	160 - meter traffic surface	4 - meter traffic surface	60 - meter traffic surface	16,10 - meter traffic surface	20 - meter traffic surface
<b>Public Utilities</b>	- water supply - electricity - telephone					
<b>Offer for sale (THB /rai)</b>	-	7,000,000	5,000,000	6,500,000	12,000,000	122,520,242
<b>Date</b>	February 2023					

Lynn then rates the assessed assets against comparative data on the components that affect the value of each asset. However, the weights and scores are based on the discretion of each assessor. The details of the asset rating are as follows:

**Market Approach by using Weighted Quality Score (WQS) of TCCC's land no. 2**

Factors	Weight (%)	Market Data 1	Market Data 2	Market Data 3	Market Data 4	Market Data 5	The Subject Land
Location	35.00	8	7	7	6	9	8
Size & Shape of Land	20.00	8	9	8	9	8	3
Ground level	10.00	6	6	6	6	6	8
Transportation	15.00	8	8	8	5	7	6
Public Utility	10.00	8	5	8	6	7	6
Development potential	10.00	7	6	8	6	7	7
<b>Total</b>	<b>100.00</b>	<b>770</b>	<b>715</b>	<b>745</b>	<b>645</b>	<b>780</b>	<b>640</b>

Lynn assessed the weighted quality score using Regression Analysis to determine the TCCC land price, with the following calculation details:

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#### TCCC's land no. 2 appraisal by Regression Analysis

Data Comparison (Unit: THB/sq.wah.)	Market Data 1	Market Data 2	Market Data 3	Market Data 4	Market Data 5
Offer Price	17,000	12,500	16,250	5,660	17,011
Adjusted Price	13,000	11,250	12,500	5,500	14,000

Variable (Mathematics)	Asset of TCCC
R square	0.9599
Std. div.	777.91
Intercept	(33,156.54)
Slope	60.7477
<b>Land Price (THB/sq.wah.)</b>	<b>6,000.00</b>

Based on the market approach, the market value of TCCC's land no. 2 is THB 6,000.00 per sq.wah.

#### 1.2.3. Appraisal of TCCC's land no. 3

##### Comparative market data for the valuation of TCCC's land no. 3

List	Asset of TCCC	Market Data 1	Market Data 2	Market Data 3	Market Data 4	Market Data 5
Property Type	Industrial land plot		Vacant Land			
Location		Karnchanawanit Road (Highway No. 407)				
Shape & Elevation	Irregular	Rectangular	Rectangular		Irregular	Rectangular
Frontage (Meters)	184	11	200	55	55	109
Width of road		18 - meter traffic surface				
Public Utilities	- water supply - electricity - telephone	- water supply - electricity - underground drainage - telephone	- water supply - electricity - telephone			
City Plan		Pink Zoning				
Offer for sale (THB /rai)	-	7,200,000	5,000,000	4,500,000	4,500,000	9,500,000
Date	-		March 2023			

UK Valuation then rates the assessed assets against comparative data on the components that affect the value of each asset. However, the weights and scores are based on the discretion of each assessor. The details of the asset rating are as follows:

##### Market Approach by using Weighted Quality Score (WQS) of TCCC's land no. 3

Factors	Weight (%)	Market Data 2	Market Data 3	Market Data 4	The Subject Land
Location	30.00	7	7	6	7
Development Potential	10.00	6	7	7	7
Size of Land	15.00	5	6	8	5



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Factors	Weight (%)	Market Data 2	Market Data 3	Market Data 4	The Subject Land
Shape of Land	20.00	8	7	6	6
Marketability	15.00	7	5	7	7
<b>Total</b>	<b>100.00</b>	<b>610</b>	<b>585</b>	<b>595</b>	<b>580</b>
<b>Weighted Value</b>		501,811.00	2,888,570.00	963,969.00	4,354,350.00
<b>Market Value (THB per Rai)</b>		<b>4,350,000.00</b>			

Based on the comparison approach, the market value of TCCC's no.3 is THB 4.35 million per rai.

The value of TCCC's land appraised by independent appraiser can be summarized as follows:

#### Summary of TCCC's land appraisal

Summary of TCCC's land appraisal				
Assets	Approach	Unit: THB million		
		Book value as of 31 Mar 23 <sup>/1</sup>	Appraised value	Increase (decrease) of asset value
Land no. 1	Comparison Approach	116.54	1628.64	1512.10
Land no. 2		192.34	265.72	73.38
Land no. 3		11.60	87.74	76.14
Total TCCC's land		320.49	1982.10	1661.61

Remark: /1 Book value is based on TCCC's consolidated financial statements.

### 1.3. The Appraisal of TCCC's buildings

The appraisal of 3 groups of TCCC's buildings are as follows:

#### Detail of TCCC's buildings

List	TCCC's buildings group 1	TCCC's buildings group 2	TCCC's buildings group 3
<b>Property details</b>	20 Buildings	42 Buildings	7 Buildings
<b>Location</b>	No. 284, Suksawat Road, Pakklong Bangplakod Sub - district, Muang District, Samutprakarn Province	No. 50 Moo 5, Sai Ayutthaya - Nakhon Luang Road (TorLor. 3063), Nong Sakae Sub - district, Nakhon Luang District, Phra Nakhon Si Ayutthaya Province	No. 124, Moo 1, Karnchanawanit Road (Highway No. 407), Thakham Sub - district, Hatyai District, Songkhla Province.
<b>Age of building</b>	11 - 49 years	7 - 34 years	33 years
<b>Building owner</b>	TCCC	TCCC	TCCC
<b>Utilization</b>	Industrial Utilization	Industrial Utilization and agricultural warehouse	Industrial Utilization
<b>Expropriation</b>	Not in the expropriation line at the assessment date		-

According to the valuation report of TCCC's buildings, UK Valuation and Agency Company Limited ("UK Valuation") and Thai Property Appraisal Lynn Philips Company Limited ("Lynn") consider that the most appropriate method for evaluating the market value of buildings is depreciated replacement cost. In this

method, the property's value is equal to the cost to build an equivalent building less depreciation, which is based on condition of use, the current physical characteristics, and the economic depreciation of the building according to price of the new replacement cost of the building, which is referred to the 'Construction Cost Estimation' of the Appraisal Association of Thailand. The details are as follows:

### 1.3.1. Appraisal of TCCC's buildings

Group	Details	Area (sq.m.)	Depreciation (%)	Replacement cost (THB million)	Depreciated replacement Cost (THB million)
1	Fertilizer plants, warehouses and buildings	91,101	2.00 - 3.00	541.23	220.18
2	Factory buildings and jetty	176,809	1.00 - 85.00	888.00	612.33
3	Warehouses and buildings	13,096	2.00 - 3.00	68.36	20.71
<b>Total</b>				<b>1,429.23</b>	<b>830.61</b>

Based on the Depreciated Replacement Cost, the market value of TCCC's buildings Group 1, Group 2 and Group 3 are THB 220.18 million, THB 612.33 million and THB 20.71 million, respectively.

The value of TCCC's buildings appraised by independent appraiser can be summarized as follows:

### Summary of TCCC's buildings appraisal

Assets	Approach	Unit: THB million		
		Book value as of 31 Mar 23 <sup>/1</sup>	Appraised value	Increase (decrease) of asset value
Buildings group 1	Depreciated Replacement Cost	38.95	220.18	181.23
Buildings group 2		214.94	612.34	397.40
Buildings group 3		0.22	20.70	20.49
Total TCCC's buildings		254.11	853.22	599.11

Remark: /1 Book value is based on TCCC's consolidated financial statements.

### 1.4. The Appraisal of TCCC's Machinery and vehicle

The appraisal of 4 groups of TCCC's Machinery and vehicle is as follows:

### Details of TCCC's machinery and equipment

List	Group 1	Group 2	Group 3	Group 4
<b>Property details</b>	Machines and vehicles used for business operations in the Phra Pradaeng factory located at Phra Samut Chedi District Samut Prakan	Vehicles used in TCCC's head office located in Pathumwan District, Bangkok with a total of 10 items	Machinery and vehicles used for business operations in Nakhon Luang Factory located in Nakhon Luang District, Phra Nakhon Si Ayutthaya	Machine and vehicle used in Hat Yai warehouse located in Hat Yai District Songkhla Province with a total of 9 items

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List	Group 1	Group 2	Group 3	Group 4
	Province with a total of 2,428 items		Province with a total of 1,034 items	
Location	Nos. 284, 284/1 Moo 1, Suksawad Road, Pakklong Bang Plakod Sub-district, Phra Samut Jedee District, Samut Prakan Province	801-806, 809-810, 8th Floor, Mitrtown Office Tower 944 Rama 4 Road, Wangmai Sub-district, Pathumwan District, Bangkok Metropolis	No. 50, Moo 5, Nakhon Luang-Pachee Road, Khlong Sa-Kae Sub-district, Nakhon Luang District, Phra Nakhon Si Ayutthaya Province	No. 124, Moo 1, Thakam Sub-district, Hat Yai District, Songkhla Province

According to the valuation reports for TCCC's machinery and vehicle, UK Valuation considers that the most appropriate method for evaluating the market value of machinery and vehicle of TCCC is the Cost Approach which is an evaluation of assets based on current status or calculated from Replacement Cost New (RCN) of the machine refer to present value of the original cost of machine and then depreciate according to condition and useful life of machinery and equipment with the details as follows:

**TCCC's machinery and vehicle appraisal by Cost Approach**

Gro up	Machinery and vehicle	Number of machines (items)	Remaining Useful Life (Year)	Replacement Cost New (THB million)	Depreciation (THB million)	Market Value (THB million)
1	Machine and vehicle used in Phra pradaeng manufacturing plant located at Phra Samut Chedi District Samut Prakan Province	2,428	5.00	1,338.16	788.59	549.57
2	Vehicle used in TCCC Head office located in Pathumwan District, Bangkok	10	5.75 - 12.90	7.87	3.40	4.46
3	Machine and vehicle located in Nakhon Luang District, Phra Nakhon Si Ayutthaya Province	1,034	2.50 - 14.00	1,051.99	613.31	438.68
4	Machine and vehicle located in Hat Yai District Songkhla Province	9	5.00	2.50	0.43	2.07
<b>Total market value of TCCC's machinery and vehicle</b>						<b>994.78</b>

Opinion of the Independent Financial Advisor on the tender offer for delisting of the Company's securities from the Stock Exchange of Thailand (For the purpose of translation only)

The value of TCCC's machinery and vehicle appraised by independent appraiser can be summarized as follows:

**Summary of TCCC's machinery and vehicle appraisal by UK Valuation**

Assets	Approach	Unit: THB million		
		Book value as of 31 Mar 23 <sup>1</sup>	Appraised value	Increase (decrease) of asset value
Machinery and vehicle group 1	Cost Approach	295.20	549.57	254.38
Machinery and vehicle group 2		0.58	4.46	3.88
Machinery and vehicle group 3		151.10	438.68	287.58
Machinery and vehicle group 4		1.93	2.07	0.14
Total of TCCC's machinery and vehicle		448.80	994.79	545.98

Remark: /1 Book value is based on TCCC's consolidated financial statements.

### 1.5. The Appraisal of TCCC's Trademark/ Brands

TCCC is one of the largest chemical fertilizer manufacturer and distributor in Thailand. The Business promotes and markets under the brands including "OX-Brand", "Baby", "Singha" and "TCCC". The appraisal of TCCC's trademark is as follows:

**Details of TCCC's Trademark**

OX-Brand	Baby	Singha	TCCC
			

Source: TCCC's brand valuation report dated on 2 March 2023

Intangible assets refer to assets which are not cash and can be identified and which have no physical shape, as held by the Business for use in the manufacture or distribution of goods or services or for leasing out to a third party or for the purpose of business administration.

Intangible assets can be grouped into three categories as follows:

1. **Rights** - Leases, distribution agreements, employment contracts, covenants, financing arrangements, supply contracts, licenses, certifications, franchises.
2. **Relationships** - Trained and assembled workforce, customer, and distribution relationships.
3. **Intellectual property** - Patents; copyrights; trademarks; proprietary technology, and business knowledge


TCCC reached an agreement with the Metro Company Limited ("Metro") to utilize nineteen (19) trademarks of the latter party for an indefinite period since 10 February 2004 by which duly registered by the Department of Intellectual Property (DIP) as follows:

Opinion of the Independent Financial Advisor on the tender offer for delisting of the Company's securities from the Stock Exchange of Thailand (For the purpose of translation only)

No.	Trademark/ Brand	Products	Class	Date of Registration	Date of Issue	Valid Through
1	 แอมเฟอ-ฟอส ตราห่านก 258171/Kor23801	Chemical Fertilizer	1	30 Dec 1993	19 Mar 2014	19 Mar 2024
2	 ฟอสแมค MC ตราห่านก-คีนไท 258169/Kor37323	Chemical Fertilizer Organic Fertilizer Liquid Fertilizer	1	30 Dec 1993	19 Mar 2014	19 Mar 2024
3	 เมโทร-เอ็ม METRO-M 384321/Kor96244	Plant Disease Prevention Products	5	10 Apr 1979	23 Apr 2009	21 Feb 2030
4	 เมโทร-เอ็ม 2.4D 384318/Kor96450	Plant Diseases Prevention Products	5	10 Apr 1979	23 Apr 2009	21 Feb 2030
5	 MC ตราห่านก-คีนไท 302353/Kor112759	Insecticides	5	8 Feb 1996	27 May 2016	13 May 2026
6	 MC ตราห่านก-คีนไท 431806/Kor169066	Chemical Fertilizer	1	8 Sep 2000	22 Oct 2010	27 Nov 2030
7	 โคแมก COMAG 384088/Kor127089	Fungicides	5	26 Mar 1999	3 Mar 2009	21 Feb 2030
8	 โคแมก COMAG 384093/Kor129138	Fungicides	5	26 Mar 1999	3 Mar 2009	21 Feb 2030
9	 ตราห่านก 431804/Kor139957	Chemical Fertilizer	1	8 Sep 2000	11 Nov 2010	27 Nov 2030
10	 เมโทร-เอ็ม 430681/Kor141059	Plant Diseases Prevention Products	5	30 Aug 2000	3 Sep 2010	27 Nov 2030

Opinion of the Independent Financial Advisor on the tender offer for delisting of the Company's securities from the Stock Exchange of Thailand (For the purpose of translation only)

No.	Trademark/ Brand	Products	Class	Date of Registration	Date of Issue	Valid Through
11	 430086/Kor141060	Chemical Fertilizer	1	23 Aug 2000.	2 Sep 2010	27 Nov 2030
12	 430092/Kor141488	Plant Diseases Prevention Products	5	23 Aug 2000	26 Aug 2010	27 Nov 2030
13	 ตราสิงห์ 431811/Kor141497	Chemical Fertilizer	1	8 Sep 2000	22 Oct 2010	27 Nov 2030
14	 430087/Kor162466	Chemical Fertilizer	1	23 Aug 2000	3 Sep 2010	27 Nov 2030
15	 ตราโพแดง 473544/Kor168196	Chemical Fertilizer	1	27 Nov 2001	8 Dec 2011	27 Nov 2031
16	 ตราเด็กน้อย 541474/ Kor252933	Chemical Fertilizer	1	13 Jan 2004	19 Mar 2014	19 Mar 2024
17	 ตราเด็กน้อย 541473/ Kor259591	Insecticides	5	13 Jan 2004	19 Mar 2014	19 Mar 2024
18	 ตราเด็กน้อย 542826/ Kor252934	Chemical Fertilizer	1	29 Jan 2004	19 Mar 2014	19 Mar 2024

No.	Trademark/ Brand	Products	Class	Date of Registration	Date of Issue	Valid Through
19	 <b>542825/ Kor259590</b>	Insecticides	5	29 Jan 2004	19 Mar 2014	19 Mar 2024

Source: TCCC's brand valuation report dated on 2 March 2023

In choosing valuation methodologies of the subject trademarks/brand, UK Valuation has considered the relevance of each methodology with consideration given to:

- Historical production and earnings under the subject trademarks/ brands;
- Future production under the subject trademarks/brands; and
- The useful life of the subject trademarks/brands.

Given the finite nature of the subject trademarks/brands and the availability of future production plans under the subject trademarks/ brands, UK Valuation considers the **Relief from Royalty Method** to be most appropriate for valuing the subject trademarks/ brands. By using this method, added value of branded revenues as derived from the value of trademarks/ brands is used. In such process, a hypothesis as based on sales revenues under the trademarks/ brands is applied, whereby the said branded revenues is computed to determine an added value as derived from the value of the trademarks/ brands and computed to determine the present value.

Keys assumption of the Relief from Royalty Method are summarized as follows:

Overall Assumptions			
Assumption	Description		
Date of Valuation	2 March 2023		
Projection Period	10 years from 2023 - 2032		
Method	Income Approach by the Relief from Royalty Method		
Growth Rate and Projected Branded Revenue	UK Valuation considered a growth rate by utilizing an average of 12-year Thailand GDP growth rate (2011-2022) of 2.25 percent per annum along the projected period.		
	Average 12-Year GDP Growth Rate of Thailand	Total Relevant Branded Revenue in 2022	Branded Revenue in 2023 - 2032
	2.25%	THB 9 ,882.68 million	THB 10,104.69 - 12,341.25 million based on branded revenue of 2022 with 2.25% growth rate
Royalty Rate	UK Valuation used IPSCIO Reports: Royalty Rate Industry Summary 2021 to refer the royalty rate which is as follows:		
	Summary Royalty Rate Data - Chemicals		



Assumption	Description															
	Average	Median	1 <sup>st</sup> Quartile	3 <sup>rd</sup> Quartile												
	4.9%	4.5%	2.5%	5.5%												
	UK Valuation used the average royalty rate at 4.9% and rounded to 5.0% which based on the conservative method.															
Corporate Income Tax Rate	20.00% based on Thai Revenue Department															
Discount Rate	<p>UK Valuation determined the discount rate by using cost of equity (Ke) giving that the subject trademarks/brands are intangible assets which have a lower liquidity compare to the tangible assets. The formular based on Capital Asset Pricing Model (CAPM) is as follow:</p> <div><math display="block">K_e = R_f + \beta (R_m - R_f)</math></div> <p>Whereby:</p> <p>Rf = The risk - free rate based on the 30-year Thai government bond yield on 2 March 2023, of 3.35% per year.</p> <p>Rm = The market return of 10.02%, based on average changes of the Stock Exchange of Thailand Index for the last 20 years during January 2003 - December 2022</p> <p>β = UK Valuation selected a number of levered and unlevered betas from chemicals peer group (about 6 firms) which are similar to TCCC’s core business. An average levered and unlevered beta of which is 0.84 and 0.76 whilst TCCC is a levered firm hence the utilized beta is 0.84.</p> <p>From the above assumptions, Ke can be calculated as follows:</p> <table><tr><th colspan="2">Calculation of the Cost of Equity (Ke) of TCCC</th></tr><tr><th>Factors</th><th>Assumption</th></tr><tr><td>Risk - free Rate (Rf) (1)</td><td>3.35%</td></tr><tr><td>Risk Premium (Rm - Rf) (2)</td><td>6.67%</td></tr><tr><td>β (3)</td><td>0.84</td></tr><tr><td>Cost of Equity or Ke (4) = (1) + [(3) x (2)]</td><td>8.98%</td></tr></table>				Calculation of the Cost of Equity (Ke) of TCCC		Factors	Assumption	Risk - free Rate (Rf) (1)	3.35%	Risk Premium (Rm - Rf) (2)	6.67%	β (3)	0.84	Cost of Equity or Ke (4) = (1) + [(3) x (2)]	8.98%
Calculation of the Cost of Equity (Ke) of TCCC																
Factors	Assumption															
Risk - free Rate (Rf) (1)	3.35%															
Risk Premium (Rm - Rf) (2)	6.67%															
β (3)	0.84															
Cost of Equity or Ke (4) = (1) + [(3) x (2)]	8.98%															

The value of TCCC's trademark appraised by independent appraiser can be summarized as follows:

#### Summary of TCCC's Trademark/Brand appraisal

Assets	Approach	Unit: THB million		
		Book value as of 31 Mar 23 <sup>/1</sup>	Appraised value	Increase (decrease) of asset value
Trademark/ Brands	Relief from Royalty Method	545.90	2,831.06	2,285.16
<b>Total TCCC's Trademark/ Brands</b>		<b>545.90</b>	<b>2,831.06</b>	<b>2,285.16</b>

Remark: /1 Book value is based on TCCC's consolidated financial statements.



## 2. Assets of TCCCM

The valuation of fixed assets of TCCCM consists of land, buildings, and plant, machinery and vehicles. The details of the appraised property are as follows:

### 2.1. The Appraisal of TCCCM's Land

The appraisal of 1 land of TCCCM are as follows:

Details of TCCCM's land	
List	Land no. 1
Property Type	Industrial Utilization
Location	No. C+15 + C-18, Zone (A), Thilawa Special Economic Zone, Yangon Region, Myanmar
Land area size (Rai - Ngan - Wah)	19-1-87.5
Land owner	TCCCM
Encumbrances	The government and leased to Myanmar Japan Thilawa Development Limited and sub-leased to TCCCM as of 5 June 2014 for the period of approximately 50 years for the initial term with the option to extend another 25 years in the future.

Comparative market data for the valuation of TCCCM's Land					
List	Asset of TCCCM	Market Data 1	Market Data 2	Market Data 3	Market Data 4
Location	Thilawa Special Economic Zone	Thilawa Local industrial zone			Dagon Seikkan Industrial Zone
Type of Land	Industrial Land	Vacant Lot			
Shape of Land	Rectangular	Rectangular	Trapezoid	Rectangular	Rectangular
Transportation / Accessibility	-	Approximately 25 km (Road distance) from downtown Yangon - Approximately 6 km from Thilawa Port			
Environment	Industrial area within Thilawa Special Economic Zone	Industrial area within local Thilawa Industrial Zone			
Width of road (Meters)	10	17	16	17	30
Zoning	Industrial Zone				
Purchase price (USD/sq.m.)	-	62	74	66	58
Date	-	August 2022	February 2023	February 2023	September 2022

JVM then rates the assessed assets against comparative data by considering the purchase price and other components that affect the value of each asset. However, the weights and scores are based on the discretion of each assessor. The details of the asset rating are as follows:

Market Approach by using Weighted Quality Score (WQS) of TCCCM's land <sup>1</sup>				
Factors	Market Data 1	Market Data 2	Market Data 3	Market Data 4
Purchase Price (USD/sq.m.) (1)	62	74	66	58

Factors	Market Data 1	Market Data 2	Market Data 3	Market Data 4
Condition of Sales (2)	100/100	100/150	100/150	100/100
Time Adjustment (3)	80/100	100/100	100/100	80/100
Standardization (4)	100/100	100/110	100/105	100/100
Location Factor (5)	100/78	100/78	100/78	100/87
Specific Site Factor (6)	100/100	100/100	100/100	100/100
<b>Adjusted Price (USD/sq.m.)</b> <b>(7) = (1) x (2) x (3) x (4) x (5) x (6)</b>	<b>63</b>	<b>58</b>	<b>54</b>	<b>53</b>
<b>Average Value (USD/sq.m.)</b>	<b>57</b>			

Remark : /1 JVM is an appraiser operating in Myanmar which is not listed as an independent appraiser approved by the SEC, however, IFA had assessed on the qualifications of the appraiser and found that the appraiser is a subsidiaries of Japan Valuer Co.,Ltd, which is certified as a member of Royal Institution of Chartered Surveyors (RICS).

Based on the comparison approach, the market value of TCCCM's is USD 57 per sq.m., for a total land value of THB USD 1.78 million. Then, JVM adjusted the value by multiple with 20% of market adjustment which is discounted by taking into the account of unusual low demand driven by unstable political situation at the time of valuation resulting in the value of USD 1.42 million Or equivalent to THB 48.54 million (1 USD = THB 34.08, quoted by Bank of Thailand's daily exchange rate as of 31 March 2023)

Because the appraised value of TCCCM's land that is THB 48.54 million is lower than the book value that is THB 76.71 million. Therefore, the IFA considers the book value of such assets for the valuation of TCCCM ordinary shares by the adjusted book value approach.

## 2.2. The Appraisal of TCCCM's building

The appraisal of 1 groups of TCCCM's buildings are as follows:

Detail of TCCCM's buildings	
List	TCCCM's buildings
Property details	3 main building structure which is main building structure, truck scale office building and guard house building and other facilities
Location	No. C+15 + C-18, Zone (A), Thilawa Special Economic Zone, Yangon Region, Myanmar
Building owner	TCCCM

According to the valuation report of TCCCM' buildings, JVM consider that the most appropriate method for evaluating the market value of buildings is replacement cost of building. In this method, it refers to the appropriate total cost required to reproduce a duplicate of the building as of the date of value. It is determined as sum of the standard construction costs (divided into "Direct Construction Cost" and "Indirect Construction Cost") paid by the client to the contractor added the "Ordinary Incidental Expenses" such as planning fees and those required Building Permits, borne directly by the client, assuming the contractor will deliver the finished building to the builder in a state that allows immediate use in accordance with the construction contract. The details are as follows:

**TCCCM's buildings appraisal by the replacement cost of building**

No.	Items	Value (USD million)	Direct Cost Composition (Percentage) (Total value of 100%)
1.	Temporary Work (Common)	0.07	2.00
2.	Construction	5.65	77.00
3.	M&E Installation	0.59	8.00
4.	Plumbing	0.15	2.00
5.	Ventilation and air conditioning	0.07	1.00
6.	Outdoor Facility, road and fencing	0.07	10.00
<b>Direct Construction Cost Total (DCCT)</b>		<b>7.33</b>	
7.	General Management Expense	0.73	10.00% of DCCT
8.	Other Indirect Expenses	0.37	5.00% of DCCT
<b>Replacement Cost of building</b>		<b>8.43</b>	
<b>Physical Value of TCCCM's building after deducting the accrued depreciation</b>		<b>6.47</b>	

Based on the replacement cost of building, the market value of TCCCM's buildings is USD 6.47 million. Then, JVM adjusted the value by multiple with 20% of market adjustment which is discounted by taking into the account of unusual low demand driven by unstable political situation at the time of valuation resulting in the value of USD 5.17 million Or equivalent to THB 176.28 million (1 USD = THB 34.08, quoted by Bank of Thailand's daily exchange rate as of 31 March 2023)

The value of TCCCM's buildings appraised by independent appraiser can be summarized as follows:

**Summary of TCCCM's buildings appraisal**

Assets	Approach	Unit: THB million			
		Book value as of 31 Mar 23 <sup>/1</sup>	Appraised value	Percentage shareholding of TCCC (%)	Increase (decrease) of asset value
Buildings	replacement cost of building	93.11	176.28	99.99	83.17
<b>Total TCCCM's buildings</b>		<b>93.11</b>	<b>176.28</b>	<b>99.99</b>	<b>83.17</b>

Remark: /1 Book value is based on MCA's consolidated financial statements.

/2 JVM is an appraiser operating in Myanmar which is not listed as an independent appraiser approved by the SEC, however, IFA had assessed on the qualifications of the appraiser and found that the appraiser is a subsidiaries of Japan Valuer Co.,Ltd, which is certified as a member of Royal Institution of Chartered Surveyors (RICS).

### 2.3. The Appraisal of TCCCM's plant, machinery and vehicle

The appraisal of TCCCM's plant, machinery and vehicle are as follows:

**Details of TCCCM's plant, machinery and vehicle**

List	Plant, machinery and vehicle
<b>Asset details</b>	Plant, machines and vehicles used for business operations in the chemical fertilizer industry of TCCCM in Myanmar with a total of 17 items.
<b>Location</b>	No. C+15 + C-18, Zone (A), Thilawa Special Economic Zone, Yangon Region, Myanmar

According to the valuation reports for TCCCM's plant, machinery and vehicle, JVM considers that the most appropriate method for evaluating the market value of plant, machinery and vehicle of TCCCM is the Cost Approach which is an evaluation of assets based on current status or calculated from Replacement Cost New (RCN) of the machine refer to present value of the original cost of machine and then depreciate according to condition and useful life of machinery and equipment with the details as follows:

**TCCCM's plant, machinery and vehicle by Cost Approach**

Plant, machinery and vehicle	Number of machines (items)	Remaining Useful Life (Year)	Replacement Cost New (THB million)	Depreciation (THB million)	Market Value (THB million)
Plant, machines and vehicles used for business operations in the chemical fertilizer industry of TCCCM in Myanmar	17	0 - 6	1.85	0.99	0.73

Based on the cost approach, the market value of TCCCM's plant, machinery and vehicle are USD 0.73 million or equivalent to THB 24.71 million (1 USD = THB 34.08, quoted by Bank of Thailand's daily exchange rate as of 31 March 2023)

Because the appraised value of TCCCM's plant, machinery and vehicle that is THB 24.71 million is lower than the book value that is THB 30.43 million. Therefore, the IFA considers the book value of such assets for the valuation of TCCCM ordinary shares by the adjusted book value approach.

#### Opinion of the IFA on the asset appraisal report of TCCCM

Reference to the appraisal report of TCCM, the report has conducted by JVM, a Burmese company specialized in asset appraisal field. JVM is a subsidiaries of Japan Valuer Co.,Ltd ("Japan Valuer"), which is established in Japan and has affiliates and alliances rendering asset appraisal service in various countries in Asia and USA. Japan Valuer is certified as a member of Royal Institution of Chartered Surveyors ("RICS") which is a global professional organization that establishes and enforces standards for valuing, operating, and developing assorted types of real estate and property. The property covered by the RICS can be in the form of land, structures, facilities, or infrastructure components. Furthermore, JVM's key managements and appraisers are fellows of Japan Valuer who experienced and specialized in asset appraisal field as well as certified RICS CRE(USA) and Certified Real Estate Appraiser (Japan). Therefore, the IFA opines that JVM has sufficient and appropriate capability and knowledge for reliably conducting assets of TCCCM.

Furthermore, for the valuation methods used by JVM to appraise TCCCM's assets as shown in the Enclosure 2, TCCCM's asset appraisal is based on the appraisal general principle that reflects the market value of the assets, which the approach is similar to that used by other independent appraisers. The IFA has not stated any reasons to believe that the appraisal methods, assumptions, and information used by JVM in the aforementioned appraisal are unreasonable. However, the opinion of the IFA is based on business operation and economic conditions. Therefore, if there are any changes in the future, the opinions of the IFA may be subject to change.

### 3. Assets of MCA

The valuation of fixed assets of MCA consists of land, buildings, and machinery. The details of the appraised property are as follows:

### 3.1 The Appraisal of MCA's Land

The appraisal of 1 land of MCA are as follows:

Details of MCA's land	
List	Land no. 1
Plot of Land	1
Location	Bangpoo Industrial Estate Project (Soi 12B), Soi Thetsaban Bangpoo 77 (Pattana Road), Sukhumvit Road (Old Sai), Phraeksa Subdistrict, Mueang Samut Prakan District Samut Prakan Province
Land area size (Rai - ngan - wah)	6-0-44.6
Land owner	MC Agrochemicals
Encumbrances	Mortgage with the bank starting from 2008 as collateral for revolving credit facilities. The contract is renewed annually according to the Bank's review of credit facilities.

Comparative market data for the valuation of MCA’s Land						
List	Asset of MCA	Market Data 1	Market Data 2	Market Data 3	Market Data 4	Market Data 5
Property Type	Land with building	Vacant Land				
Location	Soi Nikhom Bang Pu 12B	Bangpoo Industrial Estate Soi 2B	Soi Thetsaban Bang Pu 77	Bangpoo Industrial Estate Soi 2B	Bangpoo Industrial Estate Soi 2B	Soi Thetsaban Bang Pu 77
Width of road	25 meter traffic surface	14 meter traffic surface				10 meter traffic surface
Public Utilities	- electricity - water supply - telephone - street light					
City Plan	Purple Zoning					
Offer for sale (THB / sq.wah)	-	32,500	28,000	30,000	30,000	24,500
Date	March 2023					

Prospec Appraisal Limited ("Prospec") then rates the assessed assets against comparative data on the components that affect the value of each asset. However, the weights and scores are based on the discretion of each assessor. The details of the asset rating are as follows

Market Approach by using Weighted Quality Score (WQS) of MCA's Land							
Factors	Weight (%)	Market Data 1	Market Data 2	Market Data 3	Market Data 4	Market Data 5	The Subject Land
Location	20.00	6	7	6	6	6	6
Ease of Access	20.00	7	8	7	7	5	4
Public Utilities	5.00	5	8	8	8	8	8

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Factors	Weight (%)	Market Data 1	Market Data 2	Market Data 3	Market Data 4	Market Data 5	The Subject Land
Size & Shape of Land	20.00	7	7	5	7	5	7
Ground level	10.00	6	4	6	6	4	6
Environment	20.00	6	7	6	6	6	6
Competitiveness	5.00	6	6	6	6	6	6
<b>Total</b>	<b>100.00</b>	<b>650</b>	<b>690</b>	<b>610</b>	<b>650</b>	<b>550</b>	<b>590</b>
<b>Weighted Value</b>		5,174.00	4,446.00	4,836.00	4,538.00	4,935.00	23,929.00
<b>Market Value (THB per sq.wah)</b>			<b>24,000.00</b>				

Based on the comparison approach, the market value of MCA's land is THB 24,000.00 per sq.wah.

The value of MCA's land appraised by independent appraiser can be summarized as follows:

#### Summary of MCA's Land Appraisal

Assets	Approach	Unit: THB million			
		Book value as of 31 Mar 23 <sup>/1</sup>	Appraised value	Percentage shareholding of TCCC (%)	Increase (decrease) of asset value
Land	Comparison Approach (Market Approach)	21.56	58.70	100.00	37.15
<b>Total MCA's land</b>		<b>21.56</b>	<b>58.70</b>	<b>100.00</b>	<b>37.15</b>

Remark: /1 Book value is based on MCA's financial statements.

### 3.2 The Appraisal of MCA's Building

The appraisal of 1 groups of MCA's buildings are as follows:

#### Detail of MCA's buildings

List	MCA's buildings group 1
<b>Property details</b>	15 buildings and 1 Building improvement
<b>Location</b>	Bangpoo Industrial Estate Project (Soi 12B), Soi Thetsaban Bangpoo 77 (Pattana Road), Sukhumvit Road (Old Sai), Phraeksa Subdistrict, Mueang Samut Prakan District Samut Prakan Province
<b>Age of building</b>	24 years
<b>Building owner</b>	MCA
<b>Encumbrances</b>	Mortgage with the bank starting from 2011 as collateral for revolving credit facilities. The contract is renewed annually according to the Bank's review of credit facilities.

According to the valuation report of MCA' buildings, Prospec considers that the most appropriate method for evaluating the market value of buildings is depreciated replacement cost. In this method, the property's value is equal to the cost to build an equivalent building less depreciation, which is based on condition of use, the current physical characteristics and the economic depreciation of the building according to price of the new replacement cost of the building, which is referred to the 'Construction Cost Estimation' of the Appraisal Association of Thailand. The details are as follows:

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#### MCA's buildings appraisal by Depreciated Replacement Cost

No.	Building details	Area (sq.m.)	Depreciation (%)	Replacement cost (THB million)	Depreciated Replacement Cost (THB million)
1	Factory and office buildings	12,353.25	37.00 - 66.00	49.89	23.62
<b>Total</b>				<b>49.89</b>	<b>23.62</b>

Based on the Depreciated Replacement Cost, the market value of MCA's buildings is THB 23.62 million.

The value of MCA's buildings appraised by independent appraiser can be summarized as follows:

#### Summary of MCA's buildings appraisal

Assets	Approach	Unit: THB million			
		Book value as of 31 Mar 23 <sup>/1</sup>	Appraised value	Percentage shareholding of TCCC (%)	Increase (decrease) of asset value
Buildings	Depreciated Replacement Cost	-	23.62	100.00	23.62
<b>Total MCA's buildings</b>		<b>-</b>	<b>23.62</b>	<b>100.00</b>	<b>23.62</b>

Remark: /1 Book value is based on MCA's financial statements.

### 3.3 The Appraisal of MCA's Machinery, equipment, and vehicle

The appraisal of machinery, equipment and vehicle of MCA are as follows:

#### Details of MCA's machinery, equipment, and vehicle

List	Machinery and equipment
<b>Asset details</b>	Machinery and equipment for the pesticide packaging industry and vehicles in Mueang Samut Prakan District Samut Prakan Province with a total 269 items
<b>Location</b>	Bangpoo Industrial Estate Project (Soi 12B), Soi Thetsaban Bangpoo 77 (Pattana Road), Sukhumvit Road (Old Sai), Phraeksa Subdistrict, Mueang Samut Prakan District Samut Prakan Province

According to the valuation reports for MCA's machinery, equipment and vehicle, Prospec considers that the most appropriate method for evaluating the market value of machinery and vehicle of MCA is the Cost Approach which is an evaluation of assets based on current status or calculated from Replacement Cost New (RCN) of the machine refer to present value of the original cost of machine and then depreciate according to condition and useful life of machinery and equipment with the details as follows:

#### MCA's machinery, equipment and vehicle appraisal by Cost Approach

Machinery and vehicle	Number of machines (items)	Remaining Useful Life (Year)	Replacement Cost New (THB million)	Depreciation (Rate : Percentage)	Market Value (THB million)
Machinery and equipment for the pesticide packaging industry and vehicles in	269	5.00 – 11.40	26,326,537	15.00 - 84.90	16,974,729



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Machinery and vehicle	Number of machines (items)	Remaining Useful Life (Year)	Replacement Cost New (THB million)	Depreciation (Rate : Percentage)	Market Value (THB million)
Mueang Samut Prakan District Samut Prakan Province					

The value of MCA's machinery, equipment and vehicle appraised by independent appraiser can be summarized as follows

#### Summary of MCA's machinery, equipment, and vehicle

Assets	Approach	Unit: THB million			
		Book value as of 31 Mar 23 <sup>/1</sup>	Appraised value	Percentage shareholding of TCCC (%)	Increase (decrease) of asset value
Machinery, equipment and vehicle	Cost Approach	7.47	16.97	100.00	9.50
<b>Total MCA's machinery, equipment and vehicle</b>		<b>7.47</b>	<b>16.97</b>	<b>100.00</b>	<b>9.50</b>

Remark: /1 Book value is based on MCA's financial statements.

#### 4. Assets of NIM

The valuation of fixed assets of NIM consists of buildings, warehouse, machinery and vehicle. The details of the appraised property are as follows:

##### 4.1. The Appraisal of NIM's building and warehouse

#### Details of NIM's building and warehouse

List	Buildings
Property details	3 Buildings
Location	Subject Property of N.I.M. Co., Ltd. is located at No. 284 Moo 1, Pakklong Bangplakod Sub-district, Muang District, Samutprakarn Province
Age of building	3-37 years
Building owner	NIM
Utilization	Industrial Utilization

According to the valuation report of NIM's buildings and warehouse, UK Valuation and Agency Company Limited ("**UK Valuation**") considers that the most appropriate method for evaluating the market value of buildings is depreciated replacement cost. In this method, the property's value is equal to the cost to build an equivalent building less depreciation, which is based on condition of use, the current physical characteristics, and the economic depreciation of the building according to price of the new replacement cost of the building, which is referred to the 'Construction Cost Estimation' of the Appraisal Association of Thailand. The details are as follows:



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#### NIM's buildings appraisal by Depreciated Replacement Cost

Group	Details	Area (sq.m.)	Depreciation (%)	Replacement cost (THB million)	Depreciated Replacement Cost (THB million)
1	Office buildings and warehouses	1,768	9.00 - 60.00	17.76	12.84
<b>Total NIM's buildings</b>				<b>17.76</b>	<b>12.84</b>

Based on the Depreciated Replacement Cost, the market value of NIM's buildings and warehouse is THB 12.84 million.

The value of NIM's building and warehouse appraised by independent appraiser can be summarized as follows:

#### Summary of NIM's building and warehouse appraisal

Assets	Approach	Unit: THB million			
		Book value as of 31 Dec 22 <sup>/1</sup>	Appraised value	Percentage shareholding of TCCC (%)	Increase (decrease) of asset value
Buildings	Depreciated replacement cost	-	2.60	51.00	1.33
<b>Total NIM's building and warehouse</b>		<b>-</b>	<b>2.60</b>	<b>51.00</b>	<b>1.33</b>

Remark: /1 Book value is based on TCCC's consolidated financial statements.

/2 Because the appraised value of NIM's warehouse that is THB 10.24 million is lower than the book value that is THB 12.96 million. Therefore, the IFA considers the book value of such assets for the valuation of TCCC ordinary shares by the adjusted book value approach.

## 4.2. The Appraisal of NIM's Machinery and vehicle

The valuation of fixed assets of NIM is Machinery and vehicle, and the details of the appraised property are as follows:

#### Details of NIM's machinery and vehicle

List	Machinery and equipment
<b>Asset details</b>	Machine and vehicle used in NIM liquid chemical tank plant in Phra Samut Jedee District Samut Prakan Province with a total of 54 items
<b>Location</b>	Nos. 284, Moo 1, Suksawad Road, Pakklong Bang Plakod Sub-district, Phra Samut Jedee District, Samut Prakan Province

According to the valuation reports for NIM's machinery and vehicle, UK Valuation considers that the most appropriate method for evaluating the market value of machinery and vehicle of NIM is the Cost Approach which is an evaluation of assets based on current status or calculated from Replacement Cost New (RCN) of the machine refer to present value of the original cost of machine and then depreciate according to condition and useful life of machinery and equipment with the details as follows:

**NIM's machinery and vehicle appraisal by Cost Approach**

Machinery and vehicle	Number of machines (items)	Remaining Useful Life (Year)	Replacement Cost New (THB million)	Depreciation (THB million)	Market Value (THB million)
Machine and vehicle used in NIM liquid chemical tank plant in Phra Samut Jedee District Samut Prakan Province	54	5.00 – 12.69	155.47	120.52	34.95

The value of NIM's machinery and vehicle appraised by independent appraiser can be summarized as follows

**Summary of NIM's machinery and vehicle appraisal**

Assets	Approach	Unit: THB million			
		Book value as of 31 Mar 23 <sup>/1</sup>	Appraised value	Percentage shareholding of TCCC (%)	Increase (decrease) of asset value
Machinery and vehicle	Cost Approach	1.24	34.95	51.00	17.19
<b>Total NIM's machinery and vehicle</b>		<b>1.24</b>	<b>34.95</b>	<b>51.00</b>	<b>17.19</b>

Remark: /1 Book value is based on NIM's financial statements.

**5. Assets of CTP**

The valuation of fixed assets of CIP is land, and the details of the appraised property are as follows:

**Details of CTP's Land**

List	Details
Property Type	Vacant Land
Location	PuChaosamingprai Road, Samrong Tai Sub-district, PhraPradaeng District, Samut Prakan, Thailand
Land owner	CTP
Encumbrances	None
Expropriation	No eminent domain in this area affects the site.

**Comparative market data for the valuation of CTP's Land**

List	Asset of CTP	Market Data 1	Market Data 2	Market Data 3	Market Data 4	Market Data 5
Property Type	Vacant Land					
Location	PuChaosamingprai Road					
Shape & Elevation	Rectangle					
Width of road	18-meter traffic surface					
Public Utilities	Electrical supply, water supply, etc.					
City Plan	Purple Zoning (Industry area)					

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List	Asset of CTP	Market Data 1	Market Data 2	Market Data 3	Market Data 4	Market Data 5
Offer for sale (THB / sq.wah)	-	120,000.00	120,000.00	119,617.22	133,853.21	120,000.00
Date	-	22 February 2023				

AREA then rates the assessed assets against comparative data on the components that affect the value of each asset. However, the weights and scores are based on the discretion of each assessor. The details of the asset rating are as follows:

**Market Approach by using Weighted Quality Score (WQS) of CTP's Land**

Factors	Weight (%)	Market Data 1	Market Data 2	Market Data 3	The Subject Land
Location	20.00	7	6	7	7
Environment	20.00	7	6	7	7
Access	-	9	9	9	9
Infrastructure	-	9	9	9	9
Physical characteristic	20.00	8	8	8	6
Liquidity	20.00	7	7	7	5
Potential development	20.00	8	7	8	6
Zoning	-	6	6	6	6
<b>Total</b>	<b>100.00</b>	<b>740</b>	<b>680</b>	<b>740</b>	<b>620</b>
Weighted Value		<b>23,878.00</b>	<b>46,500.00</b>	<b>23,802.00</b>	<b>94,180.00</b>
Market Value (THB/sq.wah)	<b>94,000.00</b>				

Based on the comparison approach, the market value of CTP's land is THB 94,000.00 per sq.wa

### Enclosure 3 Information of market price ratios of the Business

The Independent Financial Advisor has provided the financial ratios of the Business which are average historical Price to Book Value Ratio (P/BV), Price to Earnings Ratio (P/E), and Enterprise Value to Earning before tax, depreciation, and amortization (EV/EBITDA) ratios for the period of 15 - 360 business days from 24 May 2023 as a supplementary information for the shareholders of the Business. The detail of the ratios is as follows.

#### Average Historical P/BV, P/E, and EV/EBITDA ratios of the Business

Financial ratios of the Business	Historical Period (Business Days)						
	15	30	60	90	180	270	360
P/BV	2.08	2.07	2.06	1.94	1.71	1.68	1.70
P/E	26.74	27.01	26.91	24.35	20.77	18.44	16.98
EV/EBITDA	13.62	13.77	13.76	12.40	9.79	8.23	7.54

Source: Information as of 24 May 2023 from Capital IQ