Tender Offer for Securities

(Form 247-4)

of



Thai Central Chemical Public Company Limited

Ву

Sojitz Corporation And ISTS (Thailand) Company Limited

(The Tender Offerors)



Kiatnakin Phatra Securities Public Company Limited

(Tender Offer Preparer and Tender Offer Agent)

"This English language translation of the Tender Offer has been prepared solely for the convenience of the foreign shareholders of Thai Central Chemical Public Company Limited and should not be relied upon as the definitive and official document of the Tender Offerors.

The Thai language version of the Tender Offer is the definitive and official document of the Tender Offerors and shall prevail in all respects in the event of any inconsistency with this English language translation."

(-Translations-)

25 May 2023

Subject: Submission of the Tender Offer for Securities of Thai Central Chemical Public Company Limited

To: Secretary-General, the Office of the Securities and Exchange Commission

President of the Stock Exchange of Thailand

Board of Directors and Securities Holders of Thai Central Chemical Public Company Limited

Enclosed: Tender Offer for Securities of Thai Central Chemical Public Company Limited (Form 247-4)

According to the Board of Directors meeting of Sojitz Corporation ("Sojitz") on 26 January 2023 has resolved to approve Sojitz and ISTS (Thailand) Company Limited ("ISTS") (collectively, "Tender Offerors") to make a tender offer for all ordinary shares of Thai Central Chemical Public Company Limited ("TCCC" or the "Business") totaling of 96,720,795 shares, representing 16.5 percent of the total issued and paid up shares and the total voting rights of the Business at the price of 40.0 THB per share to delist securities of TCCC from being listed securities on the Stock Exchange of Thailand ("SET") (the "Tender Offer")

In this respect, the Tender Offerors will make the Tender Offer for delisting securities of TCCC from being listed securities on the SET after the following conditions have been fulfilled:

- 1. 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 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).

Presently, the precedent condition of the Tender Offer has been completed. In which, the Annual General Meeting of shareholders No.51 of TCCC has resolved to approve the delisting of TCCC's securities from being listed on the SET on 28 April 2023 and TCCC has received an approval to delist its securities from being listed securities on the SET on 12 May 2023. Therefore, the Tender Offerors has expressed an intention to make the Tender Offer for all securities of the Business for delisting securities from being listed on the SET.

Therefore, by this Letter, Kiatnakin Phatra Securities Public Company Limited, as the Tender Offer Preparer, would like to submit the Tender Offer for Securities of the Business (Form 247-4) along with supporting documents to the Securities and Exchange Commission, Business, and the directors and securities holders of the Business to support their consideration on the Tender Offer.

Yours sincerely,			
- Aphinant Klewpatinond -	- Supachoke Supabundit -		
(Mr. Aphinant Klewpatinond)	(Mr. Supachoke Supabundit)		
Authorized Director	Authorized Director		

Kiatnakin Phatra Securities Public Company Limited

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Tender Offer for Securities of Thai Central Chemical Public Company Limited

(This Tender Offer, Offer Price, and Offer Period are final offers which will not be amended unless the occurrence of conditions specified in Section 8)

To Securities Holders of Thai Central Chemical Public Company Limited

We, Sojitz Corporation ("Sojitz") and ISTS (Thailand) Company Limited ("ISTS") (collectively, the "Tender Offerors"), hereby offer to tender all of the securities of Thai Central Chemical Public Company Limited ("TCCC" or the "Business") totaling of 96,720,795 shares representing 16.5 percent of the total issued and paid up shares and total voting rights of the Business to delist securities of TCCC from being listed securities on the Stock Exchange of Thailand ("SET") in accordance with the following terms and conditions (the "Tender Offer"):

Part 1

Significant Elements of the Tender Offer

1. Date of Submission of the Tender Offer

25 May 2023

2. Name of the Tender Offerors

Sojitz Corporation ("Sojitz") and ISTS (Thailand) Company Limited ("ISTS")

3. Name of the Tender Offer Preparer

Kiatnakin Phatra Securities Public Company Limited (the "Tender Offer Preparer" or the "Tender Offer Agent")

4. Objectives of the Tender Offer

The Tender Offerors stated the intention to make a Tender Offer for all of the securities of TCCC and delist securities of TCCC from being listed securities on the SET. Preliminarily, the purpose and benefit of delisting of TCCC will be as follows:

- 1. TCCC's delisting will help TCCC to reduce costs associated with maintaining a listed company status, such as annual fees, etc. In addition, after the delisting of TCCC's securities from being listed securities on the SET, TCCC will not have to comply with the SET's regulations and the Securities and Exchange Commission ("SEC"), such as disclosure of business information, compliance with procedures for requesting approval for entering into various transactions (if in accordance with the rules specified by the SEC). These will allow TCCC to be able to run the business more flexible, since TCCC can flexibly make decisions on business transactions and increase business efficiency, while smoothly leveraging benefit from Sojitz's managerial and technical resources, as one of Sojitz's leading international subsidiaries.
- 2. TCCC's delisting will help TCCC to avoid the risk that TCCC lacks the required qualifications to remain listed on the SET as per the free-float requirement. As the Tender Offerors have no policy to reduce

their shareholding in TCCC, there is a risk that TCCC's free-float cannot meet the minimum requirement, which could incur penalty fees in accordance to the Regulations of the SET Re: Listing of Ordinary Shares or Preferred Shares as Listed Securities, B.E.2558 (2015) (as amended) which states that a SET-listed company must have no less than 150 minority common shareholders and such minority shareholders must not hold shares in total less than 15% of the paid-up capital shares of the listed company.

In this regard, the request for delisting of TCCC's securities from being listed securities on the SET has been approved by the Annual General Meeting of Shareholders No. 51 of TCCC convened on 28 April 2023, with 571,266,908 votes in favor or 97.7 percent of the total issued and paid-up shares of TCCC and not more than 10 percent veto on the Tender Offer to delist TCCC's shares from being listed securities on the SET. Furthermore, the Board of Governors of SET has approved the delisting of TCCC securities from the SET on 12 May 2023, that TCCC shall procure the Tender Offerors to make a Tender Offer for securities of TCCC from its shareholders in accordance with regulations and requirements from SEC, with the Tender Offer period of 45 business days.

5. Type(s) and Series of the Offered Securities

As at the date of the submission of the Tender Offer, the Business has only one type of security, which is ordinary share, with a total of 584,714,068 shares, at the par value of THB 3 per share, whereby 1 ordinary share is entitled to 1 voting right. In which, the Tender Offerors intended to tender for all 96,720,795 shares representing 16.5 percent of the total issued and paid-up shares.

6. Offer Price

The offer price of ordinary shares is THB **40.0** (**Forty Baht**) per share (the "**Offer Price**"). The aforementioned price is a price not lower than the highest price calculated based on the criteria specified according to the Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (as amended) ("**TorChor. 12/2554**"). The Tender Offerors will make payment to the shareholders who accept the tender offer in cash.

In addition, the shareholders who accept the tender offer (each an "Offeree") are subject to a brokerage fee of 0.25 percent of the Offer Price and value added tax of 7.00 percent of the brokerage fee. Therefore, the net price to be received by the Offeree will be THB 39.893 (Thirty-Nine Point Eight Nine Three Baht) per share.

The Offeree will receive payment of the sale of securities in THB with 2 decimal places in Satang unit. In calculation of the Satang unit, if any fraction in the 3rd decimal places is more than or equivalent to THB 0.005, such fraction will be rounded up. If any fraction is less than THB 0.005, such fraction will be rounded down. Such Offer Price is:

- (√) the final offer which will not be changed (unless falling under the conditions specified in Section 8)
- () not the final offer and the Tender Offerors may change the Offer Price

Pursuant to the Revenue Code of Thailand (unless specifically exempted under the terms of an applicable double tax treaty), in case that the Offeree is a foreign juristic person not operating any business in Thailand and not residing in a country which has a double tax treaty with Thailand, or residing in a country which has a double tax treaty with Thailand but such double tax treaty does not exempt such foreign juristic person from withholding tax on capital gains realized from the sale of securities in Thailand, such Offeree is subject to a deduction of 15 percent withholding tax on the capital gains from the sale of securities, i.e., the difference between the Offer Price and the original cost which the Offeree has paid for the tendered securities. The Offeree must declare the original cost of such tendered securities to the Tender Offer Agent by submitting the Form for Confirmation of Cost in Attachment 1 Form A-3 for the ordinary shares, and Form C-3 of Attachment 3 for Non-Voting Depository Receipts ("NVDR").

In the event that any Offeree fails to declare such original cost together with the Form for Confirmation of Cost to the Tender Offer Agent, the Tender Offer Agent will deduct the withholding tax which will be calculated on the basis of the Offer Price multiplied by the total number of securities of the Business or of NVDR intended to sell by the Offeree.

Remark: An Offeree who is a Thai juristic person will be responsible to withhold 3.00 percent of the brokerage fee and must issue a withholding tax certificate to the Tender Offer Agent

7. Offer Period

The Offer Period will be a total of 45 business days, from 29 May 2023 to 2 August 2023 (the "**Offer Period**"), for every business day, 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 Section 8)
() not the final period and the Tender Offerors may extend the period.

In addition, if there is any announcement of additional public holiday during the Offer Period, the Tender Offerors will extend the Offer Period until the Offer Period is comprised of 45 business days according to TorChor. 12/2554.

8. Conditions for the Amendment of the Tender Offer

() No condition

(✓) Conditions for the Amendment of the tender offer are as follows:

(✓) The Tender 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.

(✓) The Tender 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.

9. Conditions for Cancellation of the Tender Offer

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

- 1.1. 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
- 1.2. any event occurring which results in the cancellation of the request for delisting of TCCC's securities from the SET

10. Tender Offer Revocation Period

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. The Offeree must follow the Tender Offer Cancellation Procedures as specified in Attachment 2 (Form B-1).

- 11. Allocation of Shares if the Tendered Shares are more or less than the Offered Shares (Applicable Only to the Case of Partial Tender Offer Pursuant to Chapter 5 of the Notification of Capital Market Supervisory Board No. TorChor. 12/2554)
 - Not applicable as the Tender Offerors make Tender Offer for all securities of the Business -

12. Source of Funds to Finance the Tender Offer

If all shareholders of TCCC accept the Tender Offer, the Tender Offerors must purchase 96,720,795 ordinary shares of TCCC, representing 16.5 percent of the total issued shares of TCCC, at the Offer Price of THB 40.0 per share, it would require funds in a total amount of THB 3,868,831,800 (Three Billion Eight Hundred Sixty-Eight Million Eight Hundred Thirty-One Thousand Eight Hundred Baht).

The Tender Offerors will make payment for the tendered securities in cash to all Offerees. In this regard, the source of funds provided by Sojitz's cash flow as well as credit facilities from the financial institution where ISTS has obtained the financial support confirmation letter for the Tender Offer from such financial institution, the details of which can be summarized as follows:

- Cash and cash equivalents of Sojitz as of 1 May 2023 was in the total amount JPY 10,000,103,911 or approximately THB 2,659,347,633 (JPY/THB= 3.76) with the financial support confirmation letter issued by Sojitz to reserve the source of funds for the Tender Offer for securities to Sojitz and;
- Credit facilities from Bank of Ayudhya Public Company Limited in the amount of up to THB 2,800,000,000

Kiatnakin Phatra Securities Public Company Limited, as a Tender Offer Preparer, has considered details of sources of funds and the Tender Offerors' financial position. The Tender Offer Preparer views that the Tender Offerors have sufficient sources of funds for this Tender Offer and that, as of the date of the Tender Offer, there is no significant term and condition that shall materially affect the Tender Offerors' ability to withdraw

such credit facilities for the Tender Offer and make payment for all securities of the Business. The details of which are as shown in the Attachment 6 – Confirmation Letters on the Source of Funds for the Tender Offer.

13. Tender Offer Agent Information

Name	Kiatnakin Phatra Securities Public Company Limited	
Address	209 KKP Tower A, 9,12A-16,18,20 floor, Sukhumvit 21 (Asoke),	
	Khlong Toey Nua, Wattana, Bangkok 10110	
Telephone No.	66 (0) 2165 5555 press 4	

14. Settlement Date

The Tender Offeror will make payment to the Offeree for the tendered shares within two business days from the end of the Offer Period, which falls on 4 August 2023 where the relevant acceptance forms submitted by the Offerees must be correct, complete, and valid. If any public holiday is announced during such period that results in the extension of the end of the Offer Period, the Offerees will receive payment for the tendered shares within two business days from the end of the extended Offer Period.

Part 2

Information of the Tender Offerors

1. The Tender Offerors Information

1.1 General Information

• Sojitz Corporation

Name	Sojitz Corporation
Address	1-1, Uchisaiwaicho 2-chome Chiyoda-ku, Tokyo, 100-8691, Japan
Telephone No.	+ 81 3 6871 5000
Facsimile No.	+ 81 3 6871 2430
Website	https://www.sojitz.com/en/
Company Registration No.	010401049977

• ISTS (Thailand) Company Limited

Name	ISTS (Thailand) Company Limited	
Address	98 Sathon Square Office Bldg. 37 Fl. Room 3725 Sathon Nuea Rd.	
	Silom, Bang Rak, Bangkok, Thailand, 10500	
Telephone No.	+ 66 (0) 2105 6366	
Facsimile No. n.a.		
Website	n.a.	
Company Registration No.	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% 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 Business Information and Other Information

1.2.1 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

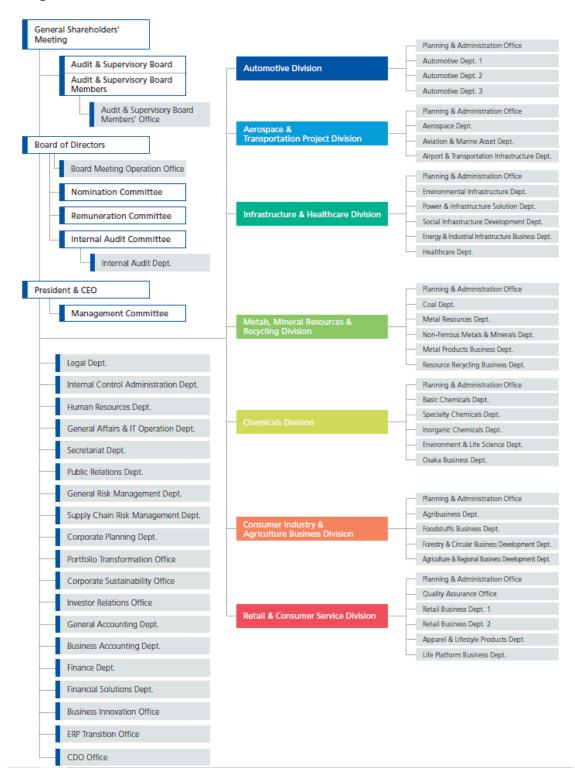
in mature markets, such as Japan and the United States. The sub-division operates by its subsidiaries and associates are namely, Distributor Business, Dealership Business, Auto-Financing Business and Service Business.

- (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 it 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 REFINE 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 argi-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.

As of June 2022, company organization chart and principle operating business are as follows:

Organization Chart (As of June 30, 2022)



Operating Presence



Source: Sojitz's Integrated Report 2022

As of 31 December 2022, main subsidiaries and associates for each division are as follows:

#	Main Subsidiaries and Associates	Business Description	% Equity Ownership
(1) Aut	omotive Division		
1	Sojitz Automotive Group, Inc	Automobile dealership	100.0%
2	Sojitz de Puerto Rico Corporation	Import and sales of automobiles	100.0%
3	Subaru Motor LLC	Import and sales of automobiles	65.6%
4	Sojitz Quality, Inc	Investment in Automotive parts quality inspection services	100.0%
(2) Aerospace & Transportation Project Division			

#	Main Subsidiaries and Associates	Business Description	% Equity Ownership	
5	Sojitz Aerospace Corporation	Import/export and sales of aerospace and defense-related equipment, components and materials	100.0%	
6	Sojitz Aviation and Marine B.V.	Aircraft part-out business and marine vessel-related business	100.0%	
7	SJ Aviation Capital Pte. Ltd.	Aircraft leasing business	100.0%	
8	Sojitz Transit & Railway Canada Inc.	General repair and remanufacturing of railway rolling stocks	74.9%	
9	Southwest Rail Industries Inc.	Railcar leasing business	100.0%	
10	Sojitz Royal In-flight Catering Co., Ltd.	In-Flight Catering Business	60.0%	
(3) Infr	(3) Infrastructure & Healthcare Division			
11	Nissho Electronics Corporation	Providing leading-edge IT solutions and network services	100.0%	
12	Tokyo Yuso Corporation	Tank storage operations for petroleum and chemical products	100.0%	
13	LNG Japan Corporation	LNG business and related investments	50.0%	
14	Sojitz Hospital PPP Investment B.V.	Investment in hospital project	100.0%	
(4) Met	(4) Metals, Mineral Resources & Recycling Division			
15	Sojitz Development Pty. Ltd.	Investment in coal mines	100.0%	
16	Sojitz Resources (Australia) Pty Ltd.	Production of alumina	100.0%	
17	Japan Alumina Associates (Australia) Pty. Ltd.	Investment in an alumina refinery	50.0%	
18	Metal One Corporation	Import, export, and sale of, and domestic and foreign trading in, steel-related products	40.0%	

#	Main Subsidiaries and	Business Description	% Equity		
"	Associates	Zacinoso Zoconpilon	Ownership		
(5) Che	(5) Chemicals Division				
19	Sojitz Pla-Net Corporation	Trading and sale of plastics and related products	100.0%		
20	PT. Kaltim Methanol Industri	Manufacture and sale of methanol	85.0%		
21	solvadis deutschland gmbh	Trading and sale of chemical products	100.0%		
(6) Cor	sumer Industry & Agriculture Busin	ess Division			
22	Thai Central Chemical Public Company (TCCC)	Manufacture and sales of fertilizers	81.0%		
23	Atlas Fertilizer Corporation	Manufacture and sales of fertilizers, sales of imported fertilizer products	100.0%		
24	Japan Vietnam Fertilizer Company	Manufacture and sales of fertilizers	75.0%		
25	Saigon Paper Corporation	Papermaking business (Vietnam)	96.0%		
26	Sojitz Building Materials Corporation	Trading company specializing in sales of construction materials	100.0%		
(7) Ret	ail & Consumer Service Division				
27	Sojitz Foods Corporation	Sale of farmed and marine products, sugar, saccharified products, dairy products, processed foods, and other foodstuffs	100.0%		
28	Sojitz Fashion Co., Ltd.	Printing of cotton and synthetic textiles, processing and wholesale of non-patterned and dyed fabrics	100.0%		
29	Sojitz LifeOne Corporation	Condominium and office building management, real estate agency and related services	100.0%		
30	The Marine Foods Corporation	Manufacturing and sales of processed marine food products, and import and sales of marine product raw materials	100.0%		

#	Main Subsidiaries and Associates	Business Description	% Equity Ownership	
Others				
31	Sojitz Machinery Corporation	Import/export and sales of general industrial machinery	100.0%	

Source: Sojitz's Integrated Report 2022 and Sojitz's Financial Results Presentation 2022

• 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%.

1.2.2 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 42,643 million) (JPY/THB= 3.76)

ISTS (Thailand) Company Limited

As of 31 December 2022, the registered capital and paid-up capital of ISTS is THB 2 million.

1.2.3 Shareholding Structure

Sojitz Corporation

Top ten shareholders of Sojitz as of the latest record date on 31 March 2023 are summarized below:

No.	Top 10 Shareholders	Number of	Percentage when
		Shares	compared to the total
		(In thousands)	number of issued share
			and voting rights
1	The Master Trust Bank of Japan, Ltd. (Trust Account) ⁽¹⁾	34,546	13.80
2	ICHIGO TRUST PTE LTD. (Trust Account) (2)	20,726	8.28
3	Custody Bank of Japan, Ltd. (Trust Account) (3)	14,883	5.95
4	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd ⁽⁴⁾	4,638	1.85
5	STATE STREET BANK WEST CLIENT - TREATY	4,342	1.73
	505234		
6	Japan Securities Finance Co., Ltd. ⁽⁶⁾	3,997	1.60
7	STATE STREET BANK AND TRUST COMPANY	3,727	1.49
	505103		
8	THE BANK OF NEW YORK MELLON 140044	3,363	1.34
9	JPMorgan Securities Japan Co., Ltd. ⁽⁵⁾	2,619	1.05

No.	Top 10 Shareholders	Number of	Percentage when
		Shares	compared to the total
		(In thousands)	number of issued share
			and voting rights
10	SSBTC CLIENT OMNIBUS ACCOUNT	2,472	0.99
	Total of Top 10 Shareholders	95,313	38.08
	Other Shareholders and treasury stocks	154,987	61.92
	Total	250,300	100.00

Source: Sojitz website (https://www.sojitz.com/en/ir/stkholder/stock/)

Remark:

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

No.	Shareholders	Number of Shares	Percentage when compared to the total number of issued share
			and voting rights
1	Mitsubishi UFJ Trust & Banking Corporation	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
	Total	120,000	100.00

Source: The Master Trust Bank of Japan (https://www.mastertrust.co.jp/english/corporate.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.	Shareholders	Number of	Percentage when compared
		Shares	to the total number of issued
			share and voting rights
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
	Total	2,040,000	100.00

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) 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.
- (6) 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	Percentage when compared
		Shares	to the total number of issued
		(In thousands)	share and voting rights
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
	THE CHASE MANHATTAN BANK, N.A. LONDON		
6	SPECIAL OMNIBUS SECS LENDING ACCOUNT	3,530	3.9
	INTERTRUST TRUSTEES(CAYMAN) LIMITED SOLELY		
7	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
	INTERTRUST TRUSTEES CAYMAN LIMITED AS		
10	TRUSTEE OF JAPAN — UP UNIT TRUST	1,725	1.9
	Total of Top 10 Shareholders	48,282	53.3

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

• ISTS (Thailand) Company Limited

Top ten shareholders of ISTS as of the latest record date on 19 March 2023 are summarized below:

No.	Top 10 Shareholders	Number of	Percentage	Percentage
		Shares	when	when
			compared to	compared to
			the total	the total
			number of	number of
			issued share	voting rights
1	Sojitz Corporation	4,900	49.00	55.54
2	GLOBAL BUSINESS MANAGEMENT CO., LTD.	1,700	17.00	14.82
3	THAI ADJUSTING CO., LTD.	1,700	17.00	14.82
4	BANGKOK CHAYORATN CO., LTD.	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
	Total	10,000	100.00	100.00

Source: Corpus X (https://www.corpusx.bol.co.th/) and the articles of association of ISTS

1.2.4 Information of the Board of Directors

Sojitz Corporation

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

	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 as of 19 March 2023.

	List of Directors	Title
1)	Miss Varunee Archamongkol	Director
2)	Mr. Hidemasa Miura	Director
3)	Mr. Jiro Nishiyama	Director

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

1.2.5 Summary of Financial Position and Operational Performance of the Tender Offerors

Sojitz Corporation

Summary of financial position and operational performance of Sojitz according to consolidated and separated for the fiscal year ended 31 March 2020, 2021, 2022, and 2023 are as follows:

Unit: JPY million (unless stated otherwise)

	FY2	:019	FY2	020	FY	2021	FY2022
	Year Ended 31 March 2020		Year I			Ended ch 2022	Year Ended 31 March 2023
	Separate Financial Statements (J-GAAP)	Consolidated Financial Statements (IFRS)	Separate Financial Statements (J-GAAP)	Consolidated Financial Statements (IFRS)	Separate Financial Statements (J-GAAP)	Consolidated Financial Statements (IFRS)	Consolidated Financial Statements (IFRS)
Total assets	1,492,438	2,230,285	1,500,259	2,300,115	1,683,267	2,661,680	2,660,843
Total liabilities	1,100,804	1,608,387	1,079,853	1,645,476	1,222,630	1,897,802	1,784,266
Total shareholder's equity	391,634	621,898	420,405	654,639	460,636	763,878	876,576
Registered capital	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
Total revenue	2,411,526	1,754,825	2,334,428	1,602,485	678,262	2,100,752	2,479,840
Total expenses (1)	(2,436,515)	(1,742,062)	(2,360,759)	(1,603,548)	(705,390)	(2,065,833)	(2,431,900)

Unit: JPY million (unless stated otherwise)

	FY2	019	FY2	2020	FY	2021	FY2022
	Year Ended 31 March 2020		Year I		Year Ended 31 March 2022		Year Ended 31 March 2023
	Separate Financial Statements (J-GAAP)	Consolidated Financial Statements (IFRS)	Separate Financial Statements (J-GAAP)	Consolidated Financial Statements (IFRS)	Separate Financial Statements (J-GAAP)	Consolidated Financial Statements (IFRS)	Consolidated Financial Statements (IFRS)
Profit for the year	32,116	64,573	39,462	29,417	50,389	85,471	115,824
Profit for the year Attributable to Owners of the Parent	32,116	60,821	39,462	27,001	50,389	82,332	111,247
Earnings per share (JPY) (2)	26	49	165	113	216	353	482
Dividend per share (JPY)	17	n.a.	10	n.a.	106	n.a.	n.a.
Book value per share (JPY) (2)	321	475	1,753	2,582	1,996	3,154	3,629

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

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

Remark:

- (1) 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).
- (2) 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, 2021, and 2022 are as follows:

Unit: THB (unless stated otherwise)

	FY2020	FY2021	FY2022
	Year Ended 31 December	Year Ended 31 December	Year Ended 31 December
Total assets	1,293,144,366	1,332,385,346	1,369,686,301
Total liabilities	505,145	502,390	602,999
Total shareholder's equity	1,292,639,221	1,331,882,956	1,369,083,302

Unit: THB (unless stated otherwise)

	FY2020	FY2021	FY2022
	Year Ended 31 December	Year Ended 31 December	Year Ended 31 December
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) (1)	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) (1)	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

1.2.6 Significant Obligation

-None-

1.2.7 Information relating to criminal record for the past 5 year of the Tender Offerors / Executive of the Tender Offerors

-None-

1.2.8 Pending legal disputes (which may have a significant negative impact on the financial position and results of operations or significantly affect the business operations of the Tender Offerors)

The Tender Offerors and subsidiary have no legal dispute, or engaging in lawsuit, or pursue legal action that may have a negative impact on assets of the Tender Offerors and subsidiary of more than 5% of shareholder's equity based on consolidated financial statement as of 31 December 2022

2. The Tender Offer Preparer and the Tender Offer Agent Information

Name	Kiatnakin Phatra Securities Public Company Limited		
Address	209 KKP Tower A, 9,12A-16,18,20 floor, Sukhumvit 21 (Asoke),		
	Khlong Toey Nua, Wattana, Bangkok 10110		
Telephone No.	66 (0) 2165 5555 press 4		

3. Other Advisors Information

Name Nomura Securities Co., Ltd.				
Role Financial Advisor (Japan)				
Address	1-13-1 Nihonbashi, Chuo-ku, Tokyo 103-8011, Japan			
Telephone No.	81 (0) 3 3211 1811			

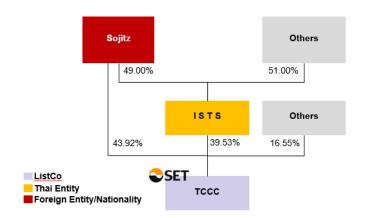
Name	Chandler MHM Limited		
Role	Legal Advisor		
Address 17 th and 36 th Floors, Sathorn Square Office Tower			
	98 North Sathorn Road, Silom, Bangrak, Bangkok 10500		
Telephone No.	66 (0) 2009 5000		
Facsimile No.	66 (0) 2009 5080		

- 4. Relationship between the Tender Offerors and the Business, Major Shareholders or Directors of the Business
- 4.1 Summary of agreements / contracts / memorandums of understanding, made by the Tender Offerors or the related persons prior to submission of the Tender Offer for the purpose of material sale and purchase of securities of the Business, regardless of whether such agreements / contracts / memorandums of understanding are made for the sale and purchase of securities in the Tender Offer.

-None-

4.2 Direct or indirect shareholdings of the Tender Offerors or the authorized persons of the Tender Offerors (in case the Tender Offeror is a juristic person) in the Business or major shareholders of the Business (in case the major shareholders of the Business is a juristic person)

Sojitz directly holds a 43.92% controlling stake in the Business and ISTS 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 ISTS; this relationship is shown in the diagram below:



- 4.3 Shareholding, whether direct or indirect, by the Business, major shareholders, or directors of the Business in the Tender Offerors
 - 4.3.1 Shareholding by the Business in the Tender Offerors

-None-

4.3.2 Shareholding by the major shareholder of the business in the Tender Offerors

-None-

4.3.3 Shareholding by the director of the Business in the Tender Offerors

-None-

4.4 Other Relationship

i. Joint Directorship

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

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

4.4.2 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	Account	Business /	FY2019	FY2020	FY2021	FY2022
name and	Name	Subsidiary	Year End 31	Year End 31	Year End 31	Year End 31
relationship	Humo	Substituting	December	December	December	December
	Trade	MC Agro-Chemicals	2.9	4.3	5.1	5.1
Sojitz	payables	Company Limited	2.9	4.5	J. I	J. I
Corporation	Purchases	MC Agro-Chemicals	9.6	8.3	11.8	9.7
(Offeror and	Purchases	Company Limited	9.0	0.5	11.0	9.7
Major	Revenue from	NIM Commony				
Shareholder)	sales and	N.I.M. Company Limited	3.7	-	-	-
	services	Limitod				

4.4.3 Joint business operations or joint investments

-None-

5. Other Information Relevant to the Security Holders' Decision-Making

5.1 Securities in the Business held by the Tender Offerors prior the Tender Offer

5.1.1 Ordinary Shares

Name	Class of shares	Number of shares	Percentage compared to the total number of issued shares and total voting rights
I. The Tender Offerors	Ordinary shares	487,993,273	83.46
Sojitz Corporation	Ordinary shares	256,833,457	43.92
ISTS (Thailand) Company Limited	Ordinary shares	231,159,816	39.53
II. Person in the same group of the Tender Offerors	-	-	-
III. Related parties under Section 258 of I and II	-	-	-
IV. Other agreements resulting in an addition acquisition of shares by the persons under I and III	-	-	-
Total		487,993,273	83.46

5.1.2 Convertible Securities

- None -

5.2 Source of funds used by the Tender Offerors for the Tender Offer

If all shareholders of TCCC accept the Tender Offer, the Tender Offerors must purchase 96,720,795 ordinary shares of TCCC, representing 16.5 percent of the total issued shares of TCCC, at the Offer Price of THB 40.0 per share, it would require funds in a total amount of THB 3,868,831,800 (Three Billion Eight Hundred Sixty-Eight Million Eight Hundred Thirty-One Thousand Eight Hundred Baht).

The Tender Offerors will make payment for the tendered securities in cash to all Offerees. In this regard, the source of funds provided by Sojitz's cash flow as well as credit facilities from the financial institution where ISTS has obtained the financial support confirmation letter for the Tender Offer from such financial institution, the details of which can be summarized as follows:

- Cash and cash equivalents of Sojitz as of 1 May 2023 was in the total amount JPY 10,000,103,911
 or approximately THB 2,659,347,633 (JPY/THB = 3.76) with the financial support confirmation letter
 issued by Sojitz to reserve the source of funds for the Tender Offer for securities to Sojitz and;
- Credit facilities from Bank of Ayudhya Public Company Limited in the amount of up to THB 2,800,000,000

Kiatnakin Phatra Securities Public Company Limited, as a Tender Offer Preparer, has considered details of sources of funds and the Tender Offerors' financial position. The Tender Offer Preparer is of the opinion that the Tender Offerors have sufficient sources of funds for this Tender Offer and that, as of the date of the Tender Offer, there is no significant term and condition that shall materially affect the Tender Offerors' ability to withdraw such credit facilities for the Tender Offer and make payment for all securities of the Business. The details of which are as shown in the Attachment 6 – Confirmation Letters on the Source of Funds for the Tender Offer.

5.3 Plan to sell the 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 conditions below occur as follows:

- 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.
- 3. The Tender Offerors would like to restructure their business, organization, or shareholding structure 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.

5.4 Other Necessary Information

- None -

Part 3 Information of the Business

1. Details of the Business

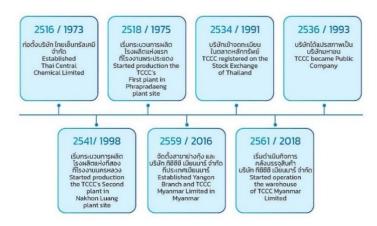
1.1 General Information

Name Thai Central Chemical Public Company Limited			
Address	Room 801-806, 809-810 8th floor, Mitrtown Office Tower 944 Rama 4 Road, Wangmai, Pathumwan, Bangkok, Thailland 10330		
Telephone No.	66 (0) 2639 8888		
Facimile No.	66 (0) 2639 8999		
Website	http://www.tcccthai.com		
Company Registration No.	0107536000277		

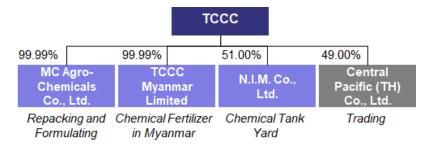
1.2 General Business Information

Thai Central Chemical Public Company Limited is a producer and distributor of chemical fertilizer under OX-Brand, Singha, Baby and TCCC Brand, established by the government (under cooperation of the Ministry of Finance) and private sectors, comprised of Metro Co., Ltd., Sojitz Corporation (formerly Nissho Iwai Corporation) and Central Glass Co., Ltd (currently the Company's technical advisor) of Japan, on March 6, 1973, with initial registered capital of THB 120 million. Later on, the Company registered on the Stock Exchange of Thailand in October 1991, with a registered capital of THB 700 million and in 1993, the Company became "Public Company" The company's total registered capital is currently 1,750 million baht.

The Company operates 2 large and international-standard plants, located at Phra Samut Jedee District, Samut Prakarn Province, with total annual capacity of 850,000 metric tons, and at Nakhon Luang District, Phra Nakhon Si Ayutthaya Province, with total annual capacity of 350,000 metric tons, having the combined total capacity of 1.2 million metric tons a year.



Group Structure as of 31 December 2022



The details regarding the nature of business of subsidiary and joint business as of 31 December 2022 are as follows:

							2564/2	021	2563/20	020 2562		/2019	
	ชื่อบริษัท Company	ก่อตั้งเมื่อ Established	ประเภท กิจการ Type of Business	% การถือหุ้น Shareholding	ทุน จดทะเบียน Registered Capital	เรียกซ้ำระ Capital Paid Up	รายได้ Revenue	%	รายได้ Revenue	%	รายได้ Revenue	%	
	บริษัท ไทยเซ็นทรัลเคมี จำกัด (มหาชน) Thai Central Chemical Public Company Limited	6 มีนาคม 2516 March 6, 1973	ปุ๋ยเคมี Chemical Fertilizer)#:	1,754	1,754	11,708.93	92.55	8,943.35	92.07	8,420.17	92.30	
บริ	้ษัทย่อยและบริษัทร่วม I	(Subsidiary and Asso	ciate Companies)										
1	บริษัท เอ็มซี อะโกร-เคมิคัส จำกัด MC Agro- Chemicals Co., Ltd.	22 มกราคม 2531 January 22, 1988	โรงงานผสมและ บรรจุ Repacking and Formulating	99.99	50	50	322.16	2.55	225.68	2.32	261.05	2.86	
2	บริษัท เอ็น.ไอ.เอ็ม. จำกัด N.I.M. Co., Ltd.	14 กุมภาพันธ์ 2517 February 14, 1974	คลังสินค้า เคมีเหลว Chemical Tank Yard	51.00	125	125	128.49	1.02	118.15	1.22	118.51	1.30	
3	บริษัท เข็นทราปิค (ประเทศไทย) จำกัด Central Pacific (Thailand) Co., Ltd.	16 มกราคม 2518 January 16, 1975	ซื้อขาย Trading	49.00	200	200	0.67	0.01	0.81	0.01	1.01	0.01	
4	บริษัท ที่ซีซีซี เมียนมาร์ จำกัด* TCCC Myanmar Limited*	3 ตุลาคม 2559 3 October 2016	นำเข้าปุ๋ยเคมี Import Chemical Fertilizer	99.99	\$12.5*	\$12.5*	491.46	3.88	425.89	4.38	316.44	3.47	
	รวม						12,651.71	100.00	9,713.88	100.00	9,117.18	100.0	

หมายเหตุ : * ล้านดอลลาร์สหรัฐ

Remark: * Million of United States dollar

1.3 Summary of Financial Position and Operational Performance of the Business

Summary of financial position and operational performance according to financial statements for the year ended 31 December 2020, 2021, 2022 and three-month ended 31 March 2023 comprises the following details:

Unit: THB Million

	FY2	020	FY2	2021	FY2	2022	3M2	2023
	Year Ended 31 December			rear Ended		Ended cember	Three months Ended 31 March	
	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements
Total assets	11,866	12,147	12,334	12,810	11,849	12,419	12,256	12,739
Total liabilities	1,107	1,381	1,177	1,495	825	1,255	1,251	1,641
Shareholder's equity	10,758	10,766	11,157	11,315	11,024	11,164	11,005	11,099
Registered capital	1,754	1,754	1,754	1,754	1,754	1,754	1,754	1,754
Issued and paid-up share capital	1,754	1,754	1,754	1,754	1,754	1,754	1,754	1,754
Total revenue	8,804	9,434	11,519	12,087	12,274	12,886	1,727	1,852
Total expenses	(7,045)	(7,669)	(9,860)	(10,193)	(11,458)	(11,945)	(1,780)	(1,895)
Profit for the year Attributable to Owners of the Parent	1,528	1,472	1,451	1,579	855	834	(19)	(33)
Basic earnings per share (THB)	2.6	2.5	2.5	2.7	1.5	1.4	(0.0)	(0.1)
Dividend per share (THB)	1.1	1.1	1.8	1.8	1.7	1.7	-	-
Book value per share (THB)	18.4	18.3	19.1	19.2	18.9	18.9	18.8	18.8

Source: TCCC audited financial statements. More details on financial position and operational performance of the company can be found in Form 56-1 One Report and audited financial statements within SEC website (www.sec.or.th) or SET website (www.sec.or.th).

1.4 Shareholding Structure of the Business

1.4.1 Shareholders List Prior to the Tender Offer

List of the top 10 shareholders as of 12 May 2023 which is the latest record date are as follows:

No.	Name	Number of Shares	Percentage of the total issued and paid up shares and total voting rights in the Business
	Sojitz Corporation	256,833,457	43.92
1	ISTS (Thailand) Co., Ltd.	231,159,816	39.53
	Sojitz Corporation Group	487,993,273	83.46
	Metro Co., Ltd.	15,175,191	2.60
2	Bangkok Steel Public Company Limited	20,497,742	3.51
	Metrophos Co., Ltd.	16,614,500	2.84

No.	Name	Number of Shares	Percentage of the total issued and paid up shares and total voting rights in the Business
	Metro Co., Ltd. Group	52,287,433	8.94
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	1,893,600	0.32
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
	Total top 10 major shareholders	571,797,136	97.79
	Other shareholders	12,916,932	2.21
	Total	584,714,068	100.00

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

1.4.2 Potential Shareholding Structure After Making the Tender Offer

List of shareholders, in the case where all shareholders of the Business have shown their intention to sell all of their shares in this Tender Offer.

Name	Number of Shares	Percentage of the total issued and paid-up shares, and total voting rights in the Business		
Sojitz Corporation	286,509,893	49.0		
ISTS (Thailand) Co., Ltd.	298,204,175	51.0		
Total	584,714,068	100.0		

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% of the total issued shares of the company, and for other legal compliance purposes.

1.5 List of Board of Directors

1.5.1 The list of the Board of Directors of the Business as of 1 March 2023

	List of Directors	Title
1.	Mr. Yuji Yuasa	Chairman of Board of Director
2.	Mr. Takahiro Yamashita	Director and President / Chairman of the Risk Management Committee / Chairman of Compliance Committee
3.	Mr. Takayuki Tohei	Director & Executive Vice President

	List of Directors	Title	
4.	Mr. Takuji Nakagawa	Director & Senior Vice President / Member of Risk Management Committee / Member of Compliance Committee	
5.	Mr. Chanand Sophonpanich	Director	
6.	Mr. Ek-Rit Boonpiti	Director	
7.	Mr. Suvat Suebsantikul	Independent Director / Chairman of Audit Committee	
8.	Mr. Opas Sripornkijkachorn	Independent Director / Member of Audit Committee	
9.	Mr. Kasemsak Masayavanich	Independent Director / Member of Audit Committee	

Source: TCCC's Annual Report 2022

1.5.2 The potential list of the Board of Directors following the Tender Offer

The Tender Offerors do not have any plan to make any material changes to director of the Business within the 12 months following the end of the Offer Period. In this regard, if there is any change of director, the Tender Offerors will comply with the relevant laws and regulations.

1.6 Highest and Lowest Share Price of the Business in Each Quarter during the last 3 years

Year	Period	Highest and lowest price (THB per share)	
rear		Highest price	Lowest price
	Apr – Jun	21.60	17.60
2020	Jul – Sep	24.30	19.90
	Oct – Dec	29.75	23.00
	Jan – Mar	31.00	27.25
2021	Apr – Jun	38.00	28.25
2021	Jul – Sep	35.00	31.50
	Oct – Dec	37.00	31.75
	Jan – Mar	37.50	31.50
2022	Apr – Jun	37.25	26.50
2022	Jul – Sep	27.75	25.25
	Oct – Dec	28.25	25.50
2023	Jan – Mar ⁽¹⁾	40.00	28.00
2023	Apr – May ⁽²⁾	39.50	38.75

Remark:

(2) Information for the period 3 April 2023 - 15 May 2023

Source: SET (www.set.or.th)

⁽¹⁾ the Business's Board of Directors resolved to propose to the Business's general meeting of shareholders to delist the Business's share from being listed company in SET on 7 February 2023. The Offerors have expressed their intention to make a tender offer for all of the Company's securities, at the offering price of THB 40 per share

2. Business Plan after the making of the Tender Offer

2.1 The Status of the Business

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.

2.2 Management Policy and Business Plans

2.2.1 Business Objectives

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.

2.2.2 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.

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.

2.2.3 Plan on changing corporate structure, management, and recruitment

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.

2.2.4 Plan on disposal of existing core assets

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.

2.2.5 Plan on changing financial structure

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 and the Tender Offerors Group, including borrowing, must be approved pursuant to the delegation of authority (DOA) of the Business and the relevant rules and regulations.

2.2.6 Plan on changing dividend payment policy

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.

2.3 Related Party Transaction

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 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 to be comply with financial policy of the related party transaction per previous course of 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

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.

Part 4

Additional Information of the Tender Offer

1. Tender Offer Acceptance Procedures

The securities holders who wish to accept the Tender Offer, whether in whole or in part, shall comply with the following procedures; the Tender Offerors and/or through the Tender Offer Agent reserve the right to refuse the Offeree's Tender Offer Acceptance Form which is not completed in accordance with the procedures described in Part 4 and Attachments 1 and 3, attached here with:

- 1.1 Complete and sign, accurately and clearly, the "Tender Offer Acceptance Form of the Ordinary Shares of Thai Central Chemical Public Company Limited" enclosed in Attachment 1 Form A-2 for ordinary shares or the "Tender Offer Acceptance Form for NVDR" enclosed in Attachment 3 Form C-2 for NVDRs, as the case may be (collectively called the "Tender Offer Acceptance Form"), with the signature of the Offeree.
- 1.2 Enclose the following documents for the sales of shares

1.2.1 In case of share certificates (Script)

The share certificate must be endorsed with the signature of the Offeree in the column headed "Signature of the transferor" on the back of each share certificate and enclosed 2 copies of the duly signed documents to identify the Offeree mentioned in Section 1.2.3. The endorsement by the Offeree's signature for the share certificate must be the same as the signature stated on all documents of the Offeree. As the share certificates submitted along with the Tender Offer Acceptance Form must be first verified by the Thailand Securities Depository Co., Ltd ("TSD"), in order for the Offeree to sell the shares within the Offer Period, the Offeree should submit the Tender Offer Acceptance Form along with the enclosed documents as mentioned in Section 1.2.3 within 27 July 2023 or at least two business days prior to the last day of the Offer Period to provide sufficient time for the Tender Offer Agent to verify and deposit the share certificate with the TSD who is the security registrar. If the share certificate is rejected from the TSD, the Tender Offerors and/or through the Tender Offer Agent reserve the right to refuse the Offeree's Tender Offer Acceptance Form, in which case the Tender Offer Agent will notify the Offeree to collect his or her share certificate back. In case the Offeree submits the Tender Offer Acceptance Form on or after 31 July 2023 and 2 August 2023, the Tender Offer Agent is entitled to refuse the Offeree's Tender Offer Acceptance Form if the Tender Offer Agent cannot verify the share certificate with the TSD within the last day of the Offer Period or if the share certificate is rejected from the TSD. In such cases, the Tender Offer Agent will notify the Offeree to collect his or her share certificate back.

In the event of the title, first name or last name of the shareholder stated on the share certificate is different from the names on the identification card, or in the case of the juristic entity's name in the company affidavit issued by the Ministry of Commerce (in the case of Thai juristic entities) or Certificate of Commercial Registration (in the case of foreign juristic entities), the Offeree has to complete the "Request Form for Amending Securities Holder Records" prescribed by TSD ("TSD-301"), enclosed in Attachment 4 Form D, together with

the certified true copy (for every page) of the official documents supporting the amendment such as marriage certificate, divorce certificate, or notification of change of name, as the case may be. The amended name must be the same as that stated on the identification card, civil servant identification, state enterprise employee card, company affidavit or certificate of commercial registration of the Offeree, as the case shall apply.

- In the case of civil servant identification card or state enterprise employee card, a certified true copy of household registration is required. The name and address shown on such household registration must be the same on the civil servant identification card or state enterprise employee card.
- In the case that the Offeree is an executor of a will, the Offeree must submit a copy of a court order appointing the Offeree as the executor, which must be issued not more than one year prior to the submission date of the Tender Offer Acceptance Form, a certified true copy of the death certificate, a certified true copy of the identification card of the executor, a certified true copy of the house registration of the executor, and share certificates endorsed by the signature of the executor on the back.
- In the case that the Offeree is a minor, such Offeree's parents must submit share certificates endorsed by the signatures of both parents on the back, and a certified true copy of identification card of the parents as well as the household registration of the parents and the minor endorsed by signature of the parents and the minor.
- In the case that the Offeree lost his/her share certificate, the Offeree must contact TSD and request for an issuance of a new share certificate, in order to tender the Offeree's shares to the Tender Offer Agent. As the process of issuing new shares may take time in accordance with TSD's procedures, the Offeree should contact TSD within such period before the end of the Offer Period ends.

Remark:

In the case of the share certificate, the acceptance of Tender Offer will be completed when the share certificate has been verified by and deposited with the TSD. If the share certificates are rejected by the TSD, the Tender Offerors and/or through the Tender Offer Agent reserve the right to refuse the Offeree's Tender Offer Acceptance Form and the Tender Offer Agent will notify the Offeree to collect his or her share certificates back.

1.2.2 In the case of shares deposited with TSD (Scripless)

The Offeree must contact the securities company which the Offeree has the brokerage account and deposit the shares with and submit one set of the duly signed documents mentioned in Section 1.2.3 to transfer the tendered scripless shares into the following account of the Tender Offer Agent:

For Thai Shareholders

Account Name: "บริษัทหลักทรัพย์ เกียรตินาคินภัทร จำกัด (มหาชน) เพื่อคำเสนอซื้อ"

Account Number: 006-000 000 015-7

For Foreign Shareholders and NVDR holders

Form 247-4

Account Name: "KIATNAKIN PHATRA SECURITIES PUBLIC COMPANY LIMITED FOR

TENDER"

Account Number: 006-000 000-015-7

The Offeree shall send the Tender Offer Acceptance Form with one set of related documents as stated in Section 1.2.3 to the securities company that the Offeree has the brokerage account with where such securities brokers will then collect and submit the signed Tender Offer Acceptance

Form of the Offeree to the Tender Offer Agent.

In the case of shares deposited with TSD, under the Issuer Account no. 600, the Offeree must complete and sign, accurately and clearly, and submit the form "Application for Securities Transfer between the issuer account and the depository participant account" ("TSD-403") enclosed in Attachment 5 Form E, together with one set of identification documents of securities holder, according to the type of person indicated in page 2 of TSD-403, in addition to the Tender Offer Acceptance Form with one set of related documents as stated under in Section 1.2.3 in order to transfer tendered scripless shares into the following account of the Tender Offer Agent:

For Thai Shareholders

Account Name: "บริษัทหลักทรัพย์ เกียรตินาคินภัทร จำกัด (มหาชน) เพื่อคำเสนอซื้อ"

Account Number: 006-000 000 015-7

For Foreign Shareholders

Account Name: "KIATNAKIN PHATRA SECURITIES PUBLIC COMPANY LIMITED FOR

TENDER"

Account Number: 006-000 000 015-7

The Offeree shall send the Tender Offer Acceptance Form with one set of related documents as stated under Section 1.2.3 and TSD-403 with one set of related documents to be submitted for securities transfer to/from the issuer account with participant, indicating in page 2 of TSD-403, to the Tender Offer Agent.

The Tender Offer Agent shall send TSD-403 with its supporting documents to TSD for verification and for the TSD to transfer the Offeree's securities from the issuer account to the account of Tender Offer Agent. In order for the Offeree to sell the shares within the Offer Period, the Offeree, whose shares are deposited in the issuer account no. 600, shall submit the Tender Offer Acceptance Form along with TSD-403 and their enclosed documents within 27 July 2023 or at least two business days prior to the last day of the Offer Period to provide sufficient time for the Tender Offer Agent to cooperate on securities transfer with the TSD. If TSD-403 is rejected from TSD, the Tender Offerors and/or through the Tender Offer Agent reserve the right to refuse the Offeree's Tender Offer Acceptance Form. In case the Offeree submits the Tender Offer Acceptance Form on or after 31 July 2023 and 2 August 2023, the Tender Offer Agent is entitled to refuse the Offeree's Tender Offer Acceptance Form if the Tender Offer Agent cannot complete the securities transfer process with the TSD within the last day of the Offer Period or if the TSD-403 is rejected from the TSD.

For an NVDR, there will be a process of converting an NVDR to a scripless ordinary share and the Tender Offer Agent cannot accept the tendered NVDR if the tendered NVDR is not converted to a scripless ordinary share within the Offer Period. Thus, in order for the Offeree to sell the shares within the Offer Period, the Offeree should submit the Tender Offer Acceptance Form and one set of its related documents as stated in Section 1.2.3 within 27 July 2023 or at least two business days prior to the last date of the Offer Period to provide the Tender Offer Agent with sufficient time for the conversion of an NVDR to a scripless ordinary share. In case the Offeree submits the Tender Offer Acceptance Form on or after 31 July 2023 and 2 August 2023, the Tender Offer Agent is entitled to refuse the Offeree's Tender Offer Acceptance Form if the Tender Offer Agent cannot complete the conversion of an NVDR to a scripless ordinary share process within the last day of the Offer Period.

1.2.3 The Offeree shall enclose the following documents for the identification of the Offeree

■ Thai individuals

- A certified true copy of valid identification card, civil servant card or state enterprise employee card that shows 13-digit identification number and not expired. Copy of all documents must be clear and legible. The signature used must be the same as the signature stated on all documents related to the Tender Offer.
- In the event that the Offeree is a minor, the parents (or the guardians, as applicable) must submit an approval form, and a certified true copy of valid identification card of the parents (or the guardians, as applicable) and the minor as well as the household registration of the parents (or the guardians, as applicable) and the minor endorsed by a signature of the parents (or the guardians, as applicable) and the minor as certified true copy.
- In the event that the Offeree is an executor of a will, the Offeree must submit a copy of a court order appointing the Offeree as the executor issued not more than one year prior to the submission date of the Tender Offer Acceptance Form, a copy of death certificate, a certified true copy of the identification card and house registration of the executor with signature as certified true copy.

■ Foreign individuals

A certified true copy of his/her valid Alien Certificate or passport that is not expired. The signature stated on copy of passport must be the same as the signature stated on all documents related to the Tender Offer. A copy of all documents must be clear and legible.

■ Thai juristic person

- A copy of company affidavit issued by the Ministry of Commerce ("MOC") for no longer than 6 months prior to the last day of the Offer Period certified by authorized signatory(ies) and affixed with company seal (if any); and
- A certified true copy of valid identification card, civil servant card or state enterprise employee card of the authorized signatory(ies) that shows 13-digit identification number and is not expired. In case the authorized signatory(ies) is a foreigner, a certified true copy of his/her alien certificate or passport is required.

Copy of all documents must be clear and legible. The signature used must be the same as the signature stated on all documents related to the Tender Offer as certified true copy.

Remark: A Thai juristic Offeree must deduct withholding tax in the amount of 3.00 percent of brokerage fee and supply a withholding tax certificate of the Tender Offer agent.

■ Foreign juristic person

- A certified true copy of the certificate of incorporation and corporate affidavit issued by the officer of the juristic person or the governmental authority of the country in which the juristic person is located, which certifies name of juristic person, authorized persons, location of headquarters and power or conditions of signing authorization, issued not more than 6 months prior to the last day of the Offer Period. The documents must be certified by the authorized signatory(ies), and affixed with company seal of the juristic person (if any); and
- A certified true copy of valid identification card, civil servant card or state enterprise employee card of the authorized signatory(ies) that shows a 13-digit identification number and is not expired. In the case of the authorized signatories(ies) is a foreigner, a certified true copy of his/her valid alien certificate or valid and unexpired passport is required.

All stated documents must be notarized by the Notary Public Officer and then authenticated by an official of the Thai Embassy or the Thai Consulate in the country of issuance of certification thereof all of which must be issued for no longer than 6 months prior to the last day of the Offer Period.

In addition, copy of all documents must be clear and legible. The signature used must be the same as the signature stated on all documents related to the Tender Offer.

A foreign juristic person not operating any business in Thailand and residing in a country which does not have a double tax treaty with Thailand or has a double tax treaty with Thailand, but such treaty does not exempt withholding tax on capital gains from the sale of shares in Thailand

Offeree must declare the Cost of Tendered Securities by filling in the Form for Confirmation in Attachment 1 Form A-3 for ordinary shares and in Attachment 3 Form C-3 for NVDR for 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 acquired the tendered shares.

In the event of 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 shares or NVDR of the Business such Offeree expresses intention to sell and will deduct the withholding tax accordingly.

- 1.2.4 In the event where the Offeree is represented by an authorized representative, the required documents shall also include the power of attorney appointing the authorized representative as stated in Attachment 1 Form A-4 for ordinary shares and Attachment 3 Form C-4 for NVDR, affixed with stamp duty of THB 10 or THB 30, as the case may be, together with a certified true copy of each of the documents set out in Section 1.2.3 of the Offeree and the authorized representative
- 1.2.5 Other documents which the Tender Offer Agent may require.
- 1.2.6 If the Offeree has any questions regarding the acceptance of the Tender Offer, please contact:

Kiatnakin Phatra Securities Public Company Limited

12A floor, 209 KKP Tower A, Sukhumvit 21 (Asoke), Khlong Toey Nua, Wattana, Bangkok 10110 Tel: 66 (0) 2165 5555 press 4

Information inquiry available every business day from 8.00 a.m. - 6.00 p.m.

1.3 Submission of the Tender Offer Acceptance Form

1.3.1 Share certificate (Script)

As the share certificates submitted with the Tender Offer Acceptance Form must be verified by the TSD first, in order for the Offeree to sell the shares within the Offer Period, the Offeree should submit the completed Tender Offer Acceptance Form along with the endorsed share certificates and two sets of supporting documents stated in Section 1.2 during the business days from 29 May 2023 to 2 August 2023 during 9.00 am to 4.00 pm at the office of the Tender Offer Agent. However, the Offeree should submit the completed Tender Offer Acceptance Form together with the supporting documents within 27 July 2023 or at least two business days prior to the last date of the Offer Period at the below address: In case the offeree submits the Tender Offer Acceptance Form on or after 31 July 2023 and 2 August 2023, the Tender Offer Agent is entitled to refuse the Offeree's Tender Offer Acceptance Form if the Tender Offer Agent cannot verify the share certificate with the TSD within the last day of the Offer Period or if the share certificate is rejected from the TSD. In such cases, the Tender Offer Agent will notify the Offeree to collect his or her share certificate back.

Kiatnakin Phatra Securities Public Company Limited

Operations, 12A floor, 209 KKP Tower A, Sukhumvit 21 (Asoke), Khlong Toey Nua, Wattana, Bangkok 10110 Tel: 66 (0) 2165 5555 press 4

Information inquiry available every business day from 8.00 a.m. - 6.00 p.m.

In addition, the Tender Offer Agent will not accept any document submitted by post

In the case of the share certificate, the acceptance of Tender Offer will be completed when the share certificate has been verified by and deposited with the TSD. If the share certificate is rejected by the TSD, the Tender Offerors and/or through the Tender Offer Agent reserve the right to refuse the Offeree's Tender Offer Acceptance Form and the Tender Offer Agent will notify the Offeree to collect his or her share certificate back.

1.3.2 In the case of shares deposited with TSD (Scripless)

In the case of shares deposited with TSD through the securities company, which is the Offeree's broker where the Offeree has opened the trading account, the Offeree can send the signed Tender Offer Acceptance Form with the set of related documents to the securities company within the period of time specified by the securities company. The securities company will then gather and deliver the Tender Offer Acceptance Form to the Tender Offer Agent within the Offer Period.

1.3.3 In the case of the Offeree having account and securities of Thai Central Chemical Public Company Limited with Kiatnakin Phatra Securities Public Company Limited

The Offeree can submit the Tender Offer Acceptance Form though hotline with assistance of an investment advisor within operating days and working hours, procedures, and conditions as specified by Kiatnakin Phatra Securities Public Company Limited.

1.3.4 In the case of shares deposited with TSD under the Issuer Account No. 600

The Offeree can submit the Tender Offer Acceptance Form with one set of related documents as stated in Section 1.2.3 and TSD-403 together with one set of supporting documents for the securities transfer to/from the issuer account with participant form as indicated in page 2 of TSD-403, to the Tender Offer Agent.

The Tender Offer Agent will send TSD-403 with its supporting documents to TSD for verification and transfer the Offeree's securities from the issuer account to the account of the Tender Offer Agent. In order for the Offeree to sell the shares within the Offer Period, the Offeree, whose shares is deposited in the issuer account no. 600, shall submit the Tender Offer Acceptance Form along with TSD-403 and their supporting document within 27 July 2023 or at least two business days prior to the last day of the Offer Period to provide sufficient time for the Tender Offer Agent to verify and process the securities transfer with the TSD who is the security registrar. If TSD-403 is rejected from TSD, the Tender Offerors and/or through the Tender Offer Agent reserve the right to refuse the Tender Offer Acceptance Form of the Offeree. In case the Offeree submits the Tender Offer Acceptance Form on or after 31 July 2023 and 2 August 2023, the Tender Offer Agent is entitled to refuse the Offeree's Tender Offer Acceptance Form if the Tender Offer Agent cannot complete the securities transfer process with the TSD within the last day of the Offer Period or if the TSD-403 is rejected from the TSD.

1.3.5 In the case of NVDR

The Offeree shall follow the submission procedures for Tender Offer Acceptance Form enclosed in Attachment 3 Form C-1 for NVDRs as there is a process of converting an NVDR to a scripless ordinary share and the Tender Offer Agent cannot accept the tendered NVDR, if the tendered NVDR is not converted to a scripless ordinary share within the Offer Period, in order for the Offeree to sell the shares within the Offer Period, the Offeree should submit the Tender Offer Acceptance Form together with supporting documents to the securities company that the Offeree has a brokerage account within 27 July 2023 or at least two days prior to the last date of the Offer Period to provide sufficient time for conversion of an NVDR to a scripless ordinary share. In case the Offeree submits the Tender Offer Acceptance Form on or after 31 July 2023 and 2 August 2023, the Tender Offer Agent is entitled to refuse the Offeree's Tender Offer Acceptance Form if the Tender Offer Agent cannot complete the conversion of an NVDR to a scripless ordinary share process within the last day of the Offer Period.

- 1.4 In case that the Offeree has shares or NVDRs which they intend to tender but is pledged or encumbered, the Offeree has to procure the release or discharge of the pledge and encumbrance before submission of the Tender Offer Acceptance Form as stated in sections 1.1 to 1.3.
- 1.5 Tender Offerors and/or through Tender Offer Agent reserve the right to amend the details of the acceptance procedure as specified herein as appropriate in case of any problem, obstacle, and restriction, to facilitate the completion of the Tender Offer.

2. Procedures for the purchase of securities

The Tender Offerors will purchase all ordinary shares submitted to the Tender Offer Agent in accordance with the procedures described in Part 4 except when the Tender Offerors cancel the Tender Offer under conditions provided in Part 1 Section 9 Conditions for Cancellation of the Tender Offer, or the Offeree cancels his or her intention of selling as specified in Part 4 Section 6 Procedures for the withdrawal of Tender Offer.

3. Settlement date

The Offerees will receive the payment of securities on 4 August 2023 (which is the second business day after the end of the Offer Period) once the Offeree has completed and submitted the Tender Offer Acceptance Form and all supporting documents and the securities have been transferred to the Tender Offer Agent, the Offeree. In the case of the extension of the Offer Period, the Offeree will receive the payment of the securities within the second business day after the end of the extended Offer Period.

Remark: The Offeror or the Tender Offer Agent will settle the payment of the securities only when the Tender Offer has completed. The Tender Offer Acceptance Form and/or Share Certificates and/or other proprietary documents and/or other supporting documents as stated in Section 1.2 of the Offeree must be verified and correctly completed, and the rights of securities must be able to be transferred within the given time period. In the event of incompletion within the given Offering Period, the Offeror will refuse to settle the payment and will also reserve the right to disallow the Tender Offer Agent in settling the payment with the Offeree. In such case, the Tender Offer Agent will notify the Offeree to collect his or her share certificates back.

4. Settlement and payment procedures

After the Offeree's Tender Offer Acceptance Form, share certificate, other deed of ownership and all required documents as specified in Part 4 Section 1.2 are duly examined and verified, the shares transfer is completed, and the Tender Offer Agent receives the full payment amount according to the number of Offeree who submits the Tender Offer Acceptance Form within the Offer Period, the Tender Offerors, through the Tender Offer agent, will then make a payment for the purchase of shares, net of any fee or tax, to the Offeree in accordance with the payment method selected by the Offeree in the Tender Offer Acceptance Form as follows:

4.1 The Offeree accepts to receive payment via Automatic Funds Transfer Service (ATS)

The Offeree shall inform the bank account information to be used to receive the payment for the proceed of shares. The account must be a savings or current account, which is able to execute transactions via an automatic funds transfer service, opened with (1) Bank of Ayudhya PLC (2) Siam Commercial Bank PLC (3) Bangkok Bank PLC (4) Krungthai Bank PLC (5) Kasikornbank PLC (6) TMB Thanachart Bank PLC (7) United Overseas Bank (Thai) PLC (8) Kiatnakin Phatra Bank PLC or (9) CIMB Thai Bank PLC. The name of the account holder must be the same as that of the Offeree stated in the Tender Offer Acceptance Form. The Offeree must provide either a certified true copy of the first page of the savings deposit passbook or a certified true copy of the current account statement which shows the explicit account name and account number.

The Tender Offerors will make payment, through the Tender Offer Agent, to the Offeree's account by 4.00 p.m. on 4 August 2023 which is the second business day, following the last day of the Offer Period.

In the event that the bank transfer cannot be completed for any reason, the Tender Offerors reserve the rights to procure the Tender Offer Agent to make a payment for the purchase of shares by cheque. Through the Tender Offer Agent, the Tender Offerors will send the cheque via registered post to the address specified in the Tender Offer Acceptance Form within 15 days after the Settlement Date as stated in Section 4.2.3. For the Offeree's convenience, the Tender Offerors recommend that the Offeree choose to accept to receive payment by direct transfer to account without any charges.

4.2 The Offeree accepts to receive payment by cheque

Should the Offeree choose to accept payment by cheque, the Tender Offerors will make payment through the Tender Offer Agent to the Offeree by a cheque. A clearing process may take approximately 7-15 days if the Offeree deposits such cheque in an account that is in different clearing areas other than Bangkok (depending on each bank's procedures). The Offeree can select one of the three methods as follows:

4.2.1 Collecting cheque in person

The Offeree can collect his or her cheque made in the name of "A/C Payee Only" to the Offeree from 4 August 2023, which is the second business day following the last day of the Offer Period (business day), onwards, during 9.00 am. 4.00pm. at the office of the Tender Offer Agent at the following address:

Kiatnakin Phatra Securities Public Company Limited

Operations, 12A floor, 209 KKP Tower A, Sukhumvit 21 (Asoke), Khlong Toey Nua, Wattana, Bangkok 10110 Tel: 66 (0) 2165 5555 press 4

Information inquiry available every business day from 8.00 a.m. - 6.00 p.m.

If the cheque has not been collected within 14 business days following the Settlement Date stated in Section 3, the Tender Offerors will send the cheque, through the Tender Offer Agent, to the Offeree via registered post to the address specified in the Tender Offer Acceptance Form.

Under any circumstance, after the cheque payment has been sent to the Offeree by registered post at the address stated in the Tender Offer Acceptance Form, it will be deemed that the Offeree has received the full payment of securities and the Offeree will have no right to claim for any interest or damages from the tender Offer Agent or the Tender Offerors.

4.2.2 The Offeree appoints other person to collect cheque on his or her behalf

In the case where the Offeree wishes to appoint another person to collect the cheque on his or her behalf, such person shall submit a power of attorney to the Tender Offer Agent affixed with a THB 10 or THB 30 stamp duty, as the case may be, and a certified true copy of identity documents as stated in Section 1.2.3 of the Offeree and the appointed person at the date of the collection and such appointment shall follow the terms and conditions in Section 4.2.1.

If the cheque has not been collected within 14 business days following the Settle Date, through the Tender Offer Agent, the Tender Offerors will send the cheque to the Offeree via registered post to the address specified in the Tender Offer Acceptance Form.

Under any circumstance, after the cheque payment has been sent to the Offeree by the registered mail at the address stated in the Tender Offer Acceptance Form, it will be deemed that the Offeree has received the full proceeds from accepting the Tender Offer and the Offeree will have no right to claim for any interest or damages from the Tender Offer Agent or the Tender Offerors.

4.2.3 The Offeree wishes to receive the cheque via registered post at the address specified in the Tender Offer Acceptance Form

The Offeree can select to receive payment via registered mail at the address stated in the Tender Offer Acceptance Form. However, the Offeree might receive the cheque after the second business day, following the last day of the Offer Period or on 4 August 2023.

However, under any circumstance, after the cheque payment has been sent to the Offeree by registered mail at the address stated in the Tender Offer Acceptance Form, it will be deemed that the Offeree has received the full proceeds from accepting the Tender Offer and the Offeree will have no right to claim for any interest or damages from the Tender Offer Agent or the Tender Offerors.

Remark:

In the case that share tendered is in a share certificate form, the Tender Offerors or the Tender Offer Agent will make payment to the Offeree only after such share certificates have been verified by and deposited with the TSD. If the TSD refuses to accept such share certificates, the Tender Offerors and/or through the Tender Offer Agent reserve the right to refuse the Tender Offer Acceptance Form of the Offeree and the Tender Offerors will not make or be obliged to make any payment to the Offeree. The offeree will then be notified to collect the share certificates back.

5. Rights of shareholders who have expressed their intention to tender their securities

Through the Tender Offer Agent, the Tender Offerors will make payment in accordance with the payment method as selected by the Offeree in the Tender Offer Acceptance Form on the second business day after the last day of Offer period, which is 4 August 2023 (per the terms and conditions in Attachment 1, A-2 form or Attachment 3, C-2 form for NVDR, as the case may be).

In case that there occurs, any event which results in a change in the Tender Offer Price, as specified in Part 1 Section 8, Conditions for the Amendment of the Tender Offer, the Tender Offerors shall proceed with the followings:

- 5.1 In the event that the Offer Price is reduced, the Tender Offerors will pay the reduced price to all Offerees. The Tender Offerors and/or through the Tender Offer Agent shall deem that the Offeree has agreed and accepted the reduced Offer Price, except for those Offeree who has expressed their intention to sell prior to the date of price reduction (and such intention is irrevocable). In such case, the Tender Offerors will pay the original price to such Offeree.
- 5.2 In the event that the Offer Price is increased, the Tender Offerors will pay the increased price to all Offerees, and the Tender Offerors and the Tender Offer Agent shall deem that the Offeree has agreed and accepted the increased Offer Price.

6. Procedures for the withdrawal of Tender Offer

- 6.1 The Offeree who is entitled to withdraw the Tender Offer can withdraw Tender Offer from the first business day to the 20 business days of the Offer Period which falls on 29 May 2023 to 26 June 2023 during the hours of 9.00 a.m. to 4.00 p.m.
- 6.2 Methods to cancel the tendered shares
 - 6.2.1 Complete and sign the "Tender Offer Cancellation Form of the Ordinary Shares of Thai Central Chemical Public Company Limited" (the "Tender Offer Cancellation Form") as enclosed in Attachment 2 Form B-2, accurately and clearly, with the signature of the person who expresses the intention to withdraw the Tender Offer; and
 - 6.2.2 Enclose the following documents:
 - Evidence of receipt of share certificate issued by the Tender Offer Agent or shares transfer certificate through TSD or NVDR issued by the Offeree's broker and Tender Offer Acceptance Form
 - 2) Where the offeree is a:

■ Thai individual

- A certified true copy of valid Identification Card, Civil Servant Identification Card or State
 Enterprise Employee Card that shows the 13-digit identification number and not expired.
 Copy of all documents must be clear and legible. The signature used must be the same
 as the signature stated on all documents related to the Tender Offer cancellation.
- In the event that the Offeree is a minor, the parents (or the guardians, as applicable) must submit an approval form, and a certified true copy of valid identification card of the parents (or the guardians, as applicable) and the minor as well as the household registration of the parents (or the guardians, as applicable) and the minor endorsed by a signature of the parents (or the guardians, as applicable) and the minor as certified true copy.
- In the event that the Offeree is an executor of a will, the Offeree must submit a copy of a court order appointing the Offeree as the executor issued not more than one year prior to the submission date of the Tender Offer Cancellation Form, a copy of death certificate, a certified true copy of the identification card and house registration of the executor with signature as certified true copy.

■ Foreign individual

A certified true copy of his/her valid Alien Certificate or passport and not expired. A copy of all documents must be clear, and legible. The signature stated on copy of Passport or Alien Certificate must be the same as the signature stated on all documents related to the Tender Offer cancellation.

■ Thai juristic person

- A certified true copy of the affidavit issued by the MOC not more than 6 months prior to the last day of the Offer Period, certified by authorized signatory(ies), and affixed with company seal of the juristic person (if any); and
- A certified true copy of valid Identification Card, Civil Servant Identification Card or State Enterprise Employee Card of the authorized signatory(ies) that shows 13-digit identification number and is not expired. In case the authorized signatory(ies) is a foreigner, a certified true copy of his/her valid Alien Certificate or valid passport is required.

A copy of all documents must be clear and legible. The signature stated on copy of all documents must be the same as the signature stated on all documents related to the Tender Offer cancellation as certified true copy.

■ Foreign juristic person

A certified true copy of the certificate of incorporation and corporate affidavit issued by the
officer of the juristic person or the governmental authority of the country in which the juristic
person is located, which certifying the name of juristic person, authorized person(s),

location of head office and power or conditions of signing authorization, as well as issued, no more than 6 months prior to the last day of the Offer Period. The documents must be certified by authorized signatory(ies), and affixed with company seal of the juristic person (if any); and

A certified true copy of valid Identification Card, Civil Servant Identification Card or State Enterprise Employee Card of the authorized signatory(ies) that shows 13-digit identification number and is noted expired. In case the authorized signatory(ies) is a foreigner, a certified true copy of his/her valid Alien Certificate or valid and unexpired passport is required.

All said documents must be certified by the Notary Public officer and then authenticated by an official of the Thai Embassy or the Thai Consulate, in the country of issuance or certification thereof, all of which is issued not more than 6 months prior to the last day of the Offer Period and the signature in such document must match with the signature in the Tender Offer document and relevant documents.

Where the Offeree is represented by an authorized representative, the documents required are the power of attorney appointing the authorized representative as per Attachment 2 Form B-3, affixed with THB 10 stamp duty and a certified true copy of each of the documents of the grantor and the attorney as set out in Section 6.2.2.

Copy of all documents must be clear and legible. The signature used must be the same as the signature stated on all documents related to the Tender Offer cancellation.

- 3) In case the Offeree has deposited the shares with TSD under the Issuer Account No. 600, once submit the Tender Offer Cancellation From, the Offeree shall complete, sign, accurately and clearly, and submit the form "Application for Securities Transfer between the issuer account and the depository participant account" ("TSD-403") enclosed in Attachment 5 Form E, together with one set of identification documents of securities holder, according to the type of person as indicated in page 2 of TSD-403, in order for the Tender Offer Agent to process the shares transfer with the TSD.
- 6.2.3 Submit the completed Tender Offer Cancellation Form together with the required documents specified in Section 6.2 at the office of the Tender Offer Agent as specified in Section 1.3.1.

In addition, the Tender Offer Agent shall not accept the Tender Offer Cancellation Form sent by post.

- 6.2.4 After the Tender Offer Agent received and verified the Tender Offer Cancellation Form and the required documents submitted within the cancellation period, through the Tender Offer Agent, the Tender Offerors will proceed as follows:
 - In the event that the Offeree's share is in share certificate form: through the Tender Offer Agent, the Tender Offerors will return the share certificate to the Offeree expressing intention to cancel the tendered shares or its authorized representative on the following business day

after the date of submission of the Tender Offer Cancellation Form. The Offeree making the cancellation, or its authorized representative can collect the share certificates at the office of the Tender Offer Agent.

In the event of the Offeree's share is in scripless form, the return will be made through the TSD (To be deposited into the securities company where the Offeree has the account). The Offeree must pay the shares transfer fee of THB 20 per transaction. Through the Tender Offer Agent, the Tender Offerors will transfer the shares through TSD to the Offeree's securities company account as specified in the Tender Offer Cancellation Form on the following business day after the date that the Offeree or its authorized representative making the cancellation or transferring to the Issuer Account no. 600, in the case that the Offeree deposits its shares with the TSD in the Issuer Account within the business day following the cancellation date.

Remark:

The Offeree making a cancellation shall receive share in the form which such share was tendered (share certificate or scripless share) as specified in the Tender Offer Acceptance Form and such Offeree cannot request for a change in the form of share to be returned.

7. Procedures for returning the securities in case of cancellation of the Tender Offer

In case of the cancellation of offer as specified in Part 1 Section 9, the Tender Offerors shall inform the SEC and submit the Notification of the Tender Offer Cancellation with the supporting reason to the SET, the Business and all security holders of the Business as appeared in the latest share register book of the Business after the last business day that SEC may protest such cancellation (within 3 business days from the date that SEC is notified of such cancellation). Through the Tender Offer Agent, the Tender Offerors shall proceed as follows:

7.1 Script

In case of the Tender Offer Cancellation, through the Tender Offer Agent, the Tender Offerors will return the share certificate to the Offeree. The Offeree shall accept the return of such share certificate at the Tender Offer Agent office provided below on any business day from the last day the SEC may protest such cancellation from 9.00 a.m. to 4.00 p.m. The Offeree shall proceed with the procedures provided by the Tender Offer Agent provided that the Offeree shall be responsible for any expense incurred in relation with the return of all shares. The issuance process takes at least 14 days.

Kiatnakin Phatra Securities Public Company Limited

Operations, 12A floor, 209 KKP Tower A, Sukhumvit 21 (Asoke), Khlong Toey Nua, Wattana, Bangkok 10110 Tel: 66 (0) 2165 5555 press 4

Information inquiry available every business day from 8.00 a.m. - 6.00 p.m.

7.2 Scripless and NVDR

Through the Tender Offer Agent, the Tender Offerors shall return the share via the TSD to be further deposited with the securities company which the Offeree specified in the Tender Acceptance Form or with

the Issuer Account no. 600 in the case that the Offeree has shares deposited with TSD under the Issuer Account within the following business day from the last day the SEC may protest such cancellation.

Remark: The return of shares as a certificate or scripless form, shall be in accordance with the type of securities that the Offeree specified in the Tender Offer Acceptance Form. The Offeree is not allowed to change the aforesaid type of securities.

8. Determination of Tender Offer Price

8.1 Method of the offer price determination

The Tender Offer Price of THB 40.0 (Forty Baht) per share is determined by the Tender Offerors, whereas the aforementioned price is a price not lower than the highest price calculated based on the criteria specified under the Notification of the Capital Market Supervisory Board No. TorChor. 12/2554, under Section 56 re: the offer price for Tender Offer for delisting, which specifies that the offer price must not be lower than the highest price calculated from the following 4 criteria:

- The highest price that the Tender Offerors, persons under Section 258 of the Tender Offerors, the
 Tender Offerors' concert parties, or persons under Section 258 of the Tender Offerors' concert parties,
 obtained the common or preferred shares during the period of 90 days before the submission of the
 Tender Offer to the SEC;
- 2. The volume-weighted average market price ("VWAP") of the Business's shares of the 5-day period before the Business's Board of Directors resolved to propose to the Business's general meeting of shareholders to delist the Business, or the date that the general meeting of shareholders resolved for the delisting of the Business from the SET, whichever is earlier;
- 3. The net book value of the Business, calculated from the adjusted book values of the assets and liabilities of the Business (Adjusted Book Value: Adjusted BV); and
- 4. The fair value of the common or preferred shares of the Business as determined by an independent financial advisor.

The determination of the fair price of the Business's ordinary shares on No.4 was performed by Kiatnakin Phatra Securities Public Company Limited (the "**Financial Advisor**", "KKPS"), which is not a person under Section 258 of the Tender Offerors.

The prices as determined according to the above criteria are summarized as follows:

Valuation Criteria	Price (THB per Share)
1. The highest price that the Tender Offerors, persons under Section 258 of the Tender	- n.a
Offerors, the Tender Offerors' concert parties, or persons under Section 258 of the	
Tender Offerors' concert parties, obtained the common or preferred shares during	
the period of 90 days before the submission of the Tender Offer to the SEC	

Valuation	Price (THB per Share)					
2. The volume-weighted average mark	ket price ("VWAP") of the	ne Business's shares of	30.43			
the 5-day period before the Business	s's Board of Directors re	solved to propose to the				
Business's general meeting of share	holders to delist the Bus	iness's share from being				
listed company in SET, which was	7 February 2023. The	5-day period starts from				
31 January 2023 to 6 February 202	3.					
Date	Trading Value (THB)	Number of Shares				
	Traded (shares)					
06-Feb-23	06-Feb-23 3,479,849 112,204					
03-Feb-23	4,302,585	141,561				
02-Feb-23	803,080	27,101				
01-Feb-23	01-Feb-23 1,569,657 52,476					
31-Jan-23						
Total						
5-working day VWAP (Th						
Source: SETSMART						

statements for the three-month period ended 31 March 2023

Valuation Criteria Price (THB per Share) 3. The net book value of asset of the Business, calculated from the adjusted book values of the assets and liabilities of the Business, where the values of the Business's assets and liabilities came from its consolidated reviewed financial

Items	Unit	Value
Equity attributable to the owners of the parent before adjustment	THB million	10,994.25
Add: additional value from the asset appraised value (1)	THB million	5,428.96
<u>Less</u> : income taxes ⁽²⁾	THB million	(1,085.79)
<u>Less:</u> dividend payment ⁽³⁾	THB million	(818.60)
Equity attributable to the owners of the parent after adjustment	THB million	14,518.81
Number of issued and paid-up shares	Million shares	584.71
Adjusted book value	THB per share	24.83

Source: Consolidated and reviewed financial statements for the three-month period ended 31 March 2023

Remarks:

- (1) The difference between the book values of assets as of 31 March 2023 and the market values of the assets according to the appraisal reports prepared by independent appraisers by independent appraisers which are SEC-approved independent appraisers except assets of TCCCM Myanmar Limited ("TCCCM") which are located in Myanmar. This limits ability for SEC-approved independent appraisers to appraise such assets. Therefore, the market values of TCCCM assets are based on the appraisal reports prepared by independent appraiser who have similar working standards and appraisal methods to SEC-approved and was registered as the Regulated by RICS (Royal Institution of Chartered Surveyors-UK).
- (2) Calculation from corporate tax of 20% multiplied by the difference between appraised value and book values of the assets
- (3) Dividend to be paid out to the shareholders on 18 May 2023

	Price (THB per Share)		
The fair value of the common of the Business as determined by an independent financial advisor, considered from a variety of valuation methods as follows:			32.52 – 37.67
	Valuation method	Value (THB per share)	
4.1	Book Value Approach	18.80	
		(Inappropriate)	
4.2	Adjusted Book Value Approach	24.83	
		(Inappropriate)	
4.3	Historical Market Price Approach	28.33 – 30.43	
		(Inappropriate)	
4.4	Market Comparable Approach		
	4.4.1 Price to Earnings Ratio: P/E Ratio	14.70 – 21.69	
		(Inappropriate)	
	4.4.2 Enterprise value to EBITDA Ratio:	10.87 - 25.74	
	EV/EBITDA Ratio	(Inappropriate)	
4.5	Discounted Cash Flow Approach	32.52 – 37.67	
		(Appropriate)	

Description of Fair Value Determination of Ordinary Shares of the Business

For the fair value determination of the ordinary shares of the Business, in accordance with the criteria specified under the Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 Clause 56 (4) the fair value of ordinary or preference shares of the business as appraised by a financial advisor. The Financial Advisor has performed a variety of fair value valuations approach, the details are as follows:

4.1 Book Value Approach

The Book Value Approach for determining value of the Business uses the book value of the Business at a certain point in time. In this case, the Financial Advisor uses the book value of the Business based on the latest financial statements of the Business as of 31 March 2023, which is reviewed by a SEC-approved auditor. The valuation of ordinary shares using this method is done by dividing the total equity attributable to the owners of the parent by the total number of issued and paid-up shares which is 584,714,068 shares. The details for the calculation are as follows:

Item	Unit	Value
Equity attributable to the owners of the parent	THB million	10,994.25
Issued and paid-up ordinary shares	Million shares	584.71
Book value	THB per share	18.80

Source: Consolidated and reviewed financial statements of the Business for the three-month period ended 31 March 2023

Based on the aforementioned method, the price per ordinary share of the Business is THB 18.80 per share. However, the aforementioned valuation method is a valuation of the Business's book value at a certain point in time and does not reflect the market values or present values of the Business's assets or liabilities, as well as not taking into account its profit-generating abilities or future competitive capabilities. As such, the Financial Advisor considered that the Book Value Approach is inappropriate for determining the fair value of the Business's ordinary share.

4.2 Adjusted Book Value Approach

The Adjusted Book Value Approach is a valuation method where the value obtained from the Book Value Approach in Part 4.1 is adjusted according to the items which are considered to have significant effects on making the book value more accurately reflect the Business's present or true value, as well as significant items which do not appear on the latest financial statements. The Financial Advisor has considered the latest financial statements of the Business as of 31 March 2023 which has been reviewed by an SEC-approved auditor and has identified the following items which should be adjusted to reflect their present values

- 1. Group 1 Assets TCCC Assets comprises the followings
 - a. Investment properties of TCCC
 - b. Land and land improvements of TCCC
 - c. Buildings of TCCC
 - d. Machinery and vehicle of TCCC
 - e. Trademark/Brands of TCCC
- 2. Group 2 Assets TCCC Myanmar Limited ("TCCCM") Assets comprises the followings
 - a. Land and land improvements of TCCCM
 - b. Buildings of TCCCM
 - c. Plant, machinery, and vehicle of TCCCM
- Group 3 Assets MC Agro-Chemicals Company Limited ("MC AGRO") Assets comprises the followings
 - a. Land and land improvements of MC AGRO
 - b. Buildings of MC AGRO
 - c. Plant, machinery, and vehicle of MC AGRO
- 4. Group 4 Assets N.I.M. Company Limited ("N.I.M.") Assets comprises the followings
 - a. Buildings of N.I.M.
 - b. Machinery, and vehicle of N.I.M.

5. Group 5 Assets - Land of Central Pacific (Thailand) Company Limited ("CTP")

Based on information prepared by asset appraisers which are SEC-approved independent appraisers or an independent appraiser which The Financial Advisor assess similar qualification SEC-approved independent appraisers with on the following items

- Group 1 Assets TCCC Assets according to the appraisal reports prepared by UK Valuations and Agency Co., Ltd. dated 22 February 2023 and 7 March 2023 and Thai Property Appraiser Lynn Philips Co., Ltd. dated 3 March 2023
- Group 2 Assets TCCCM Assets according to the appraisal reports prepared by Japan Valuers (Myanmar) Company Limited dated 10 March 2023.
- Group 3 Assets MC AGRO Assets according to the appraisal reports prepared by Prospec Appraisal Company Limited dated on 10 March 2023
- Group 4 Assets N.I.M. Assets according to the appraisal reports prepared by UK Valuations and Agency Co., Ltd. dated 18 March 2023 and 20 March 2023
- Group 5 Assets Land of CTP according to the appraisal reports prepared by Agency for Real
 Estate Affair Company Limited dated 22 February 2023

Such information has been used as reference for the adjustments, the details of which are as follows;

Unit: THB mm

Item	Book value as of 31 March 2023	Appraised market value	Percentage shareholding of TCCC	Adjustment from appraised value
Group 1 Assets – TCCC Assets	1,598.51	6,720.62	-	5,122.11
Group 2 Assets – TCCCM Assets	202.96	252.79	99.99%	49.83
Group 3 Assets – MC AGRO Assets	29.03	99.29	99.99%	70.25
Group 4 Assets – N.I.M. Assets	14.20	47.79	51.00%	17.13
Group 5 Assets – Land of CTP	105.00	451.20	49.00%	169.64
Total	1,949.70	7,571.69	-	5,428.96

Source: Consolidated and reviewed financial statements of the Business for period ended 31 March 2023 and the market values of the assets according to the appraisal reports prepared by SEC-approved independent appraisers or an independent appraiser which The Financial Advisor assess similar to qualification SEC-approved independent appraisers (1)

Remarks:

(1) UK Valuations and Agency Co., Ltd., Thai Property Appraiser Lynn Philips Co., Ltd., Prospec Appraisal Company Limited, Agency for Real Estate Affair Company Limited are independent appraisers approved by SEC while Japan Valuers (Myanmar) Company Limited is an independent appraiser operating in Myanmar who is not listed as an independent appraiser approved by the SEC, however, The Financial Advisors had assessed on the qualifications of the appraiser and found that have Japan Valuers (Myanmar) Company Limited similar work standards and appraisal methods to SEC-approved and was registered as the Regulated by RICS (Royal Institution of Chartered Surveyors-UK).

According to the appraisal report of such assets, the independent appraisers have determined an additional value from appraised value of THB 5,428.96 million. The Financial Advisor has adjusted the book value calculated under item 4.1 as follows:

Items	Unit	Value
Equity attributable to the owners of the parent	THB million	10,994.25
Add: from the asset appraised value (1)	THB million	5,428.96
Less: income taxes (2)	THB million	(1,085.79)
Less: dividend payment (3)	THB million	(818.60)
Equity attributable to the owners of the parent after adjustment	THB million	14,518.81
Number of issued and paid-up shares	Million shares	584.71
Adjusted book value	THB per share	24.83

Source: Consolidated audited financial statements of the Business for period ended 31 March 2023.

Remarks:

- (1) The difference between the book values of assets as of 31 March 2023 and the market values of the assets according to the appraisal reports prepared by SEC-approved independent appraisers or an independent appraiser which The Financial Advisor assess similar qualification SEC-approved independent appraisers
- (2) Calculation from Corporate tax of 20% multiplied by the difference between appraised value and book values of the assets.
- (3) Dividend to be paid out to the shareholders on 18 May 2023

From the aforementioned valuation method, the price per ordinary share of the Business is THB 24.83 per share. The valuation by this method reflects the net asset value of the Business and its subsidiaries that is more updated than the book value method by taking into account the market price of the assets used in the business operation of the Business and its subsidiaries which were appraised by independent appraisers for public purposes. However, the aforementioned method is an appraisal at a certain point in time, not considering future profit-generating ability and competitiveness of the business. Therefore, the Financial Advisor considers that the Adjusted Book Value Approach is an inappropriate method to use in evaluating the fair value of the ordinary shares of the Business.

4.3 Historical Market Price Approach

This valuation method is a method based on the VWAP of various periods, taking into accounts the values and volumes of traded shares of the Business. The Financial Advisor has considered range at of historical VWAP starting from 6 February 2023 (a day before Board of Directors' resolution regarding the delisting of the Business securities from SET), with details as follows:

Historical trading period (business days)	Average trading volume per day (shares)	Average trading value per day (THB)	VWAP (THB per share)
5 Business Days	72,810	2,215,867	30.43
15 Business Days	38,042	1,144,480	30.08
30 Business Days	24,794	733,770	29.60
60 Business Days	18,336	533,211	29.08
120 Business Days	12,479	355,291	28.47
180 Business Days	21,542	610,220	28.33

From the aforementioned valuation method, the range of value of the Business's ordinary shares is between THB 28.33 – 30.43 per share. The aforementioned method assumes that the market prices during such periods reflect the fair prices of the Business being traded on the SET, where the investors should take into account the various fundamental factors of the Business such as future profit-generating ability, growth potential and future competitiveness. However, the share has relatively low liquidity. Trading volume of the Business share during the past 5, 15, 30, 60, 120 and 180 business days was in the range of 12,479 – 72,810 shares per day or approximately 0.002 percent - 0.012 percent of total paid up shares of the Business. Therefore, considering to the liquidity and trading volume of the share in SET, the Financial Advisor considers that the valuation of shares by this method has limitation and may not reflect the fair value of the Business's shares. As a result, Historical Market Price Approach is inappropriate for determining the fair value of the Business's ordinary shares.

4.4 Market Comparable Approach

Market Comparable Approach is a valuation method which values the Business's shares in comparison to trading multiples of listed companies with similar business in terms of size, products, and market under assumption that listed companies which have similar businesses and operating under similar market conditions shall have similar trading multiples. However, due to the lack of listed comparable companies in SET, the Financial Advisor considers expanding the selected companies in Southeast Asia to be used as reference for this approach. Given that main business of the Business is fertilizer business which involves import, manufacturing, and distribution various formulas of chemical fertilizer such as NPK (nitrogen, phosphorus, and potassium) based fertilizer. Therefore, Financial Advisor has selected companies from the companies listed in the Southeast Asia who have similar main business of import, manufacturing and distribution of similar fertilizer products in order to use as reference in determining value in total of 5 companies as follows:

Company name (Ticker)	Country	Business Description
Petrovietnam Fertilizer & Chem ("DPM")	Vietnam	DPM is one of the leading urea producer Vietnam. The company owns the Phu My urea plant with capacity of 800,000 tonnes an NPK-NH3 plant with capacity of 250,000 tonnes and a distribution network of 3,000 points of sale. It offers urea, DAP, potassium, NPK, organic microorganism, as well as conducts trading business for other fertilzers.
PetroVietNam Ca Mau Fertilizer ("DCM")	Vietnam	DCM is one of the largest urea producers in Vietnam with an annual capacity of 800,000 tonnes of granular urea and an NPK plant with a capacity of 300,000 tonnes. The company also exports its product to other countries namely, Cambodia, Thailand, Myanmar, India, Bangladesh, Brazil, Japan, Korea, and Sri Lanka.
Binh Dien Fertilizer JSC ("BFC")	Vietnam	BFC is one of the leading NPK manufacturers in Vietnam. The company's principal products include NPK, NPK+TE, specialized, organic and bio-organic, and leaf fertilizers, as well as cattle-feed and aqua-products. It is also involved in producing, processing, and packaging insecticides and import and export of fertilizers.
Lam Thao Fertilizers & Chemicals ("LAS")	Vietnam	LAS manufactures and trades in fertilizers and chemicals in Vietnam. It offers superphosphate, NPK fertilizer products. The company was formerly known as Lam Thao Super Phosphate Factory and changed its name to Lam Thao Fertilizers & Chemicals Joint Stock Company.
PM Thoresen Asia Holdings PCL ("PMTA")	Thailand	PMTA is an investment holding company which manufactures and sells fertilizer and agrochemical products primarily in Vietnam. The company owns 100% of Baconco Company Limited ("Baconco") that operates the agrochemical business and factory area management services in Vietnam. Also, the Company owns 100% of PM Thoresen Asia (Singapore) Pte. Ltd. ("PMTS") that was incorporated to handle the raw material procurement to support Baconco's agrochemical business. For Baconco, the subsidiary develops, manufactures, markets and distributes mixed fertilizers, compound fertilizers and single fertilizers with a total production capacity of approximately 450,000 metric tons per year and had the packaging capacity of 550,000 metric tons per year. Baconco's fertilizers distributed in Vietnam, Laos PDR and Cambodia are under the "STORK" trademark it exports fertilizers relation over 30 countries worldwide with main clusters of customers in Africa, MEA and SEA.

Source: Capital IQ, Company Public Disclosure

4.4.1 Price to Earnings Ratio or P/E Ratio

Valuation range based on Price to Earnings Ratio: P/E Ratio approach is calculated from trailing and forward P/E of actual and forecasted periods of comparable companies as follows:

	P/E (times)		
Comparable Company	Latest Trailing As of 13 March 2023)	2023E	2024E
DPM	2.5x	4.9x	7.5x
DCM	3.1x	5.7x	6.4x
BFC	7.3x	5.0x	n.a.
LAS	12.0x	n.a.	n.a.
РМТА	13.1x	n.a.	n.a.
Median P/E	7.3x	5.0x	6.9x
Minimum - maximum	2.5x - 13.1x	4.9x - 5.7x (Selected as multiple range)	6.4x - 7.5x (Selected as multiple range)
+/- 0.5 times standard deviation from the median	4.8x - 9.8x (Selected as multiple range)	n.m. ⁽¹⁾	n.m. ⁽¹⁾

Source: Bloomberg as of 13 March 2023

Remark: (1) Not meaningful due to low number of multiple sample size

After multiplying selected multiple range of Trailing, 2023E and 2024E P/E Ratio of the comparable companies with the net profit of the Business in 2022, projected net profit in 2023 and 2024, respectively, the results of the calculation are as follows:

	Unit	Latest Trailing (As of 13 March)	2023E	2024E
EPS	THB per share	1.43	1.55	1.82
EPS Period	Year	Actual 2022	2023 Projection	2024 Projection
Multiple Range	Times	4.8x - 9.8x +/- 0.5 times standard deviation from the median	4.9x - 5.7x Minimum - maximum	6.4x - 7.5x Minimum - maximum
Add (Less): Current Net Cash (Net Interest Bearing Debt)	THB per share	9.19	9.19	9.19
Less: Dividend per share (1)	THB per share	(1.40)	(1.40)	(1.40)
Valuation range	THB per share	14.70 - 21.69	15.40 - 16.69	19.32 - 21.41
Valuation range of Business	THB per share	14.70 - 21.69		

Remark: (1) Dividend to be paid out to the shareholders on 18 May 2023

However, the Financial Advisor considers that this valuation method is subject to many limitations. Despite operating in the similar business, the selected comparable companies are subjected several differences in growth, price regulation and market factors compared to the Business. In addition,

comparable companies do not operate their main businesses in Thailand so their P/E ratio might be further deviate compared to P/E for Thai market which is the main market of the Business. Moreover, the forward P/E of comparable companies derived from analysts' forecast are comprised with few numbers of coverages and such coverages are not from well-known global equity research companies as these companies operate in relatively smaller and unpopular industry. As for historical multiples, the market which comparable companies operated its business faced with several unusual period which significantly affected products price fluctuation and volatility of revenue of the fertilizer business. Hence, the Financial Advisor does not consider historical multiple to be the best representation of future value. Given the above limitations, Price to Earnings Ratio Approach would result in discrepancy of fair value of ordinary share which the Financial Advisor considers that the valuation of shares by this method is inappropriate for determining the fair value of the Business's ordinary shares.

4.4.2 Enterprise value to EBITDA Ratio or EV/EBITDA Ratio

Valuation range based on Enterprise value to EBITDA Ratio: EV/EBITDA Ratio approach is calculated from trailing and forward EV/EBITDA of actual and forecasted periods of comparable companies as follows:

	EV/EBITDA (times)			
Comparable Company	Latest Trailing (As of 13 March)	2023E	2024E	
DPM	0.8x	1.8x	2.8x	
DCM	0.6x	1.3x	1.7x	
BFC	6.0x	n.a.	n.a.	
LAS	7.6x	n.a.	n.a.	
РМТА	7.3x	n.a.	n.a.	
Median EV/EBITDA	6.0x	1.5x	2.3x	
Minimum - maximum	0.6x - 7.6x	1.3x - 1.8x (Selected as multiple range)	1.7x - 2.8x (Selected as multiple range)	
+/- 0.5 times standard deviation from the median	4.3x - 7.8x (Selected as multiple range)	n.m. ⁽¹⁾	n.m. ⁽¹⁾	

Source: Bloomberg as of 13 March 2023

Remark: (1) Not meaningful due to low number of multiple sample size

After multiplying selected multiple range of Trailing, 2023E and 2024E EV/EBITDA Ratio of the comparable companies with the EBITDA of the Business in 2022, projected EBITDA in 2023 and 2024, respectively, the results of the calculation are as follows:

	Unit	Latest Trailing (As of 13 March)	2023E	2024E
EBITDA	THB per share	2.31	2.40	2.76
EBITDA Period	Year	Actual 2022	2023 Projection	2024 Projection
Multiple Range	Times	4.3x - 7.8x +/- 0.5 times standard deviation from the median value	1.3x - 1.8x Minimum - maximum	1.7x - 2.8x Minimum - maximum
EV range of Business	THB per share	9.90 - 17.95	3.08 - 4.35	4.65 - 7.80
Add (Less): Net Cash (Net Interest Bearing Debt)	THB per share	9.19	9.19	9.19
Less: Current Dividend Paid per share ⁽¹⁾	THB per share	(1.40)	(1.40)	(1.40)
Valuation range	THB per share	17.69 - 25.74	10.87 - 12.14	12.44 - 15.59
Valuation range of Business	THB per share		10.87 - 25.74	

Remark: (1) Dividend to be paid out to the shareholders on 18 May 2023

However, the Financial Advisor considers that this valuation method is subject to many limitations. Despite operating in the similar business, the selected comparable companies are subjected several differences in growth, price regulation and market factors compared to the Business. In addition, comparable companies do not operate their main businesses in Thailand so their EV/EBITDA ratio might be further deviate compared to EV/EBITDA for Thai market which is the main market of the Business. Moreover, the forward EV/EBITDA of comparable companies derived from analysts' forecast are comprised with few numbers of coverages while such coverages are not from well-known global equity research companies as these companies operate in relatively smaller and unpopular market compared to others. As for historical multiples, the market which comparable companies operated its business faced with several unusual period which significantly affected products price fluctuation and volatility of revenue of the fertilizer business. Hence, the Financial Advisor does not consider historical multiple to be the best representation of future value. Given the above limitations, Enterprise value to EBITDA Ratio Approach would result in discrepancy of fair value of ordinary share which the Financial Advisor considers that the valuation of shares by this method is inappropriate for determining the fair value of the Business's ordinary shares.

4.5 Discounted Cash Flow Approach

Valuation using the Discounted Cash Flow ("DCF") Approach is a valuation method which considers the fundamentals of the Business by calculating the present values of the estimated future cash flows of the Business using an appropriate discount rate. In general, DCF is used in the cases that there are reliable methods to estimate the future cash flows of a company and the risk factors involved can be identified for the calculation of the discount rate. This method considers the various factors affecting the operation of the Business, such as business plan, growth or changes in demand and/or service

revenue rates, costs management, various factors under estimation of industry and business environments in the future, as well as business and operating structures that are unique to the Business, etc.

The Financial Advisor has prepared a financial projection of the Business under several assumptions based on various sources such as public information, financial statements or financial information, appraisal reports, and information, documents, assumptions and plans received from the Business, as well as discussion with and asking for information from Tender Offers' personal who is familiar with the Business, for the purpose of determining the fair value of the Business's share. Furthermore, the Financial Advisor has taken into account the unfolding of 2019 coronavirus disease (COVID-19) pandemic and the Business's future business plans. Still, after the date of this document, should the economic, political, legal, and other external conditions that have significant effects on the Business's operations, as well as the Business's policies and situation of the Business, change materially from the assumptions, there may be material effects on the share price as calculated using this method as well.

The valuation of the ordinary shares of the Business is based on the value of the Business as of 31 March 2023 (the "Valuation Date"), where the key assumptions used by the Financial Advisor can be summarized as follows:

Key Assumptions to the Projection

Discount Rate

The discount rate used in calculating the discounted cash flow is a rate of return at which investors are expected to receive compared to other investments with the same risk profile as the Business. The selection of an appropriate discount rate must consider the fundamental factors of the Business, such as long-term capital structure, cost of debt, tax rate, risk-free rate, and risk premium, the sensitivity of market return to securities of the Business's return. The Financial Advisor has calculated the weighted average cost of capital ("WACC") of the Business with the details as follows:

WACC =
$$Ke^*(1 - (D / (D + E)) + Kd^*(1 - T)^*(D / (D + E))$$

Where:

Ke = Cost of equity using the Capital Asset Pricing Model ("CAPM") Using the following formula Ke = Rf + β *(Risk Premium)

Kd = Financial cost of the Business

T (tax rate) = Corporate income tax rate (Marginal Tax Rate) equals to 20.0 percent

D/(D+E) = Ratio of interest-bearing debt divided by the sum of market capitalization and interest-bearing debt

Whereas:

Rf = Risk-free rate equals to 4.0 percent, as per outlook from KKPS' research department

β (Beta) = Co-variance between change in market index to price of share (Levered Beta), which is equal to 0.8. The Levered Beta is driven by median of 5-year daily Unlevered Beta of 5 selected comparable companies namely DPM, DCM, BFC, LAS, and PMTA levered with current D/E as target long-term capital structure

Source: Bloomberg as of 13 March 2023

Risk Premium = The difference between the average investment return of the SET and the rate of return on investment in risk-free investment (Rf), as per outlook from KKPS research department, equals to 8.0 percent

Summary Table of WACC Calculation Assumptions

Item	Unit	Value
Risk-free rate (Rf)	Percent	4.0
Risk Premium	Percent	8.0
β (Beta)	Times	0.8
Cost of Equity (Ke)	Percent	10.6
Cost of Debt (Kd)	Percent	5.0
Weight Equity (1 – (D / (D + E))	Percent	97.0
Weight Debt (D / (D + E))	Percent	3.0
T (tax rate)	Percent	20.0
WACC	Percent	10.4

Therefore, the Financial Advisor applies 0.5 percent sensitivity analysis resulting in WACC in the range of 9.9 percent – 10.9 percent.

Terminal Value

For the calculation of the terminal value of the Business, the Financial Advisor assumes that the Business will continue to operate indefinitely after 2027 which is the final year of the projection. The method of calculating the terminal value is as follows:

The Business's terminal	=	Estimated cash flow of the Business in 2027 x (1 + g)
value		(WACC – g)
Estimated cash flow of the Business in 2027E	is	Estimated cash flow from operations of the Business in 2027E
g	is	The growth rate of cash flow from operations of the Business after 2027E which is equal to 2.0 percent
WACC	is	Discount rate of the cash flow equals to 10.4 percent

Assumptions for Projecting the Business's Cash Flow

(ก.) Revenue and Cost of Goods Sold from Fertilizer Business

Revenue from Fertilizer Business

Fertilizer business is a main business of the Business which including import, manufacturing, and distribution various formulas of chemical fertilizer. Actual revenue from fertilizer business in 2018 - 2022 and projection for 2023E - 2027E are as follows:

Fertilizer Business			Historical			Projected				
(THB Million)	2018	2019	2020	2021	2022	2023E	2024E	2025E	2026E	2027E
Revenue from fertilizer business	9,856	8,442	9,096	11,642	12,509	12,999	10,957	9,236	9,641	10,065
Revenue growth (%)	(10.6%)	(14.3%)	7.7%	28.0%	7.4%	3.9%	(15.7%)	(15.7%)	4.4%	4.4%

Due to different growth and margin, the Financial Advisor has breakdown fertilizer products for a purpose of the valuation as follows:

- (1) Processing Thailand is a fertilizer product that has been produced and sold in Thailand.
- (2) Imported Thailand is a fertilizer product that has been produced outside Thailand and sold in Thailand.
- (3) Cambodia is a fertilizer product that has been produced in or outside Thailand and sold in Cambodia.
- (4) Myanmar is a fertilizer product that has been produced in or outside Thailand and sold in Myanmar.

In Thailand, the Department of Internal Trade has strict control over all activities related to fertilizers, including their selling prices. The Committee of the Department of Internal Trade sets suggested prices for certain types of fertilizers, and manufacturers and retailers of these fertilizers are prohibited from selling above these prices unless they can provide additional details or evidence to justify the increase.

Due to the strict control of selling prices and volatile raw material costs for locally processed fertilizer products in Thailand, the gross margin has been under pressure. However, for imported fertilizer products in Thailand, the Company is able to transfer the cost burden to customers, resulting in a stable gross margin for imported products.

The competition in the fertilizer market in Thailand is becoming more intense. As a few major operators control the market, there is strong competition for prices and promotions, which include discounts and other promotional campaigns. However, the demand for fertilizer in Thailand is gradually increasing, at a CAGR of around 2%⁽¹⁾ from 2022 to 2026, mainly driven by an increase in rice plantation.

For Cambodia and Myanmar fertilizer markets, there are no price control, so the average selling price is higher and gross margin is more stable than processed fertilizer products in Thailand. The demand for fertilizer in Cambodia and Myanmar are gradually increasing, at a CAGR of around 2.8%⁽¹⁾ and 5.0%⁽¹⁾,

respectively from 2022 to 2026. However, for imported products in Myanmar, the Financial Advisor predicts an improvement in GPM to reach a mature level of 15% by 2027E, since a local office was established there in 2019.

Source: (1) Reportlinker

Based on the product grouping mentioned above, the forecasted revenue is driven by fertilizer sales volume and average as follows:

Fertilizer Business			Historical					Projected		
rentilizer business	2018	2019	2020	2021	2022	2023E	2024E	2025E	2026E	2027E
Sales Volume (metric to	n)									
Total	834,502	714,925	804,526	913,326	609,057	737,157	753,854	770,977	788,541	806,559
% Volume growth	(7.3%)	(14.3%)	12.5%	13.5%	(33.3%)	21.0%	2.3%	2.3%	2.3%	2.3%
(1) Processing Thailand	554,593	481,121	532,657	682,207	508,487	573,705	585,179	596,883	608,820	620,997
% Volume growth	n.a.	(13.2%)	10.7%	28.1%	(25.5%)	12.8%	2.0%	2.0%	2.0%	2.0%
(2) Imported Thailand	208,309	172,774	200,781	142,277	32,503	80,865	82,482	84,132	85,815	87,531
% Volume growth	n.a.	(17.1%)	16.2%	(29.1%)	(77.2%)	148.8%	2.0%	2.0%	2.0%	2.0%
(3) Cambodia	26,907	19,788	25,490	31,307	13,234	23,850	24,518	25,204	25,910	26,635
% Volume growth	n.a.	(26.5%)	28.8%	22.8%	(57.7%)	80.2%	2.8%	2.8%	2.8%	2.8%
(4) Myanmar	44,693	41,242	45,598	57,535	54,833	58,737	61,674	64,758	67,996	71,396
% Volume growth	n.a.	(7.7%)	10.6%	26.2%	(4.7%)	7.1%	5.0%	5.0%	5.0%	5.0%
Average Selling Price (T	HB per me	tric ton)								
(1) Processing Thailand	12,187	12,115	11,543	12,899	20,418	17,684	14,567	12,000	12,240	12,485
(2) Imported Thailand	11,735	11,897	11,109	13,290	23,371	20,242	16,674	13,735	14,010	14,290
(3) Cambodia	11,932	12,133	11,362	14,173	24,637	21,338	17,577	14,479	14,769	15,064
(4) Myanmar	13,081	11,442	12,139	14,876	26,366	22,757	18,746	15,442	15,751	16,066

In 2022, the Business encountered various challenges, one of which was the high cost of raw materials. This increase in prices had a major impact on the balance of supply and demand in the global fertilizer market, especially with the ongoing conflict between Russia and Ukraine. Consequently, the prices of domestic fertilizers almost doubled compared to the previous year and there was a decrease in demand for fertilizers.

Even the global fertilizer price has been declined gradually since late of 2022, industry experts, the Financial Advisor and the Tender Offerors anticipate that the price will still remain relatively high in 2023. Therefore, the Financial Advisor and the Tender Offerors expect that there will be an increase in fertilizer demand in 2023, with a projected amount of 737,157 metric tons. For 2024E onwards, the Financial Advisor has predicted that the Business's fertilizer sales will grow at the same rate as the industry's CAGR, which is expected to be 2.0% for Thailand, 2.8% for Cambodia, and 5.0% for Myanmar.

Due to the historical correlation between global fertilizer and oil price index, the industry research analyst and the Financial Advisor, predict a continuation of the decreasing trend in fertilizer prices in the coming years, based on the past pattern of global fertilizer and oil prices. Therefore, the Financial Advisor has projected that the average selling price of processing products in Thailand will drop to THB 12,000 per metric ton by 2025E and will grow at 2% thereafter (the THB 12,000 per metric ton is based on the 10-year average fertilizer selling price in Thailand). The Financial Advisor has also applied the same growth rate for the average selling price of the other product groups.

Cost of Goods Sold from Fertilizer Business

Actual cost of goods sold from fertilizer business in 2018 – 2022 and projection for 2023E – 2027E are as follows:

Fertilizer Business		Historical					Projected				
Fertilizer Business	2018	2019	2020	2021	2022	2023E	2024E	2025E	2026E	2027E	
Cost of goods sold (Cost of goods sold (THB Million)										
Total	7,710	6,785	6,785	9,355	11,156	11,315	9,148	7,386	7,714	8,056	
Processing Thailand	4,932	4,337	4,079	6,927	9,504	8,797	6,980	5,519	5,742	5,974	
Imported Thailand	2,113	1,825	1,970	1,599	659	1,424	1,196	1,005	1,046	1,088	
Cambodia	275	211	248	371	269	432	366	310	325	341	
Myanmar	538	472	511	775	1,265	1,270	1,098	949	1,015	1,087	

The forecasted cost of goods sold is driven by gross profit margin which the Financial Advisor expects it will come back to long-term level at 20% in 2025 onwards, the breakdown by types of fertilizer products are as follows:

Fertilizer Business	Historical					Projected				
rerunzer business	2018	2019	2020	2021	2022	2023E	2024E	2025E	2026E	2027E
GPM (%)										
Total	21.8%	19.6%	25.4%	19.6%	10.8%	13.0%	16.5%	20.0%	20.0%	20.0%
Processing Thailand	27.0%	25.6%	33.7%	21.3%	8.5%	13.3%	18.1%	22.9%	22.9%	22.9%
Imported Thailand	13.6%	11.2%	11.7%	15.5%	13.3%	13.0%	13.0%	13.0%	13.0%	13.0%
Cambodia	14.5%	12.1%	14.5%	16.4%	17.6%	15.0%	15.0%	15.0%	15.0%	15.0%
Myanmar	8.0%	(0.1%)	7.8%	9.4%	12.5%	13.1%	13.6%	14.0%	14.5%	15.0%

The Financial Advisor expects that the gross profit margin (GPM) of imported products in Thailand and Cambodia will remain constant at 13% and 15%, respectively, based on the 5-year historical average of 2018-2022. However, for imported products in Myanmar, the Financial Advisor predicts an improvement in GPM to reach a mature level of 15% by 2027E, since a local office was established there in 2019. The blended GPM is expected to improve to 20% in 2025E and remain at that level until the terminal year, mainly driven by processing products in Thailand, due to the price hike and ceiling price set by regulators.

(2).) Revenue and Cost of Goods Sold from Other Businesses

Revenue from other businesses is driven by two subsidiaries 1) MC Agro-Chemicals Co., Ltd., an importer and distributor of herbicide, fungicide, and insecticide for agriculture, and 2) N.I.M. Co., Ltd., an owner, and operator of the tank terminal for storage of liquid chemicals for industrial uses. Actual revenue from other businesses in 2018 – 2022 and projection for 2023E – 2027E are as follows

Other Business Historical					Projected					
(THB Million)	2018	2019	2020	2021	2022	2023E	2024E	2025E	2026E	2027E
Revenue from other business	466	372	339	445	377	385	392	400	408	416
Revenue growth (%)	(10.4%)	(20.1%)	(9.0%)	31.4%	(15.3%)	2.0%	2.0%	2.0%	2.0%	2.0%

Since the Business does not have any plans to expand its other businesses, including pesticide and chemical tank rental, the Business's revenue from other businesses is assumed to increase at an inflation rate of 2% during the period of 2023E-2027E. Additionally, the Business's margin is assumed at constant rate of 36.1%, based on the 5-year historical average of 2018-2022.

a. Selling, General & Administrative expenses (SG&A)

Selling, General & Administrative expenses (SG&A) comprises variable portion and fix portion which actual amount in 2018 – 2022 and projection for 2023E – 2027E are as follows:

(THB Million)			Historical			Projected				
(TTIB WIIIIOII)	2018	2019	2020	2021	2022	2023E	2024E	2025E	2026E	2027E
Total SG&A	715	704	671	553	551	743	685	639	663	688
% total revenue	6.9%	8.0%	7.1%	4.6%	4.3%	5.5%	6.0%	6.6%	6.6%	6.6%
Variable SG&A	n.a.	n.a.	436	315	316	497	431	376	391	407
% total revenue	n.a.	n.a.	4.6%	2.6%	2.5%	3.7%	3.8%	3.9%	3.9%	3.9%
Fix SG&A	n.a.	n.a.	238	235	240	248	256	265	274	283
% growth	n.a.	n.a.	n.a.	(0.9%)	2.0%	3.3%	3.3%	3.3%	3.3%	3.4%

- (1) Variable SG&A: The marketing expenses and bonus portion comprises a half of the total variable selling, general and administrative expenses (SG&A), and these expenses are typically budgeted based on sales value. Therefore, variable SG&A is assumed at 3.9% to total revenue, based on the 3-year historical average from 2020-2022.
- (2) Fix SG&A: The salary and staff cost represent around 60-68% of the total fixed selling, general and administrative expenses (SG&A). The salary and staff cost are expected to increase at a rate of 4% per year, while the remaining fixed SG&A is anticipated to increase at a rate of 2% per year. As a result, total fixed SG&A is to be increase at a rate of 3.3% per year.

b. Other assumptions

- (1) **Tax Expense Assumptions:** 20 percent of the earnings before tax of the Business through the projection period equivalent to the current corporate tax rate.
- (2) **Working Capital Assumptions:** The Financial Advisor has estimated working capital based on 5-year average historical between 2018 and 2022 of the audited consolidated financial statements of the Business throughout the forecasted period. In summary, the details are as follows:

Working capital	Unit	Working capital duration
Account receivables days	Days	17.4
Account payable days	Days	27.1
Inventories days	Days	94.2

(3) Capital Expenditure Assumptions (Capital Expenditure: CAPEX): The Business has no plans to increase its production capacity in its current operations and also has no intention to invest in any new business. Therefore, the forecasted Capital Expenditure comprises only 1) Capital expenditure for maintenance of long-life assets including land, buildings and equipment and 2) Capital expenditure for right-of-use assets for business operation of the Business including land, building, and equipment.

Capital expenditure for maintenance of long-life assets including land, buildings and equipment is estimated at THB 280 million per year or 2.1-2.9% of total revenue in 2023E-2027E.

Capital expenditure for right-of-use assets for business operation of the Business including land, building, and equipment is estimated under the assumption that the Business continue to lease those assets to ensure business continuity. Therefore, investment in right-of-use assets is estimated to be equal to right-of-use depreciation cost over the forecast period.

Summary of Financial Projection and Cash Flow Projection

The Financial Advisor has prepared financial projections based on the income statement of the Business. In summary, the details are as follows:

Summary of Financial Projection		I	Projection year		
(THB million)	2023E	2024E	2025E	2026E	2027E
Revenue from fertilizer business	12,999	10,957	9,236	9,641	10,065
Revenue from other business	385	392	400	408	416
Total revenue	13,384	11,349	9,636	10,050	10,481
Cost of goods sold from fertilizer business	(11,315)	(9,148)	(7,386)	(7,714)	(8,056)
Cost of goods sold from other business	(246)	(251)	(256)	(261)	(266)
Total SG&A	(743)	(685)	(639)	(663)	(688)
Interest income	64	64	64	64	64
Other income	31	31	31	31	31

Summary of Financial Projection		ı	Projection year		
(THB million)	2023E	2024E	2025E	2026E	2027E
Earnings before interest and tax (EBIT)	1,175	1,360	1,451	1,507	1,566
Interest Expense	(10)	(3)	(3)	(3)	(3)
Earnings before tax (EBT)	1,165	1,357	1,448	1,505	1,563
Tax	(233)	(271)	(290)	(301)	(313)
Non-controlling interests	(23)	(23) (23) (2		(23)	(23)
NI of the Business	909	1,063	1,136	1,181	1,228

The Financial Advisor has prepared cash flows projects of the Business. In summary, the details are as follows:

Summary of Financial Projection (THB	Projection year				
million)	2023E	2024E	2025E	2026E	2027E
Earnings before interest and tax	1,175	1,360	1,451	1,507	1,566
Less: Income tax	(235)	(272)	(290)	(301)	(313)
Add: Depreciation and amortization	293	321	349	377	405
Add: Change in net operating working capital	836	507	408	(74)	(78)
Less: Capital expenditure (CAPEX)	(300)	(300)	(300)	(300)	(300)
Free Cash Flow to Firm	1,769	1,615	1,618	1,208	1,280

According to the aforementioned assumptions, the Financial Advisor has prepared a valuation of the Business using a discounted cash flow method as of 31 March 2023 at a discount rate of 10.4%. In summary, the details are as follows:

Items	Unit	Value	
The net present value of the Business's cash flows	THB million	5,463	
The net present value of the Business's Terminal Value	THB million	9,747	
Enterprise Value	THB million	15,209	
Add: Cash and cash equivalent (1)	THB million	(340)	
Less: Interest-bearing debt (1)	THB million	6,293	
Less: Dividend payment (2)	THB million	(819)	
Equity Value	THB million	20,344	
Number of issued and paid-up shares	Million shares	584.71	
Value of the Business	THB per share	34.79	

Remark

- (1) Cash and cash equivalent and interest-bearing debt are as of 31 March 2023
- (2) Dividend to be paid out to the shareholders on 18 May 2023

Sensitivity Analysis of the Business's Share Price to Various Key Assumption Changes

The Financial Advisor has prepared sensitivity analysis to various key assumption changes which could have material effects on the value of the Business, which is appropriate discount rate. The discount rate is sensitized over a range of +/- 0.5 percent, with the summary of the valuations as follows:

	Discount Rate of 9.9%	Discount Rate of 10.4%	Discount Rate of 10.9%
Terminal Growth Rate of 1.5%	35.18	33.78	32.52
Terminal Growth Rate of 2.0%	36.35	34.79	33.41
Terminal Growth Rate of 2.5%	37.67	35.94	34.41

Based on the aforementioned method, it is found that the price of the ordinary shares of the Business lies in the range of THB 32.52 - 37.67 per share.

The Financial Advisor considers that the value based on the net present value of the DCF is an appropriate method of fair value determination, as the method takes into account the operating performance and capability of the Business from various factors, such as historical performance, business and operating structures that are unique to the Business. As such, the Financial Advisor, using assumptions and information received from the Business, under economic and industry condition forecast based on current and future circumstances, recovery of the economy and industry after the COVID-19 situation, as well as sensitivity analysis of the impact to the Business's share value due to changes in key assumptions, reflects the fair value range of the Business's ordinary shares.

Nonetheless, the valuation of the fair value of the Business is prepared based on information and assumptions received from the Business under the current economic condition and current situation. Any changes to the business plan, policy of the Business or the economic condition or unusual event may cause on significant changes to the current business operations of the Business or changes from projections and assumptions, which may cause significant changes to the projection and may also affect the valuation of the Business.

Kiatnakin Phatra Securities Public Company Limited, as the Tender Offerors' Financial Advisor, evaluated the prices based on the SEC's criteria, as mentioned above. Based on such prices, the Tender Offerors have to determine the Offer Price, which shall not be lower than the highest price calculated based on the SEC's criteria. Considering the prices according to the criteria of the SEC, the Tender Offerors set the Offer Price at THB 40.0 per share

- 8.2 The highest Offer Price acquired by the Tender Offer, or persons under Section 258 during the period of 90 days prior to the date of submission of the Tender Offer to the SEC
 - Not applicable -
- 9. Acquisition of shares before submission of the Tender Offer (applicable only in case of a partial offer in accordance with Chapter 5 of the SEC Notification No. TorChor. 12/2554)
 - Not applicable in this case -

Part 5

Certification of the Information

We hereby certify that

- (1) We intend to conduct this Tender Offer
- (2) The Offer Price in this Tender Offer is in accordance with the provision of the Notification of the Capital Market Supervisory Board No. TorChor. 12/2554
- (3) We intend to comply with the plan which we have specified in this Tender Offer
- (4) Information contained in this Tender Offer is correct and accurate and that there is no information contained herein that may mislead other persons in any material aspects and there is no concealment of material information which should have been notified

Sojitz Corporation

-Ryutaro Hirai-

(Mr. Ryutaro Hirai)

Authorized Director

ISTS (Thailand) Company Limited

-Varunee Archamongkol-

(Miss Varunee Archamongkol)

Authorized Director

The Tender Offerors

We as the Tender Offer Preparer of this Tender Offer have complied with requirements set out in the Notification of the SEC re: approval for Financial Advisor and a scope of work and hereby certify that:

- (1) We have reviewed and considered that the information of the Tender Offerors disclosed in the Tender Offer and believed that the information of the Tender Offerors disclosed in this Tender Offer is accurate and complete, and there is no information that may mislead other persons in any material aspects and there is no concealment of material information which should have been notified.
- (2) We have reviewed the financial evidence and consider that the Tender Offerors can actually perform the obligations under the above Tender Offer.
- (3) We have reviewed the policies and plans of the Business as stated in Section 2 of Part 3 regarding Information of the Business and consider that:
 - i. The Tender Offerors can comply with the abovementioned policies and plans of the Business;
 - ii. The assumptions used for setting out of the policies and plans of business operation have been prepared reasonably; and
 - iii. The effects and risks which may impact the Business or the securities holders are clearly and sufficiently explained;
- (4) We have examined evidence on the acquisition of securities of the Business by the Tender Offerors or the persons prescribed under Section 258 during 90 days before the date of submission of the Tender Offer and the Offer Price, and have no doubt on the compliance of the Offer Price with the regulation under the Capital Market Supervisory Board No. TorChor. 12/2554; and
- (5) We have carefully and prudently studied and reviewed the completeness and accuracy of the information contained in this Tender Offer and view that the information is complete and correct and that there is no information contained herein that may mislead other persons in material aspects and there is no concealment of material information which should have been notified.

Kiatnakin Phatra Securities Public Company Limited

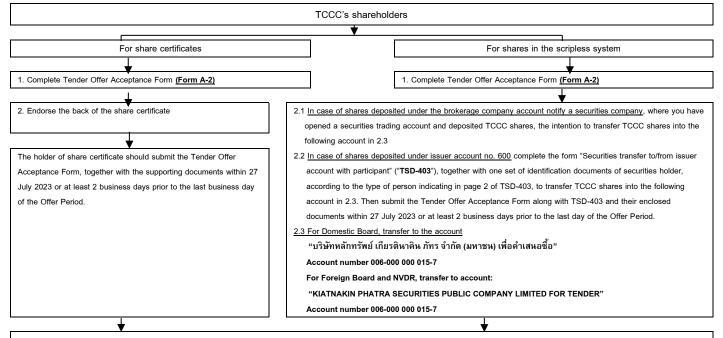
- Aphinant Klewpatinond -	- Supachoke Supabundit -		
(Mr. Aphinant Klewpatinond)	(Mr. Supachoke Supabundit)		
Authorized Director	Authorized Director		

Tender Offer Preparer

Tender Offer Acceptance Procedures and Forms

A-1	Tender Offer Acceptance Procedures of the Ordinary Shares
	of Thai Central Chemical Public Company Limited
A-2	Tender Offer Acceptance Form of the Ordinary Shares
	of Thai Central Chemical Public Company Limited
A-3	Form for Confirmation of Cost of Tendered Shares (Only for foreign juristic person
	not operating business in Thailand)
A-4	Power of Attorney for the Tender Offer Acceptance
	of Thai Central Chemical Public Company Limited

Tender Offer Acceptance Procedures of the Ordinary Shares of Thai Central Chemical Public Company Limited ("TCCC")



3. Enclose the following certified document (s) (in case of share certificate, please attach 1 extra certified copy of identification document)

- For Thai individual
 - 1. A certified true copy of valid identification card; or
 - A certified true copy of valid civil servant identification card or state enterprise employee identification card that shows 13-digit identification number
 - In case of copy of lifelong identification card, civil servant identification card or state enterprise
 employee identification card, a certified true copy of household registration is required. The name
 and address shown on such household registration must be the same as on lifelong identification
 card.
- 2) For Foreign individual
 - 4. A certified true copy of valid Alien Certificate or passport
- For Thai juristic person
 - 3.1 A copy of the affidavit issued by the Ministry of Commerce ("MOC") not more than 6 months prior to the last day of the Offer Period, certified by authorized signalory(ies), and affixed with company seal (if any), of the juristic person; and
 - 2.2 A copy of documents specified in 1) or 2) (as the case may be) of authorized directors who certified Tender Offer Acceptance Form and the document specified in 3.1
- For Foreign juristic person
 - 4.1 A copy of the certificate of incorporation and corporate affidavit issued by the officer of the juristic person or the government authority of the county in which the juristic person is located, certifying the name of juristic person, the authorized person(s), the location of head office and power or conditions of signing authorization and issued, not more than 6 months prior to the last day of the Offer Period, certified by authorized signatory(ies), and affixed with company seal (if any), of the juristic person; and
 - 4.2 A copy of documents specified in 1) or 2) (as the case may be) of authorized directors who certified Tender Offer Acceptance Form and the document specified in 4.1

Each copy of the certified documents specified in 4.1 and 4.2 must be certified by a Notary Public and by an official of the Thai Embassy or the Thai Consulate in the country where the documents were prepared, of which is not more than 6 months prior to the last day of the Offer Period.

- 5) A foreign juristic entities not carrying on business in Thailand and does not reside in country which entered into a double taxation treaty with Thailand or such treaty was not exempted from withholding tax on capital gain from sale of shares in Thailand
 - The Offeree is required to fill in the "Form of Confirmation of Cost of Tendered Shares". If the Offeree fails to declare the cost of tendered shares and provide the evidence to the satisfaction, the Tender Offer Agent will deduct the withholding tax by computing the withholding tax from of the Offer Price multiplied by all of the number of tendered shares of TCCC or NVDRs that such Offeree expresses intention to sell.
- 6) The Offeree, who requires to receive the money transfer through his/her bank account specified in Part 4 Section 4.1, must provide a certified true copy of the page of the savings deposit pass book or current account statement which shows account name and account number, and be able to transfer through automatic transfer system.
- 7) In the event that the name prefix or name or last name of the shareholder stated on the share certificate is different from those stated in the identification card, or in case the juristic entity's name of the shareholder stated on the share certificate is different from their name or surname stated in Company Affidavit issued by the Ministry of Commerce (in case of Thai juristic entities) or Certificate of Commercial Registration (in case of Foreign juristic entities), the Offeree has to complete the "Request Form for Rectifying Items in the Security Holder Record" prescribed by the Thailand Securities Depository Co., Ltd ("TSD") ("TSD-301"), enclosed in Attachment 4, together with the certified true copy of the official documents such as marriage certificate, divorce certificate, or notification of change of name, as the case may be. The rectified name must be the same as that stated in the identification card, civil servant identification, state enterprise employee card, company affidavit or certificate of commercial registration, as the case may be.

In case of security holder's authorized representative

- (a.) Power of Attorney affixed with THB 10 or THB 30 stamp duty (as the case may be) (Form A-4)
- (b.) Certified as true copy of identification document of the attorney-in-fact and security holder as specified in 1) or 2) or 3) or 4), as the case may be

4. Kindly submit all documents to:

Operations, Kiatnakin Phatra Securities Public Company Limited

12A floor, 209 KKP Tower A, Sukhumvit 21 (Asoke), Khlong Toey Nua, Wattana, Bangkok 10110, Thailand

Telephone: 02-165-5555 Press 4, Information inquiry every business day from 8.00 a.m. to 6.00 p.m.

Or send to your broker that you have the trading account and deposited the security to compile the necessary documents before submitting them to Kiatnakin Phatra Securities

"The holder of share certificate should submit the Tender Offer Acceptance Form, together with the supporting documents at least 2 business day prior to the last business day of the Offer Period."

"The Tender Offer Agent will not accept any documents submitted by mail."

Map of Kiatnakin Phatra Securities Public Company Limited



Tender	Offer Acceptance Form	of the Ordinary Shares of	Thai Cen			
Date				Acceptance	Form No	
						y Limited as the "Tender Offer Agent"
	•					ry
Contact Telephone	•			Occcupation		
Address appears in personal ID card	•		lease spe	cify)		
						elephone
Current Address Same as contact accard/House Registration Address (Pleas						e address appears in personal ID Tambon/Sub-district
Amphur/DistrictProvin	ice Post	tal Code	Count	ry	<u></u>	
						n relating to trading of precious stones,
						the law governing selling by auction and stic or cross-border, that is not a financial
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In case of a foreigner (Please specify A	ddress in the country of c	:itizenship)	ess (ivame	and Address) Addr	ess in Thailand	
Source of income from: Thailand	Others (Please specify	the country)				
Source of payment (can select more than						
Juristic person: ☐ ! Please specify type of the Offeree of TO		Others (Please specify)		Tax Payer ID.		
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Foreign Individual Alien	Certifica	te/ Passport No				
Thai Juristic Person	•					
Foreign Juristic Person who enga Foreign Juristic Person who does						
I/We accept to sell						
shares of Thai Central Chemical Public	Company Limited at the	Offer Price of THB 40.0 (For	rty Baht) p	er share to be receive	ed by the entitled sha	reholders of TCCC. After deducting the
brokerage fee of 0.25 percent of the Off		. , .		•		
Baht)). The Total Net Amount is THB						the Tender Offer document and will not
			-			or the revocation is the 20 th business day
of the Offer Period which falls on 26 Jun					,	•
	-	proxy to sell, transfer, deliv	er ordina	ry shares, arrange the	payment procedure	as per details below, and process other
necessary relevant actions to Tender O	•	is and IMAs have road ther	oughly or	d calmanuladaed the	Drivagy Nation on in	the Financial Business Craun's website
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Form for Confirmation of Cost of Tendered Shares

(For Foreign Juristic Person not carrying business in Thailand)

		Date	
•	ISTS (Thailand) Company Limit	•	r Offerors ") and Kiatnakin
Phatra Securities Public Compa	any Limited (the " Tender Offer A	.gent")	
With reference to t	he Tender Offer to purchase o	ordinary shares of Thai	Central Chemical Public
	he Tender Offerors,I/We	•	
	Tax		
accept to sell	ordinary shares of TCCC. I	/We hereby declare the	cost of tendered shares as
the evidence for the withholding	g tax purpose as follow:		
Share Certified No. /			
Transfer Slip No.	Registered Shareholder Name	Number of Shares	Cost (THB/share)
(Transfer Date)	Name		(THB/Silare)
	Total		
I/We hereby attached _			page(s) as
supporting evidence of costs of	shares / warrants for withholdin	g tax calculation.	
I/We hereby certify that the afor	rementioned statement is true ar	nd I/We have read thoro	ughly and acknowledged
the Privacy Notice as in the Fin	ancial Business Group's website	www.kkpfg.com/datapro	otection or other channels.
In case where I/we provided an	y personal data of any other dat	a subject, I/we hereby re	epresent and warrant that
I/we have the lawful authorization	on to disclose such personal dat	a to the companies in Fi	inancial Business Group.
	Sinned		Offeree
	oignou		\

Note If the Offeree, Foreign Juristic Person who does not carry-on business in Thailand, fails to declare the cost basis or attach the evidence that demonstrates the cost basis, the Tender Offer Agent will determine the amount of withholding tax based on the entire gross amount of the shares sold.

POWER OF ATTORNEY FOR TENDER OFFER ACCEPTANCE OF THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED ("TCCC")

Affix Stamp Duty

Made at		Date
		ia mail)
Postal Code	Country	Contact Telephone
Nationality	Contact Address (that can be reached b	oy mail)
-	as above	ifferent from above (Please specify)
Postal Code	Country	Contact Telephone
to act as my/our attorney to		
Sell, transfer and submit the sh	ares of TCCC through the Tender Offer Age	ent
Collect the proceeds from the s	cale of shares of TCCC as payment due to a	acceptance of Tender Offer
I/We hereby certify that as in the Financial Business Group	's website www.kkpfg.com/dataprotection eby represent and warrant that I/we have	rany). and I/We have read thoroughly and acknowledged the Privacy Notice of or other channels. In case where I/we provided any personal data the the lawful authorization to disclose such personal data to the
		Grantor
	,)
		_Attorney-in-fact
	()
		Witness
	()
		Witness
	()

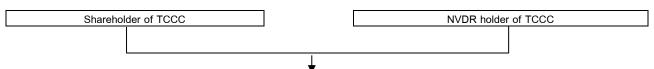
Notes:

- 1. A power of attorney executed with 10-THB stamp duty affixed in case of authorizing to perform the submission of Tender Offer Acceptance Form for of the Ordinary Shares or receiving a cheque for the payment of ordinary shares only,
- or 30-THB stamp duty affixed in case of authorizing to perform both the submission of Tender Offer Acceptance Form of the Ordinary Shares and receiving a cheque for the payment of ordinary shares
- 2. The grantor is required to attach the following documents with certified true copies of the authorized representatives(s):
 - a. Certified true copies of ID card (Thai Individual) or
 - b. Certified true copies of Company Registration and Company Certification (Thai Juristic Person) or
 - c. Certified true copies of passport or alien certificate (Foreign Individual)
- 3. The attorney-in-fact is required to attach the following documents with certified true copies of the authorized representatives(s):
 - a. Certified true copies of ID card (Thai Individual) or
 - b. Certified true copies of Company Registration and Company Certification (Thai Juristic Person) or
 - c. Certified true copies of passport or alien certificate (Foreign Individual)
- 4. In case that the grantor and/or attorney-in-fact is foreign juristic person the true copies of corporate affidavit, certificate of Incorporation, passport or alien certificate must be certified by the notary public officer and Thai embassy or Thai consulate in the country where the documents were prepared not more than six months prior to the last day of the Offer Period.

Tender Offer Cancellation Procedures and Forms

B-1	Tender Offer Cancellation Procedures of the Ordinary Shares
	of Thai Central Chemical Public Company Limited
B-2	Tender Offer Cancellation Form of the Ordinary Shares
	of Thai Central Chemical Public Company Limited
B-3	Power of Attorney for the Tender Offer Cancellation of Thai Central
	Chemical Public Company Limited

Tender Offer Cancellation Procedures of the Ordinary Shares of Thai Central Chemical Public Company Limited ("TCCC")



- (1) Complete the Tender Offer Cancellation Form of TCCC (Form B-2) and attach receipt of share transfer/ Share transfer through securities depository/ Tender Offer Acceptance Form.
- (2) In case the Offeree has shares deposited under issuer account no. 600, complete the form "Securities transfer to/from issuer account with participant" ("TSD-403"), together with one set of identification documents of securities holder, according to the type of person indicating in page 2 of TSD-403.

(3) Enclose the following certified document(s) (In case of share certificate, please attach 1 extra certified copy of identification document)

- For Thai individual
 - a. A certified true copy of valid Identification Card; or
 - A certified true copy of valid civil servant identification card or state enterprise employee identification card that shows 13-digit identification number
- 2. For Foreign individual
 - a. A certified true copy of valid Alien Certificate or passport
- For Thai juristic person
 - a. A certified true copy of the affidavit issued by the Ministry of Commerce (the "MOC") not more than 6 months prior to the last day of the Offer Period, certified by authorized signatory(ies), and affixed with company seal (if any), of the juristic person; and
 - b. A certified true copy of documents specified in 1) or 2) (as the case may be) of the authorized directors who certified the Tender Offer Cancellation and the document specified in 3.1
- 4. For Foreign juristic person
 - a. A certified true copy of the certificate of incorporation and corporate affidavit issued by the officer of the juristic person or the government authority of the county in which the juristic person is located, certifying the name of juristic person, the authorized person(s), the location of head office and power or conditions of signing authorization and issued, not more than 6 months prior to the last day of the Offer Period, certified by authorized signatory(ies), and affixed with company seal (if any), of the juristic person; and
 - 4.2 A copy of documents specified in 1) or 2) (as the case may be) of authorized directors who certified the Tender Offer Cancellation and the document specified in 4.1. Each copy of the certified documents specified in 4.1 and 4.2 must be certified by the Notary Public officer and then authenticated by an official of the Thai Embassy or the Thai Consulate, in the country of issuance or certification thereof, all of which is issued not more than 6 months prior to the last day of the Offer Period.

Please enclose the transfer fee of THB 20 per transaction in cash (for scripless shares)

Additional documents required in case where the Offeree is represented by an authorized representative

- 1. Original copy of Power of Attorney affixed with THB 10 of duty stamp (Form B-3)
- 2. Copies of documents proof of identify of the grantor and attorney-in-fact as specified in 1) or 2) or 3) or 4) (as the case may be)
- Note: 1. The Tender Offer Agent will return shares to the Offeree making a cancellation in the form in which such shares were tendered (Share certificates or scripless shares), and the Offeree cannot request for a change in the form of shares. For scripless share, the account of the transferee must be under the same name as the Offeree who makes a cancellation. For the scripless shares, there is share transfer fee of THB 20 per transaction.
 - In the cancellation, the Offeree is required to cancel the total amount of shares intention to sell as specified in each Tender Offer Acceptance Form.

Kindly submit all documents within the first 20 business days of the Offer Period to

Operations Department

Kiatnakin Phatra Securities Public Company Limited

12A floor, 209 KKP Tower A, Sukhumvit 21 (Asoke),

Khlong Toey Nua, Wattana, Bangkok 10110

Telephone: 02-165-5555 Press 4, Information inquiry every business day from 8.00 a.m. to 6.00 p.m.

"Those who want to cancel the intention to sell ordinary shares/ NVDR shall submit cancellation form only to Tender

Offer Agent"

"The Tender Offer Agent will not accept documents sent by post"

TENDER OFFER CANCELLATION FORM OF THE ORDINARY SHARES OF THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED ("TCCC") Cancellation Form No..... To Sojitz Corporation and ISTS (Thailand) Company Limited (collectively, "Tender Offerors") and Kiatnakin Phatra Securities Public Company Limited as the "Tender Offer Agent" Tambon/Sub-district......Amphur/District......Province......Province..... Address on ID Card/House Registration/Company Registration Same as postal address Different from postal address (Please specify) Current residence Same as postal address Same as Address on ID Card/House Registration/Company Registration Others (Please specify) Hereby would like to cancel the offer to sell ordinary shares of TCCC subject to the terms and conditions stated in the Tender Offer document. Ordinary shares of TCCC Amount.....Shares П Non-Voting Depository Receipt ("NVDR") of TCCC Amount......Units I/We would like to receive shares or NVDR of TCCC by: Scripless or NVDR: Transfer through Thailand Securities Depository by transferring to the following account Name /Securities Company of transferee.......Membership No. / Securities Company of transferee...... П Share certificate collectable at Kiatnakin Phatra Securities Public Company Limited on one business day following the date of submission of the Tender Offer Cancellation Form (Only applicable if the offeree offer to sell with the share certificate submitted) I/We, herewith, attached 20 THB for securities transferring fee. Kiatnakin Phatra Securities PCL will transfer shares to the securities trading account specified above or will return the share certificate to the Offerree on the following business day after the date of submission of the Tender Offer Cancellation by the Offeree or the Attorney-in-fact I/We hereby agree to accept the cancellation terms and conditions stated above and agree to comply with the terms and conditions stated in the Tender Offer documents. I/We have read thoroughly and acknowledged Privacy Notice as provided in Kiatnakin Phatra Financial Group website www.kkpfg.com/dataprotection or other websites under Kiatnakin Phatra Financial Group. In case the personal data of any data subject is provided to Kiatnakin Phatra Financial Group by me/us, I/we represent and warrant that I/we have lawful authorization to disclose such personal data for Kiatnakin Phatra Financial Group to use in accordance with the applicable data protection laws. SignedThe Attorney-in-fact Signed(person making the cancellation) ×-----RECEIPT FOR TENDER OFFER CANCELLATION FORM OF THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED Cancellation Form No..... Kiatnakin Phatra Securities PCL, as a Tender Offer Agent, has received the Tender Offer Cancellation Form of the ordinary shares of Thai Central Chemical Public Company Limited ("TCCC") with the following details: П Ordinary shares of TCCC Amount.....Shares П Non-Voting Depository Receipt ("NVDR") of TCCC Amount......Units with Acceptance Form No. Transfer fee of THB 20 The cancelled securities will be transferred back by П Scripless or NVDR: Transfer through Thailand Securities Depository by transferring to the following account Name /Securities Company of transferee......Membership No. / Securities Company of transferee...... П Share certificate collectable at Kiatnakin Phatra Securities Public Company Limited on one business day following the date of submission of the

Kiatnakin Phatra Securities PCL will transfer shares to the mentioned account on the following business day after the date of submission of the Tender Offer Cancellation Form.

SignedRecipient

Tender Offer Cancellation Form (Only applicable if the Offeree offer to sell with the share certificate submitted)

POWER OF ATTORNEY FOR THE TENDER OFFER CANCELLATION OF THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED ("TCCC")

Made at____

Affix Stamp Duty

		Date	
Dy this Dower of Attorney I	/ M/a		Ano
-	/ We		
Nationality	Contact Address (that can be	e reached via mail)	
Postal Code	Country	Contact To	elephone
Hereby authorize (Mr. / Miss	/ Mrs.)		_Age
Nationality	Contact Address (that can b	e reached by mail)	
_	ess same as above	·	
	Country_		
	on my/our behalf to cancel my/our intentior		
,	•	,	
Ordinary shares of TCCC		Amount	Shares
☐ Non-Voting Depository R	eceipt ("NVDR") of TCCC	Amount	Units
to Sojitz Corporation	on and ISTS (Thailand) Company Limited (c	collectively, "Tender Offerors"), and to be	e authorized to do and to execute all such other
matters in connection with	the aforesaid mentioned on my/our behalf u	intil its completion.	
All acts taken by n	ny/our attorney-in-fact under this Power of A	attorney shall be deemed to be taken by	myself / ourselves in every respect. I/We have
read thoroughly and acknow	wledged Privacy Notice as provided in Kiatr	nakin Phatra Financial Group website w	ww.kkpfg.com/dataprotection or other websites
under Kiatnakin Phatra Fina	ıncial Group. In case the personal data of an	ny data subject is provided to Kiatnakin F	Phatra Financial Group by me/us, I/we represent
and warrant that I/we have	lawful authorization to disclose such persor	nal data for Kiatnakin Phatra Financial (Group to use in accordance with the applicable
data protection laws.			
	_		Grantor
	(_)
	_		Attorney-in-fact
	(_)
			Witness
	(_)
			Witness
	(_		

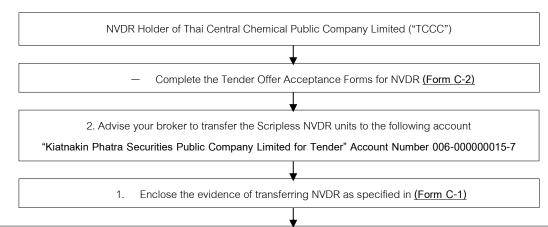
Notes:

- 1. A power of attorney executed with 10-THB stamp duty
- 2. The grantor is required to attach the following documents with certified true copies of the authorized representatives(s):
 - a. Certified true copies of ID card (Thai Individual) or
 - b. Certified true copies of Company Registration and Company Certification (Thai Juristic Person) or
 - c. Certified true copies of passport or alien certificate (Foreign Individual)
- 3. The attorney-in-fact is required to attach the following documents with certified true copies of the authorized representatives(s):
 - a. Certified true copies of ID card (Thai Individual) or
 - b. Certified true copies of Company Registration and Company Certification (Thai Juristic Person) or
 - c. Certified true copies of passport or alien certificate (Foreign Individual)
- 4. In case that the grantor and/or attorney-in-fact is foreign juristic person the true copies of corporate affidavit, certificate of Incorporation, passport or alien certificate must be certified by the notary public officer and Thai embassy or Thai consulate in the country where the documents were prepared not more than six months prior to the last day of the Offer Period

<u>Tender Offer Acceptance Procedures and Forms</u> <u>for Non-Voting Depository Receipt (NVDR)</u>

C-1	Tender Offer Acceptance Procedures for NVDR
C-2	Tender Offer Acceptance Form for NVDR
C-3	Confirmation of Securities Cost Form for NVDR
C-4	Power of Attorney for the Tender Offer Acceptance for NVDR

Tender Offer Acceptance Procedure for NVDRs



- 4. Enclose the following supporting documents with certified as true copy, as the case may be:
 - 2. Thai Individual
 - A certified copy of a valid ID Card that has not expired or
 - A certified copy of a valid Civil Servant ID Card or a copy of a valid State Enterprise Employee Card that contains 13-digit ID numbers that has not expired
 - 3. Foreign Individual
 - O A certified copy of a valid passport or a copy of a valid alien certificate that has not expired
 - 4. Thai Juristic Person
 - a. A copy of a Company Affidavit, issued by the Ministry of Commerce no longer than 6 months prior to the last day of the Offer Period, certified as true copy by authorized signatory(ies), and affixed with company seal (if any) and
 - b. A copy of documents specified in 1) or 2) (as the case may be) of the authorized signatory(ies) who sign(s) and certify(ies) true copy of document in 3.1) above
 - 5. <u>Foreign Juristic Person</u>
 - 3.1) A copy of a Certificate of Incorporation (the Company Affidavit) issued by the officer of the juristic person or the government authority of the country in which the juristic person is established, certifying the name of the juristic person, the name of authorized signatory, the location of the head office and conditions of signing authorization (issued not exceeding 6 months prior to the submission date) certified as true copy by the authorized directors of the juristic person together with the company seal
 - 3.2) Documents stated in 1) or 2) of the authorized director(s) who sign(s) and certify(s) true copy of document in 4.1) above Documents specified in 4.1) and 4.2) must be certified by the Notary Public and Royal Thai embassy or Royal Thai consulate in the country where the documents were prepared and all documents which are issued no longer than 6 months prior to last day of the Offer Period
 - 6. Where the Offeree is a foreign juristic person not conducting business in Thailand and is domiciled in a country that does not have a double taxation treaty with Thailand or is domiciled in a country that has a double taxation treaty with Thailand but such treaty does not exempt any withholding tax on capital gain on sales of shares in Thailand, the Offeree has to declare cost basis of shares by completing and submitting the Form for Declaration of Cost of Tendered Shares (Form C-3). If the Offeree fails to declare the cost basis together with evidence that demonstrates the cost basis, the Tender Offer Agent will determine the amount of withholding tax based on the entire gross amount of the shares sold.

In case of security holder's authorized representative

- 4. Power of Attorney affixed with THB 10 or THB 30 stamp duty (as the case may be) (Form C-4)
- 5. Certified as true copy of identification document of the attorney-in-fact and security holder as specified above

5. Kindly submit all documents to:

Operations, Kiaktnakin Phatra Securities Public Company Limited

209 KKP Tower A, 12A Floor, Sukhumvit 21 (Asoke) Khlong Toey Nua, Wattana Bangkok 10110, Thailand

Telephone: 0-2165-5555 press 4 Information inquiry available every business day during 8.00 a.m. - 6.00 p.m.

Or send to your broker that you have the trading account and deposited the security to compile the necessary documents before submitting them to Kiatnakin Phatra Securities

"All NVDR holders, please submit the Tender Offer Acceptance Form at least 2 business day before the last Tender Offer date"

"The Tender Offer agent will not accept documents sent by post"

Map of Kiatnakin Phatra Securities Public Company Limited



		fer Acceptance For Central Chemical P	m for NVDR ublic Company Limited	1	
Dete	(to Sell NVDRS Of That	Central Chemical P			
Date To Sojitz Corporation and ISTS (Thailand) Compa	ny Limited (collectively " Tend o	er Offerors") and Kiatna	•	omnany Limited as the "Tender Offer Agent	
I/We ("Offeree") (Mr./Mrs./Miss/Company/Othe		,			
Contact Address (that can be reached via mail)			Soi	Road	
Tambon/Sub-district	·				
Postal CodeCountry Address appears in personal ID card/House Re		•	Email address		
Address appears in personal ID card/House Re	•		v)		
AddressSoi	0	, ,	,	t	
Amphur/DistrictProvince					
Current Address Same as contact address card/House Registration Address (Please specify	Same as address appears i	in personal ID card/Hou	ise Registration Address 🗌 🛭	Different from the address appears in person	nal II
Tambon/Sub-district					
Please provide information about occupations a on Customer Identification Methodology for Financ The owner relating to trading of precious stor antiques under the law governing selling by a transfer service, domestic or cross-border that the law governing entertainment facility Twork in the kingdom or sends people to work Other Occcupation/Business Type	ial Institutions and the Minister nes, diamonds, gems, gold, or auction and trading in antiques t is not a financial institution ne owner relating to trading in abroad The owner relating	rial Regulation on Custor ornaments decorated w s The owner in exch. The owner of casino c arms and ammunition (to travel or tour agent	mer Due Diligence ith precious stones, diamonds, ange of currency, both natural or gambling house business armament) The owner relat us (Name and Address)	gems, or gold The owner relating to tra and legal person The owner of funds o The owner relating to entertainment facility ting to employment agent to accepting foreign ountry of citizenship)	ding i r valu r unde gner t
Source of income from: Thailand Others					
Source of payment (can select more than 1 opt	· – ·			**	
Juristic perso	on: Money fr	om business	Others (Please	specify)Tax	Paye
Please specify type of the Offeree of Thai Central	Chemical Public Company Lin	nited ("TCCC"):			
☐ Thai Individual ☐ Foreign Individual Alien I			e Card No/ Certificate/ Passpor	t No	
Thai Juristic Person Registration No	_				
Foreign Juristic Person who engages in busin	•		0 0		
Certificate of Incorporation No					
I/We accept to sell Chemical Public Company Limited at the Offer Pri	,		,		
the brokerage fee. The Net Offer Price is THB 39.		•	•	. ,	7 70 C
I/We thoroughly examined the terms and cor	•		•	•	will no
revoke this share selling in any circumstance, exc		•			
Offer Period which falls on 26 June 2023 during th	•				
I/We hereby appoint Kiatnakin Phatra Securit	ies PCL as my proxy to sell, tr	ransfer, deliver NVDRs,	arrange the payment procedur	e and process other necessary relevant to	Tende
Offer.					
I/We hereby have read thoroughly and acknow	•			•	
I/we provided any personal data of any other data	subject, I/we hereby represen	nt and warrant that I/we	have the lawful authorization t	o disclose such personal data to the compa	nies i
Financial Business Group.		Transfer Scripless NVD	NR		
Transfer from TSD Participant No.	Transfer Slip No	•	Transfer Date	No. of NVDRs	
·	·				
				Total	
I/We attach evidence of transfer of the NVD					
COMPANY LIMITED FOR TENDER" Account No	. 006-000000015-7 and proof	of identity in respect of	the Offeree or proof of registe	red company (for juristic person) as set out	in th
Tender Offer Acceptance Procedure. Receive the Payment:					
Collect the cheque by myself/ourselves at Kia	tnakin Phatra Securities PCL	☐ Send the cheque	via registered post to the addre	ess above	
☐ Transfer to Bank ☐ 1. BAY ☐ 2. SCB ☐	3. BBL	ANK \square 6. TTB \square 7.	UOB 🔲 8.KKP 🗌 9.CIMB		
Branch Type	of Account	Account	No		
(The name of the account holder must be the			fer Acceptance Form. Besides,	the Offeree must provide either a certified of	сору с
the first page of the savings deposit pass book or					
In case where the amount of payment is equal to THE In case where the subsciber is a natural person \Box for		•	• •		
In case where the subsciber is a finitual person [] for		,			
*Beneficial Owner means a natural person who ultimate	ately owns or controls a custom	er or has control over rela	ationship between a customer ar	nd the financial institution a person on whose b	ehalf
transaction is being conducted, including those persor	is who exercise ultimate effective	e control over a juristic per	son.		
I/We hereby certify that all NVDRs offered for	•				
I/We hereby certify, represent and warrant tha liability or third party right ("Encumbrance") and I/	•	* *			rance
Signed		٠,	1		
· ·	•	•	(
×					
	Receipt of Transfer of Scr	ripless NVDR and Tend	er Offer Acceptance Form		
Date			Acceptance Form No		
Kiatnakin Phatra Securities PCL has received th	·	•	•		
the Transfer of Scripless NVDR with the do specify)		totalingu	nits of NVDR - from W	r. / Mrs / Miss / Company / Other (Pl	ease
Receive the Payment:					
Collect the cheque by myself/ourselves at K	iatnakin Phatra Securities PCI	Send the chequ	ue via registered post to the ad	ldress above	
☐ Transfer to Bank ☐ 1. BAY ☐ 2. SCB ☐	3. BBL ☐ 4.KTB ☐ 5. K	BANK 🗌 6. TTB 🔲 7	7. UOB 🗌 8.KKP 🗌 9.CIMB		
Branch Typ	e of Account				
		Sign	ed	Recipient	
			(`	

Confirmation of Securities Cost Form for NVDR

(For Foreign Juristic Person not carrying business in Thailand)

To: Sojitz Corporation and ISTS (Thailand) Company	y Limited (collectively, "Tender	Offerors") and Kiatnakin Phatra
Securities Public Company Limited (the "Tender Offer Ag	ent")	
With reference to the Tender Offer to purchase NVDR o	f Thai Central Chemical Public	Company Limited by the Tende
Offerors, I/We	Nationality	
Tax Identification No. (if any)	accept to sell	of NVDR
representing ordinary shares of Thai Central Chemical	Public Company Limited, subject	ct to the Tender Offer by Sojit
Corporation and ISTS (Thailand) Company Limited. I/We	e hereby declare the cost of tend	dered shares as the evidence fo
the withholding tax purpose as follow:		
NVDR certification No. / Transfer Slip No.	No. of NVDR	Cost per unit
(Transfer date)	NO. OI NVDR	(THB)
Total		
I/We hereby certify that the aforementioned statement is tr	_	
Notice as in the Financial Business Group's website www		
provided any personal data of any other data subject,		
authorization to disclose such personal data to the compa	nies in Financiai Business Group).
	Signed	Offeree
	(

Note If the Offeree, Foreign Juristic Person does not engage in business in Thailand, fails to declare the cost basis or attach the evidence that demonstrates the cost basis, the Tender Offer Agent will determine the amount of withholding tax based on the gross amount of the shares sold.

POWER OF ATTORNEY

For Tender Offer Acceptance - NVDR

Stamp Duty Affixed

		Made at
		Date
		NationalityID Card No. / Passport No
Resides at (address that can be	reached by mail)	
Postal Code	Country	Hold(s)
units of NVDR of Thai Central C	Chemical Public Company Limited	("TCCC")
hereby authorize (Mr. / Miss / M	rs.)	Age
Nationality	ID Card No	. / Passport No.
Resides at (address that can be	reached by mail)	
House Registration Address	House Registration Address sai	me as above $\ \square$ House Registration Address different from above (Please
specify)		
House Registration Address		
		to act as my/our attorney to
☐ Sell, transfer, endorse and d	eliver such securities of TCCC thro	ough the Tender Offer Agent
☐ Receive cheque at Kiatnakin	Phatra Securities Public Compar	y Limited in person as payment due to acceptance of Tender Offer (for the
		be authorized to do and execute all such other matters in connection with the
aforesaid mentioned on my/our	behalf until its completion.	
Any act taken by my/our attorne	y-in-fact shall be deemed to be tal	ken by myself/ourselves in every respect.
I/We hereby have read thorough	nly and acknowledged the Privacy	Notice as in the Financial Business Group's website
www.kkpfg.com/dataprotection o	r other channels. In case where I/	we provided any personal data of any other data subject, I/we hereby
represent and warrant that I/we	have the lawful authorization to dis	sclose such personal data to the companies in Financial Business Group.
	()
		_Attorney-in-fact
	()
		Witness
	()
		Witness
	()
	· <u> </u>	

Notes:

- 1. A power of attorney executed with 10-THB stamp duty affixed in case of authorizing to perform the submission of Tender Offer Acceptance Form for of the Ordinary Shares or receiving a cheque for the payment of ordinary shares only, or 30-THB stamp duty affixed in case of authorizing to perform both the submission of Tender Offer Acceptance Form of the Ordinary Shares and receiving a cheque for the payment of ordinary shares
- 2. The grantor is required to attach the following documents with certified true copies of the authorized representatives(s):
 - a. Certified true copies of ID card (Thai Individual) or
 - b. Certified true copies of Company Registration and Company Certification (Thai Juristic Person) or
 - c. Certified true copies of passport or alien certificate (Foreign Individual)
- 3. The attorney-in-fact is required to attach the following documents with certified true copies of the authorized representatives(s):
 - a. Certified true copies of ID card (Thai Individual) or
 - b. Certified true copies of Company Registration and Company Certification (Thai Juristic Person) or
 - c. Certified true copies of passport or alien certificate (Foreign Individual)
- 4. In case that the grantor and/or attorney-in-fact is foreign juristic person the true copies of corporate affidavit, certificate of Incorporation, passport or alien certificate must be certified by the notary public officer and Thai embassy or Thai consulate in the country where the documents were prepared not more than six months prior to the last day of the Tender Offer period.

Form D TSD-301

Request Form for Amending Securities Holder Records

TSD-301

Application for Amending Securities Holder Records



I/We	national I.D. card/passport/company R	egistration number		
hereby request for Thailand Securities D	epository Co., Ltd. (" TSD ") to amend the following info	rmation of the securities holder:		
Type of information	Specify Original Information	Specify the Information Requirin	g Amendment	
	(Pre-Amendment)			
☐ Honorific (Mr./Mrs./Miss)	>	>		
First name - last name	>	>		
☐ For general contacts	>	>		
☐ Mailing address for the delivery of	Use the newly changed address above			
proxy and meeting invitation documents	Specify the address*			
(principal address) where there is a share	* This is the address pursuant to the register petific	ind to TSD or acquirities depositing memb	or company	
balance on the XM date	* This is the address pursuant to the register notif (broker/custodian) which will then affect the select		er company	
☐ Postal code	(broken custodian) which will then allect the select	>		
	>	>		
Home/Office telephone No.	, and the second			
Mobile phone	>	>		
email address	>	>		
This email address is used for getting the				
result of amendment from TSD				
U Other	>	>		
 ◆ Amendment of the information will be effective when TSD has received request at least 5 business days prior to the book closing date. In an event you deposit the securities with the securities depositing member company (broker/custodian), please contact your securities depositing member company directly for the amendment of any information. ◆ Mailing address for the delivery of documents should be convenient for the purpose of document receipt via registered mail, but the address must not be specified as a post office box as stipulated by the Department of Business Development, Ministry of Commerce. I/We hereby certify that the aforementioned statements are true. Should TSD incur any damage or potential damage as a result of the undertaking specified above, I/We shall be fully responsible for any damage caused and shall compensate TSD in full.				
	sign as both the securities holder and the grantor)	II and after the fill the second seco		
I/We here by authorize	as my/our representative, with fu	Il authority to file this application.	Stamp Duty THB 10	
Signature	Grantor Signature	Grantee		
() () Phone no		
For official use only DateTransaction no	_Checker	I have already checked all original identificatiSignature	on documents Officer	
				

TSD301_4/2022_EN: 1/3/2022



TSD-301



Supporting Documents for the Application for Amending Securities Holder Records

- 1. Application for amending of securities holder records with the details filled in and signed by the securities holder correctly and completely.
- 2. Amendment supporting documents in case of change to title/name/surname please attach:
 - certificate of change to title, name or surname, marriage certificate, divorce certificate, as the case may be; and
 - Original securities certificate (original name/surname prior to the amendment) together with the application for the issuance of new securities certificate requesting registrar to issue a new securities certificate (new name/surname as per the amendment application).
- 3. Identification documents of securities holder and authorized person (if any) pursuant to the type of person with the details as per the table below.
 - In case of other types of person, please ask for additional information at SET Contact Center accordingly to the contact channels further below in the application form or https://media.set.or.th/rulebook/form/SupportingDocumentsforIndividuals-JuristicPersons.pdf
- 4. Copy of identification documents submitted to TSD may contain sensitive personal data which is not necessary for the provision of TSD service, and TSD has no intention of collecting such sensitive personal data. As a result, the document owners may proceed to cross out any part in order to cover up any sensitive personal data before submitting the identification documents containing such sensitive personal data to TSD. In case that no action is taken to cover up such sensitive personal data, TSD shall deem that you have given your consent to TSD to the collection of such sensitive personal data.

Type of person	Identification Documents only to support the request to change name/ surname	Documents for other types of requests
Individual person	In case the securities holder contacts TSD personally, the original Thai national identification card (Thai ID Card) of the	A Copy of Thai ID Card of the
- Thai Nationality	securities holder must be presented.	securities holder which has been
-	2. In case the securities holder does not contact TSD personally, the securities holder must authorize a person to act on his/her	certified as true and correct copy
	behalf, and such person must present the original Thai ID Cards of the securities holder and its copy which has been certified	of the original document by the
	as true and correct copy of the original document by the document owner.	document owner.
	* If the original Thai ID Card of the securities holder cannot be presented, please attach the original of the certification document	
	issued by the sub-district or district office, identifying to use those certified true copies instead of the original Thai ID Card	
	(issued not more than 90 days before the date of submission as part of this application).	
	3. In case filing this application via registered mail, please attach,	
	- Copies of Thai ID Card of the securities holder which has been certified as true and correct copy of the original document by	
	the document owner.	
Individual person	1. In case the securities holder contacts TSD personally, the original alien identification card or passport of the transferor and	A Copy of alien identification card /
- Other Nationalities	the transferee must be presented.	passport which has been certified as
	2. In case the securities holder does not contact TSD personally, the securities holder appointed contact person must present	true and correct copy of the original
	the original alien identification card or passport and its copy which has been certified as true and correct copy of the original	document by the document owner.
	document by the document owner.	
	* If the original passport cannot be presented or this application is being submitted by registered mail,	
	 The copy of the passport must be notarized by a notary public, and such notarization must be certified by the Thai embassy or consulate. 	
	Such certification must be issued not more than 1 year before the date of submission as part of this application.	
	* If the original signatory's alien identity card cannot be presented or this application is being submitted by registered mail,	
	- Certificate of civil registration (issued not more than 90 days before the date of submission as part of this application)	
Juristic person	A copy of the juristic person registration certificate issued by the Ministry of Commerce issued not more than 1 year before the day.	Late of submission as part of this
- Thai Nationality	application which has been certified as true and correct copy of the original document by the authorized directors.	•
	2. A copy of the Thai ID Card/alien identity card/passport of each authorized director who signs on behalf of the juristic person whic	h has been certified as true and correct
	copy of the original document by the document owner.	
Juristic person	A copy of the juristic person registration certificate issued by the regulating government agency in the country where such juristic	
- Other Nationalities	A copy of the company's affidavit enumerating its directors authorized to bind the company and conditions relating thereto, showi	
	location and authority of the signatory. This affidavit must be issued by an authorized official of the juristic person or the governm	ental agency in the country where such
	juristic person is domiciled.	
	3. A copy of the Thai ID Card/alien identity card/passport of each authorized director who signs on behalf of the juristic person whic	h has been certified as true and correct
	copy of the original document by the document owner.	
	All documents for "Other Nationalities" above, must have been:	
	(1) notarized by the notary public or certified by any competent authority in the country where such documents were prepared or ce	rtified for the certification of the signature
	of the person who prepared or certified such documents.	ation or contification performed by 45-
	(2) certified by the Thai Embassy or Thai Consulate in the country where such documents were prepared or certified for the notarization public notary or such competent authority under (1).	ation of certification performed by the
	The certification must be issued not more than 1 year before the date of submission as part of this application.	
	The documents prepared in any other foreign languages other than English must be translated into English.	
	assamonto propared in any enter toleign languages office than English must be danislated into Eligibit.	

Remark: 1. Sensitive Data means the information which can be considered as the personal data as prescribed in section 26 of the PDPA, for instance, religious belief, blood type, etc.

2. TSD will consider the above documents when receiving the complete documents and clear information such as the copy of identification documents or signature



Attachment 5

Form E TSD-403

Application for Securities Transfer between the issuer account and the depository participant account

TSD-403

Submitted the documents to broker / custodian

Application for Securities Transfer between the issuer account and the

depository participant account

For official use onl	¥
Date	
Transaction no.	

I/We	would like to transfer securities of company/mutual fund			I ransaction no.
for a total ofshares/units amount	<u> </u>	shares/units.	(Please select the t	ype of he securities transfer)
O From issuer account to broker/custodian account	O From broker/custodian account to issuer account		<u>·</u>	
Broker or custodian name	Information on securities holder: • National I.D. card/Passport/Company Registration number			
Customer account name	Mailing address For an individual Person (If you answer "Yes" for any of the questions, you are an American person pursuant to FATCA law, to	hus please fil	ll in W-9)	Postcode
Customer account no.	Being a American citizen or born in the United States of America Having American as a second nationality Having permanent residence in the United States of America For a juristic person	☐ Yes ☐ Yes ☐ Yes	□ No	
	1. Being a juristic person registered in the United States of America (if "Yes", please fill in W-9) 2. Being a financial institution under FATCA requirements (specify type PFFI, RDCFFI) If "Yes", please fill in GIIN	☐ Yes		
SignatureSecurities Holder () Phone number	3. Being a juristic person with income from investment/indirect income of at least 50 percent of the total income or having income-generating asset of at least 50 percent of the total asset within For unit trusts, should withholding tax be deducted? Yes, withholding tax is deducted In addition, I acknowledge that TSD may /consent, I agree to comply as requested within the time stipulated by TSD. I have thoroughly read all the details specified in the privacy notice of the Stock Exchange of Thailand group ("SET of data, and any third party's personal data I have provided to TSD (if any) will be processed and protected under such privacy to provide the personal data of the third party to TSD. In addition, I hereby acknowledge that in case of any special action (such as where fingerprint is used instead of sign to be submitted to TSD and such additional information is necessary for the provision of TSD service, not providing such thence, by signing this application, I/we agree and consent that such sensitive personal data to be processed by TSD in	No, with No, with No, with No, with No, with No, with No, wacy notice. Such privacy notice and nature) which ach additional info	inancial year (if "Yes", hholding tax is not ded www.set.or.th/th/privacy-noti tice and have duly obtained dditional information that ma rmation may render TSD to	ucted ce.html) and acknowledged that my personal a proper and lawful consent from such third by contain sensitive personal data is required be unable to provide TSD service to me/us
	Signature(Securities holder	
For securities company or custodian registered with Thailand Securities D				
deposited the securities in the issuer account and hereby warrant that the	depository participant numberhave considered and examined the documents and evidence transfer/transfer acceptance transaction specified above is true. In case I am authorized to proceed on behalf on the customer's behalf for the purpose of taking actions under this application, if any damage may be caused ensate Thailand Securities Depository Co., Ltd. or any other person in full.	of the securitie	es owner who is my custo	omer using a copy of the Power of
	Signature			·
บริษัท ศูนย์รับฝากหลักทรัพย์ (ประเทศไทย) จำกัด Thailand Securities Depository Co., Ltd.	〔)

เขตดินแดง กรุงเทพฯ 10400

TSD-403



TSD403_5/2022_EN: 1/9/2022

Supporting Documents for the Application for the Securities Transfer between the Issuer Account and the Depository Participant Account

- 1. Application for the Securities Transfer between the Issuer Account and the Depository Participant Account with the details filled in and signed correctly and completely
- 2. Identification documents of securities holder and authorized person (if any) pursuant to the type of person with the details as per the table below.
 - In case of other types of person, please ask for additional information at SET Contact Center accordingly to the contact channels further below in the application form or https://media.set.or.th/rulebook/form/SupportingDocumentsforIndividuals-JuristicPersons.pdf
- 3. Copy of identification documents submitted to TSD may contain sensitive personal data which is not necessary for the provision of TSD service, and TSD has no intention of collecting such sensitive personal data. As a result, the document owners may proceed to cross out any part in order to cover up any sensitive personal data before submitting the identification documents containing such sensitive personal data to TSD. In case that no action is taken to cover up such sensitive personal data, TSD shall deem that you have given your consent to TSD to the collection of such sensitive personal data.

Type of person	Identification Documents
Individual Person	A Copy of Thai ID Card which has been certified as true and correct copy of the original document by the document owner.
- Thai Nationality	
Individual Person	A Copy of alien identification card / passport which has been certified as true and correct copy of the original document by the document owner.
- Other Nationalities	
Juristic Person	1. A copy of the juristic person registration certificate issued by the Ministry of Commerce issued not more than 1 year before the date of submission as part of this application which has been
- Thai Nationality	certified as true and correct copy of the original document by the authorized directors.
	2. A copy of the Thai ID Card/alien identity card/passport of each authorized director who signs on behalf of the juristic person which has been certified as true and correct copy of the original
	document by the document owner.
Juristic Person	1. A copy of the juristic person registration certificate issued by the regulating government agency in the country where such juristic person is domiciled.
- Other Nationalities	2. A copy of the company's affidavit enumerating its directors authorized to bind the company and conditions relating thereto, showing the juristic person's headquarters location and authority of the
	signatory. This affidavit must be issued by an authorized official of the juristic person or the governmental agency in the country where such juristic person is domiciled.
	3. A copy of the Thai ID Card/alien identity card/passport of each authorized director who signs on behalf of the juristic person which has been certified as true and correct copy of the original
	document by the document owner.
	All documents for "Other Nationalities" above, must have been:
	(1) notarized by the notary public or certified by any competent authority in the country where such documents were prepared or certified for the certification of the signature of the person who
	prepared or certified such documents.
	(2) certified by the Thai Embassy or Thai Consulate in the country where such documents were prepared or certified for the notarization or certification performed by the public notary or such
	competent authority under (1).
	The certification must be issued not more than 1 year before the date of submission as part of this application.
	☐ The documents prepared in any other foreign languages other than English must be translated into English.

Remark: 1. Sensitive Data means the information which can be considered as the personal data as prescribed in section 26 of the PDPA, for instance, religious belief, blood type, etc.

2. TSD will consider the above documents when receiving the complete documents and clear information such as the copy of identification documents or signature.

SET Contact Center

Attachment 6 Confirmation Letter on the Sources of Funds for the Tender Offer

Letter of Confirmation of Source of Fund

May 9, 2023

Subject:

Confirmation of source of fund for making the tender offer

To:

Secretary-General, the Office of the Securities and Exchange Commission

Enclosure: Account balance certificate of Sojitz Corporation

Sojitz Corporation ("Sojitz") and ISTS (Thailand) Company Limited ("ISTS") (collectively, the "Tender Offerors") jointly offer to tender all of the securities of Thai Central Chemical Public Company Limited (the "Company") not owned by the Tender Offerors totaling 96,720,795 shares for the purpose of delisting the Company's securities from the Stock Exchange of Thailand, at the offering price of THB 40 per share (the "Offering Price") totaling THB 3,868,831,800 (the "Tender Offer"), and the Tender Offerors will submit the Tender Offer document for the securities (Form 247-4) to the Office of the Securities and Exchange Commission, Thailand. Of the Tender Offer, Sojitz alone offers to tender the securities of the Company totaling up to 29,676,436 shares at the Offering Price totaling THB 1,187,057,440.

Accordingly, Sojitz has provided the proof of fund issued by MUFG Bank, Ltd. as enclosed to certify that Sojitz has a sufficient amount of available cash reserve and/or source of fund for the settlement of Sojitz's portion of the Tender Offer throughout the tender offer process and that Sojitz will fully support the fund to meet Sojitz's obligations under the Tender Offer.

Yours faithfully, Sojitz Corporation

Ryutaro Hirai

Representative Director,

Executive Vice President

ACCOUNT BALANCE CERTIFICATE

Date	9/May	//2023		
	Day/I	Month/Yea	ar	_
This is the	1st	copy of	1	duplicate(s) issue

To: Sojitz Corporation

WE HEREBY	CERTIFY THAT THE	BALANCE OF YOUR ACCOUNT(S) WITH US AT THE CLOSE OF E	BUSINESS
ON	1/May/2023	IS AS FOLLOWS.	±

1 PAGE

KIND OF DEDOOIT	A DOOUNT N	DALANOE	PEMPIN
KIND OF DEPOSIT	ACCOUNT No.	BALANCE	REMARKS
ORDINARY DEPOSIT	1808593	¥10,000,103,911	
BLANK HEREUNDER			
н			

- AMOUNT AMENDED IS INVALID.
- ●THE AMOUNTS REFLECT THE FINAL BALANCE OF THE LEDGER ON THE DATE OF CERTIFICATION AND MAY INCLUDE BILLS OR CHECKS FOR COLLECTION.
- OVERDRAFT AGREEMENT INCLUDES THE BALANCE OF THE CARD LOAN(OVERDRAFT TYPE) OF ORDINARY ACCOUNTS.
- ●IF YOUR REQUEST IS TO SHOW THE BALANCE OF EACH ACCOUNT ON THE CERTIFICATE, THE ACCOUNT NUMBER IS NOTED IN THE ACCOUNT NUMBER FIELD.



Tokyo Main Office branch senior manager

Authorized signature



12 May, 2023

Subject: THB 2,800,000,000.- Uncommitted Credit Facility for ISTS (Thailand) Company

Limited for the Tender Offer

To: Secretary-General, the Office of the Securities and Exchange Commission

ISTS (Thailand) Company Limited ("ISTS") has advised Bank of Ayudhya Public Company Limited (the "Bank") that ISTS and Sojitz Corporation (collectively, the "Tender Offerors") intend to acquire all of the outstanding shares of Thai Central Chemical Public Company Limited (the "Company") not owned by the Tender Offerors, totaling 96,720,795 shares for the purpose of delisting the Company's securities from the Stock Exchange of Thailand, at the offering price of THB 40 per share (the "Offering Price") totaling THB 3,868,831,800.- (the "Tender Offer"), and ISTS and Sojitz Corporation will submit the Tender Offer document for the securities (Form 247-4) to the Office of the Securities and Exchange Commission, Thailand. Of the Tender Offer, ISTS alone offers to tender the securities of the Company totaling up to 67,044,359 shares at the Offering Price totaling THB 2,681,774,360.-

The Bank is pleased to inform you of the Bank's willingness to provide ISTS, on an uncommitted basis, a credit facility in an amount up to THB 2,800,000,000.- (the "Credit Facility") to be used and drawdown by ISTS as part of the financing for the Tender Offer, subject to the terms and conditions of the definitive documentation for the Credit Facility to be entered into between ISTS and the Bank. This letter will expire upon the completion of settlement on the settlement date of the Tender Offer.

Yours faithfully,

BANK OF AYUDHYA PUBLIC COMPANY LIMITED

Ms. Emiko Mori

Executive Vice President

Mr. Katsuhiro Nozaki

Executive Vice President

Attachment 7

Summary Details of Appraisal Reports of TCCC's Assets

Summary of Property Appraisal Reports of the Independent Valuers

In the determination of market value of assets, which are investment properties, land and land improvements, buildings, trademark/brands, plant, machinery, equipment and vehicle of Thai Central Chemical Public Company Limited ("the Company" or "TCCC") are based on information prepared by asset appraisers which are SEC-approved independent appraisers or an independent appraiser which The Financial Advisor assess similar qualification SEC-approved independent appraisers. The independent appraisers have appraised such property for public purposes, comprising:

- 1. Group 1 Assets TCCC Assets comprises the followings
 - 1.1. Investment properties of TCCC
 - 1.2. Land and land improvements of TCCC
 - 1.3. Buildings of TCCC
 - 1.4. Machinery and vehicle of TCCC
 - 1.5. Trademark/Brands of TCCC
- 2. Group 2 Assets TCCC Myanmar Limited ("TCCCM") Assets comprises the followings
 - 2.1. Land and land improvements of TCCCM
 - 2.2. Buildings of TCCCM
 - 2.3. Plant, machinery, and vehicle of TCCCM
- 3. Group 3 Assets MC Agro-Chemicals Company Limited ("MC AGRO") Assets comprises the followings
 - 3.1. Land and land improvements of MC AGRO
 - 3.2. Buildings of MC AGRO
 - 3.3. Plant, machinery, and vehicle of MC AGRO
- 4. Group 4 Assets N.I.M. Company Limited ("N.I.M.") Assets comprises the followings
 - 4.1. Buildings of N.I.M.
 - 4.2. Machinery, and vehicle of N.I.M.
- 5. Group 5 Assets Land of Central Pacific (Thailand) Company Limited ("CTP")

Based on information prepared by asset appraisers which are SEC-approved independent appraisers or an independent appraiser which The Financial Advisor assess similar qualification SEC-approved independent appraisers with on the following items

- Group 1 Assets TCCC Assets according to the appraisal reports prepared by UK Valuations and Agency Co., Ltd. ("UK Valuation") dated 22 February 2023 and 7 March 2023 and Thai Property Appraiser Lynn Philips Co., Ltd. ("Lynn") dated 3 March 2023
- Group 2 Assets TCCCM Assets according to the appraisal reports prepared by Japan Valuers (Myanmar) Company Limited ("JVM") Company Limited dated 10 March 2023.
- Group 3 Assets MC AGRO Assets according to the appraisal reports prepared by Prospec
 Appraisal Company Limited ("Prospec") dated on 10 March 2023
- Group 4 Assets N.I.M. Assets according to the appraisal reports prepared by UK Valuations and Agency Co., Ltd. ("UK Valuation") dated 18 March 2023 and 20 March 2023
- Group 5 Assets Land of CTP according to the appraisal reports prepared by Agency for Real Estate Affair Company Limited ("AREA") dated 22 February 2023

Remark:

UK Valuations and Agency Co., Ltd., Thai Property Appraiser Lynn Philips Co., Ltd., Prospec Appraisal Company Limited, and Agency for Real Estate Affair Company Limited are independent appraisers approved by the SEC while Japan Valuers (Myanmar) Company Limited is not an independent appraiser approved by the SEC. However, the Financial Advisor has evaluated the qualifications of the appraiser and views that Japan Valuers (Myanmar) Company Limited is an appraiser that has the same working standards and adopt appraisal method similar to those approved by the SEC and is registered as a controller by RICS (Royal Institution of Chartered Surveyors-UK).

1. Group 1 Assets – TCCC Assets

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

1.1. The Appraisal of Investment properties of TCCC

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

1.1.1. Appraisal of land which is investment properties of TCCC

The appraisal of 9 plots 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	Residential	Agricultura	l Land Plot	Agricultural	–Two Parts of	Vacar	nt land	Vacant Land
	Industrial Land	Land Plot			Land Plot (rice	Vacant Land	(for residentia	development)	(Agricultural
	Plot				field)				Land Plot)
Location	Off Songkhla -	Soi Wai - uthit,	Off Ladya -	Yangtalad -	Off Khonkaen -	Off Phet Kasem	Off Kieattikun	Khok Khiri -	Soi Norkna Leab
	Ranot Road	Petchkasem	Borploy Road	Phonthong	Yangtalad Road	Road, Krabiyai	Road, Paknam	Khuan Pom	Muang Shonla
	(Highway	Road (Highway	(Highway No.	Road (Highway	(Highway No.	Sub - district,	Sub - district,	Road (Highway	Pratan - Shong
	No.408),	No. 4), Hat Yai	3086),	No. 2116), Hua	12), Yangtalad	Muang District,	Muang District,	No.3032),	Kard Bannaysi,
	Huakhao Sub -	Sub - district,	Nongkum Sub -	Ngua Sub -	and Klongkham	Krabi Province	Krabi Province	Tamnan Sub -	Hurae -
	district,	Hat Yai District,	district,	district,	Sub - district,			district,	Tonnganchang
	Singka Nakhon	Songkhla	Borploy District,	Yangtalad	Yangtalad			Muang District,	Road,
	District,	Province	Kanchanaburi	District, Kalasin	District, Kalasin			Phatthalung	Thungtumsao
	Songkhla		Province	Province	Province			Province	Sub - district,
	Province								Hat Yai District,
									Songkhla
									Province.

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					181-0-50.4				
(Rai - Ngan -									
Wah)									
Land owner					TCCC				
Encumbrances					None				
Expropriation	None as at			Not in the	expropriation line	e as of the assess	sment date		
	1 March 2023								

1.1.1.1. Appraisal of TCCC's land no. 1

Comparative market data for the appraisal of TCCC's land no. 1

Liet	Asset o	f TCCC	Market	Market	Market	Market	Market
List	Part 1	Part 2	Data 1	Data 2	Data 3	Data 4	Data 5
Property Type	Vacan (For industrial	t Land development)			Vacant Land idential develo	opment)	
Location			Public Road o	of Songkhla - I			
Shape & Elevation	Polygon	Rectangular	Polygon		Nearly Re	ectangular	
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	6 - meter traffic surface	4 - meter traffic surface	6 - meter traffic surface	6 - meter traffic surface
Public Utilities	- electricity	- electricity	watersupplyelectricitytelephone	- water supply - electricity	- water supply - electricity - telephone	- water supply - electricity	- 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 ^{/1} (THB / Rai)	-	-	2,460,000	2,460,000	2,960,000	2,460,000	2,360,000
Date	-	-			ebruary 2023		

Remark: /1 The comparable data 1 has the elevation of land lower 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:

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 3	The Subject
Location	30.00%	7	7	7	8
Size & Shape of Land	45.00%	6	8	7	2

Factors	Weight (%)	Market	Market	Market	The Subject
1 actors	weight (76)	Data 1	Data 2	Data 3	Land 1
Surrounding	15.00%	6	6	4	6
Marketability	10.00%	3	8	6	5
Total	100.00	600	740	645	470
Weighted Value		581,047.00	254,327.00	425,884.00	1,261,258.00
Market Value			4 260 000 00		
(THB per Rai)			1,260,000.00		

Market Approach by using Weighted Quality Score (WQS) of TCCC's land no. 1 (The Subject Land 2)

Factors	Weight (%)	Market	Market	Market	The Subject
1 actors	Weight (70)	Data 1	Data 1	Data 1	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	10.000/	0	0	8	7
Potential	10.00%	8	8	0	7
Surrounding	10.00%	7	7	7	5
Marketability	10.00%	7	7	7	8
Total	100.00	705	710	730	605
Weighted Value		576,835.00	589,689.00	505,883.00	1,672,407.00
Market Value			4 670 000 00		
(THB per Rai)			1,670,000.00		

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. The total combined market value of TCCC's the Subject Land 1 and Land 2 are approximately THB 33,855,000 (rounded)

1.1.1.2. Appraisal of TCCC's land no. 2

Comparative market data for the appraisal of TCCC's land no. 2

1:-4	Asset of TCCC	Market	Market	Market	Market
List	Asset of TCCC	Data 1	Data 2	Data 3	Data 4
Property Type		Vacant Lan	d (For residential de	evelopment)	
Location	Soi Wai - uthit Petchkasem Road (Highway No. 4)	Rat Yindi Soi 7 Petchkasem Road (Highway No. 4)	Niphat Songkhro 1	Niphat Songkhro 1 Soi 10 Petchkasem Road (Highway No. 4)	Rattana Uit Soi 8 Petchkasem Road (Highway No. 4)

		Market	Market	Market	Market			
List	Asset of TCCC	Data 1	Data 2	Data 3	Data 4			
Shape &			Rectangular					
Elevation		Reciangulai						
Frontage	6	32	18	10	5			
(Meters)	0	32	10	10	3			
Width of road	6 - meter traffic	8 - meter traffic	6 - meter traffic	6 - meter traffic	6 - meter traffic			
width of road	surface	surface	surface	surface	surface			
	water aupply		- water	supply				
Public Utilities	water supplyelectricity		- elec	tricity				
Fublic Offices	- telephone		- undergrou	nd drainage				
	- telepriorie		- telep	ohone				
City Plan			Pink Zoning					
Offer for sale		405.000	04.500	70.500	45.000			
(THB /s.q.wah)	-	125,000	84,500	72,580	45,000			
Adjusted								
Price ^{/1} (THB		124,850	84,350	72,430	44,850			
/s.q.wah)								
Date			March	2023				

Comparative market data for the appraisal of TCCC's land no. 2 (cont'd)

comparative market data for the appraisal of 1000 status inc. 2 (cont. a)						
List	Market	Market	Market			
List	Data 5 Data 6		Data 7			
Property Type	Vaca	ant Land (for residential developn	nent)			
Location	Ratutit Soi 30 Ratutit Road	Cakaramanakal Daad	Soi Karnchanawanit 12/1			
Location	Ratutit Soi 30 Ratutit Road	Sakornmongkol Road	Karnchanawanit Road			
Shape &		D 1				
Elevation		Rectangular				
Frontage	44		0			
(Meters)	14	24	8			
Width of road	6 - meter traffic surface	12 - meter traffic surface	6 - meter traffic surface			
		- water supply				
	- electricity					
Public Utilities		- underground drainage				
		- telephone				
		-				
City Plan	Pink Zoning					
Offer for sale	59,027	85,000	60,000			

Lint	Market	Market	Market		
List	Data 5	Data 6	Data 7		
(THB /s.q.wah)					
Adjusted					
Price ^{/1} (THB /	58,877	85,150	60,150		
s.q.wah)					
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	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
Total	100.00	720	665	650	335
Weighted Value		12,357.00	11,793.00	10,595.00	34,744.00
Market Value (THB per sq.wah)			35,000.00		

Based on the comparison approach, the market value of TCCC's no.2 is THB 35,000.00 per sq.wah. or approximately THB 2,420,000 (rounded)

1.1.1.3 การประเมินมูลค่าที่ดินแห่งที่ 3 ของ TCCC

Comparative market data for the appraisal of TCCC's land no. 3

List	Asset of TCCC	Market	Market	Market		
	Asset of 1000	Data 1	Data 2	Data 3		
	Agricultural land	·				
Property Type	plot (Eucalyptus	Agricultural land plot (Vacant Land)				
	Plantation)					
Location	Ladya - Borploy Road (Highway No.3086)					

List	Asset of TCCC	Market	Market	Market			
List	Asset of TCCC	Data 1	Data 2	Data 3			
Shape & Elevation		Polygon					
Frontage (Meters)	183, 760 and 778	approx. 200	approx. 230	approx. 320 and 180			
Width of road		3 - meter traffic surface					
Public Utilities		-		- electricity			
Offer for sale (THB/s.q. rai)	-	85,000	90,000	350,000			
Date	-	February 2023					

Comparative market data for the appraisal of TCCC's land no. 3 (cont'd)

comparative market data for the appraisal of 1000 0 fails inc. 5 (soft a)					
List	Market	Market	Market		
List	Data 4	Data 5	Data 6		
D	Agricultural Land Plot	A	.1-4 () (4 4)		
Property Type	(Sugarcane Plantation)	Agricultural land p	blot (Vacant Land)		
Location	off Ladya - Borploy Road	off Highway No. 2242 Dood	off Ladya - Borploy Road		
Location	(Highway No. 3086)	off Highway No. 3342 Road	(Highway No. 3086)		
Shape &		Dehman			
Elevation	Polygon				
Frontage	000		202		
(Meters)	approx. 260	approx. 280, 1,000 and 1,200	280		
Width of road	6 - meter traffic surface	3,6 - meter traffic surface	3 - meter traffic surface		
Public Utilities	- electricity				
Offer for sale	200.000	130,000	140,000		
(THB /s.q.rai)	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	Market Data	Market Data	The Subject
		1	2	4	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
Total	100.00	465	465	730	365
Weighted Value		15,699.00	15,699.00	25,000.00	56,398.00
Market Value			56,000.00		
(THB per Rai)			30,000.00		

Based on the comparison approach, the market value of TCCC's no.3 is THB 56,000.00 per rai. or **approximately THB 7,720,000** (rounded)

1.1.1.4. Appraisal of TCCC's land no. 4

Comparative market data for the appraisal of TCCC's land no. 4

List	Asset of TCCC	Market Data	Market Data	Market Data	Market Data	Market Data	
List	Asset of 1000	1	2	3	4	5	
Property Type	Agricultural	Land Plat	A ariquitu	ral Land Plot (R	ico field)	Agricultural	
Property Type	Agricultural	Lanu Flot	Agricultu	iai Lailu Flot (N	ice lielu)	Land Plot	
Location		Yangtalad	d - Phonthong R	oad (Highway N	o. 2116)		
Shape &			5.				
Elevation			Poly	gon			
Frontage	142	230	100	120	128	200	
(Meters)	142	230	100	120	120	200	
Width of road	16 - 1	meter traffic surf	ace	8 -	meter traffic sur	face	
Public Utilities			- elect	ricity			
T upile oullities			- telep	hone			
			White with			White with	
City Plan	Green 2	Zoning	green diagonal	Green Zoning green of		green diagonal	
			zoning	zoni			
Offer for sale		0.000.000	050.000	4 000 000	4 000 000	000 000	
(THB /rai)	-	2,000,000	850,000	1,000,000	1,000,000	620,000	
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. 4

Factors	Weight (%)	Market Data	Market Data	Market Data	The Subject
	11019111 (70)	2	3	4	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
Total	100.00	425	500	730	525
Weighted Value		146,314.00	551,040.00	54,340.00	751,694.00
Market Value (THB per Rai)			750,000.00		

Based on the comparison approach, the market value of TCCC's no.4 is THB 750,000.00 per rai. or **approximately THB 7,918,000** (rounded)

1.1.1.5 Appraisal of TCCC's land no. 5

Comparative market data for the appraisal of TCCC's land no. 5

1	Asset of	Market	Market	Market	Market	Market	
List	тссс	Data 1	Data 2	Data 3	Data 4	Data 5	
Property Type			Agricultural Lanc	l Plot (Rice field)		
	Off Khonkaen			Public Road			
Location	– Yangtalad		Off I/hav		ad Daad		
Location	Road			nkaen – Yangtal			
	(Highway		(Highway No. 12)		
	No. 12)						
Shape &		Dal			Destangular	Delveen	
Elevation		Poly	/gon		Rectangular	Polygon	
Frontage		50	450	F-7	400	0.5	
(Meters)	-	50	150	57	100	65	
Width of road		4	meter traffic sur	face	8 – meter	4 – meter	
width of road	-	4 –	meter tranic sur	iace	traffic surface	traffic surface	
					- water supply		
Width of road	-		-		- electricity	-	
			- telephone				
City Plan		White with green diagonal zoning				Green zoning	
Offer for sale		050.000	000 000	000 004	4 000 000	005.050	
(THB /rai)	-	250,000	300,000	209,901	1,330,000	225,352	
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. 5

Factors	Weight (%)	Market Data	Market Data	Market Data	The Subject
raciois	vveignt (%)	1	3	5	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
Total	100.00	480	440	440	245
Weighted Value		27,688.00	33,450.00	33,450.00	94,588.00
Market Value			95,000.00		
(THB per Rai)			93,000.00		

Based on the comparison approach, the market value of TCCC's no.4 is THB 95,000.00 per rai. or approximately THB 1,209,000 (rounded)

1.1.1.6 Appraisal of TCCC's land no. 6

Comparative market data for the appraisal of TCCC's land no. 6

	Accet	-£T000			
List	Asset of TCCC		Market Data 1	Market Data 2	
	Part 1	Part 1 Part 2			
Property Type		Vacant Land (For res	sidential developments)		
Location	Public Road (with	nout physical road)	Public Road	Public Road	
Location	Off Phet K	asem Road	Krabi Khaothong Road	Off Panuraj Road	
Shape &	Doots		No orbit Do otom millon	Destancia	
Elevation	Rectangular		Nearly Rectangular	Rectangular	
Frontage	,	33		20	
(Meters)				20	
Width of road		-	12 - meter traffic	4.5 - meter traffic	
width of road			surface	surface	
		-	water supply	water supply	
Public Utilities			- water supply	- electricity	
			- electricity	- telephone	
City Plan		Pink	Zoning		
Offer for sale		-		40.000	
(THB /sq.wah)			9,000	12,000	
Date		-	Februar	ry 2023	

Comparative market data for the appraisal of TCCC's land no. 6 (cont'd)

List	Market Data 3	Market Data 4	Market Data 5	Market Data 6	
Property Type		Vacant Land (For res	idential developments)		
Location	Public Road	Public Road	Public Road	Public Road	
Location	Off Watchara Road	Off Kieattikun Road	Off Phet Kasem Road	Off Phet Kasem Road	
Shape & Elevation	Rectangular		Nearly Rectangular		
Frontage (Meters)	40	35	20	15	
Width of road	6 - meter tr	affic surface	10 - meter traffic	8 - meter traffic	
	o meter at		surface	surface	
		- water	- water supply		
Public Utilities	-	- electricity		water supplyelectricity	
		- tele	phone	Gloculony	
City Plan		Pink 2	Zoning		
Offer for sale	0.194	12 500	10 000	8 000	
(THB /sq.wah)	9,184	12,500	10,000	8,900	
Date		Februa	ry 2023		

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
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
Total	100.00	760	500	760	455
Weighted Value		600.00	5,832.00	600.00	7,032.00
Market Value (THB per sq.wah)			7,000.00		

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. or **approximately THB 2,920,000** (rounded)

1.1.1.7 Appraisal of TCCC's land no. 7

Comparative market data for the appraisal of TCCC's land no. 7

List	Asset of TCCC	Market Data 1	Market Data 1 Market Data 2				
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	Recta	ngular			
Frontage (Meters)	10	16	20	187			
Width of road	-	12 - meter traffic surface	4.5 - meter traffic surface	6 - meter traffic surface			
Public Utilities	-	- water supply - electricity	water supplyelectricitytelephone	-			
City Plan		Pink 2	Zoning				
Offer for sale (THB /sq.wah)	-	9,000	12,000	9,184			
Date		Februa	ry 2023				

Comparative market data for the appraisal of TCCC's land no. 7 (cont'd)

List	Market Data 4	Market Data 5	Market Data 6
Property Type	Vacar	nt Land (for residential develop	ments)
Location	Public Road Off Kieattikun Road		Road asem 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	- elec	supply stricity phone	- water supply - electricity
City Plan		เขตสีชมพู	
Offer for sale (THB /sq.wah)	12,500	10,000	8,900
Date		February 2023	

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
1 401013	Weight (70)	Market Data 1	Market Bata 3	Market Data 3	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
Total	100.00	765	445	790	395
Weighted Value		561.00	5,483.00	549.00	6,593.00
Market Value			6,600.00		
(THB per sq.wah)			2,230.00		

Based on the comparison approach, the market value of TCCC's no.7 is THB 6,600.00 per sq.wah. or approximately THB 314,000 (rounded)

1.1.1.8 Appraisal of TCCC's land no. 8

Comparative market data for the appraisal 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 Development)		Vacant Land (Rubber Plantation)		t Land I Land Plot)	
Location		Khok Kh	iri - Khuan Pom	Road (Highway	No.3032)		
Shape & Elevation		Nearly Rectangular					
Frontage (Meters)	18	24	15	35	8	26	
Width of road	7 r	meter traffic surfa	ace	4 meter traffic surface	7 meter tra	iffic surface	
Public Utilities		- water supply - electricity - telephone					
City Plan	White with green diagonal zoning	Pink z	zoning	White wi	ith green diagon	al zoning	

List	Asset of TCCC	Market Data 1	Market Data 2	Market Data 3	Market Data 4	Market Data 5		
Offer for sale (THB /sq.wah)	-	37,500	18,400	2,500	-	15,000		
Date		February 2023						

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
Total	100.00	685	445	720	645
Weighted Value		6,212.00	1,936.00	3,020.00	11,168.00
Market Value (THB)			11,200.00		

Based on the comparison approach, the market value of TCCC's no.8 is THB 11,200.00 per sq.wah. or approximately THB **2,434,900** (rounded)

1.1.1.9 Appraisal of TCCC's land no. 9

Comparative market data for the appraisal 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		Vaca	nt Land (for agrid	culture developm	nents)	
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

List	Asset of TCCC	Market Data 1	Market Data 2	Market Data 3	Market Data 4	Market Data 5		
Shape &	Nearly	Dt	lb	Nearly				
Elevation	rectangular	Rectang	ie snape	rectangular	Reclang	le shape		
Frontage	-	20	32	25	40	45		
(Meters)	-	20	32	25	40	40		
Width of road		6 motor tr	6 - meter traffic surface		6 - meter traffic surface			
Width of Toau	•	o - meter tra	anic sunace	surface	0 - meter trame surface			
				- water supply				
Public Utilities	- electricity			- electricity				
				- telephone				
City Plan			Pink 2	Zoning				
Offer for sale		4.000	0.000	4.075	4.050	0.000		
(THB /sq.wah)	-	4,000	3,000	1,375	1,250	3.600		
Date			March	2023				

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
Total	100.00	725	345	500	530
Weighted Value		205.00	161.00	886.00	1,252.00
Market Value (THB per sq.wah)			1,250.00		

Based on the comparison approach, the market value of TCCC's no.9 is THB 1,250.00 per sq.wah. or approximately THB 660,000 (rounded)

The value of TCCC's land appraised by independent appraiser can be summarized as follows:

Summary of TCCC's land appraisal

	Approach	Unit: THB million		
Assets		Appraised value		
Land no. 1		33.86		
Land no. 2	Comparison Approach	2.42		
Land no. 3		7.72	7.72	
Land no. 4		7.92		
Land no. 5		1.21		
Land no. 6		2.92		
Land no. 7		0.31		
Land no. 8		2.43		
Land no. 9		0.66		
Tota	al TCCC's land	59.45		

1.2. The Appraisal of land and land improvements of TCCC

The appraisal of 3 land of TCCC are as follows:

1.2.1 The Appraisal of TCCC's Land

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 appraisal report, UK Valuation and 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 appraisal are as follows:

1.2.1.1 Appraisal of TCCC's land no. 1

Comparative market data for the appraisal 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 &	Polygon shape and filled land					
Elevation					Г	
Frontage	150	100	39	70	200	53
(Meters	100	100		70	200	00
Width of road		24 meter traffic surface				
	- water supply					
Public Utilities	- electricity					
Public Utilities	- underground drainage					
	- telephone					
City Plan	Violet Zoning					
Offer for sale			400.000	05.000	05.000	100,000
(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
<u>Location</u>	20.00	7	7	9	9
Size & Shape of Land	35.00	7	6	5	1
Development Potential	15.00	6	7	7	7
Environment	15.00	6	6	7	7
Marketability	15.00	5	6	4	1

Factors	Weight (%	Weight (% Market Data 2		Market Data 4	The Subject
1 401010	Troight (70	markot Bata 2	Market Data 3	markot Bata 1	Land
Total	100.00	640	740	625	440
Weighted Value		14,762.00	9,810.00	15,927.00	40,499.00
Market Value (THB per sq.wah)			40,500.00		

Based on the comparison approach, the market value of TCCC's no.1 is THB 40,500.00 per sq.wah. or approximately THB 1,576,729,800 (rounded)

1.2.1.2. Appraisal of TCCC's land no. 2

Comparative market data for the appraisal of TCCC's land no. 2

List	Asset of	Market Deta 1	Market Data 2	Market Deta 2	Market Deta 4	Market Deta F		
LIST	тссс	Market Data 1	Warket Data 2	Market Data 3	Market Data 4	Market Data 5		
Property Type	Industrial land			Vacant Land				
Property Type	plot			vacant Land				
	Ayutthaya -				Ayutthaya -	Asia - Khlong		
Location	Nakhon Luang	Asia Road (Tor	Off to the alley	Asia Road (Tor	Nakhon Luang	Salak Road		
Location	Road (Tor Lor.	Lor. 32)	On to the alley	Lor. 32)	Road (Tor Lor.			
	3063)				3063)	(Or. 2033)		
Shape &	Polygon	Pootongular	Polygon		Pootongular			
Elevation	Polygon	Rectangular	Polygon -		Rectangular	-		
Frontage	220	Size 97x312		40	Size 70 x 225	40		
(Meters)	330	meters	-	40	meters	40		
Width of road	16,6 - meter	160 - meter	4 - meter traffic	60 - meter	16,10 - meter	20 - meter		
Width of road	traffic surface	traffic surface	surface	traffic surface	traffic surface	traffic surface		
		- water supply						
Public Utilities		- electricity						
		- telephone						
Offer for sale		7,000,000	5,000,000	6,500,000	12,000,000	122,520,242		
(THB /rai)	-	1,000,000	5,000,000	0,000,000	12,000,000	122,020,242		
Date			Februa	ry 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	Market	Market	Market	Market	The
1 actors	Weight (70)	Data 1	Data 2	Data 3	Data 4	Data 5	Subject
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 Utilities	10.00	8	5	8	6	7	6
Development potential	10.00	7	6	8	6	7	7
Total	100.00	770	715	745	645	780	640

Lynn assessed the weighted quality score using Regression Analysis to determine the TCCC land price, with the following calculation details:

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
Land Price (THB/sq.wah.)	6,000.00

Based on the market approach, the market value of TCCC's land no. 2 is THB 6,000.00 per sq.wah. or approximately THB 265.72 million (rounded)

1.2.1.3 Appraisal of TCCC's land no. 3

Comparative market data for the appraisal 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 Typ	Industrial land plot	Vacant Land				
Location		Karnchanawanit Road (Highway No. 407)				

List	Asset of TCCC	Market Data 1	Market Data 2	Market Data 3	Market Data 4	Market Data 5
Shape & Elevation	Irregular	Rectangular	Rectangular	Rectangular	Irregular	Rectangular
Frontage (Meters)	184	11	200	55	55	109
Width of road			18 - meter tr	affic surface		
Public Utilities	water supplyelectricitytelephone	water supplyelectricityundergrounddrainagetelephone	- 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
Shape of Land	20.00	8	7	6	6
Marketability	15.00	7	5	7	7
Total	100.00	610	585	595	580
Weighted Value		501,811.00	2,888,570.00	963,969.00	4,354,350.00
Market Value (THB per Rai)	ai) 4,350,000.00				

Based on the comparison approach, the market value of TCCC's no.3 is THB 4,350,000 per rai. or **approximately THB 86,739,000** (rounded)

1.2.2 The Appraisal of TCCC's other Land Improvement

The appraisal of 2 other land improvement of TCCC are as follows:

Group	Details	Area (sq.m.)	Depreciation (%)	Replacement Cost (THB million)	Depreciated Replacement Cost (THB million)
1	Jetty, parking areas	65,378	2.00-3.00	117.26	51.91
2	Road, driveway, and fence	2,848	3.00	3.33	1.00
	Tota	120.59	52.91		

Based on the Depreciated Replacement Cost, the market value of TCCC's other land improvement Group 1 and Group 2 are **THB 51.91 million and THB 1.00 million**, respectively.

The value of TCCC's Other land improvement appraised by independent appraiser can be summarized as follows:

Summary of TCCC's other land improvement appraisal

		Unit: THB million		
Assets	Approach	Appraised value		
Other land improvement group 1	Depreciated	51.91		
Other land improvement group 2	Replacement Cost	1.00		
Total TCCC's other land i	mprovement	52.91		

The value of TCCC's land appraised by independent appraiser can be summarized as follows:

Summary of TCCC's land appraisal and land improvement

,					
		Unit: THB million			
Assets	Approach	Appraised value			
Land no. 1		1,576.73			
Land no. 2	Comparison Approach	265.72			
Land no. 3		86.74			
Other land improvement group 1	Depreciated	51.91			
Other land improvement group 2	Replacement Cost	1.00			
Total TCCC's	land	1,982.10			

1.3. The Appraisal of buildings of TCCC

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	Karnchanawanit Road (Highway No. 407),
Age of building	11 - 49 years	7 - 34 years	33 years
Building owner	TCCC	TCCC	TCCC
Utilization	Industrial utilization	Industrial and agricultural utilization	Industrial utilization
Expropriation	Not in the expropriation lin	-	

According to the appraisal report of TCCC's buildings, UK Valuation and 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.)		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

	Tota	I		1,429.23	853.22
3	buildings	13,096	2.00-3.00	68.36	20.71
	Warehouses and	10.000			00 = 4

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

		Unit: THB million	
Assets	Approach	Appraised value	
Buildings group 1		220.18	
Buildings group 2	Depreciated	612.34	
Buildings group 3	Replacement Cost	20.70	
Total TCCC's buildings		853.22	

1.4. The Appraisal of Machinery and equipment of TCCC

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

According to the appraisal 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

Group	Machinery and Vehicle / Location	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	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
	Total market val	ue of TCCC's r	machinery and	l vehicle		994.78

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

		Unit: THB million	
Assets	Approach	Appraised value	
Machinery and vehicle group 1		549.57	
Machinery and vehicle group 2	Cost	4.46	
Machinery and vehicle group 3	Approach	438.68	
Machinery and vehicle group 4		2.07	
Total of TCCC's machinery and ve	ehicle	994.78	

1.5. The Appraisal of Trademark/ Brands of TCCC

TCCC is one of the largest chemical fertilizer manufacturer and distributor in Thailand. TCCC 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/Brands



Source: TCCC's brand appraisal 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 company 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:

No.	Trademark/ Brand	Products	Class	Date of	Date of	Valid
		11044010	0.000	Registration	Issue	Through
1	แฮมโม-เช่อส่ โดราหัวนก 258171/Kor23801	Chemical Fertilizer	1	30 Dec 1993	19 Mar 2014	19 Mar 2024
2	258169/Kor37323	Chemical Fertilizer Organic Fertilizer Liquid Fertilizer	1	30 Dec 1993	19 Mar 2014	19 Mar 2024

No.	Trademark/ Brand	Products	Class	Date of	Date of	Valid
140.	Trademark/ Brand	Floudets	Olass	Registration	Issue	Through
3	เม โทร-เอ็ม METRO-M 384321/Kor96244	Plant Disease Prevention Products	5	10 Apr 1979	23 Apr 2009	21 Feb 2030
4	รมโทรงรัก 2.4 ก 384318/Kor96450	Plant Diseases Prevention Products	5	10 Apr 1979	23 Apr 2009	21 Feb 2030
5	ัศราชาวา-ศันโท 302353/Kor11275	Insecticides	5	8 Feb 1996	27 May 2016	13 May 2026
6	ัทรางรัวว-ศันใก 431806/Kor169066	Chemical Fertilizer	1	8 Sep 2000	22 Oct 2010	27 Nov 2030
7	CONIAC 384088/Kor12708	Fungicides	5	26 Mar 1999	3 Mar 2009	21 Feb 2030
8	384093/Kor129138	Fungicides	5	26 Mar 1999	3 Mar 2009	21 Feb 2030
9	431804/Kor139957	Chemical Fertilizer	1	8 Sep 2000	11 Nov 2010	27 Nov 2030
10	เ หโทรโชห 430681/Kor141059	Plant Diseases Prevention Products	5	30 Aug 2000	3 Sep 2010	27 Nov 2030
11	ƏIBÜN ACENIT 430086/Kor141060	Chemical Fertilizer	1	23 Aug 2000	2 Sep 2010	27 Nov 2030

NI-	Total control of Durand	Dura divinta	01	Date of	Date of	Valid
No.	Trademark/ Brand	Products	Class	Registration	Issue	Through
12	ƏIBÜN ACENIT 430092/Kor141488	Plant Diseases Prevention Products	5	23 Aug 2000	26 Aug 2010	27 Nov 2030
13	जरातीयर्फ 431811/Kor141497	Chemical Fertilizer	1	8 Sep 2000	22 Oct 2010	27 Nov 2030
14	्रेट्टालाइ (अणिप्राचीयते क्रामान्यान्य के क्रामान्य के 430087/Kor162466	Chemical Fertilizer	1	23 Aug 2000	3 Sep 2010	27 Nov 2030
15	โพแดง 473544/Kor168196	Chemical Fertilizer	1	27 Nov 2001	8 Dec 2011	27 Nov 2031
16	ตราเด็กน้อย 541474/ Kor25293	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	542826/Kor252934	Chemical Fertilizer	1	29 Jan 2004	19 Mar 2014	19 Mar 2024
19	542825/ Kor259590	Insecticides	5	29 Jan 2004	19 Mar 2014	19 Mar 2024

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

According to the appraisal report of TCCC's Trademark/ Brands, UK Valuation consider that the appropriate method for evaluating the market value of trademarks/brands is Relief from Royalty Method. By this method, the fair value of TCCC trademarks and brands is **THB 2,831,060,000**.

2. Group 2 Assets – Assets of TCCCM

The appraisal 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 land and land improvements of TCCCM

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		
	The government and leased to Myanmar Japan Thilawa Development		
Encumbrances	Limited and sub-leased to TCCCM as of 5 June 2014 for the period of		
Encumbrances	approximately 50 years for the initial term with the option to extend		
	another 25 years in the future.		

Comparative market data for the appraisal 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	Thila	Dagon Seikkan Industrial Zone				
Type of Land	Industrial Land		Vacant Lot				
	Rectangular	Rectangular	Trapezoid	Rectangular	Rectangular		
Shape of Land	-		ely 25 km (Road dis Approximately 6 ki	,	-		
Environment	Industrial area within Thilawa Special Economic Zone	Indust	Industrial area within local Thilawa Industrial Zone				
Width of road (Meters)	10	17	16	17	30		
Zoning		Industrial Zone					

List	Asset of TCCCM	Market Data 1	Market Data 2	Market Data 3	Market Data 4
Purchase price (USD/sq.m.)	-	62	74	66	58
Date	-	August 2022	February 2023	February 2023	September 2023

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

Factors	Market Data 1	Market Data 2	Market Data 3	Market Data 4	
Purchase Price (USD/sq.m.) (1)	62	74	66	58	
Condition of Sales (2)	100/100	100/150	100/150	100/100	
Time Adjustment (3)	80/100	100/100	100/100	80/100	
Standarization (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	
Adjusted Price (USD/sq.m.) (7) = (1) x (2) x (3) x (4) x (5) x (6)	63	58	54	53	
Average Value (USD/sq.m.)	57				

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 resulting in the value of USD 1.42 million or **equivalent to THB 49.17 million** (USD/THB = 34.6)

2.2 The Appraisal of building of TCCCM

Detail of TCCCM's buildings

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

According to the appraisal 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

			Direct Cost	
No.	Items	Value (USD million)	Composition	
			(Percentage) (Total	
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	
	Direct Construction Cost Total (DCCT)	7.33		
7.	General Management Expense	0.73	10.00% of DCCT	
8.	General Management Expense	0.37	5.00% of DCCT	
	Replacement Cost of building	8.	43	
Physic	cal Value of TCCCM's building after deducting	6.	47	
	the accrued depreciation	6.47		

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 resulting in the value of USD 5.17 million or equivalent to **THB 178.59 million** (USD/THB = 34.6)

The value of TCCCM's buildings appraised by independent appraiser can be summarized as follows:

Summary of TCCCM's buildings appraisal

		Unit: THB million		
Assets	Approach	Appraised value		
Buildings	replacement cost of building	178.59		
Total TCCCM's bu	uildings	178.59		

2.3 The Appraisal of plant, machinery and vehicle of TCCCM

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				

According to the appraisal 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 milllion)	Depreciation (THB milllion)	Market Value (THB million)
Plant, machines and vehicles					
used for business operations					
in the chemical fertilizer	17	0 - 6	1.85	0.99	0.73
industry of TCCCM in					
Myanmar					

Based on the cost approach, the market value of TCCCM's plant, machinery and vehicle are USD 0.73 million or equivalent to THB 25.03 million (USD/THB = 34.6)

3. Group 3 Assets –MC AGRO Assets

The appraisal of fixed assets of MC AGRO consists of land and land improvement, buildings, and machinery. The details of the appraised property are as follows:

3.1 The Appraisal of land and land improvement of MC AGRO

The appraisal of 1 land of MC AGRO are as follows:

Details of MC AGRO's land List Land

List	Land no. 1		
Plot of Land	1		
	Bangpoo Industrial Estate Project (Soi 12B), Soi Thetsaban Bangpoo 77		
Location	(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 AGRO		
	Mortgage with the bank starting from 2008 as collateral for revolving		
Encumbrances	credit facilities. The contract is renewed annually according to the		
	Bank's review of credit facilities.		

Comparative market data for the appraisal of MC AGRO's Land

Comparative market data for the appraisal of the Acide 5 Land							
List	Asset of MC AGRO	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 Soi Thetsaban Bangpoo Bangpoo Industrial Bang Pu 77 Estate Soi 2B Estate Soi 2B		Soi Thetsaban Bang Pu 77			
Width of road	25 meter traffic surface	14 meter traffic surface 14 meter traffic surface surface					
Public Utilities		electricitywater supplytelephonestreet 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 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 MC AGRO's Land

Factors	Weight (%)	Market Data	The Subject				
1 actors		1	2	3	4	5	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
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
Total	100.00	650	690	610	650	550	590
Weighted Value		5,174.00	4,446.00	4,836.00	4,538.00	4,935.00	23,929.00
Market Value (THB per sq.wah)	B 24,000.00						

Based on the comparison approach, the market value of MC AGRO's land and land improvements is THB 24,000.00 per sq.wah. or approximately THB **58,704,000** (rounded).

The value of MC AGRO's land appraised by independent appraiser can be summarized as follows:

Summary of MC AGRO's Land Appraisal

		Unit: THB million	
Assets	Approach	Appraised value	
Land and land improvement	Comparison Approach (Market Approach)	58.70	
Total MC AGRO's	land and land improvement	58.70	

Detail of MC AGRO's buildings

List	MC AGRO's buildings group 1		
Property details	15 buildings and 1 Building improvement		
Location	Bangpoo Industrial Estate Project (Soi 12B), Soi Thetsaban Bangpoo 77 (Pattana Road), Sukhumvit Road (Old Road), Phraeksa Subdistrict, Mueang Samut Prakan District Samut Prakan Province		
Age of building	24 years		
Building owner	MC AGRO		
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.		

According to the appraisal report of MC AGRO's 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:

MC AGRO's buildings appraisal by Depreciated Replacement Cost

No.	Building details	Area (sq.m.)	Depreciation (%)		Depreciated Replacement Cost (THB million)
1	Factory and office buildings	12,353.25	37.00 - 66.00	49.89	23.62
Total			49.89	23.62	

Based on the Depreciated Replacement Cost, the market value of MC AGRO's buildings is THB 23.62 million.

The value of MC AGRO's buildings appraised by independent appraiser can be summarized as follows:

Summary of MC AGRO's buildings appraisal

		Unit: THB million	
Assets	Approach	Appraised value	
Buildings and improvement	Depreciated Replacement Cost	23.62	
Total MC AGRO's build	lings and improvement	23.62	

3.3 The Appraisal of machinery, equipment and vehicle of MC AGRO

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

Details of MC AGRO's machinery, equipment and vehicle

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

According to the appraisal reports for MC AGRO's machinery, equipment and vehicle, Prospec considers that the most appropriate method for evaluating the market value of machinery and vehicle of MC AGRO 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:

MC AGRO's machinery, equipment and vehicle appraisal by Cost Approach

Machinery and vehicle	Number of machines (items)	Remaining Useful Life (Year)	Replacement Cost New (THB milllion)	Depreciation (Rate : Percentage)	Market Value (THB million)
Machinery and equipment for the pesticide packaging industry and vehicles in Mueang Samut Prakan District Samut Prakan Province	260	5.00-11.40	26,326,537	15.00 - 84.90	16,974,729

The value of MC AGRO's machinery, equipment and vehicle appraised by independent appraiser can be

Summary of MC AGRO's machinery, equipment and vehicle

	Unit: THB million			
Assets	Approach	Appraised value		
Machinery, equipment and vehicle	Cost Approach	16.97		
Total MC AGRO's machinery, equipme	16.97			

4. Group 4 Assets - N.I.M. Assets

The appraisal of fixed assets of N.I.M. consists of buildings, warehouse, machinery and vehicle. The details of the appraised property are as follows:

4.1 The Appraisal of building and warehouse of N.I.M.

Details of N.I.M.'s building and warehouse

List	Buildings			
Property details	3 Buildings			
	Subject Property of N.I.M. Co., Ltd. is located at No. 284 Moo 1,			
Location	Pakklong Bangplakod Sub-district, Muang			
	District, Samutprakarn Province			
Age of building	3-37 years			
Building owner	N.I.M.			
Utilization	Industrial Utilization			

According to the appraisal report of N.I.M.'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:

N.I.M.'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
	Total N.I.M.'s buildings			17.76	12.84

Based on the Depreciated Replacement Cost, the market value of N.I.M.'s buildings and warehouse is THB 12.84

4.2 The Appraisal of machinery and vehicle of N.I.M.

The appraisal of fixed assets of N.I.M. is Machinery and vehicle, and the details of the appraised property are as follows:

Details of N.I.M.'s machinery and vehicle

List	Machinery and equipment					
Asset details	Machine and vehicle used in N.I.M. 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					

According to the appraisal reports for N.I.M.'s machinery and vehicle, UK Valuation considers that the most appropriate method for evaluating the market value of machinery and vehicle of N.I.M. 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:

N.I.M.'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 N.I.M. liquid chemical tank plant in Phra Samut Jedee District Samut Prakan	54	5.00 – 12.69	155.47	120.52	34.95

The value of N.I.M.'s machinery and vehicle appraised by independent appraiser can be summarized as follows

Summary of N.I.M.'s machinery and vehicle appraisal

	Unit: THB million		
Assets	Approach	Appraised value	
Machinery and vehicle	Cost Approach	34.95	
Total N.I.M.'s machinery and vehicle		34.95	

5. Group 5 Assets – Land of CTP

The appraisal of fixed assets of CTP is land, and the details of the appraised property are as follows:

List	Details
Property Type	Vacant Land
Location	Puchaosamingprai Road, Samrong Tai Sub-district, PhraPradaeng District, Samut
Location	Prakan, Thailand
Land owner	СТР
Encumbrances	None
Expropriation	No eminent domain in this area affects the site.

Comparative market data for the appraisal of CTP's Land

		Market Data	Market Data	Market Data	Market Data	Market Data
List	Asset of CTP	1	2	3	4	5
Property Type	Vacant Land					
Location			Puchaosami	ngprai Road		
Shape & Elevation			Recta	angle		
Width of road			18-meter tra	affic surface		
Public Utilities		Electrical supply, water supply, etc.				
City Plan		Purple Zoning (Industry area)				
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

Factors	Weight (%)	Market Data 1	Market Data 2	Market Data 3	The Subject Land
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
Total	100.00	610	585	595	580
Weighted Value		23,878.00	46,500.00	23,802.00	94,180.00
Market Value (THB/sq.wah)			94,000.00		

Based on the comparison approach, the market value of CTP's land is THB 94,000.00 per sq.wah. or approximately **THB 451,200,000** (rounded)

Attachment 8

Financial Statements of the Tender Offerors

Separate Financial Statements (Audited) of Sojitz Corporation

For Fiscal Year 2021 Ended 31 March 2022



Accounting Auditor's audit report concerning the non-consolidated financial statements: Full copy

Independent Auditor's Audit Report

May 13, 2022

To the Board of Directors, Sojitz Corporation

KPMG AZSA LLC

Tokyo Office

Designated Limited Liability Partner

Engagement Partner

Certified Public Accountant

Designated Limited Liability Partner

Engagement Partner

Certified Public Accountant

Designated Limited Liability Partner

Engagement Partner

Certified Public Accountant

Hiroaki Sugiura

Ryohei Tomita

Daisuke Yamada

Opinion

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and the accompanying supplementary schedules of Sojitz Corporation (the "Company") for the 19th fiscal year from April 1, 2021 through March 31, 2022.

In our opinion, the financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2022, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in Japan.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules." We are independent of the Company in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other Descriptions

Other descriptions comprise the business report and accompanying supplementary schedules. Management is responsible for preparing and disclosing other descriptions. Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the execution of duties by Directors with respect to developing and operating the process for reporting other descriptions.

The scope of our audit opinion on the financial statements and the accompanying supplementary schedules does not include other descriptions, and we do not express an opinion on the other descriptions.



In auditing the financial statements and the accompanying supplementary schedules, we are responsible for reading through other descriptions and, in the process of reading them through, considering whether there are material discrepancies between the other descriptions and the financial statements and the accompanying supplementary schedules or the knowledge we gained during the process of audit, and paying attention to whether there are any signs of material misstatement in the other descriptions apart from such material discrepancies.

If, based on the work performed, we judge that there is a material misstatement in other descriptions, we are required to report such a fact.

We have no matters to report with respect to the other descriptions.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Financial Statements and the Accompanying Supplementary Schedules

Management is responsible for the preparation and fair presentation of the financial statements and the accompanying supplementary schedules in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the financial statements and the accompanying supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the accompanying supplementary schedules, management is responsible for assessing whether it is appropriate to prepare the financial statements and the accompanying supplementary schedules in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules

Our responsibility is to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the financial statements and the accompanying supplementary schedules from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the financial statements and the accompanying supplementary schedules.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the financial statements and the accompanying supplementary schedules is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their
 application, as well as the reasonableness of accounting estimates made by management and the adequacy
 of related notes.
- · Determine whether it is appropriate for management to prepare the financial statements and the



accompanying supplementary schedules on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the financial statements and the accompanying supplementary schedules in the audit report, or if the notes to the financial statements and the accompanying supplementary schedules pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the financial statements and the accompanying supplementary schedules. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.

Besides assessing whether the presentation of and notes to the financial statements and the accompanying
supplementary schedules are in accordance with accounting principles generally accepted in Japan, assess
the presentation, structure, and content of the financial statements and the accompanying supplementary
schedules including related notes, and whether the financial statements and the accompanying
supplementary schedules fairly present the transactions and accounting events on which they are based.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any safeguards that are in place to reduce or eliminate obstacles.

Interest

Our firm and engagement partners have no interests in the Company requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.



Non-consolidated Financial Statements

Non-consolidated Balance Sheet

(Millions of yen)

	1	1 (5.0)	П	(1)	minons of yen)
Items	As of March	(Reference) As of March	Items	As of March	(Reference) As of March
Items	31, 2022	31, 2021	Items	31, 2022	31, 2021
Assets 31, 2021		Liabilities 51, 2021			
Current assets	683,628	612,402	Current liabilities	649,995	482,416
Cash and deposits	119,186	154,409	Notes payable-trade	14,309	6,968
Notes receivable-trade	8,075	6,351	Accounts payable-trade	230,427	206,100
Accounts receivable-trade	190,906	174,699	Short-term loans payable	289,173	154,811
Merchandise	34,196	160,026	Current portion of bonds	10,000	20,000
Advance payments-trade	16,586	10,383	Income taxes payable	10,893	1,030
Short-term loans receivable	109,410	59,817	Advances received	_	10,037
Other	205,342	46,799	Deposits received	62,941	62,859
Allowance for doubtful accounts	(75)	(83)	Provision for bonuses	5,131	2,540
N	000 204	007 (16	Other	27,118	18,067
Noncurrent assets	999,394	887,616	NT 411 1 1117	572 (25	507.427
Property, plant and equipment	15,638	15,758	Noncurrent liabilities	572,635	597,437
Buildings Land	5,162 9,021	4,497 9,567	Bonds payable Long-term loans payable	70,000 480,914	70,000 509,183
Other	1,455	1,692	Provisions for retirement	460,914	309,183
Intangible assets	15,411	9,568	benefits	9,684	9,860
			Provision for delivery of		
Software	4,889	2,590	shares	567	310
Goodwill	1,292	1,203	Other	11,469	8,082
Other	9,229	5,775			
<u>Investments and other assets</u>	968,343	862,289			
Investment securities	136,424	111,659			
Stocks of subsidiaries and	677,106	631,482			
associates	,	, .	Tr. (11: 1:11:	1 222 (20	1 070 052
Investments in capital of subsidiaries and associates,	44,125	41,601	Total liabilities	1,222,630	1,079,853
etc.	44,123	41,001	Net assets		
Long-term loans receivable	78,554	42,061	Shareholders' equity	416,252	397,434
Bad debts	78,944	72,066		-	
Deferred tax assets	9,690	13,476			
Other	20,804	15,563	Capital stock	160,339	160,339
Allowance for doubtful accounts	(71,564)	(62,508)	Capital surplus	155,503	155,271
Allowance for investment loss	(5,742)	(3,113)	Legal capital surplus	152,160	152,160
Deferred assets	244	240	Other capital surplus	3,343	3,110
Bond issuance cost	244	240		,	,
			Retained earnings	131,656	97,677
			Other retained earnings		
			Retained earnings brought		
			forward	131,656	97,677
			Treasury stock	(31,247)	(15,854)
			Valuation and translation		
			<u>Adjustments</u>	44,384	22,971
			Valuation difference on		
			available-for-sale securities	52,726	30,660
				,,,,	
			Deferred gains or losses on		
			hedges	(8,341)	(7,689)
			Total net assets	460,636	420,405
Total assets	1,683,267	1,500,259	Total liabilities and net assets	1,683,267	1,500,259



Non-consolidated Statement of Income

(Millions of yen)

		(Millions of yen)
	FY2021	(Reference) FY2020
Items	(From April 1, 2021	(From April 1, 2020
D.	to March 31, 2022)	to March 31, 2021)
Revenue	678,262	_
Cost of revenue	627,484	_
Net sales	_	2,334,428
Cost of sales	_	2,291,674
Gross profit	50,778	42,754
Selling, general and administrative expenses	62,022	55,990
Operating income (loss)	(11,244)	(13,236)
Non-operating income		
Interest income	3,553	2,448
Dividends income	69,480	52,951
Foreign exchange profits	1,097	1,144
Other	8,541	5,132
Total non-operating income	82,672	61,677
Non-operating expenses		
Interest expenses	6,711	7,605
Loss on valuation of derivatives	3,527	2,627
Other	5,645	2,862
Total non-operating expenses	15,884	13,095
Ordinary income	55,543	35,345
Extraordinary income		
Gain on sales of noncurrent assets	130	2
Gain on sales of subsidiaries and associates' stocks,	11,503	178
etc.	2.769	2 270
Gain on sales of investment securities, etc.	3,768	3,279
Total extraordinary income	15,402	3,461
Extraordinary loss	76	120
Loss on sales and retirement of noncurrent assets	76	120
Impairment loss	348	82
Loss, and provision for loss, on dissolution of subsidiaries and associates	16,093	4,931
Loss on sales of investment securities, etc.	4	3
Loss on valuation of investment securities, etc.	1,328	90
Total extraordinary losses	17,851	5,229
Income before income taxes	53,094	
Income taxes-current		(2.090)
Income taxes-current Income taxes-deferred	5,154 (2,449)	(2,090) (3,795)
Total income taxes	2,704	(5,885)
Net income	50,389	39,462





Independent auditor's report

To the Board of Directors of Sojitz Corporation:

Opinion

We have audited the accompanying consolidated financial statements of Sojitz Corporation ("the Company") and its consolidated subsidiaries (collectively referred to as "the Group"), which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of profit or loss, profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

With respect to "Measurement of an impairment loss on property, plant and equipment, right-of use-assets and intangible assets used in the coal mining business in Australia", which was identified as one of the key audit matters in our audit of the consolidated financial statements of the previous fiscal year, an impairment loss on property, plant and equipment and other assets was recognized in the previous fiscal year primarily due to Sojitz Development Pty Ltd's policy of closing a coal mine. As a result, we determined that the audit risk had been reduced. Therefore, we did not identify the matter as a key audit matter in our audit of the consolidated financial statements for the current fiscal year.

We determined that "Valuation of investments in associates owning a thermal coal mine in Indonesia" was a key audit matter in our audit of the consolidated financial statements for the current period since the uncertainty as to whether the investments in associates that own a thermal coal mine in Indonesia should be classified into a non-current asset held for sale, as well as uncertainty of the estimated fair value less costs to sell, increased particularly.

Measurement of an impairment loss on property, plant and equipment relating to oil and gas interests in the North Sea within the U.K. territory

The key audit matter

As described in Note 8 PROPERTY, PLANT AND EQUIPMENT to the consolidated financial statements of the Group, property, plant and equipment of ¥11,260 million related to Sojitz Energy Development Ltd., were recognized in the consolidated statement of financial position of Sojitz Corporation for the current fiscal year. Sojitz Energy Development Ltd. is a consolidated subsidiary owning oil and gas interests in the North Sea within the U.K. territory, which is included in the Infrastructure & Healthcare segment.

As described in Note 3 SIGNIFICANT ACCOUNTING POLICIES (9) Impairment of non-financial assets to the consolidated financial statements, the Group estimates the recoverable amounts of the Group's property, plant and equipment to determine if any indication of impairment exists. When the recoverable amount is less than the carrying amount, the carrying amount is reduced to the recoverable amount and the resulting decrease in the carrying amount is recognized as an impairment loss. In order to estimate the recoverable amount, the Group identifies the smallest identifiable group of assets that generates cash inflows that are largely independent of cash inflows from other assets or groups of assets as a cash generating unit, and calculates the recoverable amount of the cash-generating unit.

The Group used the fair value less costs of disposal as the recoverable amount of property, plant and equipment relating to the oil and gas interests described above, and estimated the fair value less costs of disposal based on key assumptions adopted by management, including future oil and gas prices that were used as the basis to develop the business plan, the recoverable reserves

How the matter was addressed in our audit

In order to assess the appropriateness of the Group's estimate of the fair value less costs of disposal relating to the measurement of an impairment loss on property, plant and equipment relating to the oil and gas interests in the North Sea within the U.K. territory, we mainly performed the following audit procedures. In addition, the following procedures include the audit procedures conducted by the component auditor of Sojitz Energy Development Ltd., a consolidated subsidiary. We requested the component auditor to perform specific audit procedures and evaluated the report of the component auditor to conclude whether sufficient and appropriate audit evidence was obtained.

(1) Internal control testing

Test of the design and operating effectiveness of certain internal controls relevant to measuring the fair value less costs of disposal, which was used in determining whether an impairment loss on property, plant and equipment should be recognized.

(2) Assessment of the reasonableness of the estimated fair value less costs of disposal

- The procedures set out below were performed to assess the appropriateness of key assumptions used to develop the business plan:
 - comparison of management's estimate of future oil and gas prices used to calculate sales prices with long-term price forecasts issued by third parties;
 - comparison of the recoverable reserves that were used to calculate production volume with management's assumptions in the previous fiscal year, inquiries of management about the rationales for its estimation, and then comparison of the assumptions with a report issued by a third-party institution; and
 - assessment of the reasonableness and feasibility of the development plan on the oil and gas interests that were used to calculate

that were used to calculate production volume, the feasibility of its development plan, and a discount rate. Accordingly, the estimate of the fair value less costs of disposal involved a high degree of uncertainty as the world economic environment including relevant countries' energy supply and demand and public policies had a significant effect on those assumptions.

We, therefore, determined that the assessment of the reasonableness of the estimated fair value of less costs of disposal relating to the measurement of an impairment loss on property, plant and equipment relating to the oil and gas interests in the North Sea within the U.K. territory was one of the most significant matters in our audit of the consolidated financial statements for the current fiscal year, and accordingly, a key audit matter.

- production volume through inquiries of management and inspection of relevant documents.
- Assessment of the reasonableness of the discount rate adopted by management by comparing it with a discount rate independently developed by the component auditor.

Valuation of investments in associates that own a thermal coal mine in Indonesia

The key audit matter

As described in Note 18 ASSETS HELD FOR SALE AND LIABILITIES DIRECTLY RELATED THERETO to the consolidated financial statements of the Group, a loss on reorganization of subsidiaries/associates of ¥6,620 million was recognized in the consolidated statement of profit or loss of Sojitz corporation and subsidiaries for the current fiscal year. Since it became highly probable investments in associates that own a thermal coal mine in Indonesia, included in the Metals, Mineral Resources & Recycling segment, would be sold, the investments in the associates were classified into noncurrent assets held for sale and measured at the fair value less costs to sell. In addition, as a result of the recognition of loss on reorganization of subsidiaries/associates, the above assets held for sale of ¥6,327 million were recognized in the consolidated statement of financial position for the current fiscal year.

How the matter was addressed in our audit

In order to evaluate the reasonableness of the classification of investments in associates that own a thermal coal mine in Indonesia into non-current assets held for sale and of the estimated fair value less costs to sell, we mainly performed the following audit procedures:

(1) Internal control testing

Test of the design and operating effectiveness of certain of internal controls relevant to the classification into non-current assets held for sale as well as the estimated fair value less costs to sell.

(2) Assessment of the reasonableness related to classification into non-current asset held for sale

Assessment of the feasibility related to sales of the shares through inquiries of management about the negotiation and inspection of relevant documents.

- (3) Assessment of the reasonableness of the estimated fair value less costs to sell
- Assessment of the reasonableness of the estimated fair value less costs to sell through inquiries of

As described in Note 3 SIGNIFICANT ACCOUNTING POLICIES (12) non-current assets held for sale to the consolidated financial statements, non-current assets or disposal groups to be collected mainly through sales transactions (but not for continuous use) are classified as held for sale. After the classification as held for sale, such asset is measured at the lower of the carrying amount and the fair value less costs to sell.

In the judgment of whether to classify assets into non-current assets held for sale above, as well as in the estimated fair value less costs to sell, key assumptions were adopted by management involving a high degree of uncertainty, such as the judgment of the feasibility of sales, the future coal prices that were used as a basis to develop the business plan, recoverable reserves that were used to calculate production volume, the feasibility of its production plan, and a discount rate.

- management about sales negotiation of the shares and inspection of relevant documents.
- The procedures set out below to assess the appropriateness of key assumptions included in the business plan that were used to develop the external evaluation report.
 - comparison of sales price of thermal coal with long-term price forecasts issued by third parties;
 - inquires of management about the rationales for the estimated recoverable reserves that were used as a basis to calculate production volume, and comparison of the estimated recoverable reserves with a report issued by a third-party; and
 - assessment of the reasonableness and feasibility of the production plan on the oil and gas interests that were used to calculate production volume through inquiries of management and inspection of relevant documents.
- Assessment of whether the discount rate and estimation methods used in the external evaluation report have been reasonably selected and adopted by using valuation specialists within the network firms.

Other Information

The other information comprises the information included in the Annual Financial Report, but does not include the consolidated financial statements and our auditor's report thereon. Management is responsible for the preparation and presentation of the other information. Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with IFRS and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with IFRS, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- · Obtain sufficient appropriate audit evidence regarding the financial information of the entities or

business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Audit & Supervisory Board Members and the Audit & Supervisory Board, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Convenience Translation

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2022 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 2(3) to the consolidated financial statements.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

We do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Hiroaki Sugiura Designated Engagement Partner Certified Public Accountant

Ryohei Tomita Designated Engagement Partner Certified Public Accountant

Daisuke Yamada
Designated Engagement Partner
Certified Public Accountant

KPMG AZSA LLC Tokyo Office, Japan June 17, 2022

Notes to the Reader of Independent Auditor's Report:

This is a copy of the Independent Auditor's Report and the original copies are kept separately by the Company and KPMG AZSA LLC.

Consolidated Statement of Financial Position

		Millions of	Thousands of U.S. dollars	
	Note	2021	2022	2022
Assets				
Current assets				
Cash and cash equivalents	30	287,597	271,651	2,226,647
Time deposits		10,059	10,782	88,377
Trade and other receivables	6	636,186	791,466	6,487,426
Derivative financial assets	33(9)	4,734	10,743	88,057
Inventories	7	187,891	232,788	1,908,098
Income tax receivables		3,116	1,051	8,614
Other current assets	13	64,924	68,382	560,508
Subtotal		1,194,511	1,386,867	11,367,762
Assets held for sale	18	892	7,352	60,262
Total current assets		1,195,403	1,394,220	11,428,032
Non-current assets				
	•	404.000		
Property, plant and equipment	8 35	191,292 72,821	201,516 69,661	1,651,770 570,991
Right-of-use assetsGoodwill	9(1)	67,201	82,522	676,409
	` '	•	85,031	696,975
Intangible assets	9(2) 10	61,498 11,603	13,261	108,696
Investment property Investments accounted for using the equity method	10	433,029	490,320	4,019,016
Trade and other receivables	6	433,029 89,747	118,273	969,450
	12	157,817	183,310	1,502,540
Other investments Derivative financial assets		157,617	1,943	1,502,540
	33(9)	_	,	•
Other non-current assets	13	11,804	13,012	106,655
Deferred tax assets	32(1)	7,890	8,607	70,549
Total non-current assets		1,104,711	1,267,460	10,389,016
Total assets		2,300,115	2,661,680	21,817,049

Note: The U.S. dollar amounts represent translations of Japanese yen at the approximate exchange rate at March 31, 2022 of ¥122=\$1.

		Millions of	· yen	Thousands of U.S. dollars
	Note	2021	2022	2022
Liabilities and equity				
Liabilities				
Current liabilities				
Trade and other payables	14	475,978	545,963	4,475,106
Lease liabilities	35	16,778	17,427	142,844
Bonds and borrowings	15	158,595	231,216	1,895,213
Derivative financial liabilities	33(9)	6,193	8,614	70,606
Income tax payables		5,851	19,007	155,795
Provisions	16	3,226	4,137	33,909
Other current liabilities	17	68,130	71,259	584,090
Total current liabilities		734,754	897,627	7,357,598
Non-current liabilities				
Lease liabilities	35	60,460	57,836	474,065
Bonds and borrowings	15	749,739	821,508	6,733,672
Trade and other payables	14	6,136	8,203	67,237
Derivative financial liabilities	33(9)	656	117	959
Retirement benefits liabilities	31(1)	21,896	23,930	196,147
Provisions	16	41,725	47,951	393,040
Other non-current liabilities	17	9,636	8,891	72,877
Deferred tax liabilities	32(1)	20,470	31,734	260,114
Total non-current liabilities		910,722	1,000,174	8,198,147
Total liabilities		1,645,476	1,897,802	15,555,754
Equity				
Share capital	19	160,339	160,339	1,314,254
Capital surplus	19	146,814	147,027	1,205,139
Treasury stock	19	(15,854)	(31,015)	(254,221)
Other components of equity		77,772	136,747	1,120,877
Retained earnings	19	250,039	314,913	2,581,254
Total equity attributable to owners of the parent		619,111	728,012	5,967,311
Non-controlling interests		35,527	35,866	293,983
Total equity		654,639	763,878	6,261,295
Total liabilities and equity		2,300,115	2,661,680	21,817,049

Consolidated Statement of Profit or Loss

		Millions o	f ven	Thousands of U.S. dollars	
	Note	2021	2022	2022	
Revenue	20				
Sales of goods		1,512,727	1,998,218	16,378,836	
Sales of services and others		89,758	102,534	840,442	
Total revenue		1,602,485	2,100,752	17,219,278	
Cost of sales		(1,414,365)	(1,829,433)	(14,995,352)	
Gross profit		188,120	271,319	2,223,926	
Selling, general and administrative expenses	21	(161,080)	(180,314)	(1,477,983)	
Other income (expenses)					
Gain (loss) on disposal of fixed assets, net	22	2,860	6,702	54,934	
Impairment loss on fixed assets	23	(5,470)	(2,637)	(21,614)	
Gain on reorganization of subsidiaries/associates	24	3,923	6,060	49,672	
Loss on reorganization of subsidiaries/associates	23,25	(2,128)	(18,215)	(149,303)	
Other operating income	26	8,005	7,357	60,303	
Other operating expenses	26	(8,327)	(13,052)	(106,983)	
Total other income (expenses)		(1,137)	(13,784)	(112,983)	
Financial income					
Interest earned	27	5,418	7,425	60,860	
Dividends received	27	3,034	5,063	41,500	
Other financial income	27	53	828	6,786	
Total financial income		8,506	13,317	109,155	
Financial costs					
Interest expenses	27	(11,774)	(11,210)	(91,885)	
Total financial costs		(11,774)	(11,210)	(91,885)	
Share of profit (loss) of investments accounted for using the equity		4.4.700			
method	11	14,786	37,968	311,213	
Profit before tax		37,420	117,295	961,434	
Income tax expenses	32(2)	(8,002)	(31,824)	(260,852)	
Profit for the year		29,417	85,471	700,581	
Profit attributable to:					
Owners of the parent		27,001	82,332	674,852	
Non-controlling interests		2,416	3,138	25,721	
Total		29,417	85,471	700,581	
1000		20,411	00,471	700,001	
		Yen		U.S. dollars	
	Note	2021	2022	2022	
Earnings per share					
Basic earnings (losses) per share	28	112.53	352.65	2.89	
Diluted earnings (losses) per share	28	112.53	352.65	2.89	

Consolidated Statement of Profit or Loss and Other Comprehensive Income

		Millions of	yen	Thousands of U.S. dollars	
	Note	2021	2022	2022	
Profit for the year		29,417	85,471	700,581	
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Financial assets measured at FVTOCI	29	13,460	18,533	151,909	
Remeasurements of defined benefit pension plans	29	442	(258)	(2,114)	
Share of other comprehensive income of investments accounted for using the equity method	11,29	1,982	(10,743)	(88,057)	
Total items that will not be reclassified to profit or loss		15,885	7,530	61,721	
Items that may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operations	29	17,590	34,797	285,221	
Cash flow hedges	29	4,815	1,677	13,745	
Share of other comprehensive income of investments accounted for using the equity method	11,29	(4,741)	19,111	156,647	
Total items that may be reclassified subsequently to profit or loss		17,664	55,587	455,631	
Other comprehensive income for the year, net of tax		33,549	63,117	517,352	
Total comprehensive income for the year		62,967	148,588	1,217,934	
Total comprehensive income attributable to:					
Owners of the parent		59,111	142,429	1,167,450	
Non-controlling interests		3,856	6,159	50,483	
Total		62,967	148,588	1,217,934	

Consolidated Statement of Changes in Equity

						Attributable to ow		ns of yen arent					
	-					Other	components of	of equity					
	Note	Share capital	Capital surplus	Treasury stock	Foreign currency translation differences for foreign operations	Financial assets measured at FVTOCI	Cash flow hedges	Remeasurements of defined benefit pension plans	Total other components of equity	Retained earnings	Total equity attributable to owners of the parent	Non- controlling interests	Total equity
Balance as of April 1, 2020		160,339	146,756	(10,901)	(29,975)	86,513	(6,760)		49,777	233,151	579,123	42,774	621,89
Profit for the year										27,001	27,001	2,416	29,41
Other comprehensive income					13,800	15,081	2,630	597	32,109		32,109	1,439	33,54
Total comprehensive income for the year		_	_	_	13,800	15.081	2,630	597	32,109	27.001	59,111	3,856	62,96
Purchase of treasury stock	19		(1)	(5,000)	10,000	10,001	2,000	007	02,100	21,001	(5,002)	0,000	(5,002
Disposal of treasury stock	19		(47)	(3,000)							(3,002)		(3,002
Dividends	19		(47)	47						(16,381)	(16,381)	(3,249)	(19,630
Change in ownership interests in subsidiaries without loss/ acquisition of control					156	534	(0)		690	1,457	2,147	(5,684)	(3,536
Reclassification from other components of equity to retained						(4,208)		(597)	(4,805)	4,805			
earnings Share-based payment transaction	34		108			(4,200)		(597)	(4,605)	4,605	108		10
Other changes										4	4	(2,170)	(2,165
Total contributions by and distributions to owners of the													
Company			58	(4,953)	156	(3,674)	(0)	(597)	(4,115)	(10,113)	(19,123)	(11,103)	(30,227
Balance as of March 31, 2021		160,339	146,814	(15,854)	(16,018)	97,920	(4,129)	_	77,772	250,039	619,111	35,527	654,63
Profit for the year Other comprehensive income					48,046	7,364	4,829	(143)	60,096	82,332	82,332 60,096	3,138 3,021	85,47 63,11
Total comprehensive income for the year		_	_	_	48.046	7.364	4.829	(143)	60.096	82.332	142,429	6.159	148.58
Purchase of treasury stock	19		(9)		40,040	7,304	4,023	(143)	00,030	02,332	(15,183)	0,100	(15,183
Disposal of treasury stock	19		(12)	12							(13,103)		(13,103
Dividends	19		(/							(16,408)	(16,408)	(4,577)	(20,986
Change in ownership interests in subsidiaries without loss/													
acquisition of control					(712)				(712)	1,979	1,266	(2,468)	(1,201
Purchase commitments for non- controlling interests' shares										(3,571)	(3,571)		(3,571
Reclassification from other components of equity to retained											. ,,		.,,
earnings						(552)		143	(409)	409	-		-
Share-based payment transaction	34		235							46-	235	4.05-	23
Other changes										133	133	1,225	1,35
Total contributions by and distributions to owners of the		_	242	(45 460)	(743)	(EE0)		442	(4 424)	(47 AEO)	(22 E20)	(E 020)	(20.24)
Company		400.000		(15,160)	(712)	(552)	-	143	(1,121)	(17,458)	(33,528)	(5,820)	(39,349
Balance as of March 31, 2022		160,339	147,027	(31,015)	31,314	104,732	699	_	136,747	314,913	728,012	35,866	763,87

							Thousands	of U.S. dollars					
						Attributable to ov	ners of the pa	arent					
				_		Other	components	of equity			,		
	Note	Share capital	Capital surplus	Treasury stock	Foreign currency translation differences for foreign operations	Financial assets measured at FVTOCI	Cash flow hedges	Remeasurements of defined benefit pension plans	Total other components of equity	Retained earnings	Total equity attributable to owners of the parent	Non- controlling interests	Total equity
Balance as of March 31, 2021		1,314,254	1,203,393	(129,950)	(131,295)	802,622	(33,844)		637,475	2,049,500	5,074,680	291,204	5,365,893
Profit for the year Other comprehensive income					393,819	60,360	39,581	(1,172)	492,590	674,852	674,852 492,590	25,721 24,762	700,581 517,352
Total comprehensive income for the year		_	_	_	393,819	60,360	39,581	(1,172)	492,590	674,852	1,167,450	50,483	1,217,934
Purchase of treasury stock	19		(73)	(124,368)							(124,450)		(124,450)
Disposal of treasury stock	19		(98)	98							_		_
Dividends	19									(134,491)	(134,491)	(37,516)	(172,016)
Change in ownership interests in subsidiaries without loss/ acquisition of control					(5,836)				(5,836)	16,221	10,377	(20,229)	(9,844
Purchase commitments for non- controlling interests' shares 										(29,270)	(29,270)		(29,270)
Reclassification from other components of equity to retained earnings						(4,524)		1,172	(3,352)	3,352	_		_
Share-based payment transaction	34		1,926								1,926		1,926
Other changes			•							1,090	1,090	10,040	11,131
Total contributions by and distributions to owners of the Company		_	1,737	(124,262)	(5,836)	(4,524)	_	1,172	(9,188)	(143,098)	(274,819)	(47,704)	(322,532
Balance as of March 31, 2022		1,314,254	1,205,139	(254,221)	256,672	858,459	5,729	_	1,120,877	2,581,254	5,967,311	293,983	6,261,295

Consolidated Statement of Cash Flows

	Millions of yen			Thousands of U.S. dollars	
	Note _	2021	2022	2022	
Cash flows from operating activities	14010	2021	LULL	LULL	
Profit for the year		29,417	85,471	700,581	
Depreciation and amortization		31,850	34,279	280,975	
Impairment loss on fixed assets		5,470	2,637	21,614	
Finance (income) costs		3,268	(2,106)	(17,262)	
Share of (profit) loss of investments accounted for using the		0,200	(=,,	(,=0=)	
equity method		(14,786)	(37,968)	(311,213)	
(Gain) loss on disposal of fixed assets, net		(2,860)	(6,702)	(54,934)	
Income tax expenses		8,002	31,824	260,852	
Changes in trade and other receivables		1,162	(96,092)	(787,639)	
Changes in inventories		29,878	(26,026)	(213,327)	
Changes in trade and other payables		(14,948)	52,031	426,483	
Changes in other assets and liabilities		8,696	6,950	56,967	
Changes in retirement benefits liabilities		(17)	(495)	(4,057)	
Others	30(4)	(122)	14,486	118,737	
Subtotal	00(1)	85,013	58,288	477,770	
Interest earned		3,365	12,142	99,524	
Dividends received		18,198	17,799	145,893	
Interest paid		(12,199)	(11,961)	(98,040)	
Income tax paid		(9,405)	(11,184)	(91,672)	
Net cash provided (used) by/in operating activities		84,972	65,084	533,475	
		04,372	03,004	333,473	
Cash flows from investing activities		(22 000)	(40.270)	(4E0 E72)	
Purchase of property, plant and equipment Proceeds from sale of property, plant and equipment		(23,889)	(18,370)	(150,573)	
		12,084	10,287	84,319	
Purchase of intangible assets		(6,774)	(8,700)	(71,311)	
(Increase) decrease in short-term loans receivable		278	1,430	11,721	
Payment for long-term loans receivable		(4)	(10,360)	(84,918)	
Collection of long-term loans receivable	20(2)	1,162	6,219	50,975	
Net proceeds from (payments for) acquisition of subsidiaries	30(2)	(4,349)	(35,749)	(293,024)	
Net proceeds from (payments for) sale of subsidiaries	30(3)	5,990	7,485	61,352	
Purchase of investments Proceeds from sale of investments		(31,364)	(58,097)	(476,204)	
	20(E)	9,484	24,381	199,844	
Others	30(5)	1,704	(57,346)	(470,049)	
Net cash provided (used) by/in investing activities		(35,676)	(138,819)	(1,137,860)	
Cash flows from financing activities					
Increase (decrease) in short-term borrowings and commercial	00(0)	(00.000)		444.004	
paper	30(6)	(22,969)	54,245	444,631	
Proceeds from long-term borrowings	30(6)	172,645	270,356	2,216,032	
Repayment of long-term borrowings	30(6)	(149,769)	(214,740)	(1,760,163)	
Proceeds from issuance of bonds	30(6)	9,940	9,940	81,475	
Redemption of bonds	30(6)	(10,011)	(20,003)	(163,959)	
Repayment of lease liabilities	30(6)	(14,235)	(15,085)	(123,647)	
Payment for acquisition of subsidiary's interests from non-		(0.470)	(4.075)	(45.000)	
controlling interest holders		(3,172)	(1,875)	(15,368)	
Proceeds from share issuance to non-controlling interest		4.400	440	0.400	
holders		1,186	418	3,426	
Proceeds from sale of treasury stock	4.0	8	3	24	
Purchase of treasury stock	19	(5,000)	(15,173)	(124,368)	
Dividends paid	19	(16,381)	(16,408)	(134,491)	
Dividends paid to non-controlling interest holders	00(0)	(2,878)	(4,710)	(38,606)	
Others	30(6)	15	(66)	(540)	
Net cash provided (used) by/in financing activities		(40,621)	46,898	384,409	
Net increase (decrease) in cash and cash equivalents		8,674	(26,835)	(219,959)	
Cash and cash equivalents at the beginning of year	30(1)	272,651	287,597	2,357,352	
Effect of exchange rate changes on cash and cash equivalents .		6,271	10,890	89,262	
Cash and cash equivalents at the end of year	30(1)	287,597	271,651	2,226,647	

Notes to Consolidated Financial Statements

1 REPORTING ENTITY

Sojitz Corporation (the "Company") is a company domiciled in Japan. The addresses of the Company's headquarters available registered and main office are on its corporate website (https://www.sojitz.com/en/). The Consolidated Financial Statements of the Company as of and for the year ended March 31, 2022 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associates and joint ventures. The Group is an integrated trading company engaged in a wide range of business activities on a global basis. Its headquarters includes business sections that handle merchandising, trading, product manufacturing, services, project planning and management, investments and financing activities, both domestically and internationally.

2 BASIS OF PRESENTATION

(1) Statement of compliance

The Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs").

(2) Basis of measurement

The Consolidated Financial Statements have been prepared on a historical cost basis except for the following material items in the Consolidated Statement of Financial Position:

- · Financial assets and liabilities measured at FVTPL are measured at fair value;
- · Financial assets measured at FVTOCI are measured at fair value;
- · Defined benefit plan assets or liabilities are measured at the present value of the defined benefit obligations less the fair value of plan assets; and,
- Inventories acquired with the purpose of generating profits from short-term fluctuations in price are measured at fair value less sales costs.

(3) Functional currency and presentation currency

The Consolidated Financial Statements are presented in Japanese yen, which is the Company's functional currency. All financial information presented in Japanese yen has been rounded down to the nearest million yen.

For the convenience of readers outside Japan, the accompanying Consolidated Financial Statements are also presented in United States dollars by translating Japanese yen amounts at the exchange rate of ¥122 to U.S.\$1, the approximate rate of exchange at the end of March 31, 2022. Such translations should not be construed as representations that the Japanese yen amounts could be converted into United States dollars at the above.

(4) Use of estimates and judgments

The preparation of the Consolidated Financial Statements in accordance with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from such estimates.

Estimates and underlying assumptions thereof are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future period affected.

The Group's accounting estimates, including accounting for impairment of non-financial assets, are made based on the information available when preparing the Consolidated Financial Statements. The impact of the COVID-19 pandemic will differ in degree and effect depending on the business and area, but our accounting estimates are based on the premise that there will be gradually recovered in the future.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Consolidated Financial Statements is included in the following notes:

- Note 3 (1)— Scope of subsidiaries, associates and joint ventures
- · Note 3 (14) Recognition and presentation with respect to revenue

Information about estimates and assumptions uncertainties that have a significant risk of resulting in material adjustments within the next consolidated fiscal year is included in the following notes:

- · Note 16- Provisions
- Note 23– Impairment of non-financial assets
- Note 31– Measurement of defined benefit obligations
- Note 32– Recoverability of deferred tax assets
- Note 33 (6) Fair value of financial instruments

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorized into three levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3: unobservable inputs.

Information about assumptions made in measuring fair values is included in the following notes:

- · Note 10- Investment property
- Note 18– Assets held for sale and liabilities directly related thereto
- · Note 23- Impairment of non-financial assets
- Note 33 (6)— Fair value of financial instruments

(5) Changes in accounting policies

The Group has applied the Standards and Interpretations required to be adopted from the year ended March 31, 2022. These applications do not have a material effect on the Consolidated Financial Statements.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these Consolidated Financial Statements, and have been applied consistently by the Group.

(1) Basis of consolidation

1) Subsidiaries

Subsidiaries are entities that are controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When the Group holds a majority of the voting rights of another entity, such entity is considered to be a subsidiary of the Group as it is determined that control exists, unless there is clear evidence that shares in such entity do not provide for control. In addition, in the case that the Group holds less than or equal to 50 percent of the voting rights of another entity, if it is determined through agreements or the like with other investment companies that the Group has significant control over such entity's finance and management, such entity is considered to be a subsidiary of the Group.

The financial statements of subsidiaries are included in the Consolidated Financial Statements from the date the Group obtains control of the subsidiaries until the date the Group loses such control of the subsidiaries. In the case that the accounting policies adopted by subsidiaries are different from the Group's accounting policies, the financial statements of such subsidiaries are, as needed, adjusted in order to be consistent with the Group's accounting policies.

In addition, the Consolidated Financial Statements include the financial statements of certain subsidiaries which use different fiscal year end date from that of the Company. The reason being the impracticability of unifying the fiscal year end date of such subsidiaries with that of the Company due to requirements of local laws and regulations, characteristics of local business or the like.

When the financial statements of subsidiaries used in the preparation of the Consolidated Financial Statements are prepared with fiscal year end dates that are different from that of the Company, adjustments are made for the effects of significant transactions or events that occurred between the fiscal year end dates of such subsidiaries and that of the Company. The fiscal year end dates of such subsidiaries is December 31. The difference between the fiscal year end dates of such subsidiaries and that of the Company never exceeds three months.

If there are changes in the Group's interest in a subsidiary, but the Company retains control over the subsidiaries, such transaction is accounted for as an equity transaction. Any difference between the adjustment to the non-controlling interests and the fair value of the consideration received is recognized directly in equity as equity attributable to owners of the parent.

If control is lost with respect to a subsidiary, the Group derecognizes such subsidiary's assets and liabilities or any non-controlling interests, or the other components of equity, related to such subsidiary.

Any surplus or deficit arising from such loss of control is recognized as profit or loss. If the Group retains any interest in such subsidiary after the control is lost, then such interest is measured at fair value at the date that control is lost.

2) Associates and joint ventures

Associates are those entities in which the Group has significant influence, but not control or joint control, over their financial and operating policies. Significant influence over each of such entities is presumed to exist when the Group owns between 20 percent and 50 percent of the voting rights of each such entity.

In the case that the Group holds less than 20 percent of the voting rights of another entity, if it is determined that the Group has significant influence over such entity based on the provision of a board member, a shareholders' agreement or the like, such entity is considered to be an associate of the Group.

Joint ventures are those entities with respect to which multiple parties, including the Group, have joint control over the economic activities by contract and unanimous consent of all of such parties is required when deciding on financial/management strategies, whereby the Group has rights to the net assets of the arrangement.

Except for those that are classified as assets held for sale in accordance with IFRS 5 (Non-current Assets Held for Sale and Discontinued Operations), investments made to associates and joint ventures are accounted for using the equity method (such associates and joint ventures hereinafter referred to collectively as "Entities subject to Equity Method"). Investments made to Entities subject to Equity Method are each accounted for as the carrying amount following the application of the equity method less accumulated impairment losses. Such carrying amount includes goodwill recognized at the time of acquisition.

The Consolidated Financial Statements include the Group's share of the profit or loss and other comprehensive income of Entities subject to Equity Method from the date the Group obtains significant influence or joint control until the date the Group loses such significant influence or joint control. In the case that the accounting policies adopted by Entities subject to Equity Method are different from the Group's accounting policies, the financial statements of such entities are adjusted, as needed.

In addition, the Consolidated Financial Statements include investments made to Entities subject to Equity Method on dates that differ from the fiscal year end date. This is due to the impracticability of unifying the fiscal year end date as a result of relationships with other shareholders or the like. The fiscal year end date for the majority of Entities subject to Equity Method is December 31. Adjustments are made for the effects of significant transactions or events occurred between the fiscal year end date of Entities subject to Equity Method and that of the Company.

3) Business combinations

Business combinations are accounted for using the acquisition method. The Group measures the value of goodwill by deducting from the fair value of consideration for the acquisition (which include the recognized amount of any non-controlling interests in the acquiree at the date of such acquisition) the net recognized amount of the identifiable assets acquired and liabilities assumed at the acquisition date (which is generally the fair value). When such difference is in the negative, such difference is immediately recognized as profit or loss.

Non-controlling interests are measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets, and the measurement method to be applied at the date of acquisition is determined on a transaction-by-transaction basis. Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

4) Transactions eliminated under consolidation

Intra-group balances and transactions, and any unrealized profits or losses through intra-group transactions, are eliminated when preparing the Consolidated Financial Statements.

(2) Foreign currency translation

1) Foreign currency transactions

Foreign currency transactions are translated to the respective functional currencies of each company at exchange rates at the dates of such transactions.

Monetary items in foreign currency at the reporting date are retranslated to the functional currency at the exchange rate at such date.

Foreign exchange translation differences on monetary items are recognized as profit or loss in the period incurred.

Non-monetary items that are measured based on historical cost of the foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items in foreign currency that are measured at fair value of such foreign currency are retranslated to the functional currency at the exchange rate as of the calculation date of fair values thereof. With respect to the foreign exchange translation differences of non-monetary items, if gains or losses on non-monetary items are recognized as other comprehensive income, the exchanged portion of such gains or losses will be recognized as other comprehensive income. On the other hand, if gains or losses on non-monetary items are recognized as profit or loss, the exchanged portions of such gains or losses will be recognized as profit or loss.

2) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising from acquisitions thereof, are translated to the presentation currency using the exchange rate at the reporting date. In addition, the income and expenses of foreign operations are translated to the presentation currency using the average exchange rate for the year excluding cases in which exchange rates are fluctuating significantly.

Foreign exchange translation differences are recognized as other comprehensive income. If the Group's foreign operation is disposed of, the cumulative amount of the foreign exchange translation differences related to such foreign operation are reclassified to profit or loss at the time of such disposal.

Based on the application of the exemption clauses under IFRS 1 "First-time Adoption of International Financial Reporting Standards," the Group reclassified the cumulative translation differences as of the transition date to retained earnings.

(3) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in the bank that may be withdrawn at any time and short-term investments with maturity of three months or less from the acquisition date that are readily convertible into cash and not subject to any price fluctuation risk.

(4) Inventories

Inventories are measured at the lower of a historical cost basis and net realizable value.

The costs of inventories include purchasing costs, processing costs and all other costs incurred in the process of bringing such inventories to the present location and condition, and are mainly determined based on the average method. Non-fungible inventories are calculated based on the specific identification method.

Inventories that have been acquired with the purpose of generating profits from short-term fluctuations in price are measured at fair value less costs to sell, and changes in the fair values of such inventories are recognized as profit or loss.

(5) Property, plant and equipment

After initial recognition, the Group applies the cost model, under which property, plant and equipment are measured at cost less any accumulated depreciation and accumulated impairment losses.

The costs of property, plant and equipment include costs directly attributable to the acquisition of such assets. If a material component of property, plant and equipment is consumed differently, then such component is accounted for as a separate item of property, plant and equipment.

Depreciation of property, plant and equipment is mainly computed under the straight-line method based on the estimated useful life of each component thereof. The estimated useful lives of the following items are mainly as follows:

Buildings and structures: 2 - 60 years
Machinery and vehicles: 2 - 40 years
Tools, furniture & fixtures: 2 - 20 years

The depreciation methods, useful lives and residual values are reviewed at least every financial year end and amended as needed.

(6) Goodwill and intangible assets

1) Goodwill

Goodwill is measured at cost less any accumulated impairment losses.

2) Intangible assets

After initial recognition, the Group applies the cost model and intangible assets are measured at cost less any accumulated amortization and accumulated impairment losses.

At initial recognition, intangible assets acquired individually are measured at cost. The costs of intangible assets acquired from business combinations are measured at fair value at the date of acquisition. With respect to internally-generated intangible assets that do not meet the criteria for asset recognition, expenditures related thereto are accounted for as expenses at the time they are incurred. With respect to internally-generated intangible assets that meet the criteria for asset recognition, the total of expenditures related thereto that were incurred from the date such criteria was first met is treated as cost.

Intangible assets, for which useful lives may be determined (excluding mining rights), are amortized under the straight-line method for the period of such estimated use. With respect to mining rights, they are amortized using the production output method based on estimated mine reserves. In addition, the estimated useful life of software used by the Group is approximately 5 years.

The amortization methods, the useful lives and residual values of intangible assets with finite useful lives are reviewed at least every fiscal year end and amended as needed.

Intangible assets for which useful lives cannot be determined are not amortized. The Company conducts a review to determine whether the events or circumstances supporting the judgment that useful lives cannot be determined continue to exist at every fiscal year end.

(7) Investment property

An investment property is a property held either to earn rental income or for capital appreciation or for both. An investment property does not include a property held for sale in the ordinary course of business or property used for the production or supply of goods or service or for other administrative purpose.

After initial recognition, the Group applies the cost model and investment property is measured at cost less any accumulated depreciation and accumulated impairment losses.

Depreciation of an investment property is mainly computed under the straight-line method based on the applicable estimated useful life. The estimated useful lives are mainly between 2 years and 50 years. The depreciation methods, useful lives and residual values are reviewed at least every fiscal year end and amended as needed.

(8) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset, which takes a considerable period of time before it is ready for its intended use or sale, are capitalized as part of the cost of such asset. All other borrowing costs are recognized as expenses in the period incurred.

(9) Impairment of non-financial assets

At each fiscal year end, the Group determines whether there is any indication of an impairment loss with respect to the Group's non-financial assets, and, if so, the Group estimates the recoverable amount of such assets. Goodwill and intangible assets with indefinite useful lives, of which their useful lives cannot be determined, are tested for impairment annually and whenever there is an indication that there may be an impairment with respect thereof. If the carrying amount of an individual asset or a cash-generating unit exceeds the recoverable amount, such carrying amount is reduced to equal the recoverable amount and an impairment loss is recognized.

Recoverable amount is either the fair value or the value in use (whichever is the higher value) after deducting disposal costs from individual assets or cash-generating units. Fair value is calculated using reasonable estimated prices, obtainable through orderly transactions between market participants. Value in use is calculated by discounting estimated future cash flow using a pre-tax discount rate that reflects the current market value in relation to the inherent risks of cash-generating units or individual assets, and the time value of money. In principle, the business plan used to estimate future cash flow is limited to five years. The Group makes appropriate use of outside experts according to the complexity of calculating the value in use and fair value.

With respect to impairment losses of assets other than goodwill that were recognized in previous fiscal years, the Group determines at each fiscal year end whether such impairment losses have ceased to exist or there are indications that the same have decreased. If any such indications exist, the Group will estimate the recoverable amount of such assets. If such recoverable amount exceeds the carrying amount of such assets, the carrying amount of the assets is increased to equal the recoverable amount and reversal of impairment losses is recognized. Impairment losses recognized with respect to goodwill are not reversed in subsequent periods.

In addition, because goodwill that constitutes part of the carrying amount of an investment with respect to an Entity subject to Equity Method is not separately recognized, it is not tested for impairment separately. If it is suggested that there may be an impairment loss with respect to an investment made to an Entity subject to Equity Method, the entire carrying amount of such investment will be tested for impairment as a single asset, by comparing the recoverable amount with such carrying amount.

(10) Financial instruments

1) Financial Assets

At initial recognition, financial assets are classified as financial assets measured at amortized cost, debt assets measured at FVTOCI, equity assets measured at FVTOCI, and financial assets measured at FVPTL. The Group initially recognizes financial assets measured at amortized cost and debt assets measured at FVTOCI at the date of occurrence, whereas the Group initially recognizes other financial assets on the transaction date.

In cases in which the contractual right with respect to the cash flow from a financial asset is extinguished or the contractual right to receive cash flow from a financial asset has been transferred, and substantially all the risks and rewards associated with the ownership of such asset are removed, the Group derecognizes such financial asset.

(a) Financial assets measured at amortized cost

A financial asset that meets the following conditions is classified as financial asset measured at amortized cost.

- The asset is held based on a business model whose objective is to hold an asset in order to collect cash flow under a contract, and;
- · Based on the contractual terms with respect to the financial asset, the cash flow, which is intended only for payment of principal and interests on the outstanding principal balance, arises on a specified date.

At initial recognition, financial assets measured at amortized cost are measured at fair value plus transaction costs directly attributable to acquisition of such assets. After initial recognition, the carrying amount of such financial assets measured at amortized cost is calculated using the effective interest method.

(b) Debt assets measured at FVTOCI

Financial assets that meet the following criteria are classified as debt assets measured through other comprehensive income.

- The asset is held based on a business model whose objective is to achieve both collecting cash flow under a contract and selling the financial assets ,and
- Based on the contractual terms with respect to the financial asset, the cash flow, which is intended only for payment of principal and interests on the outstanding principal balance, arises on a specified date.

At initial recognition, debt assets measured at FVTOCI are measured at fair value plus transaction costs directly attributable to the acquisition of such assets. After initial recognition, they are measured at fair value and the subsequent changes in fair value are recognized as other comprehensive income. However, when such subsequent changes in fair value are financial revenue based on the effective interest method or differences due to foreign exchange and impairment loss, they are recognized as profit or loss. Furthermore, if the equity investment is derecognized, the accumulated amount is reclassified as profit or loss.

(c) Equity assets measured at FVTOCI

In regards to equity assets invested in not for the purpose of purchase and sale, an election may be made at initial recognition to present subsequent changes to the fair value of such assets as other comprehensive income (such election being irrevocable). The Group makes such election per such financial assets.

At initial recognition, for investment in equity assets not for the purpose of purchase and sale and for which the Group has elected to present subsequent changes to fair value as other comprehensive income (such election being irrevocable) are measured at fair value plus transaction costs directly attributable to the acquisition of such assets. After initial recognition, they are measured at fair value, and the subsequent changes in fair value are recognized as other comprehensive income. When the equity investment is derecognized, or the decrease in fair value compared to acquisition cost is substantial, the accumulated amount of other comprehensive income is reclassified as retained earnings, not as profit or loss. Dividends are recognized as profit or loss.

(d) Financial assets measured at FVTPL

All other financial assets are classified as financial assets measured at FVTPL. These assets are measured at fair value at initial recognition, with transaction costs directly attributable to the acquisition recognized as profit or loss at the date of occurrence. After initial recognition, they are measured at fair value, and the subsequent changes in fair value are recognized as profit or loss.

At initial recognition, trade receivables which do not include any significant financing component are measured at trade value.

2) Impairment of financial assets

The Group recognizes an allowance for doubtful accounts for expected credit loss on financial assets measured at amortized cost, debt assets measured at FVTOCI, lease receivables, contractual assets, and financial guarantee contracts.

If credit risk for financial instruments has not substantially increased from the initial recognition on the reporting date, the Group calculates an allowance for doubtful accounts based on expected credit loss that result from default events that are possible within the 12-months after the reporting date (12-months expected credit loss). If credit risk for financial instruments substantially increases, however, the Group calculates an allowance for doubtful accounts based on expected credit loss from all possible default events over the expected life of the financial instruments (lifetime expected credit loss). However, an allowance for doubtful accounts for trade receivables and contractual assets are calculated based on lifetime expected credit loss. When determining whether credit risk substantially increases or not from the initial recognition, the Group refers to obtainable, reasonable and supportable information, such as changes in external and internal credit ratings and past due information. Expected credit loss is based on the difference between contractual cash flow and collectable cash flow, and its estimate incorporates obtainable, reasonable, and supportable information regarding past non-performance, financial standing of the issuer or borrower, and future predictions.

If it is determined that all or part of the financial assets cannot be collected or extremely difficult to collect, such as there has been a significant financial difficulty of the issuer or borrower or a breach of contract including past due event, the financial assets are regarded as non-performing. In confirming evidence of credit impairment, the Group makes this determination based on matters such as a significant financial difficulty of the issuer or borrower or a breach of contract including past due event. In addition, when there is evidence of credit impairment for the financial assets on the reporting date, the Group estimates expected credit loss separately and calculates allowance for doubtful accounts. For the financial assets for which there is no evidence of credit impairment, the Group classify these together based on similarities in credit risk specifics and the internal credit rating. Then estimate expected credit risk comprehensively to calculate allowance for doubtful accounts.

If there is no reasonable expectation for the partial or full collection of the Group's claims associated with a financial asset, the Group directly deducts the value from the carrying amount of total financial assets.

3) Financial liabilities

At initial recognition, financial liabilities are either classified as financial liabilities measured at FVTPL or financial liabilities measured at amortized cost. Financial liabilities measured at amortized cost are initially recognized on the occurrence date thereof and other financial liabilities are recognized on the transaction date thereof.

Financial liabilities are no longer recognized when they are extinguished, i.e., when obligations specified under a contract are discharged, cancelled or expires.

(a) Financial liabilities measured at amortized cost

Financial liabilities, other than financial liabilities measured at FVTPL, are classified as financial liabilities measured at amortized cost. At initial recognition, financial liabilities measured at amortized cost are measured at fair value less any transaction costs directly attributable to incurring of such liabilities. After initial recognition, such financial liabilities are measured at amortized cost using the effective interest method.

(b) Financial liabilities measured at FVTPL

At initial recognition, financial liabilities measured at FVTPL are measured at fair value. After initial recognition, financial liabilities are measured at fair value and subsequent changes in the fair value thereof are recognized as profit or loss.

4) Derivatives and hedge accounting

In order to hedge the foreign currency risk, interest rate fluctuation risk and commodity price fluctuation risk, the Group conducts derivative transactions, such as forward exchange transactions, interest rate swap transactions and commodity futures and forwards transactions.

Derivatives are initially recognized at fair value. After initial recognition, derivatives are measured at fair value and subsequent changes in the fair value thereof are accounted for as follows:

(a) Fair value hedges

The changes in fair value of a derivative used as a hedging instrument are recognized as profit or loss. The carrying amount of hedged items is measured at fair value and the gains or losses on such hedged items arising from changes in the fair values attributable to the hedged risks are recognized as profit or loss.

(b) Cash flow hedges

Of the changes in fair value of a derivative used as a hedging instrument, portions determined to be effective are recognized as other comprehensive income and included as another component of equity.

The amount recognized as other comprehensive income is reclassified from other components of equity to profit or loss in the same period that the hedged transaction affects profit or loss; provided however, that if hedging of a scheduled transaction subsequently results in the recognition of a non-financial asset or liability, the amount recognized as other comprehensive income is then accounted for as revision to the initial carrying amount of such non-financial asset or liability. The ineffective portion is immediately recognized as profit or loss.

When the hedge no longer meets the criteria for hedge accounting, the hedge instrument expires or is sold, terminated or exercised, or designation of the hedge is revoked, hedge accounting is discontinued prospectively. If the scheduled transaction is no longer expected to occur, the amount of the effective portions of the hedge that have been recognized as other comprehensive income is immediately reclassified from other components of equity to profit or loss.

(c) Hedge of a net investment

Of the changes in fair value of derivatives and non-derivates used as a hedge instrument (loans, etc.), portions determined to be effective are recognized as other comprehensive income and included as another other component of equity. This effective portion recognized as other comprehensive income is reclassified from other components of equity to profit or loss at the time of disposition of a foreign operation.

(d) Derivatives not designated as hedging instruments

The changes in the fair value of such derivates are recognized as profit or loss.

5) Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount of such offset is presented in the consolidated statements of financial position only when the Group has a legally enforceable right to offset the recognized amounts and intends either to settle them on a net basis or realize the assets and settle the liabilities simultaneously.

(11) Provisions

A provision is recognized only when the Group has a present obligation (legal or presumptive) as a result of a past event, there is a probability that an outflow of resources embodying economic benefits will be required to settle such obligation and a reliable estimate can be made regarding the amount of such obligation.

Where there is materiality in the effects of time value of money, provisions are discounted using a pretax rate that reflects the risks specific to said liability.

(12) Non-current assets held for sale

Non-current assets or disposal groups to be collected mainly through sales transactions (but not for continuous use) are classified as held for sale.

To be classified as held for sale, an asset must be immediately sellable at its present state and have an extremely high probability for such sale. In addition, management must have firm commitment to execute the plan to sell such asset and complete such sale within one year from the date of such classification.

Immediately before being classified as held for sale, an asset, or components of a disposal group, are re-measured in accordance with the Group's accounting policies. After the classification as held for sale, such asset is measured at the lower of the carrying amount and the fair value less costs to sell.

Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets on a pro rata basis. Impairment losses of an asset that was initially classified as held for sale or disposal group, and subsequent gains or losses arising following the remeasurement are recognized as profit or loss.

Property, plant and equipment, intangible assets and investment property classified as held for sale are not depreciated or amortized.

When the Group has committed itself to exercise a sales plan involving the loss of control of a subsidiary, all the assets and liabilities of such subsidiary are classified as held for sale, regardless of whether the Group will retain a non-controlling interest in such subsidiary after the sale.

(13) Equity

1) Share capital and capital surplus

Proceeds from issuance of equity instruments by the Company are included in share capital and capital surplus. Transaction costs directly attributable to the issuance of equity instruments are deducted from capital surplus.

2) Treasury stock

When the Group reacquires treasury stocks, the consideration paid is recognized as a deduction from equity. Transaction costs directly attributable to the reacquisition of treasury stocks are deducted from capital surplus.

In addition, when the Group sells treasury stocks, the consideration received is recognized as an increase in equity.

(14) Revenue from Contracts with Customers

The Group recognizes revenue as the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, based on the five-step approach below.

- Step 1: Identify the contract with the customer.
- Step 2: Identify the separate performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the separate performance obligations.
- Step 5: Recognize revenue when or as the Group satisfies each performance obligations.

The Group identifies distinct goods or services included in a contract with customer and performance obligations (the basic transactional unit). Since the Group may fulfill a intermediaries or agent function in normal business transactions, the Group must consider whether it functions as a principal or agent in identifying performance obligations. In cases where the performance obligations essentially promise that the Group itself will provide specific goods or services, the Group is deemed to be a principal; in cases where the performance obligations is to arrange provision of goods or services by another party, the Group is deemed to be an agent. The following indicators are used to determine whether the Group is principal or agent.

- The Group has primary responsibility for performance of the promised provision of specified goods or services
- The Group bears inventory risk prior to transferring the specified goods or services to the customer or after transferring the goods or services under the control of the customer
- Price of the goods or services is set at the discretion of the Group

In cases where the Group is the principal party to the transaction, the Group recognizes revenue when or as the Group satisfies each performance obligations, as a monetary amount reflecting the expected consideration that the Group is entitled to receive from the exchange of the specified goods or services. Furthermore, in cases where the Group is acting as agent, the Group recognizes revenue when or as the Group satisfies each performance obligations, in the amount of any fee commission, or net revenue the Group is entitled to receive in exchange for arranging provision of the specified goods or services by another party.

The Group recognizes revenue as the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. Revenue does not include consumption tax, VAT, or other money recovered as tax agent. Variable consideration is only included in the transaction price if, and to the extent that, it is highly probable that its inclusion will not result in a significant revenue reversal in the future when the uncertainty has been subsequently removed. With regards to transaction price, there is no materiality to revenue which includes variable consideration.

In the case where, at the start of the contract, the Group assumes that it will take a year or less between the Group transferring the promised goods or services to the customer and receiving payment from the customer for those goods and services, the Group does not adjust revenue to reflect the impact of significant financing components on the promised consideration for the goods.

The Group recognizes revenue for major transactions at the following points:

(a) Revenue from sale of products

Revenue from sale of products primarily includes wholesaling, retail, sale of products through manufacturing/processing, and sales of real estate. The Group recognizes revenue at the point goods have been delivered, undergone inspection, and met the terms and conditions for delivery as named in the contract. At this point, the Group deems goods to be under the control of the customer and performance obligations to have been satisfied

In most cases, the Group will receive revenue from the sale of products within one year of meeting performance obligations. This amount does not include significant financing components.

(b) Revenue from rendering of services or other kinds of sale

Revenue from rendering of services or other kinds of sale mainly includes provision of services related to IT systems, automotive part inspections, and building maintenance. Revenue from these services which meets any of the requirements below entails control of the service being transferred for over time. The Group thus determines whether performance obligations have been fulfilled, before recognizing profit according to the degree of progress on performance obligations. The qualities of the goods or services transferred to the customer will be considered in measuring the degree of progress on performance obligations.

Requirements:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.
- the Group's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced.
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If the Group does not meet above requirements, the Group will recognize revenue at the point that duties have been completed and the Group may claim payment from the customer, since the Group will have been deemed to have satisfied its performance obligations.

In most cases, the Group will receive revenue from rendering of services or other kinds of sale within one year of meeting performance obligations. This amount does not include significant financial components.

(15) Financial income and costs

Financial income comprises interest income, dividend income, gain on sales of financial instruments and gain arising from change in the fair value of financial instruments. Interest income is recognized at the time of receipt by using the effective interest method. Dividend income is recognized on the date when the Group's right to receive payment is established.

Financial costs comprise interest expenses, loss on sales of financial instruments and loss arising from change in the fair value of financial instruments.

(16) Employee benefits

1) Post-employment benefits

(a) Defined benefit plans

Defined benefit plans refer to retirement benefit plans other than a defined contribution plan. Defined benefit obligations are calculated separately for each plan by estimating the future amount of benefits that employees will have earned in return for their services provided in the current and prior periods and discounting such amount in order to determine the present value. The fair value of any plan assets is deducted from the present value of the defined benefit obligations.

The discount rates are principally equivalent to the market yields of AA credit-rated corporate bonds at the fiscal year end that have maturity terms that are approximately the same as those of the Group's obligations and use the same currencies as those used for future benefits payments.

Past service cost is immediately recognized as profit or loss.

The Group immediately recognizes all the remeasurements of the net defined benefit liability (asset) as other comprehensive income and promptly reclassifies them as retained earnings.

(b) Defined contribution plans

Defined contribution plans are retirement benefit plans under which the Group pays fixed contributions to separate entities and will have no legal or presumptive obligation to pay any amount over its contribution amount. The obligations already paid or to be paid as contributions under the defined contribution plans are recognized as expenses in the period in which the employees provided the services related thereto.

(c) Multi-employer plans

Certain subsidiaries participate in pension plans, which are classified as multi-employer plans. In regards to such pension plans, sufficient information to calculate the proportionate share of such plan assets cannot be obtained. Thus, the Group accounts for such pension plans in the same manner in which it recognizes defined contribution plans. In other words, contributions to such multi-employer plans are recognized as expenses in the period in which the employees provided their services.

2) Other long-term employee benefits

Obligations in respect of long-term employee benefits other than post-employment benefits are calculated by estimating the future amount of benefits that employees will have earned in return for their services in the current and prior periods and discounting such amount in order to determine the present value.

3) Short-term employee benefits

Short-term employee benefits are not discounted. Instead, they are accounted for as expenses at the time services related thereto are provided.

With respect to bonuses, the Group owes legal and presumptive payment obligations as a consequence of past employee services provided. If such amount of payment obligations can be reliably estimated, such estimated amount to be paid based on such bonus system is recognized as a liability.

(17) Share-based remuneration

The Group has introduced an equity-settled share-based remuneration system which provides directors and the like with performance-linked share remuneration.

Under this system, the service received are measured at the fair value of Sojitz shares at the grant date, and recognized as expense over the period from the grant date to the vesting date with a corresponding amount as an increase in capital surplus.

(18) Income taxes

Income tax expenses comprise current tax expenses and deferred tax expenses. These are recognized as profit or loss, except when they arise from items that are directly recognized as other comprehensive income or equity, and from a business combination.

Current tax expenses are measured by the expected taxes receivable from or taxes payable to tax authorities, and the tax amounts are calculated using tax rates that have been enacted or substantially enacted by the fiscal year end.

Deferred tax assets and liabilities are recognized in respect of temporary differences between the carrying amount of an asset and liability in the statement of financial position and its tax base, the unused tax losses carried forward and unused tax credits carried forward. The amounts of tax assets and liabilities are calculated under the expected tax rate or tax law applicable as of the period in which assets are realized or liabilities settled based on a statutory tax rate or the same substantially enacted as of the fiscal year end. Deferred tax assets and liabilities are not recognized in the following cases:

- · when taxable temporary differences arise from initial recognition of goodwill;
- · when they arise from initial recognition of assets or liabilities in a transaction that is neither a business combination nor affects accounting profit and taxable profit (or loss) at the time of the transaction; and,
- · with respect to taxable temporary differences associated with investments in subsidiaries and associates, or interests in joint arrangements, when the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset only when the Group has a legally enforceable right to set off the current tax assets against current tax liabilities, and, such deferred tax assets and liabilities relate to income taxes levied on the same taxation entity. However, even in the case of different taxable entities, the Group can set off if the tax taxable entities intend either to settle current tax liabilities and assets on a net bases, or to realize the assets and settle the liabilities simultaneously.

Deferred tax assets are recognized for deductible temporary differences, the unused tax losses carried forward and unused tax credits carried forward to the extent that it is probable that they can be used against future taxable profit. The carrying amount of deferred tax assets are reassessed at each fiscal year end, and such carrying amount will be reduced to the extent it is no longer probable that related tax benefits from such assets will be realized.

(19) Lease

When a contract begins, the Group determines whether the contract in question is a lease contract or a contract containing a lease. If the rights governing the use of the assets specified in the contract are transferred into an exchange for compensation at fixed intervals, the contract in question is a lease contract or contains a lease.

1) As lessee

Concerning the lessee's lease, the Group recognizes the right-of-use assets and the lease liabilities at the commencement date of the lease.

The Group measures the lease liability at the present value of the lease payments that are not paid at that date. After the commencement date, the carrying amount of the lease liability is measured by increasing or reducing to reflect interest on the lease liability and the lease payments made. If the calculated interest rate of the lease cannot easily be obtained, the Group's incremental borrowing rate will be used, and in general the Group will use the incremental borrowing rate as the discount rate. When measuring lease liability, the choice was made to recognize both lease components and related non-lease components as a single lease component instead of separating them.

The right-of-use asset is measured at cost deducting any initial direct costs from the amount of the initial measurement of the lease liability at initial recognition. After the commencement date, the carrying amount of the right-of-use asset is measured by deducting accumulated depreciation and accumulated impairment losses. The Group depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term using the straight-line basis.

Lease term is determined as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

Lease payments for short-term leases and lease of a low-value are recognized as expenses using the straight-line basis over the lease term.

2) As lessor

The Group classifies leases as either a finance lease or an operating lease at the commencement date. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

If the Group is an intermediate lessor, the sublease is classified with reference not to the underlying asset but to the right-of-use asset arising from the head lease. However, if the head lease is a short-term lease, the sublease is classified as an operating lease.

(a) Finance lease

The recognition of assets owned based on the finance lease is suspended at the commencement date, and the lease receivable is recognized as an amount equivalent to the net investment in the lease. After the initial recognition, the collection of credit associated with lease receivable from the lessee is recognized, and will be recognized throughout the lease period as financial income in order to achieve a constant rate of profit on the net investment in the lease.

(b) Operating lease

The underlying assets that are the subject of the operating lease will continue to be recognized in the consolidated statement of financial position. Lease payments from the operating lease are recognized as earnings using either the straight-line basis or another regular basis. Furthermore, the underlying assets that are the subject of the operating lease will be depreciated using a consistent method used for other similar assets. The initial direct costs that arise from the acquisition of the operating lease contract are added to the carrying amount of the associated underlying asset. Throughout the lease period, they are recognized as expenses on the same basis as lease income.

4 NEW STANDARDS AND INTERPRETATIONS NOT YET APPLIED

As the Group had not adopted any newly established or amended standard and interpretation that we were announced by the date of approval of consolidated financial statements, there are no areas in which the adoption could have a serious effect on the Group.

5 SEGMENT INFORMATION

(1) Summary of reportable segments

Reportable segments are the Group's components for which discrete financial information is available, and whose operating results are regularly reviewed by the Board of Directors for the purposes of making decisions about resources to be allocated to such segments and assessing their performance.

The Group is an integrated trading company engaged in a wide range of business activities on a global basis. Headquarters includes business sections that handle merchandising, trading, product manufacturing, services, project planning and management, investments and financial activities, both domestically and internationally.

The Group's reportable segments comprise business divisions categorized by goods, services, functions and industries. Effective April 1, 2021, the Machinery & Medical Infrastructure Division, the Energy & Social Infrastructure Division, and the Industrial Infrastructure & Urban Development were reorganized to the Infrastructure & Healthcare Division. The Foods & Agriculture Business Division, and the Retail & Lifestyle Business Division were reorganized to the Consumer Industry & Agriculture Business Division, and the Retail & Consumer Service Division. The Metals & Mineral Resources Division was renamed the Metals, Mineral Resources & Recycling Division.

In addition, the car and motorcycle parts, ship equipment, industrial machinery, forefront industry business, bearing, and nuclear power-related equipment businesses previously included in the Automotive Division, the Aerospace & Transportation Project Division, the Machinery & Medical Infrastructure Division, and the Energy & Social Infrastructure Division were transferred to the Others segment.

Consequently, the Group's reportable segments consist of the following seven business groups: Automotive; Aerospace & Transportation Project; Infrastructure & Healthcare; Metals, Mineral Resources & Recycling; Chemicals; Consumer Industry & Agriculture Business; and Retail & Consumer Service. The revised categorization has been used to report figures for the previous year.

In addition, the following "Others" consists of, domestic regional operating companies, logistics and insurance services, car and motorcycle parts, ship equipment, industrial machinery, forefront industry business, bearing, nuclear power-related equipment businesses, etc.

Main goods and services of each reportable segments are as follows:

- **1) Automotive:** Trading of completed automobiles; assembly and sales; retail; quality inspection operations; financing; sales and service operations incorporating digital technologies; etc.
- 2) Aerospace & Transportation Project: Aero business (Commercial aircraft, defense and related equipment agency and sales, business jets, used aircraft and part-out business); Transportation and social infrastructure projects (transportation projects; airport, port, and other social infrastructure projects); Marine business (New building, second-hand ships, purchase and charter of new and used vessels, ship chartering, ship owning); etc.

- 3) Infrastructure & Healthcare: Infrastructure & Environment (Renewable energy IPP infrastructure Investment, Renewable energy-related service project); power Infrastructure-solution projects (IWPP, energy management, power plant EPC business); energy (Oil and gas; petroleum products; LNG and LNG-related business); nuclear power related business (nuclear fuels); social infrastructure projects (telecommunications infrastructure projects, energy management; next-generation infrastructure projects utilizing IoT, AI, and big data); Industrial and urban infrastructure (Industrial park, housing, office, smart cities, data center); sales and maintenance of communications and IT equipment; systems integration, software development and sales, cloud services, and managed services, healthcare project (Hospital PPP, Medical-related service, healthcare new technology); etc.
- **4) Metals, Mineral Resources & Recycling** Coal; iron ore; ferroalloys (nickel, chromium, Niobium), ores, alumina, aluminum, copper, zinc, tin, precious metals, ceramics and minerals; coke; carbon products; infrastructure businesses; steel-related business; resource recycling business; etc.
- 5) Chemicals: Organic chemicals; inorganic chemicals; functional chemicals; fine chemicals; industrial salt; healthcare and natural products; rare earths; commodity resins; advanced resins; environmentally friendly resins; packaging materials for industry and foodstuffs; advanced film; plastic molding machines; other plastic products; electronics materials including liquid crystals and electrolytic copper foil; printed circuit board electronics materials; fiber materials and products for use in industrial supplies; etc.
- **6) Consumer Industry & Agriculture Business:** Grains; flour; oils and fats; oil stuff; feed materials; marine products; processed seafood; sweets; raw ingredients for sweets; other foodstuffs and raw ingredients; compound chemical fertilizers; construction materials; imported timber; timber products such as lumber, plywood, and laminated lumber; housing materials; manufacture and sale of wood chips; household- and industrial-use paper; etc.
- 7) Retail & Consumer Service: Food manufacturing and distribution businesses, food service business, shopping center management, convenience store business, real estate development, consignment sales, rent, administration and management businesses (housing, office, etc.) sugar, saccharified products, wheat flour, grain, oils and fats, starch flour, dairy products, crop processors and indigent, livestock products and livestock-related processed products, processed marine products and marine products, other foodstuffs and raw ingredients, imported tabacco, cotton and synthetic fabrics, knitted fabrics and products, clothing, bedclothes and home fashion-related products, general commodities, medical materials; etc.
- **8) Others:** Industrial Machinery; Forefront Industry businesses; Bearings; Automobile and motorcycle parts; Automotive Process; Marine business; Power, energy and plant business; Nuclear power-related equipment businesses; Administration; Domestic branches; Logistics and insurance services; etc.

(2) Information regarding reportable segments

The accounting methods for the reported business segments are mostly consistent with those stated in Note 3 ("SIGNIFICANT ACCOUNTING POLICIES"), except with respect to the calculation of income tax expenses.

Transaction prices between segments are based on general market prices.

2021

2021			Millions o	f yen		
			Reportable s	egments		
	Automotive	Aerospace & Transportation Project	Infrastructure & Healthcare	Metals & Mineral Resources & Recycling	Chemicals	Consumer Industry & Agriculture Business
Revenue						
External revenue	179,922	25,398	62,369	356,211	406,765	235,882
Inter-segment revenue	_	_	2,867	_	1	13
Total revenue	179,922	25,398	65,237	356,211	406,766	235,896
Gross profit	32,531	12,455	19,384	12,431	37,312	27,353
Share of profit (loss) of investments						
accounted for using the equity method	(868)	(216)	9,647	4,714	666	613
Profit (loss) for the year (attributable to						
owners of the parent)	1,094	1,840	8,220	(1,761)	5,769	4,603
Segment assets	151,428	152,979	337,230	476,175	272,299	210,319
Other:						
Investments accounted for using the						
equity method	4,671	13,056	121,252	236,876	11,207	14,399
Capital expenditure	7,239	1,442	6,439	4,972	2,936	1,417

			Millions of yen		
	Reportable se	gments			
	Retail & Consumer Service Total		Others	Reconciliations	Consolidated
Revenue					
External revenue	198,694	1,465,244	137,241	_	1,602,485
Inter-segment revenue	418	3,300	138	(3,439)	
Total revenue	199,112	1,468,545	137,379	(3,439)	1,602,485
Gross profit	27,649	169,119	20,974	(1,973)	188,120
Share of profit (loss) of investments					
accounted for using the equity method	(149)	14,408	378	(0)	14,786
Profit (loss) for the year (attributable to					
owners of the parent)	4,909	24,676	1,395	929	27,001
Segment assets	337,026	1,937,460	319,081	43,573	2,300,115
Other:					
Investments accounted for using the					
equity method	21,310	422,773	10,260	(4)	433,029
Capital expenditure	2,014	26,462	18,285	-	44,747

Reconciliation of "Profit (loss) for the year (attributable to owners of the parent)" of ¥929 million includes the difference between the Group's actual income tax expenses and income tax expenses allocated to each segment based on the calculation method established internally, which amounted to ¥529million, and unallocated dividend income and others of ¥399 million.

The reconciliation amount of segment assets of $\pm 43,573$ million includes the elimination of intersegment transactions or the like amounting to $\pm (164,014)$ million and all of the Group assets that were not allocated to each segment amounting to $\pm 207,588$ million, which mainly consists of the Group's surplus funds in the form of cash in bank or the like for investments and marketable securities or the like.

Capital expenditure includes amount related to right-of-use assets.

	Millions of yen										
			Reportable s	egments							
	Automotive	Aerospace & Transportation Project	Infrastructure & Healthcare	Metals & Mineral Resources & Recycling	Chemicals	Consumer Industry & Agriculture Business					
Revenue											
External revenue	243,051	70,020	61,794	560,460	538,299	291,755					
Inter-segment revenue	_	10	3,220	_	4	19					
Total revenue	243,051	70,030	65,015	560,460	538,304	291,774					
Gross profit	45,635	16,157	18,999	60,035	50,725	31,264					
Share of profit (loss) of investments											
accounted for using the equity method	762	(395)	13,806	21,489	706	875					
Profit for the year (attributable to owners											
of the parent)	7,083	4,687	6,624	34,068	12,630	6,385					
Segment assets	191,809	218,035	421,050	511,464	320,476	245,047					
Other:											
Investments accounted for using the											
equity method	5,573	20,089	170,002	226,621	12,321	14,845					
Capital expenditure	5,776	1,418	4,047	4,069	1,223	2,221					

			Millions of yen		
	Reportable se	gments			
	Retail & Consumer Service			Reconciliations	Consolidated
Revenue					
External revenue	214,586	1,979,967	120,785	_	2,100,752
Inter-segment revenue	364	3,619	223	(3,842)	<u> </u>
Total revenue	214,950	1,983,586	121,008	(3,842)	2,100,752
Gross profit	31,296	254,115	19,346	(2,142)	271,319
Share of profit (loss) of investments	•		•		
accounted for using the equity method	(19)	37,223	745	(1)	37,968
Profit for the year (attributable to owners	` '	•		` ` `	,
of the parent)	5,040	76,520	844	4,967	82,332
Segment assets	420,527	2,328,411	336,199	(2,929)	2,661,680
Other:	·			• • •	
Investments accounted for using the					
equity method	29,845	479,300	11,025	(5)	490,320
Capital expenditure	2,017	20,774	22,388	`-	43,163

		I housands of U.S. dollars								
			Reportable s	egments						
	Automotive	Aerospace & Transportation Project	Infrastructure & Healthcare	Metals & Mineral Resources & Recycling	Chemicals	Consumer Industry & Agriculture Business				
Revenue										
External revenue	1,992,221	573,934	506,508	4,593,934	4,412,286	2,391,434				
Inter-segment revenue	_	81	26,393	_	32	155				
Total revenue	1,992,221	574,016	532,909	4,593,934	4,412,327	2,391,590				
Gross profit	374,057	132,434	155,729	492,090	415,778	256,262				
Share of profit (loss) of investments										
accounted for using the equity method	6,245	(3,237)	113,163	176,139	5,786	7,172				
Profit for the year (attributable to owners										
of the parent)	58,057	38,418	54,295	279,245	103,524	52,336				
Segment assets	1,572,204	1,787,172	3,451,229	4,192,327	2,626,852	2,008,581				
Other:										
Investments accounted for using the										
equity method	45,680	164,663	1,393,459	1,857,549	100,991	121,680				
Capital expenditure	47,344	11,622	33,172	33,352	10,024	18,204				

Thousands of LLC dollars

	Thousands of U.S. dollars								
	Reportable se	egments							
	Retail & Consumer Service Total		Others	Reconciliations	Consolidated				
Revenue									
External revenue	1,758,901	16,229,237	990,040	_	17,219,278				
Inter-segment revenue	2,983	29,663	1,827	(31,491)	<u> </u>				
Total revenue	1,761,885	16,258,901	991,868	(31,491)	17,219,278				
Gross profit	256,524	2,082,909	158,573	(17,557)	2,223,926				
Share of profit (loss) of investments									
accounted for using the equity method	(155)	305,106	6,106	(8)	311,213				
Profit for the year (attributable to owners									
of the parent)	41,311	627,213	6,918	40,713	674,852				
Segment assets	3,446,942	19,085,336	2,755,729	(24,008)	21,817,049				
Other:									
Investments accounted for using the									
equity method	244,631	3,928,688	90,368	(40)	4,019,016				
Capital expenditure	16,532	170,278	183,508	` _	353,795				

Reconciliation of "Profit for the year (attributable to owners of the parent)" of ¥4,967 million (U.S.\$40,713 thousand) includes the difference between the Group's actual income tax expenses and income tax expenses allocated to each segment based on the calculation method established internally, which amounted to ¥4,182 million (U.S.\$34,278 thousand), and unallocated dividend income and others of ¥785 million (U.S.\$6,434 thousand).

The reconciliation amount of segment assets of $\pm (2,929)$ million (U.S. $\pm (24,008)$) thousand) includes the elimination of inter-segment transactions or the like amounting to $\pm (172,750)$ million (U.S. $\pm (1,415,983)$) thousand) and all of the Group assets that were not allocated to each segment amounting to $\pm 169,820$ million (U.S. $\pm 1,391,967$ thousand), which mainly consists of the Group's surplus funds in the form of cash in bank or the like for investments and marketable securities or the like.

Capital expenditure includes amount related to right-of-use assets.

(3) Information regarding goods and services

Information regarding the revenue for each product/service was not separately presented because the same information was presented in the reporting segments.

(4) Geographical information

Geographical information relating to external revenue and non-current assets (excluding financial assets and deferred tax assets) was as follows.

1) External revenue

Revenue is classified by country or region based on the locations of customers.

	Millions of	Thousands of U.S. dollars	
	2021	2022	2022
Japan	808,149	993,351	8,142,221
The Americas	146,600	206,518	1,692,770
Europe	106,953	151,461	1,241,483
Asia and Oceania	523,736	731,194	5,993,393
Others	17,045	18,226	149,393
Total	1,602,485	2,100,752	17,219,278

2) Non-current assets (excluding financial assets and deferred tax assets)

	Millions of	Thousands of U.S. dollars	
	2021 2022		2022
Japan	171,441	180,539	1,479,827
The Americas	102,793	137,539	1,127,368
Europe	31,534	30,776	252,262
Asia and Oceania	106,120	111,244	911,836
Others	4,332	4,904	40,196
Total	416,222	465,005	3,811,516

(5) Information about major customers

There was no customer whose transaction volume was equal to 10% or more of the Group's revenue for either the year ended March 31, 2021 or the year ended March 31, 2022.

6 TRADE AND OTHER RECEIVABLES

The breakdown of trade and other receivables was as follows.

	Millions of	Thousands of U.S. dollars	
	2021	2022	2022
Trade notes and accounts receivable	442,105	522,983	4,286,745
Loans receivable	43,619	48,671	398,942
Others	240,209	338,085	2,771,188
Total	725,934	909,739	7,456,877
Current assets	636,186	791,466	6,487,426
Non-current assets	89,747	118,273	969,450
Total	725,934	909,739	7,456,877

7 INVENTORIES

The breakdown of inventories was as follows.

	Millions of	Thousands of U.S. dollars	
	2021	2022	2022
Commodities and finished goods	138,270	176,680	1,448,196
Real estate held for development and resale	31,898	32,842	269,196
Materials and consumables	17,722	23,265	190,696
Total	187,891	232,788	1,908,098
Inventories to be sold more than one year after	426	427	3,500

In addition, write-downs of inventories recognized as expenses for the years ended March 31, 2021 and March 31, 2022 were ¥2,108 million and ¥2,118 million (U.S.\$17,360 thousand), respectively.

8 PROPERTY, PLANT AND EQUIPMENT

The increases/decreases in costs and accumulated depreciation and accumulated impairment losses of property, plant and equipment were as follows.

[Costs]

	Millions of yen						
	Buildings and structures	Machinery and vehicles	Tools, furniture & fixtures	Land	Construction in progress	Total	
Balance as of April 1, 2020	128,271	174,008	15,087	27,410	8,310	353,088	
Acquisitions	3,764	2,406	1,211	6,685	9,462	23,529	
Acquisitions through business combinations	813	12,150	46	_	143	13,154	
Reclassification from construction in progress	865	9,530	361	_	(10,757)	_	
Disposals	(753)	(3,288)	(1,055)	(0)	(1)	(5,100)	
Exchange translation differences for foreign operations	4,885	15,240	351	638	677	21,792	
Others (Note)	773	1,227	(94)	187	(815)	1,278	
Balance as of March 31, 2021	138,618	211,275	15,909	34,921	7,017	407,742	
Acquisitions	2,738	6,299	1,288	295	7,320	17,943	
Acquisitions through business combinations	3,252	1,901	101	1,568	446	7,269	
Reclassification from construction in progress	3,640	4,695	124	_	(8,460)	_	
Disposals	(2,326)	(15,320)	(900)	(214)	(142)	(18,903)	
Reclassification to assets held for sale	(1,005)	(3)	_	(856)	_	(1,865)	
Exchange translation differences for foreign operations	10,010	18,395	810	1,135	577	30,929	
Others (Note)	(2,568)	(6,893)	(541)	(51)	(200)	(10,255)	
Balance as of March 31, 2022	152,359	220,349	16,793	36,798	6,559	432,860	

-		Thousands of U.S. dollars						
	Buildings and structures	Machinery and vehicles	Tools, furniture & fixtures	Land	Construction in progress	Total		
Balance as of March 31, 2021	1,136,213	1,731,762	130,401	286,237	57,516	3,342,147		
Acquisitions	22,442	51,631	10,557	2,418	60,000	147,073		
Acquisitions through business combinations	26,655	15,581	827	12,852	3,655	59,581		
Reclassification from construction in progress	29,836	38,483	1,016	_	(69,344)	_		
Disposals	(19,065)	(125,573)	(7,377)	(1,754)	(1,163)	(154,942)		
Reclassification to assets held for sale	(8,237)	(24)	_	(7,016)	_	(15,286)		
Exchange translation differences for foreign operations	82,049	150,778	6,639	9,303	4,729	253,516		
Others (Note)	(21,049)	(56,500)	(4,434)	(418)	(1,639)	(84,057)		
Balance as of March 31, 2022	1,248,844	1,806,139	137,647	301,622	53,762	3,548,032		

(Note) "Others" mainly includes the impact of changes in the scope of consolidation.

[Accumulated depreciation and accumulated impairment losses]

Millions of yen Buildings and Machinery and Tools, furniture & Construction in structures vehicles fixtures Land progress Total Balance as of April 1, 2020 (63, 225)(116,861)(10,758)(4,200)(46)(195,092)Depreciation expenses (4,230)(13, 124)(7,447)(1,447)Impairment losses (2,097)(164)(1) (534)(2,798)856 Disposals 505 3,029 4,391 Exchange translation differences for foreign operations (2,561)(8,793)(227)(26)(6)(11,616)476 798 14 500 1,790 Others (Note) (71, 132)(129,438)(11,563)(4,261)(53)(216,449)Balance as of March 31, 2021.. (1,430)(14,380)Depreciation expenses (4,500)(8,450)Impairment losses (183)(1,319)(1) (242)(1,747)Disposals 1,750 11,561 804 14,117 1 Reclassification to assets held for 594 3 242 840 sale Exchange translation differences (17,528)(4,729)(11,844)(345)(21)(587)for foreign operations Others (Note) 971 2,428 390 12 3,802 Balance as of March 31, 2022 .. (137,059)(4,592)(231,344)(77,228)(12,388)(75)

	Thousands of U.S. dollars						
	Buildings and structures	Machinery and vehicles	Tools, furniture & fixtures	Land	Construction in progress	Total	
Balance as of March 31, 2021	(583,049)	(1,060,967)	(94,778)	(34,926)	(434)	(1,774,172)	
Depreciation expenses	(36,885)	(69,262)	(11,721)	_	_	(117,868)	
Impairment losses	(1,500)	(10,811)	(8)	(1,983)	_	(14,319)	
Disposals	14,344	94,762	6,590	8	_	115,713	
Reclassification to assets held for sale	4,868	24	_	1,983	_	6,885	
Exchange translation differences for foreign operations	(38,762)	(97,081)	(4,811)	(2,827)	(172)	(143,672)	
Others (Note)	7,959	19,901	3,196	98	_	31,163	
Balance as of March 31, 2022	(633,016)	(1,123,434)	(101,540)	(37,639)	(614)	(1,896,262)	

(Note) "Others" mainly includes the impact of changes in the scope of consolidation.

[Carrying amounts]

	Millions of yen						
	Buildings and structures	Machinery and vehicles	Tools, furniture & fixtures	Land	Construction in progress	Total	
Balance as of March 31, 2021	67,485	81,836	4,345	30,660	6,964	191,292	
Balance as of March 31, 2022	75,131	83,289	4,405	32,205	6,483	201,516	
Balance as of March 31, 2022 (Thousands of U.S. dollars)	615,827	682,696	36,106	263,975	53,139	1,651,770	

The amounts of expenditures relating to property, plant and equipment in the course of its construction are presented under the "Construction in progress" column.

Depreciation expenses for property, plant and equipment are included in "Cost of sales" and "Selling, general and administrative expenses" in the Consolidated Statement of Profit or Loss.

Buildings and structures as of March 31, 2021, and 2022, include assets totaling ¥11,416 million and ¥11,260 million (U.S.\$92,295 thousand), respectively, reflecting oil and gas interests and equipment in the North Sea within the U.K. territory owned by Sojitz Energy Development Pty Ltd., a consolidated subsidiary which is included in the Infrastructure & Healthcare Segment.

For impairment test of the aforementioned oil and gas interests, the recoverable amount was calculated using the fair value less costs of disposal. The estimate of the fair value less costs of disposal was used based on key assumptions including future oil and gas prices that were used as the basis to develop business plans and the recoverable reserves that were used to calculate production volume, the feasibility of its development plan, and a discount rate.

9 GOODWILL AND INTANGIBLE ASSETS

(1) Goodwill

1) Costs, accumulated impairment losses and carrying amounts

The increases/decreases in cost and accumulated impairment losses of goodwill were as follows.

[Costs]

	Millions of	Thousands of U.S. dollars	
	2021	2022	2022
Balance at beginning of year	69,743	71,746	588,081
Acquisitions through business combinations	1,805	18,064	148,065
Exclusion of subsidiaries from the scope of consolidation	_	(4,926)	(40,377)
Exchange translation differences for foreign operations	453	2,768	22,688
Others	(256)	(573)	(4,696)
Balance at end of year	71,746	87,079	713,762

[Accumulated impairment losses]

	Millions of	Thousands of U.S. dollars	
	2021	2022	2022
Balance at beginning of year	(3,246)	(4,544)	(37,245)
Impairment losses	(1,649)	(2,352)	(19,278)
Exclusion of subsidiaries from the scope of consolidation	_	2,198	18,016
Exchange translation differences for foreign operations	351	140	1,147
Balance at end of year	(4,544)	(4,557)	(37,352)

[Carrying amounts]

	Millions of	yen	Thousands of U.S. dollars
	2021	2022	2022
Carrying amounts	67,201	82,522	676,409

2) Impairment tests

A cash-generating unit group to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that such unit may be impaired. Material carrying amounts of goodwill allocated to cash-generating unit groups were as follows.

	Millions of	Thousands of U.S. dollars	
	2021	2022	2022
Infrastructure & Healthcare			
Energy conservation business of overseas subsidiaries	_	10,114	82,901
Chemicals			
Parent company's chemical business	7,460	7,460	61,147
Retail & Consumer Service			
Processed marine food business of domestic subsidiaries	_	8,665	71,024
Food sales business of domestic subsidiaries	8,090	8,090	66,311

(Note) A provisional amount is listed for goodwill associated with the newly acquired The Marine Foods Corporation as the measurable amounts of assets and liabilities as of the date of the business combination are still being calculated and the acquisition cost has therefore not been allocated

The recoverable amount of the cash-generating unit groups to which significant goodwill has been allocated was calculated based on its value in use founded on the five-year forecast that was approved by management.

The five-year forecast of cash flows is based on budgets reflecting past performance. In addition, the main assumption used to determine such forecast was the growth rate of gross profits through such terms, such growth rate being consistent with the forecasts of the nominal GDP growth rate or the like of the countries in which such cash-generating unit groups are situated.

The discount rates before tax and ultimate growth rates that were used in calculating the value in use of the cash-generating unit groups to which significant goodwill has been allocated for the years ended March 31, 2021 and March 31, 2022, respectively, were as follows.

(a) Discount rates before tax

	2021	2022
Infrastructure & Healthcare		
Energy conservation business of overseas subsidiaries	_	13.2%
Chemicals		
Parent company's chemical business	8.1%	8.1%
Retail & Consumer Service		
Processed marine food business of domestic subsidiaries	_	7.0%
Food sales business of domestic subsidiaries	7.2%	7.2%

(b) Ultimate growth rates

In regards to cash flows for the terms beyond the five-year forecast period that was approved by management, the value in use is calculated with a growth rate of 0% for each such term.

With respect to goodwill that has been allocated to cash-generating unit groups, the recoverable amount of such goodwill sufficiently exceeds its carrying amount. Thus, even if major assumptions are changed to a reasonable extent, the probability of such recoverable amount becoming less than the carrying amount is unlikely.

(2) Intangible assets

The increases/decreases in costs and accumulated amortization and accumulated impairment losses of intangible assets were as follows.

[Costs]

	Millions of yen			
	Software	Mining rights	Others	Total
Balance as of April 1, 2020	31,344	26,705	48,251	106,300
Acquisitions	1,214	121	5,290	6,625
Acquisitions through business combinations	63	_	11,554	11,618
Disposals	(296)	(26)	(144)	(466)
Exchange translation differences for foreign operations	137	6,821	4,795	11,754
Others	225	(1,233)	33	(974)
Balance as of March 31, 2021	32,688	32,388	69,780	134,857
Acquisitions	1,402	31	7,100	8,533
Acquisitions through business combinations	12	_	16,030	16,042
Disposals	(775)	(1,439)	_	(2,215)
Exchange translation differences for foreign operations	294	3,884	6,803	10,982
Others	2,689	_	(3,288)	(599)
Balance as of March 31, 2022	36,312	34,864	96,425	167,602

	Thousands of U.S. dollars			
	Software	Mining rights	Others	Total
Balance as of March 31, 2021	267,934	265,475	571,967	1,105,385
Acquisitions	11,491	254	58,196	69,942
Acquisitions through business combinations	98	_	131,393	131,491
Disposals	(6,352)	(11,795)	_	(18,155)
Exchange translation differences for foreign operations	2,409	31,836	55,762	90,016
Others	22,040	_	(26,950)	(4,909)
Balance as of March 31, 2022	297,639	285,770	790,368	1,373,786

[Accumulated amortization and accumulated impairment losses]

· ·				
	Millions of yen			
	Software	Mining rights	Others	Total
Balance as of April 1, 2020	(26,090)	(21,565)	(15,277)	(62,933)
Amortization expenses	(1,713)	(537)	(1,759)	(4,010)
Impairment losses	(6)	(966)	(1,677)	(2,650)
Disposals	230	_	33	264
Exchange translation differences for foreign operations	(93)	(5,541)	(1,478)	(7,114)
Others	193	1,233	1,658	3,086
Balance as of March 31, 2021	(27,480)	(27,377)	(18,501)	(73,358)
Amortization expenses	(1,895)	(393)	(2,824)	(5,114)
Impairment losses	(13)	(499)	(319)	(833)
Disposals	733	1,439	_	2,173
Exchange translation differences for foreign operations	(195)	(3,526)	(1,611)	(5,333)
Others	97	_	(201)	(104)
Balance as of March 31, 2022	(28,753)	(30,358)	(23,459)	(82,571)

	Thousands of U.S. dollars			
	Software	Mining rights	Others	Total
Balance as of March 31, 2021	(225,245)	(224,401)	(151,647)	(601,295)
Amortization expenses	(15,532)	(3,221)	(23,147)	(41,918)
Impairment losses	(106)	(4,090)	(2,614)	(6,827)
Disposals	6,008	11,795	_	17,811
Exchange translation differences for foreign operations	(1,598)	(28,901)	(13,204)	(43,713)
Others	795	_	(1,647)	(852)
Balance as of March 31, 2022	(235,680)	(248,836)	(192,286)	(676,811)

[Carrying amounts]

	Millions of yen			
	Software	Mining rights	Others	Total
Balance as of March 31, 2021	5,208	5,010	51,279	61,498
Balance as of March 31, 2022	7,558	4,506	72,966	85,031
Balance as of March 31, 2022 (Thousands of U.S. dollars)	61,950	36,934	598,081	696,975

An important part of the carrying amount of mining rights on March 31, 2021 and March 31, 2022 is the mining rights held by the Australian subsidiaries, amounting to ¥4,935 million and ¥4,425 million (U.S.\$36,270 thousand). For the year ended March 31, 2022, one of the subsidiaries sold mining rights related to coal.

Customer-related assets are included in the carrying amount in the category of "Others" on March 31, 2021 and March 31, 2022.

The value of intangible assets with indefinite useful lives included above were ¥6,897 million on March 31, 2021, and ¥8,628 million (U.S.\$ 70,721 thousand) on March 31, 2022. Such assets consisted primarily of franchise agreements. These franchise agreements were mainly acquired through business combinations and were expected to exist as long as business continues. Therefore, management considers the useful lives of these assets to be indefinite.

There were no significant internally-generated intangible assets as of March 31, 2021 and March 31, 2022.

Amortization expenses are included in "Cost of sales" and "Selling, general and administrative expenses" in the Consolidated Statement of Profit or Loss.

10 INVESTMENT PROPERTY

(1) Increases/decreases in costs, accumulated depreciation and accumulated impairment losses, carrying amounts and fair values of investment property

Increases/decreases in cost, accumulated depreciation and accumulated impairment losses, carrying amounts and fair values of investment property were as follows.

[Costs]

	Millions of	Thousands of U.S. dollars	
	2021	2022	2022
Balance at beginning of year	28,663	16,055	131,598
Acquisitions	_	3,257	26,696
Increase due to expenditures after acquisitions	232	121	991
Disposals	(13,495)	(2,187)	(17,926)
Reclassification to/from property, plant and equipment	403	_	_
Exchange translation differences for foreign operations	(156)	686	5,622
Others	409	399	3,270
Balance at end of year	16,055	18,333	150,270

[Accumulated depreciation and accumulated impairment losses]

	Millions of yen		U.S. dollars	
	2021	2021 2022		
Balance at beginning of year	(10,060)	(4,452)	(36,491)	
Depreciation expenses	(465)	(514)	(4,213)	
Impairment losses	(0)	_	_	
Disposals	6,204	230	1,885	
Exchange translation differences for foreign operations	130	(381)	(3,122)	
Others	(261)	45	368	
Balance at end of year	(4,452)	(5,071)	(41,565)	

[Carrying amounts and fair values]

	Millions of yen		Millions of yen		Thousands of U.S. dollars
	2021	2022	2022		
Carrying amounts	11,603	13,261	108,696		
Fair values	12,549	14,975	122,745		

The fair values are amounts that the Group calculated based on an independent appraiser's appraisals and the "real estate appraisal standards" of the country in which the investment properties are located. These appraisals are calculated based on either the public offering price, a sales comparison approach or discount cash flow approach. Upon an acquisition from a third party or at the time of the most recent appraisal, if there is no significant fluctuation in the index, which is believed to reflect a certain appraised value (market or assessed price) or appropriate market value, the fair value is adjusted using such appraised value or index.

As set forth under "2 BASIS OF PRESENTATION (4) Use of estimates and judgments," fair values are categorized into three levels in a fair value hierarchy based on the inputs used in the valuation techniques. Investment property is categorized within fair value hierarchy Level 3.

(2) Profit or loss relating to investment property

	Millions of yen		Thousands of U.S. dollars	
	2021	2022	2022	
Rental income from investment property	3,858	3,276	26,852	
Expenses arising from investment property	(2,875)	(2,831)	(23,204)	
Profit	983	444	3,639	

Rental income from investment property is included in "Sales of services and others" and "Other operating income" in the Consolidated Statement of Profit or Loss.

Expenses arising from investment property (depreciation expenses, repair expenses, insurance fees, taxes or the like) correspond to rental income from such investment properties and are included in "Cost of sales," "Selling, general and administrative expenses" and "Other operating expenses" in the Consolidated Statement of Profit or Loss.

11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

(1) Investments accounted for using the equity method, share of profit (loss) of investments accounted for using the equity method, and share of other comprehensive income of investments accounted for using the equity method

Investments accounted for using the equity method, share of profit (loss) of investments accounted for using the equity method and share of other comprehensive income of investments accounted for using the equity method were as follows.

[Investments accounted for using the equity method]

	Millions of yen		Thousands of U.S. dollars	
	2021	2022	2022	
Interests in joint ventures	55,427	75,078	615,393	
Interests in associates	377,601	415,242	3,403,622	
Investments accounted for using the equity method	433,029	490,320	4,019,016	

[Share of profit (loss) of investments accounted for using the equity method]

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Interests in joint ventures	1,807	5,175	42,418
Interests in associates	12,979	32,792	268,786
Share of profit (loss) of investments accounted for using the equity method	14,786	37,968	311,213

[Share of other comprehensive income of investments accounted for using the equity method]

	Millions of yen		Thousands of U.S. dollars	
	2021	2022	2022	
Interests in joint ventures	(3,704)	1,343	11,008	
Interests in associates	945	7,024	57,573	
Share of other comprehensive income of investments accounted for using the equity method	(2,758)	8,367	68,581	

(2) Joint ventures

1) Material joint venture

LNG Japan Corporation ("LNG Japan"), one of the Group's Entities subject to Equity Method, is a material Group joint venture.

The Group is participating in large-scale LNG projects in Asia and the Middle East through LNG Japan. LNG Japan is not publicly listed.

Summarized financial information of LNG Japan and a reconciliation of the carrying amount of the Group's interest in LNG Japan were as follows. Summarized financial information has been prepared by adjusting LNG Japan's financial statements based on the Group's accounting policies.

	Millions of yen		Thousands of U.S. dollars	
	2021	2022	2022	
Percentage ownership interest	50%	50%	50%	
Current assets	23,979	30,541	250,336	
Non-current assets	109,920	117,526	963,327	
Current liabilities	10,662	27,479	225,237	
Non-current liabilities	54,338	47,673	390,762	
Equity	68,899	72,914	597,655	
Group's share of equity	34,449	36,457	298,827	
Goodwill and consolidated adjustment	1,833	1,892	15,508	
Carrying amount of interest	36,283	38,349	314,336	

The balances of cash and cash equivalents that are included in current assets as of March 31, 2021 and March 31, 2022 are ¥15,167 million and ¥15,391 million (U.S.\$126,155 thousand), respectively.

The balances of financial liabilities (excluding trade and other payables, and provisions) that are included in current liabilities as of March 31, 2021 and March 31, 2022 are ¥727 million and ¥9,974 million (U.S.\$81,754 thousand), respectively.

The balances of financial liabilities (excluding trade and other payables, and provisions) that are included in non-current liabilities as of March 31, 2021 and March 31, 2022 are ¥34,225 million and ¥27,423 million (U.S.\$224,778 thousand), respectively.

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Gross profit	7,148	12,263	100,516
Depreciation and amortization	(102)	(97)	(795)
Interest earned	167	19	155
Interest expenses	(477)	(632)	(5,180)
Income tax expenses	(3,328)	(5,392)	(44,196)
Profit for the year	3,422	6,815	55,860
Other comprehensive income for the year	(9,557)	622	5,098
Total comprehensive income for the year	(6,134)	7,438	60,967
Share of:			
Profit for the year	1,711	3,407	27,926
Other comprehensive income for the year	(4,778)	311	2,549
Total comprehensive income for the year	(3,067)	3,719	30,483
Dividends received by the Group	2,680	1,711	14,024

2) Individually immaterial joint ventures

Carrying amounts of interests, share of profit (loss) for the year, share of other comprehensive income for the year and share of total comprehensive income for the year of all individually immaterial joint ventures were as follows.

	Millions of	Millions of yen	
	2021	2022	2022
Carrying amounts of interests	19,144	36,728	301,049

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Share of:			
Profit (loss) for the year	95	1,767	14,483
Other comprehensive income for the year	1,074	1,031	8,450
Total comprehensive income for the year	1,170	2,799	22,942

(3) Associates

1) Material associate

Metal One Corporation ("Metal One"), one of the Group's Entities subject to the Equity Method, is a material Group associate.

In the steel products business, the Group will expand its domestic and overseas customer base and sales network for steel products through Japan's largest integrated steel trading company, Metal One. At the same time, the Group will enhance and create global value chains by further expanding steel product trading through stronger collaboration and alliances with the Company's other businesses, such as energy-related and overseas business.

Metal One is not publicly listed.

Summarized financial information of Metal One and a reconciliation of the carrying amount of the Group's interest in Metal One were as follows. Summarized financial information has been prepared by adjusting Metal One's financial statements based on the Group's accounting policies.

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Percentage ownership interest	40%	40%	40%
Current assets	668,112	886,367	7,265,303
Non-current assets	243,874	228,372	1,871,901
Current liabilities	418,305	599,674	4,915,360
Non-current liabilities	81,776	74,056	607,016
Equity	411,905	441,009	3,614,827
Non-controlling interests	36,465	38,151	312,713
Equity after deduction of non-controlling interests	375,440	402,858	3,302,114
Group's share of equity	150,176	161,143	1,320,844
Goodwill and consolidated adjustment	3,710	3,710	30,409
Carrying amount of interest	153,886	164,853	1,351,254

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Gross profit	83,124	119,024	975,606
Profit for the year	6,640	28,222	231,327
Other comprehensive income for the year	21,348	5,571	45,663
Total comprehensive income for the year	27,988	33,794	277,000
Share of:			_
Profit for the year	2,656	11,289	92,532
Other comprehensive income for the year	8,539	2,228	18,262
Total comprehensive income for the year	11,195	13,517	110,795
Dividends received by the Group	3,900	2,636	21,606

2) Individually immaterial associates

Carrying amounts of interests, share of profit for the year, share of other comprehensive income for the year and share of total comprehensive income for the year of all individually immaterial associates were as follows.

	Millions of	yen	Thousands of U.S. dollars
	2021	2022	2022
Carrying amounts of interests	223,715	250,388	2,052,360

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Share of:			
Profit for the year	10,322	21,503	176,254
Other comprehensive income for the year	(7,593)	4,796	39,311
Total comprehensive income for the year	2,729	26,299	215,565

12 OTHER INVESTMENTS

The breakdown of other investments was as follows.

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Financial assets measured at amortized cost	500	500	4,098
Financial assets measured at FVTPL	7,417	8,970	73,524
Financial assets measured at FVTOCI	149,900	173,840	1,424,918
Total	157,817	183,310	1,502,540
Non-current assets	157,817	183,310	1,502,540
Total	157,817	183,310	1,502,540

13 OTHER CURRENT ASSETS AND OTHER NON-CURRENT ASSETS (NON-FINANCIAL ASSETS)

The breakdown of other current assets and other non-current assets (non-financial assets) was as follows.

	Millions of	yen	Thousands of U.S. dollars
	2021	2022	2022
Advance payments	44,071	45,146	370,049
Others	32,658	36,248	297,114
Total	76,729	81,395	667,172
Current assets	64,924	68,382	560,508
Non-current assets	11,804	13,012	106,655
Total	76,729	81,395	667,172

14 TRADE AND OTHER PAYABLES

The breakdown of trade and other payables was as follows.

	Millions of	yen	Thousands of U.S. dollars
	2021	2022	2022
Trade notes and accounts payable	392,067	444,044	3,639,704
Deposits received	50,983	51,929	425,647
Others	39,063	58,193	476,991
Total	482,114	554,167	4,542,352
Current liabilities	475,978	545,963	4,475,106
Non-current liabilities	6,136	8,203	67,237
Total	482,114	554,167	4,542,352

15 BONDS AND BORROWINGS

(1) Bonds and borrowings

The breakdown of bonds and borrowings was as follows.

	Millions	of yen			Thousands of U.S. dollars
	2021	2022	Average interest rate (Note)	t Maturity date	2022
Short-term loans	104,158	183,684	0.71%	_	1,505,606
Current portion of bonds payable	20,001	10,000	_	_	81,967
Current portion of long-term loans	34,434	37,532	1.80%	_	307,639
Bonds payable (excluding current portion)	69,772	69,752	_	_	571,737
				April 2023 —	
Long-term loans (excluding current portion)	679,966	751,755	0.97%	November 2035	6,161,926
Total	908,334	1,052,725			8,628,893
Current liabilities	158,595	231,216		•	1,895,213
Non-current liabilities	749,739	821,508			6,733,672
Total	908,334	1,052,725		_ _	8,628,893

⁽Note) "Average interest rate" is presented as the weighted average interest rate against the balance of the borrowings or the like at the end of the year. Borrowings hedged by derivative transactions, such as interest rate swaps or the like, for the purpose of avoiding the interest rate fluctuation risk, are calculated at the interest rate under such derivative transactions. "Interest rate" of bonds is presented in "(2) Bonds."

As of March 31, 2022, the Company and some of its subsidiaries maintain the following agreements to provide additional financial flexibility and liquidity:

Long-term commitment lines of ¥100 billion(currently unused) and U.S. \$2.025 billion (U.S.\$1.42 billion used)

Since the Group has the intention and ability to refinance its borrowings from financial institutions, current portions of loans of $\frac{123,668}{123,668}$ million and $\frac{1227,413}{123,668}$ million (U.S.\$1,864,040 thousand) as of March 31, 2021 and March 31, 2022, respectively, were presented as non-current liabilities based on the unused balance under commitment line agreements.

The Company is subject to financial covenants with respect to a portion of its borrowings from financial institutions, such as to maintain a certain level of consolidated net assets and the like, and the Company has complied with such covenants for the years ended March 31, 2021 and March 31, 2022. In addition, the Company monitors each compliance status to maintain the level required by such financial covenants.

(2) Bonds

		_		Mi	llions of y	ven		Thousands of U.S. dollars
Company name	Bond name	Date of issuance	2021	2022	Interest rate	Collateral	Maturity date	2022
The Company	The 29th unsecured bond	April 22, 2014	9,991	10,000 (10,000)	1.18%	None	April 22, 2022	81,967 (81,967)
The Company	The 30th unsecured bond	June 16, 2014	9,978	9,985	1.48%	None	June 14, 2024	81,844
The Company	The 31st unsecured bond	September 5, 2014	9,996 (9,996)	_	0.84%	None	September 3, 2021	_
The Company	The 32nd unsecured bond	June 2, 2016	9,998 (9,998)	_	0.38%	None	June 2, 2021	_
The Company	The 33rd unsecured bond	March 9, 2017	9,976	9,984	0.52%	None	March 8, 2024	81,836
The Company	The 34th unsecured bond	June 1, 2017	9,962	9,968	0.72%	None	June 1, 2027	81,704
The Company	The 35th unsecured bond	March 8, 2018	9,958	9,964	0.61%	None	March 8, 2028	81,672
The Company	The 36th unsecured bond	November 27, 2019	9,948	9,954	0.47%	None	November 27, 2029	81,590
The Company	The 37th unsecured bond	September 14, 2020	9,945	9,949	0.56%	None	September 13, 2030	81,549
The Company	The 38th unsecured bond	May 27, 2021	_	9,945	0.55%	None	May 27, 2031	81,516
Consolidated Subsidiaries	Others (Note 2)	September 15, 2016	18 (7)	_	0.14%	None	September 30, 2021 — March 31, 2024	_
Total	_	_	89,774 (20,001)	79,752 (10,000)	_	_	_	653,704 (81,967)

⁽Note 1) The amounts in parentheses under the columns for 2021 and 2022 are current portions of bonds payable.

⁽Note 2) The applicable liabilities were excluded from the scope of consolidation following the sale of consolidated subsidiaries and are therefore not included in the amounts for liabilities on March 31, 2022.

16 PROVISIONS

The breakdown of increases/decreases in provisions was as follows.

	Millions of yen			
	Asset retirement obligations	Others	Total	
Balance as of April 1, 2021	41,227	3,725	44,952	
Increase for the year	3,213	5,297	8,510	
Decrease for the year (incurred and charged against provisions)	(1,138)	(2,353)	(3,492)	
Decrease for the year (unused amounts reversed)	_	(266)	(266)	
Interest expenses for discounting	589	_	589	
Change in discount rate	(1,630)	_	(1,630)	
Exchange translation differences for foreign operations	3,535	381	3,916	
Others (Note)	(333)	(157)	(490)	
Balance as of March 31, 2022	45,462	6,626	52,089	

	Thousands of U.S. dollars			
	Asset retirement obligations	Others	Total	
Balance as of April 1, 2021	337,926	30,532	368,459	
Increase for the year	26,336	43,418	69,754	
Decrease for the year (incurred and charged against provisions)	(9,327)	(19,286)	(28,622)	
Decrease for the year (unused amounts reversed)	_	(2,180)	(2,180)	
Interest expenses for discounting	4,827	_	4,827	
Change in discount rate	(13,360)	_	(13,360)	
Exchange translation differences for foreign operations	28,975	3,122	32,098	
Others (Note)	(2,729)	(1,286)	(4,016)	
Balance as of March 31, 2022	372,639	54,311	426,959	

The breakdown of provisions for each of current liabilities and non-current liabilities was as follows.

	Millions of	yen	Thousands of U.S. dollars
	2021	2022	2022
Current liabilities	3,226	4,137	33,909
Non-current liabilities	41,725	47,951	393,040
Total	44,952	52,089	426,959

Asset retirement obligations mainly consist of removal costs relating to mining facilities or the like for coal and gas. Such costs mainly are expected to be paid after at least one year has passed, subject to effects from future business plans or the like.

17 OTHER CURRENT LIABILITIES AND OTHER NON-CURRENT LIABILITIES (NON-FINANCIAL LIABILITIES)

The breakdown of other current liabilities and other non-current liabilities (non-financial liabilities) was as follows.

	Millions of	yen	Thousands of U.S. dollars
	2021	2022	2022
Advances received	51,021	43,055	352,909
Others	26,746	37,095	304,057
Total	77,767	80,150	656,967
Current liabilities	68,130	71,259	584,090
Non-current liabilities	9,636	8,891	72,877
Total	77,767	80,150	656,967

18 ASSETS HELD FOR SALE AND LIABILITIES DIRECTLY RELATED THERETO

The breakdown of assets held for sale was as follows.

	Millions of yen		Thousands of U.S. dollars	
	2021	2022	2022	
Assets held for sale				
Property, plant and equipment	_	1,025	8,401	
Investments accounted for using the equity method	892	6,327	51,860	
Total	892	7,352	60,262	

On March 31, 2022, major assets held for sale included investments accounted for using the equity method related to thermal coal interests in Indonesia held by subsidiaries in the Metals, Mineral Resources & Recycling Division.

The Group is working to withdraw from thermal coal interests in accordance with its decarbonization policies. Given the highly probable that such assets will be sold, these assets were classified as held for sale, these carrying amount was reduced to ¥6,327 million (U.S. \$51,860 thousand), an amount that reflects the fair value less costs to sell, and loss on reorganization of subsidiaries/associates of ¥6,620 million (U.S. \$54,262 thousand) was recorded. Decisions regarding the classification of assets as held for sale and the calculation of fair value less costs to sell are made based on key assumptions including the judgment of the feasibility of sales, the future coal prices that were used as a basis to develop the business plan, recoverable reserves that were used to calculate production volumes, the feasibility of its production plan, and a discount rate.

19 EQUITY

(1) Capital management

In order to enhance its enterprise value, the Company has as its basic policies the maintenance of a healthy financial position and stability in its funding structure, accumulation of its own equity (Note 1) through the realization of sustained growth and expansion of its financial base. The Company uses net DER (Note 2) and risk assets ratio (Note 3) as main indices for managing the Company's equity.

In the "Medium-term Management Plan 2023", with FY2023 as the final year, the aim for a net DER is 1.0 times. In the same period, the risk assets ratio is controlled within 1.0 times under certain stress conditions. These will be achieved through continuing investment initiatives for further growth, and strengthening functions for upholding financial discipline and growth. These indicators are periodically reported and monitored by management.

Notes: 1. Own equity = Total equity amount less non-controlling interests

2. Net DER = (Interest bearing liabilities - Cash and cash equivalents - Time deposits) ÷ Own equity

However, interest-bearing debt does not include lease liabilities (current or non-current).

3. Risk assets ratio = Risk asset (such asset amount calculated based on assessment of such risk in

correspondence to the size of such risk) ÷ Own equity

Net DERs and Risk assets ratios as of March 31, 2021 and March 31, 2022, respectively, were as follows.

	2021	2022
Net DER	0.99 times	1.06 times
Risk assets ratio (Note 3)	0.6 times	0.6 times

(2) Number of authorized shares, issued shares and shares of treasury stocks

	Shares		
	2021	2022	
Authorized: ordinary no-par value shares	2,500,000,000	500,000,000	
Issued: ordinary no-par value shares			
Balance at beginning of year	1,251,499,501	1,251,499,501	
Increase or decrease for the year	_	(1,001,199,601)	
Balance at end of year	1,251,499,501	250,299,900	
Treasury stock: ordinary no-par value shares			
Balance at beginning of year	32,204,257	52,404,470	
Increase or decrease for the year	20,200,213	(32,933,914)	
Balance at end of year	52,404,470	19,470,556	

- Note:1.The Company conducted a five-for-one share consolidation of common shares of stock effective October 1, 2021.

 Authorized shares (ordinary no-par value shares) decreased 2,000,000,000 shares on year, to 500,000,000 shares.
 - 2.The Company conducted a five-for-one share consolidation of common shares of stock effective October 1, 2021. Issued shares (ordinary no-par value shares) decreased 1,001,199,601 shares on year.
 - 3. Fuji Nihon Seito Corporation owned 200,000 shares and 40,000 shares of the Company as of March 31, 2021 and March 31, 2022, respectively, but as the Corporation is an equity-method associate the shares are not included in Treasury stock (ordinary no-par value shares).
 - 4. The balance of treasury stock includes 1,547,972 shares and 1,003,203 shares of the Company stock held in the Director's Compensation BIP Trust account as of March 31, 2021 and March 31, 2022, respectively.
 - 5. During the period between April 1, 2020 and June 30, 2020, we acquired 20,315,900 treasury stock (ordinary non-par value shares), based on the resolution of the Board of Directors made on March 27, 2020.
 - 6. During the period between May 1, 2021 and September 30, 2021, we acquired 44,516,400 treasury stock (ordinary no-par value shares), based on the resolution of the Board of Directors made on April 30, 2021. The Company conducted a five-for-one share consolidation of common shares of stock effective October 1, 2021. Treasury stock (ordinary no-par value shares) decreased 77,513,010 shares on year.

(3) Surplus

1) Capital surplus

Capital surplus mainly consists of legal capital surplus.

2) Retained earnings

Retained earnings consist of legal retained earnings and unappropriated profits. Retained earnings include the cumulative exchange translation differences for foreign operations as of the Transition Date.

(4) Dividends

1) Amount of dividend payments

Resolution	Type of shares	Source of dividends	Amount of dividends (Millions of yen)	Amount of dividends (Thousands of U.S. dollars)	Dividend per share (Yen)	Recorded date	Effective date
Annual general shareholders' meeting on June 18, 2020	Ordinary shares	Retained earnings	10,378	85,065	8.50	March 31, 2020	June 19, 2020
Board of directors meeting on October 30, 2020	Ordinary shares	Retained earnings	6,003	49,204	5.00	September 30, 2020	December 1, 2020
Annual general shareholders' meeting on June 18, 2021	Ordinary shares	Retained earnings	6,003	49,204	5.00	March 31, 2021	June 21, 2021
Board of directors meeting on November 2, 2021	Ordinary shares	Retained earnings	10,405	85,286	9.00	September 30, 2021	December 1, 2021

Note: The Company conducted a five-for-one share consolidation of common shares of stock effective October 1, 2021. Dividend per share does not reflect this share consolidation, for recorded date is September 30, 2021.

2) Dividends to be proposed to shareholders at the annual general shareholders' meeting on June 17, 2022

Resolution	Type of shares	Source of dividends	Amount of dividends (Millions of yen)	Amount of dividends (Thousands of U.S. dollars)	Dividend per share (Yen)	Record date	Effective date
Annual general shareholders' meeting on June 17, 2022	Ordinary shares	Retained earnings	14,141	115,909	61.00	March 31, 2022	June 20, 2022

20 REVENUE

(1) Disaggregated Revenue

The Group's structure consists of seven business divisions: Automotive Division, Aerospace & Transportation Project Division, Infrastructure & Healthcare Division, Metals, Mineral Resources & Recycling Division, Chemicals Division, Consumer Industry & Agriculture Business Division, and Retail & Consumer Service Division. The Board of Directors regularly reviews this structure in order to decide allocation of management resources and evaluate company performance. Other departments outside of these divisions – administration, domestic branches, logistics, insurance services and industrial machinery etc. – are included in "others," with the revenue from such recorded and displayed as "Revenue."

Revenue for each business division for the years ended March 31, 2021 and March 31, 2022 can be found under "5 SEGMENT INFORMATION (2) Information regarding reportable segments." Product and service categorization is identical to business category.

(2) Receivables from contracts with customers, contract asset, and contract liability

Receivables from contracts with customers refer to any notes receivable and accounts receivable included under trade and other receivables. There is no materiality to the revenue recognized in the reporting period from performance obligations satisfied in previous periods for the years ended March 31, 2021 and March 31, 2022, or contract asset and contract liability on March 31, 2021 and March 31, 2022. The contract asset is displayed in "Trade and other receivables" and contract liability is in "Other current liabilities" and "Other non-current liabilities".

(3) Transaction price allocated to the remaining performance obligations

The following shows the Group's assumed timing for revenue to be recognized in the reporting period from transaction price allocated to the remaining performance obligations as of March 31, 2021 and March 31, 2022. Note that these figures do not include contracts for which performance obligations were initially anticipated to remain for only one year or less.

	Millions of yen					
	Within one year	Between one and five years	Over five years to	Total		
Balance as of March 31, 2021	55,136	64,024	33,150	152,311		
Balance as of March 31, 2022	58,848	74,686	49,302	182,838		

	Thousands of U.S. dollars				
	Within one year	Between one and five years	Over five years to	Total	
Balance as of March 31, 2022	482,360	612,180	404,114	1,498,672	

(4) Assets recognized from the cost to obtain or fulfill a contract with a customer

As of March 31, 2021 and March 31, 2022, there were no material assets recognized from the cost to obtain or fulfill a contract with a customer. If the amortization period of the asset that the entity otherwise would have recognized is one year or less, the Group recognizes the additional incremental costs of obtaining a contract as an expense at time of occurrence, as a practical expedient.

21 SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

The breakdown of selling, general and administrative expenses was as follows.

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Employee benefit expenses	(93,466)	(101,639)	(833,106)
Traveling expenses	(2,253)	(2,684)	(22,000)
Rent expenses	(3,475)	(3,835)	(31,434)
Outsourcing expenses	(11,071)	(13,241)	(108,532)
Depreciation and amortization expenses	(17,533)	(18,969)	(155,483)
Others	(33,280)	(39,944)	(327,409)
Total	(161,080)	(180,314)	(1,477,983)

22 GAIN (LOSS) ON DISPOSAL OF FIXED ASSETS

The breakdown of gain (loss) on disposal of fixed assets was as follows.

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Gain on sale of property, plant and equipment	167	6,440	52,786
Gain on sale of intangible assets	16	158	1,295
Gain on sale of investment property	3,075	470	3,852
Total of gain on sale of fixed assets	3,259	7,069	57,942
Loss on sale of property, plant and equipment	(92)	(127)	(1,040)
Loss on sale of intangible assets		(11)	(90)
Total of loss on sale of fixed assets	(92)	(138)	(1,131)
Loss on retirement of property, plant and equipment	(189)	(202)	(1,655)
Loss on retirement of intangible assets	(116)	(25)	(204)
Total of loss on retirement of fixed assets	(306)	(228)	(1,868)
Total of gain (loss) on disposal of fixed assets, net	2,860	6,702	54,934

23 IMPAIRMENT LOSS

Impairment losses were included in "Impairment loss on fixed assets" and "Loss on reorganization of subsidiaries/associates" in the Consolidated Statement of Profit or Loss. The breakdown of impairment losses by asset type was as follows.

	Millions of yen		Thousands of U.S. dollars	
	2021	2022	2022	
Property, plant and equipment	(2,798)	(1,747)	(14,319)	
Right-of-use assets	(20)	(56)	(459)	
Goodwill	(1,649)	(2,352)	(19,278)	
Intangible assets	(2,650)	(833)	(6,827)	
Investment property	(0)			
Investments accounted for using the equity method	_	(4,053)	(33,221)	
Total	(7,119)	(9,042)	(74,114)	
Impairment loss on fixed assets	(5,470)	(2,637)	(21,614)	
Loss on reorganization of subsidiaries/associates	(1,649)	(6,405)	(52,500)	
Total	(7,119)	(9,042)	(74,114)	

Impairment losses were applicable to the following segments.

	Millions of yen		Thousands of U.S. dollars	
	2021	2022	2022	
Automotive	_	_		
Aerospace & Transportation Project	_	_	_	
Infrastructure & Healthcare	(478)	(3,432)	(28,131)	
Metals, Mineral Resources & Recycling	(4,568)	(4,436)	(36,360)	
Chemicals	_	(294)	(2,409)	
Consumer Industry & Agriculture Business	(22)	(393)	(3,221)	
Retail & Consumer Service	(352)	(1)	(8)	
Others	(1,697)	(484)	(3,967)	
Total	(7,119)	(9,042)	(74,114)	

In the year ended March 31, 2021, the recoverable amount was calculated for Australian thermal coal interests within the Metals, Mineral Resources & Recycling Segment based on the value in use. The value in use was estimated based on certain key assumptions, such as future coal prices and selling prices that were used as the basis to develop the business plan, the recoverable reserves that were used to calculate production volume, and a discount rate. Impairment of property, plant and equipment and intangible assets totaling ¥4,546 million was recognized because the future cash flows were considered to be lower than the Group's original business plan due to a coal mine to be closed. This amount represented the difference between carrying amount and recoverable amount of zero.

In addition, the recoverable amount was calculated for U.K. oil and gas interests within the Infrastructure & Healthcare Segment using the fair value less disposal costs. The fair value less disposal costs was estimated based on certain key assumptions, such as future oil and gas prices that were used as the basis to develop the business plan, the recoverable reserves that were used to calculate production volume, the feasibility of its development plan, and a discount rate. Impairment of property, plant and equipment totaling ¥478 million was recognized because the future cash flows were considered to be lower than the Group's original business plan due to declines within oil and gas prices. This amount represented the difference between the carrying amount and recoverable amount of ¥11,416 million.

In the year ended March 31, 2022, impairment losses of ¥3,432 million (U.S.\$28,131 thousand) and ¥2,352 million (U.S.\$19,278 thousand) were recorded in the Infrastructure & Healthcare Segment and the Metals, Mineral Resources & Recycling Segment, respectively. The impairment loss in the Infrastructure & Healthcare Segment was associated with investments on telecommunication infrastructure business accounted for using the equity method held by subsidiaries while the impairment loss in the Metals, Mineral Resources & Recycling Segment was associated with goodwill of subsidiaries involved in carbon-related businesses. Both of these losses were recorded based on the judgment that the associated assets would no longer be able to produce the cash flows initially projected in business plans due to changes in the operating environment.

24 GAIN ON REORGANIZATION OF SUBSIDIARIES/ASSOCIATES

Gain arising from the loss of the control over subsidiaries/associates was ¥3,923 million for the year ended March 31, 2021 and ¥6,060 million (U.S.\$49,672 thousand) for the year ended March 31, 2022.

25 LOSS ON REORGANIZATION OF SUBSIDIARIES/ASSOCIATES

The breakdown of loss on reorganization of subsidiaries/associates was as follows.

	Millions of	Thousands of U.S. dollars	
	2021	2022	2022
Loss on sale of subsidiaries/associates and the like	(476)	(11,807)	(96,778)
Impairment loss	(1,649)	(6,405)	(52,500)
Loss on allowance for doubtful accounts	(2)	(3)	(24)
Total	(2,128)	(18,215)	(149,303)

Loss on reorganization of subsidiaries/associates in the year ended March 31, 2022, includes losses on thermal coal mine investments accounted for using the equity method as well as a loss recognized by a subsidiary holding molybdenum interests. In addition, impairment loss in the year ended March 31, 2022, includes impairment losses on telecommunication infrastructure business investments accounted for using the equity method and impairment losses on goodwill of subsidiaries involved in carbon-related businesses.

26 EXCHANGE DIFFERENCES

Exchange differences recognized as profit or loss for the years ended March 31, 2021 and March 31, 2022 were loss of ¥1,590 million and loss of ¥2,184 million (U.S.\$17,901 thousand), respectively, and are included in "Other operating expenses" in the Consolidated Statement of Profit or Loss. In addition, each amount includes the profit or loss arising from currency-related derivatives, which were arranged for the purpose of hedging the foreign currency risk.

27 FINANCIAL INCOME AND FINANCIAL COSTS

The breakdown of financial income and financial costs was as follows.

	Millions of yen		Thousands of U.S. dollars	
	2021	2022	2022	
Financial income				
Interest earned				
Financial assets measured at amortized cost	4,878	7,391	60,581	
Financial assets measured at FVTPL	508	_	_	
Lease receivables	31	33	270	
Total interest earned	5,418	7,425	60,860	
Dividends received				
Financial assets measured at FVTOCI	3,034	5,063	41,500	
Total dividends received	3,034	5,063	41,500	
Gain arising from change in the fair value of financial instruments (Note)				
Financial assets and financial liabilities measured at FVTPL	53	828	6,786	
Total gain arising from change in the fair value of financial instruments	53	828	6,786	
Total financial income	8,506	13,317	109,155	
Financial costs				
Interest expenses				
Financial liabilities measured at amortized cost	(10,230)	(9,160)	(75,081)	
Lease liabilities	(1,278)	(1,372)	(11,245)	
Derivatives	(40)	(88)	(721)	
Interest expenses concerning provisions	(224)	(589)	(4,827)	
Total interest expenses	(11,774)	(11,210)	(91,885)	
Total financial costs	(11,774)	(11,210)	(91,885)	

⁽Note) "Gain arising from change in the fair value of financial instruments" is included in "Other financial income" in the Consolidated Statement of Profit or Loss.

Other than the above, net gain or loss arising from change in the fair value of commodity-related derivatives is included in "Sales of goods" and "Cost of sales" in the Consolidated Statement of Profit or Loss in the net loss of ¥606 million for the year ended March 31, 2021 and in the net profit of ¥2,650 million (U.S.\$21,721 thousand) for the year ended March 31, 2022.

In addition, net gain or loss arising from change in the fair value of currency-related derivatives is included in "Other operating expenses" in the Consolidated Statement of Profit or Loss in the net loss of ¥2,279 million for the year ended March 31, 2021 and in the net loss of ¥3,494 million (U.S.\$28,639 thousand) for the year ended March 31, 2022.

28 EARNINGS PER SHARE

(1) Basic earnings per share and diluted earnings per share

	Yen		U.S. dollars	
	2021	2022	2022	
Basic earnings per share	112.53	352.65	2.89	
Diluted earnings per share	112.53	352.65	2.89	

(2) Bases for calculation of basic earnings per share and diluted earnings per share

	Millions of yen		Thousands of U.S. dollars	
	2021	2022	2022	
Profit used to calculate basic and diluted earnings per share				
Profit for the year, attributable to owners of the parent	27,001	82,332	674,852	
Amount not attributable to ordinary shareholders of the parent	_	_	_	
Profit used to calculate basic earnings per share	27,001	82,332	674,852	
Profit adjustment amount				
Adjustment amount concerning share options to be issued by associates	_	_	_	
Profit used to calculate diluted earnings per share	27,001	82,332	674,852	

	Thousands of shares	
	2021	2022
Weighted average number of ordinary shares to be used to calculate basic and diluted earnings per share Weighted average number of ordinary shares used to calculate basic earnings per share	239,952 _	233,464
Weighted average number of ordinary shares used to calculate diluted earnings per share	239,952	233,464

Notes:The Company conducted a five-for-one share consolidation of common shares of stock effective October 1, 2021.

Basic earnings per share and diluted earnings per share have been calculated based on the assumption that the share consolidation had been conducted on April 1, 2021.

29 OTHER COMPREHENSIVE INCOME

The reclassification adjustment amounts and tax effect amounts for the breakdown of each item of other comprehensive income were as follows.

	Millions of	yen	Thousands of U.S. dollars
	2021	2022	2022
Financial assets measured at FVTOCI			
Amount arising during the year	16,716	27,012	221,409
Amount before income tax effect	16,716	27,012	221,409
Income tax effect	(3,256)	(8,479)	(69,500)
Financial assets measured at FVTOCI	13,460	18,533	151,909
Remeasurements of defined benefit pension plans			
Amount arising during the year	589	(139)	(1,139)
Amount before income tax effect	589	(139)	(1,139)
Income tax effect	(146)	(119)	(975)
Remeasurements of defined benefit pension plans	442	(258)	(2,114)
Share of other comprehensive income of investments accounted for using the equity method that will not be reclassified to profit or loss			
Amount arising during the year	2,949	(15,544)	(127,409)
Amount before income tax effect	2,949	(15,544)	(127,409)
Income tax effect	(966)	4,800	39,344
Share of other comprehensive income of investments accounted for using the equity method	1,982	(10,743)	(88,057)
Exchange translation differences for foreign operations			_
Amount arising during the year	18,294	35,959	294,745
Reclassification adjustment amount	(792)	(977)	(8,008)
Amount before income tax effect	17,502	34,982	286,737
Income tax effect	88	(184)	(1,508)
Exchange translation differences for foreign operations	17,590	34,797	285,221
Cash flow hedges			
Amount arising during the year	7,260	555	4,549
Reclassification adjustment amount	(520)	2,005	16,434
Amount before income tax effect	6,739	2,560	20,983
Income tax effect	(1,924)	(883)	(7,237)
Cash flow hedges	4,815	1,677	13,745
Share of other comprehensive income of investments accounted for using the equity method that may be reclassified subsequently to profit or loss			
Amount arising during the year	(4,347)	18,580	152,295
Reclassification adjustment amount	80	736	6,032
Amount before income tax effect	(4,266)	19,316	158,327
Income tax effect	(474)	(205)	(1,680)
Share of other comprehensive income of investments accounted for using the equity method	(4,741)	19,111	156,647
Total other comprehensive income for the year	33,549	63,117	517,352

30 CASH FLOW INFORMATION

(1) Cash and cash equivalents

The breakdown of cash and cash equivalents and its relationship to the amounts presented in the Consolidated Statement of Financial Position were as follows.

	Millions of yen		Thousands of U.S. dollars	
	2021	2022	2022	
Cash on hand and bank deposits except for time deposits with original term of more than three months	287,597	271,651	2,226,647	
Cash and cash equivalents in the Consolidated Statement of Financial Position	287,597	271,651	2,226,647	
Cash and cash equivalents in the Consolidated Statement of Cash Flows	287,597	271,651	2,226,647	

(2) Net proceeds from (payments for) acquisition of subsidiaries

The breakdown of main assets and liabilities of subsidiaries at the time control was obtained by the Group, and the relationship between payments for such acquisition and net payments for or net proceeds from such acquisition, were as follows.

	Millions of yen		Thousands of U.S. dollars	
	2021	2022	2022	
Breakdown of assets, at the time the Group obtained control of the subsidiaries				
Current assets	7,688	30,142	247,065	
Non-current assets	31,378	42,118	345,229	
Breakdown of liabilities, at the time the Group obtained control of the subsidiaries				
Current liabilities	3,205	30,807	252,516	
Non-current liabilities	20,761	3,662	30,016	

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Payments for acquisition	(10,634)	(36,732)	(301,081)
Cash and cash equivalents of assets acquired, at the time the Group obtained control of the subsidiaries	6,284	983	8,057
Net proceeds from (payments for) acquisition of subsidiaries	(4,349)	(35,749)	(293,024)

(3) Net proceeds from (payments for) sale of subsidiaries

The breakdown of main assets and liabilities of subsidiaries at the time control was lost by the Group, and the relationship between proceeds from such sale and net proceeds from or net payments for such sale, were as follows.

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Breakdown of assets, at the time the Group lost control of the subsidiaries			
Current assets	13,275	19,886	163,000
Non-current assets	118	26,220	214,918
Breakdown of liabilities, at the time the Group lost control of the subsidiaries			
Current liabilities	10,576	16,523	135,434
Non-current liabilities	60	10,253	84,040

	Millions of yen		Thousands of U.S. dollars	
	2021	2022	2022	
Proceeds from sale	6,264	14,583	119,532	
Cash and cash equivalents of assets excluded, at the time the Group lost control of the subsidiaries	(273)	(7,097)	(58,172)	
Net proceeds from (payments for) sale of subsidiaries	5,990	7,485	61,352	

(4) Net cash provided (used) by/in operating activities

Others under cash flows from operating activities for the years ended March 31, 2021, and 2022, includes, respectively, ¥2,128 million and ¥18,215 million (U.S.\$149,303 thousand) in loss on reorganization of subsidiaries/associates recorded on the consolidated statement of profit or loss.

(5) Net cash provided (used) by/in investing activities

Others under cash flows from investing activities for the year ended March 31, 2022, includes outflows associated with aircraft transactions.

(6) Changes in liabilities arising from financing activities

Changes in liabilities arising from financing activities were as follows:

	Millions of yen		
	Bonds	Borrowings	Lease obligations
Balance as of April 1, 2020	89,779	803,479	78,983
Changes arising from Cash flows	(70)	(93)	(14,235)
Changes in the scope of consolidation	_	13,917	2,611
Exchange translation differences for foreign operations	_	2,688	3,523
New leases	_	_	11,139
Others	66	(1,431)	(4,783)
Non-cash changes	66	15,174	12,490
Balance as of March 31, 2021	89,774	818,559	77,238

	Millions of yen		
	Bonds	Borrowings	Lease liabilities
Balance as of April 1, 2021	89,774	818,559	77,238
Changes arising from Cash flows	(10,062)	109,860	(15,085)
Changes in the scope of consolidation	(15)	5,896	(2,793)
Exchange translation differences for foreign operations	_	38,612	3,212
New leases	_	_	14,938
Others	55	43	(2,246)
Non-cash changes	40	44,552	13,111
Balance as of March 31, 2022	79,752	972,972	75,264

	Thousands of U.S. dollars		
	Bonds	Borrowings	Lease liabilities
Balance as of April 1, 2021	735,852	6,709,500	633,098
Changes arising from Cash flows	(82,475)	900,491	(123,647)
Changes in the scope of consolidation	(122)	48,327	(22,893)
Exchange translation differences for foreign operations	_	316,491	26,327
New leases	_	_	122,442
Others	450	352	(18,409)
Non-cash changes	327	365,180	107,467
Balance as of March 31, 2022	653,704	7,975,180	616,918

31 EMPLOYEE BENEFITS

(1) Post-employment benefit

1) General outline of retirement benefit plans

The Company has a defined contribution pension plan, a lump-sum payment plan and a prepaid retirement allowance plan as its retirement benefit plans.

Certain domestic subsidiaries have corporate pension funds and/or lump-sum payment plans that are primarily defined benefit plans. Certain foreign subsidiaries also have defined benefit plans.

Payments by these plans are calculated using criteria including employee rank and salary level.

In some cases, employees receive severance pay upon retirement.

2) Defined benefit plan

(a) Net defined benefit liability (asset)

Changes in the net defined benefit liability (asset) for the years ended March 31, 2021 and March 31, 2022 were as follows.

	Millions of yen		
	Present value of the defined benefit obligation	Fair value of plan assets	Net defined benefit liability (asset)
Balance as of April 1, 2020	30,446	(8,647)	21,799
Current service cost	1,893	_	1,893
Interest expense (income)	296	(120)	175
Remeasurements of the net defined benefit liability (asset)	(354)	(233)	(588)
Past service cost and (gain) loss from settlements	5	_	5
Exchange translation differences for foreign operations	764	(81)	682
Employer contributions to the plan	_	(555)	(555)
Benefits paid	(2,143)	689	(1,454)
Business combinations and disposals	(366)	2	(364)
Others	(89)	105	15
Balance as of March 31, 2021	30,451	(8,840)	21,610
Current service cost	1,767	_	1,767
Interest expense (income)	329	(125)	204
Remeasurements of the net defined benefit liability (asset)	92	46	139
Past service cost and (gain) loss from settlements	60	_	60
Exchange translation differences for foreign operations	1,109	(354)	754
Employer contributions to the plan	_	(524)	(524)
Benefits paid	(2,454)	843	(1,610)
Business combinations and disposals	1,518	53	1,572
Others	(365)	(2)	(368)
Balance as of March 31, 2022	32,509	(8,903)	23,606

Thousands of U.S. dollars

	Present value of the defined benefit obligation	Fair value of plan assets	Net defined benefit liability (asset)
Balance as of March 31, 2021	249,598	(72,459)	177,131
Current service cost	14,483	_	14,483
Interest expense (income)	2,696	(1,024)	1,672
Remeasurements of the net defined benefit liability (asset)	754	377	1,139
Past service cost and (gain) loss from settlements	491	_	491
Exchange translation differences for foreign operations	9,090	(2,901)	6,180
Employer contributions to the plan	_	(4,295)	(4,295)
Benefits paid	(20,114)	6,909	(13,196)
Business combinations and disposals	12,442	434	12,885
Others	(2,991)	(16)	(3,016)
Balance as of March 31, 2022	266,467	(72,975)	193,491

(b) Fair value of plan assets

The fair value of plan assets at March 31, 2021 was as follows.

	Millions	Millions of yen		
	Plan assets with a quoted market price in an active market	Plan assets without a quoted market price in an active market		
Equity instruments	6	498		
Debt instruments	_	6,099		
Cash and cash equivalents	398	_		
General accounts of life insurance companies	_	1,080		
Others	_	758		
Total	404	8,436		

The fair value of plan assets at March 31, 2022 was as follows.

	Millions of yen		
	Plan assets with a quoted market price in an active market	Plan assets without a quoted market price in an active market	
Equity instruments	51	346	
Debt instruments	1	6,376	
Cash and cash equivalents	393	_	
General accounts of life insurance companies	_	1,068	
Others	_	665	
Total	446	8,457	

	Thousands of	Thousands of U.S. dollars		
	Plan assets with a quoted market price in an active market	Plan assets without a quoted market price in an active market		
Equity instruments	418	2,836		
Debt instruments	8	52,262		
Cash and cash equivalents	3,221	_		
General accounts of life insurance companies	_	8,754		
Others	_	5,450		
Total	3,655	69,319		

(c) Significant actuarial assumption

	2021	2022
Discount rate	1.2%	1.4%
The expected rate of salary increase	3.0%	2.8%

(d) Sensitivity analysis

	Millions of yen		Thousands of U.S. dollars	
	2021	2022	2022	
Increase in the defined benefit obligation with a 50-basis-point decrease in the discount rate	1,523	1,678	13,754	
Decrease in the defined benefit obligation with a 50-basis-point increase in the discount rate	(1,146)	(1,249)	(10,237)	

(e) Maturity profile for the defined benefit obligation

The weighted average duration of the defined benefit obligation for the years ended March 31, 2021 and March 31, 2022 was 10.6 years and 10.5 years, respectively.

(f) Expected contribution to the plan for the year ending March 31, 2023

The Group expects to contribute ¥523 million (U.S.\$4,286 thousand) to plan assets for the year ending March 31, 2023.

3) Defined contribution plan

Expenses recognized for the defined contribution plan for the years ended March 31, 2021 and March 31, 2022 were ¥2,016 million and ¥2,221 million (U.S.\$18,204 thousand), respectively.

4) Multi-employer plans

Expenses recognized for multi-employer defined contribution plans for the years ended March 31, 2021 and March 31, 2022 were ¥18 million and ¥19 million (U.S.\$155 thousand), respectively.

(2) Employee benefit expenses

Employee benefit expenses recognized for the years ended March 31, 2021 and March 31, 2022 were ¥106,037 million and ¥120,018 million (U.S.\$983,754 thousand), respectively.

Employee benefit expenses are included in "Cost of sales" and "Selling, general and administration expenses" in the Consolidated Statement of Profit or Loss.

32 DEFERRED TAXES AND INCOME TAX EXPENSES

(1) Deferred taxes

1) Breakdown of deferred tax assets and deferred tax liabilities

The breakdown of main deferred tax assets and deferred tax liabilities by cause was as follows.

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Deferred tax assets			
Allowance for doubtful receivables	7,142	6,470	53,032
Tax losses carried forward	13,959	14,042	115,098
Other investments	7,482	5,952	48,786
Retirement benefits liabilities	5,341	5,294	43,393
Depreciation	1,465	1,001	8,204
Others	26,792	28,500	233,606
Total deferred tax assets	62,185	61,261	502,139
Offset with deferred tax liabilities	(54,294)	(52,654)	(431,590)
Total deferred tax assets, net	7,890	8,607	70,549
Deferred tax liabilities			
Depreciation	(14,668)	(24,138)	(197,852)
Other investments	(24,575)	(24,366)	(199,721)
Others	(35,521)	(35,882)	(294,114)
Total deferred tax liabilities	(74,764)	(84,388)	(691,704)
Offset with deferred tax assets	54,294	52,654	431,590
Total deferred tax liabilities, net	(20,470)	(31,734)	(260,114)
Net deferred tax assets	(12,579)	(23,126)	(189,557)

The Company and its wholly owned domestic subsidiaries adopt a consolidated taxation system. For the year ended March 31, 2021, the Company and some of its subsidiaries recognized tax losses and deferred tax assets for the unused tax losses carried forward only to the extent that it was probable that they could be used against future taxable profit within rational estimate periods, since they could recognize taxable profit each period excluding non-ordinary factors. The taxable profit was calculated based on estimations of increases and decreases of the temporary differences and was approved by the Company's management. As of March 31, 2021, and March 31, 2022, the consolidated taxation group recognized deferred tax assets of ¥7,247 million and ¥4,242 million (U.S.\$34,770 thousand), respectively for the tax losses carried forward.

2) Contents of changes in deferred tax assets and deferred tax liabilities

Contents of changes in deferred tax assets and deferred tax liabilities were as follows.

	Millions of yen		Thousands of U.S. dollars	
	2021	2022	2022	
Net deferred tax assets' balance at beginning of year	(3,946)	(12,579)	103,106	
Deferred tax expenses	2,253	(8,336)	(68,327)	
Income tax concerning other comprehensive income	(5,239)	1,029	8,434	
Change in consolidation scope	(3,665)	(1,423)	(11,663)	
Others	(1,981)	(1,816)	(14,885)	
Net deferred tax assets' balance at end of year	(12,579)	(23,126)	(189,557)	

3) Deductible temporary differences, unused tax losses carried forward and tax credits carried forward, all for which deferred tax assets were not recognized

The breakdown of deductible temporary differences, unused tax losses carried forward (by expiry date) and unused tax credits carried forward (by expiry date), all for which deferred tax assets were not recognized in the Consolidated Statement of Financial Position were as follows.

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Deductible temporary differences	184,696	237,358	1,945,557
Unused tax losses carried forward			
Within one year to the expiry date	27,429	639	5,237
Between one and five years to the expiry date	9,334	20,044	164,295
Over five years to the expiry date	58,100	51,292	420,426
Total tax losses carried forward	94,864	71,976	589,967
Unused tax credits carried forward			_
Between one and five years to the expiry date	_	849	6,959
Total tax credits carried forward	_	849	6,959

4) Temporary differences associated with investments in subsidiaries and the like for which deferred tax liabilities were not recognized

The total amounts of temporary differences associated with investments in subsidiaries and the like for which deferred tax liabilities were not recognized as of March 31, 2021 and March 31, 2022 were ¥215,121 million and ¥240,089 million (U.S.\$ 1,967,942 thousand), respectively. Because the Group is able to control the timing of the reversal of such temporary differences, and it is probable that such temporary differences will not be reversed within the foreseeable future, the Group did not recognize deferred tax liabilities with respect to such temporary differences.

(2) Income tax expenses

1) Breakdown of income tax expenses

The breakdown of income tax expenses was as follows.

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Current tax expenses	(10,256)	(23,487)	(192,516)
Deferred tax expenses			
Origination and reversal of temporary differences	5,361	(3,775)	(30,942)
Assessment of recoverability of deferred tax assets	(2,995)	(4,539)	(37,204)
Change in tax rate	(112)	(22)	(180)
Total deferred tax expenses	2,253	(8,336)	(68,327)
Total income tax expenses	(8,002)	(31,824)	(260,852)

The amounts of the benefits arising from previously unrecognized tax losses or temporary differences of a prior period that were used to reduce current tax expenses for the years ended March 31, 2021 and March 31, 2022 were ¥4,391 million and ¥10,936 million (U.S.\$ 89,639 thousand), respectively, and these benefits were included in the current tax expenses.

2) Reconciliation of applicable tax rate in Japan

Reconciliations between the applicable tax rate in Japan and the Group's average effective tax rate were as follows.

	2021	2022
Applicable tax rate in Japan	30.6%	30.6%
(Reconciliation)		
Effects based on assessment of recoverability of deferred tax assets	8.0%	3.9%
Effects associated with consolidated elimination of dividend income	(1.5)%	(1.4)%
Effects from share of profit (loss) of investments accounted for using the equity method	(10.8)%	(8.4)%
Difference in applicable tax rate of foreign subsidiaries	(8.3)%	(4.3)%
Combined income of specified foreign subsidiaries or the like	1.0%	0.4%
Withholding tax in foreign countries	5.0%	1.6%
Correction of tax rate reduction	0.3%	0.0%
Others	(2.9)%	4.7%
Group's average effective tax rate	21.4%	27.1%

The applicable tax rate in Japan for the year ended March 31, 2022 was approximately 30.6% based on Japan's corporate tax, inhabitant tax and business tax.

33 FINANCIAL INSTRUMENTS

(1) Classes of financial instruments

The breakdown of financial instruments per class was as follows.

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Financial assets			
Financial assets measured at amortized cost			
Cash and cash equivalents/time deposits	297,656	282,434	2,315,032
Trade and other receivables	570,763	716,134	5,869,950
Other investments	500	500	4,098
Total financial assets measured at amortized cost	868,920	999,068	8,189,081
Financial assets measured at FVTPL			
Other investments	7,417	8,970	73,524
Derivative financial assets	4,738	12,686	103,983
Total financial assets measured at FVTPL	12,155	21,657	177,516
Financial assets measured at FVTOCI			
Other investments	149,900	173,840	1,424,918
Total financial assets measured at FVTOCI	149,900	173,840	1,424,918
Total financial assets	1,030,976	1,194,565	9,791,516
Financial liabilities			
Financial liabilities measured at amortized cost			
Trade and other payables	482,114	554,167	4,542,352
Bonds and borrowings	888,827	1,038,555	8,512,745
Total financial liabilities measured at amortized cost	1,370,942	1,592,722	13,055,098
Financial liabilities measured at FVTPL			
Derivative financial liabilities	6,849	8,731	71,565
Total financial liabilities measured at FVTPL	6,849	8,731	71,565
Total financial liabilities	1,377,792	1,601,454	13,126,672

(2) Basic policies for risk management of financial instruments

The Group is an integrated trading company engaged in a wide range of business activities on a global basis. Its headquarters includes business sections that handle merchandising, trading, product manufacturing, services, project planning and management, investments and financing activities, both domestically and internationally. Such businesses are inherently exposed to various risks. The Group defines and classifies risks per risk item and manages each of them in accordance with its nature.

(3) Credit risk management

The Group assumes credit risk by extending credit to many domestic and foreign customers through a variety of commercial transactions. The Group mitigates such credit risk by objectively assigning credit ratings to the customers to which it extends credit based on the Company's credit rating system. The Group also controls credit risk by setting rating-based credit limits on a customer-by-customer basis and enforcing the credit limits thus set. The Group employs other safeguards (e.g., collaterals and guarantees) as warranted by the customer's creditworthiness. Additionally, the Group has a system for assessing receivables, in which customers are extracted based on a certain criteria, then assessed for their creditworthiness. With respect to such selected customers, the Group also checks for existence of any receivables, protection measures or the like. Through the above, the Group endeavors to more rigorously ascertain credit risk and calculate the allowance for doubtful accounts for each account receivable. Please note that the Group does not carry any excessive credit risk with respect to any specified customer.

In regards to derivative transactions, the Group only deals with financial institutions with high credit ratings, as assigned by internationally-acknowledged rating agencies, so as to minimize the credit risks. The Group also periodically reviews the credit ratings of counterparties to such derivative transactions and re-evaluates credit limits so as to minimize credit risks based on non-performance by such counterparties.

1) Maximum exposure to credit risk

Other than guaranteed obligations, the Group's maximum exposure with respect to credit risks without taking into account any collaterals held or other credit enhancements is the carrying amount of financial instruments less impairment losses under the Consolidated Statement of Financial Position. On the other hand, the Group's maximum exposures to credit risks concerning guaranteed obligations as of March 31, 2021 and March 31, 2022 were ¥47,031 million and ¥38,373 million (U.S.\$314,532 thousand), respectively.

2) Increases/decreases in allowance for doubtful accounts and the carrying amount of financial assets

The following shows the carrying amount of trade and other receivables (applying the simplified approach).

~ ~	~ 4	
20	21	

	Millions of yen				
	Financial assets other than credit impaired financial assets	Credit impaired financial assets	Total		
Trade and other receivables (Note)	461,292	45,178	506,471		

(Note) Trade and other receivables applied the simplified approach primarily consist of notes receivable and accounts receivable.

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Trade and other receivables (Note)	4,480,836	415,385	4,896,221
	assets	mandar addete	
	impaired financial	financial assets	Total
	other than credit	Credit impaired	
	Financial assets		
	Tho	ousands of U.S. dollars	
2022			
Trade and other receivables (Note)	546,662	50,677	597,339
	assets		
	impaired financial	financial assets	Iotai
	other than credit	Credit impaired	Total
	Financial assets		
		Millions of yen	

(Note) Trade and other receivables applied the simplified approach primarily consist of notes receivable and accounts receivable.

The carrying amount of financial assets other than credit impaired financial assets mostly includes receivables from customers/clients whose internal credit rating is "normal," whereas the carrying amount of credit impaired financial assets mostly includes customers/clients whose internal credit rating is "doubtful" or "in bankruptcy or rehabilitation."

There are no remarkable changes in carrying amount which could impact allowance for doubtful accounts for the year ended March 31, 2021, and March 31, 2022.

The following shows increases/decreases in allowance for doubtful accounts against trade and other receivables applied the simplified approach.

2021	
2021	

	Millions of yen				
	Allowance for doubtful accounts against financial assets other than credit impaired financial assets	Allowance for doubtful accounts against credit impaired financial assets	Total		
Balance as of April 1, 2020 based on IFRS 9	967	38,957	39,925		
Reclassified as allowance for doubtful accounts against credit impaired financial assets	(1)	1	_		
Increase	28	211	239		
Decrease (incurred and charged against allowance)	(4)	(390)	(394)		
Decrease (unused amounts reversed)	(229)	(39)	(268)		
Others (Note)	(180)	880	700		
Balance as of March 31, 2021 based on IFRS 9	580	39,621	40,201		

(Note) "Others" mostly includes impact from foreign currency translation.

2022

		Millions of yen	
	Allowance for doubtful accounts against financial assets other than credit impaired financial assets	Allowance for doubtful accounts against credit impaired financial assets	Total
Balance as of April 1, 2021 based on IFRS 9	580	39,621	40,201
Reclassified as allowance for doubtful accounts against credit impaired financial assets	(13)	13	_
Increase	118	3,339	3,457
Decrease (incurred and charged against allowance)	(71)	(133)	(204)
Decrease (unused amounts reversed)	(64)	(78)	(142)
Others (Note)	34	4,099	4,134
Balance as of March 31, 2022 based on IFRS 9	584	46,861	47,445

2022	The	uson do of LLC dollars	
	Allowance for doubtful accounts against financial assets other than credit impaired financial assets	Allowance for doubtful accounts against credit impaired financial assets	Total
Balance as of April 1, 2021 based on IFRS 9	4,754	324,762	329,516
Reclassified as allowance for doubtful accounts against credit impaired financial assets	(106)	106	_
Increase	967	27,368	28,336
Decrease (incurred and charged against allowance)	(581)	(1,090)	(1,672)
Decrease (unused amounts reversed)	(524)	(639)	(1,163)
Others (Note)	278	33,598	33,885
Balance as of March 31, 2022 based on IFRS 9	4,786	384,106	388,893

(Note) "Others" mostly includes impact from foreign currency translation.

The following shows the carrying amount for trade and other receivables applied the general approach.

2022	for which allowance for doubtful accounts is measured based on 12 months expected credit loss	for doubtful accomeasured based or credit Financial assets other than credit impaired financial assets	lifetime expected	Total
2022	allowance for doubtful accounts is measured based on 12 months expected	measured based or credit Financial assets other than credit impaired financial	n lifetime expected loss Credit impaired	Total
2022	allowance for doubtful accounts is measured based on 12	measured based or credit Financial assets other than credit	n lifetime expected loss Credit impaired	Total
2022	allowance for doubtful accounts is measured	measured based or credit	lifetime expected loss	Total
2022	allowance for	measured based or	lifetime expected	Total
2022				
2022	for which	for doubtful acco	ounts has been	
2022		for doubtful accounts has been		
2022	Financial assets	Financial assets fo		
2022		Thousands of U	J.S. dollars	
Trade and other receivables (Note)	178,939	_	5,542	184,482
	is measured based on 12 months expected credit loss	Financial assets other than credit impaired financial assets	Credit impaired financial assets	Total
	for which allowance for doubtful accounts	doubtful accounts h based on lifetime e		
	Financial assets	Financial assets for		
2022		Millions o	of yen	
(Note) Trade and other receivables applied th	e general approach prir	narily consist of lo	an receivable.	
Trade and other receivables (Note)	109,925	_	5,256	115,182
	doubtful accounts is measured based on 12 months expected credit loss	Financial assets other than credit impaired financial assets	Credit impaired financial assets	Total
	Financial assets for which allowance for	Financial assets for which allowance for doubtful accounts has been measured based on lifetime expected credit loss		
		F: : 1 ((111 11 6	

(Note) Trade and other receivables applied the general approach primarily consist of loan receivable.

The carrying amount of financial assets for which allowance for doubtful accounts is measured based on 12 months expected credit loss includes receivables from customers/clients whose internal credit rating is "normal."

Among financial assets for which allowance for doubtful accounts has been measured based on lifetime expected credit loss, the carrying amount of financial assets other than credit impaired financial assets includes receivables from customers/clients whose internal credit rating is "cautious," and the carrying amount of credit impaired financial assets includes receivables from customers/clients whose internal credit rating is "doubtful" or "in bankruptcy or rehabilitation."

There are no remarkable changes in carrying amount which could impact allowance for doubtful accounts for the year ended March 31, 2021, and March 31, 2022, respectively.

The following shows increases/decreases in allowances for doubtful accounts against trade and other receivables applied the general approach.

2021

	Millions of yen			
	Allowance for doubtful accounts, measured based on lifetime expected Allowance for credit loss			
	doubtful accounts, measured based on 12 months expected credit loss	Allowance for doubtful accounts against financial assets other than credit impaired financial assets	Allowance for doubtful accounts against credit impaired financial assets	Total
Balance as of April 1, 2020 based on IFRS 9	24	_	6,142	6,166
Reclassified as allowance for doubtful accounts against financial assets other than credit impaired financial assets	_	_	_	_
Reclassified as allowance for doubtful accounts against credit impaired financial assets	_	_	_	_
Increase	0	_	603	603
Decrease (incurred and charged against provisions)	(5)	_	(3,579)	(3,584)
Decrease (unused amounts reversed)	(0)	_	(9)	(9)
Others (Note)	(5)	_	133	128
Balance as of March 31, 2021 based on IFRS 9	13	_	3,290	3,304

(Note) "Others" mostly includes impact from foreign currency translations.

		Millions of ye	en	
	Allowance for doubtful accounts, measured based on lifetime expected Allowance for credit loss			
	doubtful accounts, measured based on 12 months expected credit loss	Allowance for doubtful accounts against financial assets other than credit impaired financial assets	Allowance for doubtful accounts against credit impaired financial assets	Total
Balance as of April 1, 2021 based on IFRS 9	13	_	3,290	3,304
Reclassified as allowance for doubtful accounts against financial assets other than credit impaired financial assets	_	_	_	_
Reclassified as allowance for doubtful accounts against credit impaired financial assets	_	_	_	_
Increase	9	_	137	147
Decrease (incurred and charged against provisions)	_	_	(19)	(19)
Decrease (unused amounts reversed)	(0)	_	(13)	(13)
Others (Note)	1	_	32	34
Balance as of March 31, 2022 based on IFRS 9	24	_	3,428	3,453

2022		Thousands of U.S	. dollars	
	Allowance for	Allowance for dou measured based or credit	n lifetime expected	
	doubtful accounts, measured based on 12 months expected credit loss	Allowance for doubtful accounts against financial assets other than credit impaired financial assets	Allowance for doubtful accounts against credit impaired financial assets	Total
Balance as of April 1, 2021 based on IFRS 9	106	_	26,967	27,081
Reclassified as allowance for doubtful accounts against financial assets other than credit impaired financial assets	_	_	_	_
Reclassified as allowance for doubtful accounts against credit impaired financial assets	_	_	_	_
Increase	73	_	1,122	1,204
Decrease (incurred and charged against provisions)	_	_	(155)	(155)
Decrease (unused amounts reversed)	(0)	_	(106)	(106)
Others (Note)	8	_	262	278
Balance as of March 31, 2022 based on IFRS 9	196	_	28,098	28,303

(Note) "Others" mostly includes impact from foreign currency translations.

(4) Liquidity risk management

The Group raises funds through borrowings from financial institutions or issuance of bonds. Accordingly, in the event of a disruption to the financial system or financial/capital markets or a significant downgrade to the Group's credit rating by one or more rating agencies, the Group's ability to raise funds may become more restricted, and consequently the Group may not be able to make payments on debt by the due date. To provide additional financial flexibility and liquidity, the Group maintains long-term Commitment Lines of ¥100 billion (not used) and U.S.\$2.025 billion (U.S.\$1.42 billion used). The Group maintains good relationships with financial institutions, including the counterparties to these commitment line agreements.

1) Non-derivative financial liabilities

The breakdown of non-derivative financial liabilities by due date was as follows. Lease liabilities are presented in "35 LEASES."

2021

	Millions of yen			
	Within one year	Between one and five years	Over five years	Total
Trade and other payables	475,545	6,568	_	482,114
Bonds and borrowings	166,261	373,317	401,320	940,900
Total	641,807	379,886	401,320	1,423,014

2022

	Millions of yen			
	Within one year	Between one and five years	Over five years	Total
Trade and other payables	545,226	8,940	_	554,167
Bonds and borrowings	238,537	442,871	403,113	1,084,522
Total	783,764	451,812	403,113	1,638,689

2022

	Thousands of U.S. dollars			
	Within one year	Between one and five years	Over five years	Total
Trade and other payables	4,469,065	73,278	_	4,542,352
Bonds and borrowings	1,955,221	3,630,090	3,304,204	8,889,524
Total	6,424,295	3,703,377	3,304,204	13,431,877

Other than the above, the guarantees for obligations as March 31, 2021 and March 31, 2022 were ¥47,031 million and ¥38,373 million (U.S.\$314,532 thousand), respectively.

2) Derivatives

The breakdown of derivatives by due date was as follows.

	Millions of yen			
	Within one year	Between one and five years	Over five years	Total
Currency-related derivatives				
Cash inflows	250,023	7,490	_	257,514
Cash outflows	(251,351)	(6,797)	_	(258,149)
Subtotal	(1,328)	693	_	(634)
Interest rate-related derivatives	(230)	(175)	(354)	(760)
Commodity-related derivatives	(853)	_	_	(853)
Total	(2,412)	517	(354)	(2,249)

	Millions of yen			
	Within one year	Between one and five years	Over five years	Total
Currency-related derivatives				_
Cash inflows	366,272	5,740	_	372,012
Cash outflows	(367,282)	(5,371)	_	(372,654)
Subtotal	(1,010)	368	_	(642)
Interest rate-related derivatives	1,059	857	(47)	1,869
Commodity-related derivatives	2,260	_	_	2,260
Others	504	_	_	504
Total	2,813	1,226	(47)	3,992

	Thousands of U.S. dollars			
	Within one year	Between one and five years	Over five years	Total
Currency-related derivatives				
Cash inflows	3,002,229	47,049	_	3,049,278
Cash outflows	(3,010,508)	(44,024)	_	(3,054,540)
Subtotal	(8,278)	3,016	_	(5,262)
Interest rate-related derivatives	8,680	7,024	(385)	15,319
Commodity-related derivatives	18,524	_	_	18,524
Others	4,131	_	_	4,131
Total	23,057	10,049	(385)	32,721

(5) Market risk management

The Group is exposed to market risks, such as exchange rate fluctuation risk associated with transactions denominated in foreign currencies in connection with international trade or business investments, interest rate fluctuation risk associated with financing, investments or the like, commodity price fluctuation risk associated with purchase and sale agreements/commodity inventories arising from operating activities and price fluctuation risk associated with the ownership of listed securities (i.e., stock price fluctuation risk). The Group's basic policy is to minimize such market risks by matching assets and liabilities (e.g., long and short commodity exposures) and through hedge transactions, such as forward exchange transactions, commodity futures/forward transactions and interest rate swaps.

1) Exchange rate fluctuation risk

(a) Content of, and policy for managing, exchange rate fluctuation risk

The Group engages in import and export transactions and offshore transactions, both denominated in foreign currencies, as its principal business activity. Whereas the revenues and expenditures associated with such transactions are mainly received/paid out in foreign currencies, the Group's consolidated reporting currency is Japanese yen. The Group is, therefore, exposed to the risk of fluctuations in the yen's value against foreign currencies. To prevent or limit losses stemming from such risk, the Group hedges its foreign currency exposure through forward exchange transactions or the like.

(b) Sensitivity analysis of exchange rate fluctuation risk

In regards to financial instruments held by the Group as of the end of the consolidated year, the following chart shows the amounts affecting profit before tax and other comprehensive income (before tax effect adjustments), as reported in the Consolidated Financial Statements, that would result from 1% appreciation of yen against each of the U.S. dollar and Australian dollar. Such analysis is based on the assumption that other factors remain constant.

In addition, such analysis does not include the affected amounts based on translations (into Japanese yen) of financial instruments denominated in functional currency, income and expenses denominated in foreign currency and assets and liabilities of foreign operations.

	Millions of yen		Thousands of U.S. dollars	
	2021	2022	2022	
Profit before tax				
U.S. dollar	330	376	3,081	
Australian dollar	65	(36)	(295)	
Other comprehensive income				
U.S. dollar	95	80	655	
Australian dollar	(16)	(12)	(98)	

2) Interest rate fluctuation risk

(a) Content of and policy for managing interest rate fluctuation risk

The Group raises funds by borrowing from financial institutions and issuing bonds to acquire fixed assets, invest in securities, and extend credit (e.g., through trade receivables). Asset and liability items are categorized based on whether or not they are sensitive to interest rate changes, with the difference between the value of sensitive assets and sensitive liabilities used to determine an interest rate mismatch value. Based on this amount, the ratios of funds procured from fixed-rate sources and variable-rate sources are adjusted to better manage interest rate fluctuation risks.

(b) Sensitivity analysis of interest rate fluctuation risk

In regards to financial instruments held by the Group as of the end of the consolidated year, the following chart shows the amount affecting profit before tax, as reported in the Consolidated Financial Statements, in the case that the interest rate increases by 1%. Such analysis is based on the assumption that other factors remain constant.

Under such analysis, the amount affecting profit before tax is calculated by multiplying the net balance of the financial instruments affected by the interest rate fluctuation at the fiscal year-end by 1%. Please note that other than financial instruments with floating rates (excluding those that are considered to be financial instruments with fixed rates in substance due to interest rate swaps), the Group deals with, among others, the following financial instruments that are also affected by interest rate fluctuations: cash and cash equivalents; trade notes and accounts receivable; and, trade notes and accounts payable.

	Millions of	yen	Thousands of U.S. dollars
	2021	2022	2022
Profit before tax	(46)	(338)	(2,770)

(c) Interest rate benchmark reform and related risk management

The Group is impacted by the interest rate benchmark reform of the London Inter-Bank Offered Rate ('LIBOR'). On March 31, 2022, the Group held financial instruments that reference U.S. dollar LIBOR rates. These instruments mainly comprised borrowings in the form of non-derivative financial liabilities and derivatives on interest rate swap agreements. The Group intends to monitor trends pertaining to the interest rate benchmark reform and assess the potential impacts while preparing to transition to alternative interest rate benchmarks. The uncertainty arising from interest rate benchmark reform is likely to continue until alternative benchmark rate are determined and the relevant spread adjustments have been finalized. In addition, there is some uncertainty regarding the timing and amounts of cash flows to be generated from hedged items or hedging instruments for U.S. dollar LIBOR hedging relationships after the date of discontinuation of LIBOR. This uncertainty has the potential to impact the hedge accounting requirements, but the Group assumes that the interest rate benchmark is not altered as a result of interest rate benchmark reform.

As of March 31, 2022, the main financial instruments referencing LIBOR held by the Company with maturity periods after the date of discontinuation of LIBOR were as follows.

Non-Derivative Financial Liabilities

lions	

	Willions of yen		
	Carrying amount		
	Amount for which uncertainty arising from interest rate benchmark reform remains		
Borrowings	129,676		

Thousands of U.S. dollars

	Carrying amount		
	Amount for which uncertainty arising from interest rate benchmark reform remains		
Borrowings	1,062,918		

Derivatives

Millions of yen

	······································
	Nominal amount
Hedge accounting	Amount for which uncertainty arising from interest rate benchmark reform remains
Cash flow hedges of floating interest rate liabilities	19,788

Thousands of U.S. dollars

	Nominal amount
Hedge accounting	Amount for which uncertainty arising from interest rate benchmark reform remains
Cash flow hedges of floating interest rate liabilities	162,196

3) Commodity price fluctuation risk

(a) Content of, and policies for managing, commodity price fluctuation risk

As a general trading company, the Group deals in a wide range of commodities through its various businesses. As such, the Group is exposed to commodity price risk due to price fluctuations or the like. For market-traded commodities, the Group manages exposures and controls losses by setting (long and short) position limits and stop-loss levels per internal organizational unit. The Group also prescribes and enforces stop-loss rules (i.e., an internal organizational unit must promptly liquidate losing positions and be prohibited from initiating new trades for the remainder of the fiscal year if losses, including valuation losses, exceed the stop-loss level). The positions of each product are monitored, and measures are implemented to control levels as appropriate based on division-specific analyses of movements.

(b) Sensitivity analysis of commodity price fluctuation risk

In regards to derivatives related to commodity held by the Group as of the end of the consolidated year, the following chart shows the amounts affecting profit before tax and other comprehensive income (before tax effect adjustments), as reported in the Consolidated Financial Statements, in the case that

the commodity price decreases by 1%. Such analysis is based on the assumption that other factors remain constant.

	Millions of	Thousands of U.S. dollars	
	2021	2022	2022
Profit before tax			
Metals & Coal	(131)	(178)	(1,459)
Oils	0	0	0
Foods	(10)	7	57
Other comprehensive income			_
Metals & Coal	15	10	81
Oils	_	3	24
Foods	_	6	49

4) Stock price fluctuation risk

(a) Content of, and policies for managing, stock price fluctuation risk

The Group maintains holdings of marketable securities, and these securities are subject to stock price fluctuation risk. The Group is moving ahead with the reduction of cross-shareholdings under Medium-Term Management Plan 2023 with goal of achieving a 50% reduction in such holdings from the level of December 31, 2020, by March 31, 2024. In this undertaking, concrete sales plans detailing matters such as the timing of sales are prepared, and sales are conducted based on said plans. For holdings of stock in listed companies, the Group tracks trends in stocks prices and the financial position of issuers and confirms the holding purpose for all holdings on an annual basis.

(b) Sensitivity analysis of stock price fluctuation risk

In regards to listed stocks held by the Group as of the end of the consolidated year, the following chart shows the amounts affecting other comprehensive income (before tax effect adjustments), as reported in the Consolidated Financial Statements, in the case that prices of such listed stocks decrease by 1%. Such analysis is based on the assumption that other factors remain constant.

	Millions of	yen	Thousands of U.S. dollars
	2021	2022	2022
Other comprehensive income	(919)	(1,130)	(9,262)

(6) Fair values of financial instruments

The fair values of financial instruments were as follows.

As set forth under "2 BASIS OF PRESENTATION (4) Use of estimates and judgments," fair values are categorized into three levels in a fair value hierarchy based on the inputs used in the valuation techniques.

1) Financial assets and liabilities measured at amortized cost

	Millions of yen			Thousands of	U.S. dollars	
	202	1	2022		2022	
_	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Trade and other receivables Trade notes and accounts receivable	436,231	436,216	509,846	509,818	4,179,065	4,178,836
Total	436,231	436,216	509,846	509,818	4,179,065	4,178,836
Financial liabilities						
Trade and other payables Trade notes and accounts payable Bonds and borrowings Bonds payable (including current	392,067	392,067	444,044	444,043	3,639,704	3,639,696
portion) Long-term loans (including	89,774	90,473	79,752	80,210	653,704	657,459
current portion)	714,401	717,629	789,288	790,725	6,469,573	6,481,352
Total	1,196,243	1,200,170	1,313,085	1,314,980	10,762,991	10,778,524

The fair values stated above are calculated as follows.

(a) Trade notes and accounts receivable

Each receivable is categorized by period, and its fair value is the present value of future cash flows discounted by an interest rate that reflects time to maturity and credit risk.

(b) Trade notes and accounts payable

Each payable is categorized by period, and its fair value is the present value of future cash flows discounted by an interest rate that reflects time to maturity and credit risk.

(c) Bonds and borrowings

The fair value of bonds payable is the market price when available.

The fair value of long-term loans is the present value of total principal and interest discounted using an assumed interest rate on equivalent new borrowings.

Financial assets and liabilities measured at amortized cost are categorized within fair value hierarchy Level 2.

Purchase commitments for non-controlling interests' shares are not displayed in the table above. As of March 31, 2022, the total amount of such liabilities included in "Other current liabilities" and "Other non-current liabilities" was ¥3,846 million(U.S.\$31,524 thousand), and the fair value and carrying amount of these liabilities were approximately the same.

2) Financial assets and liabilities measured at fair value

1. Analysis of fair value by hierarchy level

The following tables provide analysis by level reflecting the significance of inputs used when measuring fair value for financial assets and financial liabilities in the Consolidated Statement of Financial Position that are measured at fair value. No financial assets and liabilities were measured at fair value on a non-recurring basis.

2021

2021				
	Level 1	Millions of Level 2	Level 3	Total
Recurring fair value measurements				
Financial Assets				
Other investments				
Financial assets measured at FVTPL	- -	290	7,126	7,417
Financial assets measured at FVTOCI	98,469	221	51,209	149,900
Derivative financial assets	129	4,608	_	4,738
Total	98,599	5,120	58,335	162,055
Financial Liabilities				
Derivative financial liabilities	(600)	(6,249)	_	(6,849)
Total	(600)	(6,249)	_	(6,849)
2022				
		Millions of	fyen	
	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial Assets				
Other investments				
Financial assets measured at FVTPL	_	312	8,657	8,970
Financial assets measured at FVTOCI	118,994	_	54,846	173,840
Derivative financial assets and liabilities	868	11,313	504	12,686
Total	119,862	11,626	64,008	195,497
Financial Liabilities				
Derivative financial liabilities	(1,624)	(7,107)	_	(8,731)
Total	(1,624)	(7,107)	_	(8,731)
2022				
		Thousands of L	J.S. dollars	
	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial Assets				
Other investments				
Financial assets measured at FVTPL	_	2,557	70,959	73,524
Financial assets measured at FVTOCI	975,360	_	449,557	1,424,918
Derivative financial assets and liabilities	7,114	92,729	4,131	103,983
Total	982,475	95,295	524,655	1,602,434
Financial Liabilities				
Derivative financial liabilities	(13,311)	(58,254)	<u> </u>	(71,565)
Total	(13,311)	(58,254)	_	(71,565)

The fair values stated above are calculated as follows.

(a) Other investments

The fair value of listed shares is the quoted price on an exchange, and is categorized within fair value hierarchy Level 1. The fair value of unlisted shares is calculated using valuation methods including discounted future cash flow, market prices of comparable companies, net asset value, and other valuation methods, and is categorized within fair value hierarchy Level 3. Measuring the fair value of unlisted shares involves the use of unobservable inputs such as discount rate and valuation multiples, as well as any necessary adjustments including discounts for a lack of liquidity or a non-controlling interest. The Group's corporate departments determine the policies and procedures for measuring the fair value of unlisted shares, and validate their approach to measuring fair value, including the valuation model, by periodically confirming issues such as the operating circumstances associated with particular equities, the availability of relevant business plans, and data from comparable public companies.

(b) Derivative financial assets and liabilities

The main fair values by type are calculated as follows.

Currency-related derivatives

The fair values of foreign exchange transactions, spot/forward transactions, currency option transactions and currency swap transactions are calculated based on the forward exchange rate as of the closing date.

Interest rate-related derivatives

The fair value of interest-rate swaps is the present value of future cash flow discounted by an interest rate that reflects time to settlement and credit risk.

Commodity-related derivatives

The fair value of commodity futures transactions is calculated using final prices on commodities exchanges as of the fiscal year-end. The fair values of commodity forward transactions, commodity option transactions and commodity swap transactions are calculated based on the index prices publicly announced at the fiscal year-end.

Commodity futures transactions are categorized within fair value hierarchy Level 1. Share forward transactions are categorized within fair value hierarchy Level 3. All other derivative financial assets and liabilities are categorized within fair value hierarchy Level 2.

2. Recurring fair value measurements categorized within fair value hierarchy Level 3 The increases/decreases in financial assets and liabilities that are measured at fair value on a recurring basis and are categorized within fair value hierarchy Level 3 were as follows.

		Millions of yen				Thousa	ands of U.S. d	ollars	
		2021			2022		2022		
	Oth	er investments		Oth	er investments		Oth	er investment	ts
	Financial assets measured at FVTPL	Financial assets measured at FVTOCI	Total	Financial assets measured at FVTPL	Financial assets measured at FVTOCI	Total	Financial assets measured at FVTPL	Financial assets measured at FVTOCI	Total
Balance at beginning of year	3,563	53,620	57,184	7,126	51,209	58,335	58,409	419.745	478,155
Total gains or losses Profit or loss Other comprehensive	56	_	56	818	_	818	6,704	_	6,704
income	_ 3,531	(4,174) 3,286	(4,174) 6,818	_ 488	33,346 4,838	33,346 5,326	 4,000	273,327 39,655	273,327 43,655
settlements Others	_ (25)	(1,566) 42	(1,566) 16	_ 223	(1,516) (33,030)	(1,516) (32,806)	_ 1,827	(12,426) (270,737)	(12,426) (268,901)
Balance at end of year	7,126	51,209	58,335	8,657	54,846	63,504	70,959	449,557	520,524

Gains or losses recognized as profit or loss are included in "Other financial income" and "Other financial costs" in the Consolidated Statement of Profit or Loss. Total gains or losses recognized as profit or loss included losses of ¥56 million and profits of ¥818 million (U.S.\$6,704 thousand) on financial instruments held as of the years ended March 31, 2021 and March 31, 2022, respectively.

Losses recognized in other comprehensive income are included in "Financial assets measured at FVTOCI" in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

For the year ended March 31, 2022, the "Others" category under "Financial assets measured at FVTOCI" mainly includes assets transferred to fair value hierarchy Level 1 following the exchange of treasury stock for listed stock in conjunction with the reorganization of investees.

(7) Financial assets measured at FVTOCI

With respect to investments made in equity instruments held for the purpose of maintaining and strengthening relationships with business partners, the Group has designated such investments as financial assets measured at FVTOCI in consideration of such purpose.

1) Fair values per name (of investment)

The fair values per name of the main investments made in equity instruments designated as financial assets measured at FVTOCI were as follows.

2021

	Millions of yen
Name of investment	Amount
Kansai Paint Co., Ltd.	13,731
NHK SPRING CO., LTD.	10,955
NIPPON REIT Investment Corporation	6,548
Japan Airport Terminal Co., Ltd.	4,596
Yamazaki Baking Co., Ltd.	4,291
ANA HOLDINGS INC.	3,635
Tokuyama Corporation	3,622
Nisshin Seifun Group Inc.	3,281
Braskem S.A.	3,206
Showa Sangyo Co., Ltd.	3,105

2022

	Millions of yen	Thousands of U.S. dollars
Name of investment	Amount	Amount
Motherson Sumi Systems Limited	35,487	290,877
NHK SPRING CO., LTD.	11,681	95,745
Kansai Paint Co., Ltd.	9,174	75,196
NIPPON REIT Investment Corporation	5,936	48,655
Braskem S.A.	4,898	40,147
Japan Airport Terminal Co., Ltd.	4,723	38,713
ANA HOLDINGS INC.	3,627	29,729
Yamazaki Baking Co., Ltd.	3,596	29,475
NIKE, Inc.	3,293	26,991
FUJIFILM Holdings Corporation	3,048	24,983

(Note) Motherson Sumi Systems Limited changed its name to Samvardhana Motherson International Limited on May 18, 2022.

2) Dividends received

	Millions of	yen	Thousands of U.S. dollars
	2021	2022	
Investments derecognized during the year	66	136	1,114
Investments held at the end of the year	2,968	4,927	40,385
Total	3,034	5,063	41,500

3) Financial assets measured at FVTOCI that were derecognized during the year

The Group disposes of financial assets measured at FVTOCI as a result of periodic reviews of portfolios and for the purpose of managing or the like of risk assets. The fair values of such financial assets at the dates of the sales transactions and the cumulative gains (before taxes) concerning such sales were as follows.

	Millions of	yen	Thousands of U.S. dollars
	2021	2022	
Fair value at the date of sale	7,656	12,601	103,286
Cumulative gains	3,459	4,127	33,827

4) Reclassification to retained earnings

The Group reclassifies to retained earnings cumulative gains or losses arising from changes in the fair values of financial assets measured at FVTOCI in either of the following cases: when an investment is disposed of; and, when there is a significant decline in the fair value. Such cumulative other comprehensive income totals (net of taxes) that were reclassified to retained earnings for the years ended March 31, 2021 and March 31, 2022 were losses of ¥4,208 million and gains of ¥552 million (U.S.\$4,524 thousand), respectively.

(8) Hedge accounting

The Group endeavors to minimize market risk using hedging transactions, including forward exchange contract transactions, commodity futures and commodity forwards, and interest rate swaps. Risk management policies for each risk exposure can be found under (5) - Market risk management.

When initiating a hedge, the Group designates and documents the risk management purposes and strategies regarding the hedge relationship and initiation of such hedge. Such documentation includes the designation of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and methods of assessing the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. In order to determine whether these hedges were actually effective at the start of hedging and throughout the reporting period for which such hedging was designated, the Group confirms the economic relationship between the hedged item and the hedging instrument through a qualitative analysis whether the critical terms of the hedged item and hedging instrument match up or closely correspond, and quantitative analysis whether the value of the hedged item and hedging instrument mutually offsets any fluctuations in price caused by the same risk the hedged item and hedging instrument seek to hedge.

The Group sets an appropriate hedging ratio when initiating a hedge, in accordance with the number of items to be hedged and available hedging instruments. As a general rule, the company matches one hedging instrument to each item to be hedged. If the hedging relationship is deemed ineffective but the purpose of risk management is not changed, this ratio of hedging instruments to hedged items will be readjusted to make the hedging relationship effective. There is no materiality to the impact of the hedging portion deemed ineffective on hedging relationships, including impact from credit risk.

When the Group targets a specific risk element for hedging, determined using the risk management strategy for each risk category, the Group selects those risk elements which comprise a structural element of the total hedging and which can be examined separately from the whole and used to reliably measure fluctuations in cash flow and fair value in response to changes in those risk elements.

1) Types of hedge accounting

(a) Fair value hedges

A fair value hedge is a hedge of exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment. The Group designates commodity futures and forwards contracts as hedging instruments to hedge the changes in fair values of firm commitments or inventories.

With respect to a fair value hedge, gains or losses from remeasuring the hedging instrument at fair value are recognized as profit or loss, and gains or losses on hedged items attributable to hedged risks are also recognized as profit or loss.

The Group uses fluctuations in the value of hedged items as the basis for recognizing the amount for which hedging was ineffective. For the years ended March 31, 2021, and March 31, 2022, these fluctuations were largely in line with changes in the fair value of hedging instruments, and there was no materiality in the ineffective hedging portion recognized as profit or loss.

(b) Cash flow hedges

A cash flow hedge is a hedge of exposure to variability in cash flows that is attributable to a particular risk associated with a recognized asset or liability or a scheduled transaction that is most likely to occur. The Group designates interest rate swaps as hedging instruments to hedge the variability of cash flows relating to floating-rate borrowings and designates forward exchange transactions as hedging instruments to hedge the variability of cash flows concerning firm commitments in foreign currency.

With respect to a cash flow hedge, the portions of the gains or losses on the hedging instruments that are determined to be effective hedges are recognized as other comprehensive income.

The Group uses fluctuations in the value of hedged items as the basis for recognizing the amount for which hedging was ineffective. For the years ended March 31, 2021, and March 31, 2022, these fluctuations were largely in line with changes to the fair value of hedging instruments, and there was no materiality in the ineffective hedging portion recognized as profit or loss. Furthermore, there was no materiality in the amount transferred from other components of equity to profit or loss, since forecast transactions were not anticipated.

(c) Hedges of net investments in foreign operations

The Group designates forward exchange transactions and foreign currency borrowings as hedging instruments to hedge the risk of change in exchange rate concerning net investments in foreign operations.

With respect to a hedge of net investments in foreign operations, the portions of the gains or losses on the hedging instruments that are determined to be effective hedges are recognized as other comprehensive income.

The Group uses fluctuations in the value of hedged items as the basis for recognizing the amount for which hedging was ineffective. For the years ended March 31, 2021, and March 31, 2022, these fluctuations were largely in line with changes to the fair value of hedging instruments, and there was no materiality in the ineffective hedging portion recognized as profit or loss.

2) Impact of hedges on the Consolidated Statement of Financial Position

The following shows the carrying amount of hedging instruments by the type of hedge accounting applied.

Thousands of II S

	Millions of yen				thousands of U.S. dollars		
<u>-</u>	2021 2022		20	022			
Hedging instruments	Assets	Liabilities (-)	Assets	Liabilities (-)	Assets	Liabilities (-)	
Fair value hedges							
Currency-related derivatives .	_	(25)	_	(25)	_	(204)	
Commodity-related derivatives	123	(300)	591	(965)	4,844	(7,909)	
Total fair value hedges	123	(326)	591	(991)	4,844	(8,122)	
Cash flow hedges							
Currency-related derivatives	2,598	(1,006)	4,111	(732)	33,696	(6,000)	
Interest rate-related derivatives	76	(698)	1,940	(108)	15,901	(885)	
Commodity-related derivatives	_	(247)	11	(401)	90	(3,286)	
Total cash flow hedges	2,674	(1,952)	6,062	(1,243)	49,688	(10,188)	
Total hedges of net investments in foreign operations	238	(163)	163	(675)	1,336	(5,532)	
Total	3,037	(2,441)	6,817	(2,910)	55,877	(23,852)	

The derivative contracts above were recorded on the Consolidated Statement of Financial Position as either "derivative financial assets" or "derivative financial liabilities." In addition, the Group recorded loan payables in foreign currency, designated for hedging using cash flow hedges and hedges of net investment, as ¥3,397 million and ¥13,240 million (U.S.\$108,524 thousand) in the years ended March 31, 2021 and March 31, 2022, respectively. These were recorded as "corporate bonds and loans payable" on the Consolidated Statement of Financial Position.

The following shows the notional amount and average price of the main hedging instruments.

2021

Hedging instruments	Description	Туре	Notional amount and aver	age price
		Export	Notional amount (millions USD)	150
	Forward exchanges in	Export nanges in	Average price (USD/JPY)	110.75
Cash flow hedges Free	USD —	Import	Notional amount (millions USD)	206
		import	Average price (USD/JPY)	110.67
	Floating rate received/fixed rate paid for interest rate swaps	-	Notional amount (millions JPY)	22,835

Forward exchanges in USD contracts mature primarily within one year from the end of the current consolidated fiscal year. And the amount of the notional amount of interest rate swap contracts maturing is, within one year from the end of the current fiscal year, in less than five years from one year and five years of the period, each ¥2,500 million, ¥4,120 million and ¥16,215 million.

2022

Hedging instruments	Description	Type	Notional amount and ave	rage price
		Export	Notional amount (millions USD)	82
	Forward exchanges in	Σχροιτ	Average price (USD/JPY)	114.98
Cash flow hedges	USD C	Import	Notional amount (millions USD)	286
			Average price (USD/JPY)	116.50
	Floating rate received/fixed rate paid for interest rate swaps	-	Notional amount (millions JPY)	105,873

Forward exchanges in USD contracts mature primarily within one year from the end of the current consolidated fiscal year. And the amount of the notional amount of interest rate swap contracts maturing is, within one year from the end of the current fiscal year, in less than five years from one year and five years of the period, each ¥41,255 million (U.S.\$338,155 thousand), ¥56,054 million (U.S.\$459,459 thousand) and ¥8,563 million (U.S.\$70,188 thousand).

The following shows the cumulative hedging adjustment to carrying value and fair value of hedged items categorized under "fair value hedges"

2021

			Millions of	yen		
	Carrying	Carrying amounts		ustment to fair edges	Main items on the Consolidated	
	Assets	Liabilities (-)	Assets	Liabilities (-)	Statement of Financial Position	
Currency-related	876	_	25	_	(Note1)	
Commodity-related	4,460	(123)	314	(123)	(Note2)	

(Note1) "Other investments"

(Note2) "Inventories", "Other current assets" and "Other current liabilities"

2022

			Millions of	yen		
	Carrying amounts		Cumulative adjustment to fair value hedges		Main items on the Consolidated	
	Assets	Liabilities (-)	Assets	Liabilities (-)	Statement of Financial Position	
Currency-related	1,032	_	49	_	(Note1)	
Commodity-related	3,461	(616)	965	(591)	(Note2)	

2022			Thousands of U.	S. dollars	
	Carrying	amounts	Cumulative adj value h		Main items on the Consolidated
	Assets	Liabilities (-)	Assets	Liabilities (-)	Statement of Financial Position
Currency-related	8,459	_	401	_	(Note1)
Commodity-related	28,368	(5,049)	7,909	(4,844)	(Note2)

(Note1) "Other investments"

(Note2) "Inventories", "Other current assets" and "Other current liabilities"

The following shows the amount recorded for other equity components related to cash flow hedges and hedges of net investments in foreign operations.

Cash flow hedges Currency-related Interest rate-related Commodity-related	Millions of yen			
	Amount recorded for the portion of other equity components for which hedge accounting is ongoing	Amount recorded for the portion of other equity components for which hedge accounting is not ongoing		
Cash flow hedges				
Currency-related	3,568	_		
Interest rate-related	(7,599)	_		
Commodity-related	(99)	_		
Total cash flow hedges	(4,130)	_		
Total hedges of net investments in foreign operations	(43)	(8,740)		
2022	Millions	s of yen		
	Amount recorded for the portion of other equity components for which hedge accounting is ongoing	Amount recorded for the portion of other equity components for which hedge accounting is not ongoing		
Cash flow hedges				
Currency-related	2,718	_		
	(2,587)	_		
Commodity-related	609			
Total cash flow hedges	740			
Total hedges of net investments in foreign operations	(1,582)	(10,130)		
2022	Thousands o	f U.S. dollars		
	Amount recorded for the portion of other equity components for which hedge accounting is ongoing	Amount recorded for the portion of other equity components for which hedge accounting is not ongoing		
Cash flow hedges				
Currency-related	22,278	_		
Interest rate-related	(21,204)	_		
Commodity-related	4,991			
Total cash flow hedges	6,065			
Total hedges of net investments in foreign operations	(12,967)	(83,032)		

The following shows the breakdown of increases/decreases in the amount recorded for other equity components related to cash flow hedges and hedges of net investments in foreign operations. The amount by excluding the time value of an option contract, the forward element of a forward contract and the foreign currency basis spread from the hedging instrument is immaterial.

2021	Millions of yen					
	C	ash flow hedges	3	Hedges of net		
	Currency- related	Interest rate-related	Commodity- related	investments in foreign operations		
Balance at beginning of year	(1,119)	(5,498)	(92)	(8,414)		
Amount occurring this reporting period	7,238	(2,195)	(227)	(391)		
Reclassification adjustment	(466)	_	155	_		
Tax effect	(2,083)	94	65	22		
Balance at end of year	3,568	(7,599)	(99)	(8,783)		
2022		Millions	of yen			
	C	ash flow hedges	5	Hedges of net		
	Currency- related	Interest rate-related	Commodity- related	investments in foreign operations		
Balance at beginning of year	3,568	(7,599)	(99)	(8,783)		
Amount occurring this reporting period	(1,471)	4,991	(321)	(3,134)		
Reclassification adjustment	1,963	154	435	204		
Tax effect	(1,343)	(134)	594	_		
Balance at end of year	2,718	(2,587)	609	(11,713)		
2022		Thousands of	U.S. dollars			
	С	ash flow hedges	i	Hedges of net		
	Currency- related	Interest rate-related	Commodity -related	investments in foreign operations		
Balance at beginning of year	29,245	(62,286)	(811)	(71,991)		
Amount occurring this reporting period	(12,057)	40,909	(2,631)	(25,688)		
Reclassification adjustment	16,090	1,262	3,565	1,672		
Tax effect	(11,008)	(1,098)	4,868			
Balance at end of year	22,278	(21,204)	4,991	(96,008)		

3) Impact of hedges on the Consolidated Statement of Profit or Loss and Other Comprehensive Income The following shows the amount of cash flow hedges and hedges of net investments in foreign operations recorded as other comprehensive income (before tax effect) on the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

2021	Millions of yen					
	Other comprehensive income occurring during this reporting period	Portion reclassified as profit for the period	Main items on the Consolidated Statement of Profit or Loss and Other Comprehensive Income that include the reclassification adjustment			
Cash flow hedges						
Currency-related	7,238	(466)	(Note1)			
Interest rate-related	(2,195)	_	(Note2)			
Commodity-related	(227)	155	(Note3)			
Total cash flow hedges	4,815	(310)				
Hedges of net investments in foreign operations	(391)	_				

(Note1) "Revenue", "Cost of sales" and "Other operating income"

(Note2) "Interest expenses"

(Note3) "Revenue"

2022	Millions of yen				
	Other comprehensive income occurring during this reporting period	Portion reclassified as profit for the period	Main items on the Consolidated Statement of Profit or Loss and Other Comprehensive Income that include the reclassification adjustment		
Cash flow hedges					
Currency-related	(1,471)	1,963	(Note1)		
Interest rate-related	4,991	154	(Note2)		
Commodity-related	(321)	435	(Note3)		
Total cash flow hedges	3,199	2,554			
Hedges of net investments in foreign operations	(3,134)	204			

2022	Thousands of U.S. dollars				
	Other comprehensive income occurring during this reporting period	Portion reclassified as profit for the period	Main items on the Consolidated Statement of Profit or Loss and Other Comprehensive Income that include the reclassification adjustment		
Cash flow hedges					
Currency-related	(12,057)	16,090	(Note1)		
Interest rate-related	40,909	1,262	(Note2)		
Commodity-related	(2,631)	3,565	(Note3)		
Total cash flow hedges	26,221	20,934			
Hedges of net investments in foreign operations	(25,688)	1,672			

(Note1) "Revenue", "Cost of sales" and "Other operating income"

(Note2) "Interest expenses"

(Note3) "Revenue"

(9) Derivatives

The breakdown of derivatives by type was as follows.

	Millions of	yen	Thousands of U.S. dollars
	2021	2022	2022
Currency-related derivatives	(634)	(641)	(5,254)
Interest rate-related derivatives	(622)	1,831	15,008
Commodity-related derivatives	(853)	2,260	18,524
Others	_	504	4,131
Total	(2,111)	3,954	32,409
Derivative financial assets (Current assets)	4,734	10,743	88,057
Derivative financial assets (Non-current assets)	3	1,943	15,926
Derivative financial liabilities (Current liabilities)	(6,193)	(8,614)	(70,606)
Derivative financial liabilities (Non-current liabilities)	(656)	(117)	(959)
Total	(2,111)	3,954	32,409

1) Currency-related

	Millions of yen				Thousands of U.S. dollars		
	2021		2022		2022		
Туре	Amount of contracts	Fair value	Amount of contracts	Fair value	Amount of contracts	Fair value	
Forward exchange transactions							
Selling in U.S. dollars/buying in Japanese yen	63,814	(2,356)	89,429	(3,967)	733,024	(32,516)	
Selling in Japanese yen/buying in U.S. dollars	50,457	1,759	72,427	3,167	593,663	25,959	
Others	143,554	(38)	208,323	158	1,707,565	1,295	
Total forward exchange transactions	257,826	(634)	370,180	(641)	3,034,262	(5,254)	
Total currency-related derivatives	_	(634)	_	(641)	_	(5,254)	
Currency-related derivatives not designated as hedges	_	(2,276)	_	(3,482)	_	(28,540)	
Currency-related derivatives designated as hedges	_	1,641	_	2,840	_	23,278	
Total	_	(634)	_	(641)	_	(5,254)	

2) Interest rate-related

	Millions of yen		Thousands of U.S. dollars			
	2021	2021 2022		202	2	
Type	Amount of contracts	Fair value	Amount of contracts	Fair value	Amount of contracts	Fair value
Interest rate swap transactions						
Floating rate received/fixed rate paid	22,835	(622)	105,873	1,831	867,811	15,008
Total floating rate received/fixed rate paid	22,835	(622)	105,873	1,831	867,811	15,008
Total interest rate-related derivatives	_	(622)	_	1,831	_	15,008
Interest rate-related derivatives not designated as hedges	_	_	_	_	_	_
Interest rate-related derivatives designated as hedges	_	(622)	_	1,831	_	15,008
Total	_	(622)	_	1,831	_	15,008

3) Commodity-related

		Millions	of yen		Thousands of U	J.S. dollars
	2021		2022	?	2022	2
Type	Amount of contracts	Fair value	Amount of contracts	Fair value	Amount of contracts	Fair value
Commodity futures transactions						
Metals & Coal						
Selling	11,806	(491)	7,591	(909)	62,221	(7,450)
Buying	4,945	34	4,953	559	40,598	4,581
Oils						
Selling	_	_	1	(0)	8	(0)
Foods						
Selling	_	_	1,393	(13)	11,418	(106)
Buying	1,015	(14)	_	_	_	_
Total selling	11,806	(491)	8,986	(923)	73,655	(7,565)
Total buying	5,961	20	4,953	559	40,598	4,581
Commodity forwards transactions						
Metals & Coal						
Selling	5,899	(55)	17,833	(446)	146,172	(3,655)
Buying	24,750	(314)	34,250	3,079	280,737	25,237
Oils						
Selling	21	(12)	321	(8)	2,631	(65)
Total selling	5,920	(67)	18,155	(455)	148,811	(3,729)
Total buying	24,750	(314)	34,250	3,079	280,737	25,237
Total commodity-related derivatives	_	(853)	_	2,260	_	18,524
Commodity-related derivatives not designated as hedges	_	(430)	_	3,024	_	24,786
Commodity-related derivatives designated as hedges	_	(423)	_	(764)	_	(6,262)
Total	_	(853)	_	2,260	_	18,524

(10) Transfer of financial assets

The Group liquidates certain trade receivables by discounting notes or the like. However, with respect to some liquidated receivables, the Group may be obligated to make payments as recourse for non-payment by the debtor. The Group continues to recognize such liquidated receivables as they do not meet the criteria for derecognition of financial assets.

The Group recognized such liquidated assets as "Trade and other receivables" in the amounts of ¥19,506 million and ¥14,170 million (U.S.\$116,147 thousand) as of March 31, 2021 and March 31, 2022, respectively. In addition, liabilities relating to the deposit amounts which arose upon the transfer of such assets were accounted for as "Bonds and borrowings" in the amounts of ¥19,506 million and ¥14,170 million (U.S.\$116,147 thousand) as of March 31, 2021 and March 31, 2022, respectively. Such liabilities are settled when payments for such liquidated assets are made, and the Group may not use such liquidated assets until such settlement occurs.

(11) Offsetting financial assets and financial liabilities

As of March 31, 2021 and March 31, 2022, financial assets and financial liabilities recognized for the same counterparties included financial instruments that were not offset even though they were covered by an enforceable master netting arrangement or similar agreement because they did not meet some or all of the offsetting criteria, were as follows.

	Millions of yen		Thousands of U.S. dollars	
	2021	2022	2022	
Net amounts of financial assets presented in the Consolidated Statement of Financial Position	4,738	12,686	103,983	
Amounts that were not offset even though they were covered by an enforceable master netting arrangement or similar agreement because they did not meet some or all of the offsetting criteria	(855)	(2,341)	(19,188)	
Net amounts of financial assets after deducting	3,882	10,345	84,795	

	Millions of yen		Thousands of U.S. dollars	
	2021	2022	2022	
Net amounts of financial liabilities presented in the Consolidated Statement of Financial Position	6,849	8,731	71,565	
enforceable master netting arrangement or similar agreement because they did not meet some or all of the offsetting criteria	(855)	(2,341)	(19,188)	
Net amounts of financial liabilities after deducting	5,994	6,390	52,377	

When financial assets and financial liabilities are not offset because they do not meet some or all of the criteria required for offsetting, the right of offset for financial instruments only becomes enforceable in specific cases, such as the inability of a customer to fulfill its obligations due to insolvency, etc.

34 SHARE-BASED PAYMENT

The Company has introduced an equity-settled share-based remuneration system as a remuneration system closely linked to corporate performance and having high transparency and objectivity, with the objective of heightening directors' and executive officers' awareness toward making contributions to improving Sojitz's performance and to increasing its corporate value over the medium-to-long term.

The system uses a BIP trust (Board Incentive Plan trust).

This trust delivers and provides Sojitz shares and cash equivalent to the conversion amount of Sojitz shares ("Sojitz Shares," collectively) as well as dividends on the Sojitz shares to directors, commensurate with factors such as executive rank and achievement level of performance targets.

Shares held by the BIP trust are recorded as treasury stock, with the system recorded as equity-settled share-based remuneration.

The Company recognizes share remuneration expenses for the year ended March 31, 2022 based on the share delivery points which the Company anticipates will be granted to directors for the service for the year ended March 31, 2022. The number of shares held in trust as of March 31, 2022 was 1,003,203.

The Company recorded ¥108 million and ¥235 million (U.S.\$ 1,926 thousand) in expenses related to this system for the years ended March 31, 2021, and March 31, 2022, respectively.

35 LEASES

(1) As lessee

The Group leases real estate such as office buildings, machinery and other equipment as lessee.

1) Carrying amount of right-of-use assets

The breakdown of the carrying amount of right-of-use assets was as follows.

	Millions of yen		U.S. dollars
	2021	2022	2022
Underlying assets of buildings and structures	52,605	49,559	406,221
Underlying assets of machinery and vehicles	11,400	11,353	93,057
Underlying assets of tools, furniture & fixtures	885	734	6,016
Underlying assets of land	7,760	8,002	65,590
Others	170	10	81
Total	72,821	69,661	570,991

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	Millions of	yen	Thousands of U.S. dollars
	2021	2022	2022
Increase in right-of-use assets	15,607	13,185	108,073

2) Expenses, income, and cash flow relating to leases as lessee

The breakdown of the expenses, income, and cash flow relating to leases as lessee was as follows.

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Depreciation of right-of-use assets			
Underlying assets of buildings and structures	(10,940)	(10,850)	(88,934)
Underlying assets of machinery and vehicles	(2,325)	(2,309)	(18,926)
Underlying assets of tools, furniture & fixtures	(353)	(367)	(3,008)
Underlying assets of land	(585)	(728)	(5,967)
Others	(45)	(14)	(114)
Total	(14,250)	(14,270)	(116,967)
Interest expenses for lease liabilities	(1,278)	(1,372)	(11,245)
Expenses for short-term leases	(3,886)	(3,710)	(30,409)
Expenses for leases of low-value	(870)	(775)	(6,352)
Expenses for variable lease payments not included in the measurement of lease liabilities	(23)	(19)	(155)
Income from subleasing right-of-use assets	124	132	1,081
Total expenses relating to leases (net)	(20,184)	(20,015)	(164,057)
Total cash outflow relating to leases	(20,293)	(20,963)	(171,827)

There was no materiality in the gains or losses from sale and leaseback transactions.

3) Lease liabilities

The maturity analysis of undiscounted lease liabilities was as follows.

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Within one year to due date	17,148	17,999	147,532
Between one and two years to due date	12,968	15,046	123,327
Between two and three years to due date	9,989	9,827	80,549
Between three and four years to due date	7,872	8,910	73,032
Between four and five years to due date	7,360	5,639	46,221
Over five years to due date	26,092	26,541	217,549
Total undiscounted lease payments	81,431	83,963	688,221
Interest expenses	(4,192)	(8,699)	(71,303)
Total discounted lease payments	77,238	75,264	616,918
Current liabilities	16,778	17,427	142,844
Non-current liabilities	60,460	57,836	474,065
Total	77,238	75,264	616,918

(2) As lessor

The Group leases out ships, real estate, railcars and other assets.

1) Income from leases

The breakdown of the income relating to leases was as follows.

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Profit and loss from sales recognized at the commencement date of a lease	_	_	_
Financial income on net investment in the lease	31	33	270
Total income relating to finance leases (net)	31	33	270
Income relating to operating leases	5,362	7,149	58,598

Among income relating to finance leases and operating leases, there was no materiality to any income relating to variable lease payments that do not depend on an index or rate.

2) Maturity analysis of lease payments to be received

(a) Finance leases

The maturity analysis of undiscounted lease payments receivable relating to finance leases was as follows.

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Within one year to due date	346	398	3,262
Between one and two years to due date	329	315	2,581
Between two and three years to due date	230	229	1,877
Between three and four years to due date	148	149	1,221
Between four and five years to due date	155	116	950
Over five years to due date	1,411	1,482	12,147
Total undiscounted lease payments to be received	2,622	2,691	22,057
Unearned financial income	(1,116)	(1,019)	(8,352)
Net investment in the lease	1,505	1,672	13,704

(b) Operating leases

The maturity analysis of lease payments to be received relating to operating leases was as follows.

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Within one year to due date	3,362	3,223	26,418
Between one and two years to due date	1,837	1,843	15,106
Between two and three years to due date	1,002	1,436	11,770
Between three and four years to due date	5,111	1,272	10,426
Between four and five years to due date	903	1,156	9,475
Over five years to due date	5,027	6,014	49,295
Total	17,245	14,946	122,508

36 PLEDGED ASSETS

(1) Assets pledged as security

The breakdown of assets pledged to secure debts and corresponding liabilities was as follows.

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Assets pledged as security			
Inventories	10,152	7,911	64,844
Property, plant and equipment	42,807	32,981	270,336
Intangible assets	11,299	13,710	112,377
Investments accounted for using the equity method	_	15,367	125,959
Other investments	16	3,611	29,598
Others	15,219	19,080	156,393
Total	79,496	92,662	759,524
Corresponding liabilities			_
Trade and other payables	8,050	5,128	42,032
Bonds and borrowings	31,810	30,936	253,573
Total	39,861	36,065	295,614

⁽Note) With respect to assets pledged as security other than those listed above, there are subsidiaries' stocks which were eliminated in the Consolidated Financial Statements.

Trust receipts issued under customary import financing arrangements give banks a security interest in the goods imported or sales proceeds resulting from the sales of such goods. Due to the large volume of transactions, it is impracticable to determine the aggregate amounts of assets covered by outstanding trust receipts and those transactions were not included in the above amounts.

(2) Assets pledged in lieu of guarantee money

The breakdown of assets pledged in lieu of guarantee money or the like was as follows.

	Millions of	Thousands of U.S. dollars	
	2021	2022	2022
Inventories	186	_	_
Property, plant and equipment	242	_	_
Intangible assets	1,515	_	_
Investments accounted for using the equity method	57,401	61,421	503,450
Other investments	10	10	81
Others	2,626	_	_
Total	61,981	61,431	503,532

⁽Note) With respect to assets pledged in lieu of guarantee money other than those listed above, there are subsidiaries' stocks, which were eliminated in the Consolidated Financial Statements.

37 CONTINGENT LIABILITIES

The Group is contingently liable for guarantees of the following loans from banks borrowed by companies other than its subsidiaries.

The Group may become responsible for the amounts that are unpayable by the borrower and for losses attached to such unpayable amounts.

	Millions of	Thousands of U.S. dollars	
	2021	2022	2022
Guarantees for obligations of Entities subject to Equity Method	46,476	34,980	286,721
Guarantees for obligations of third parties	555	3,392	27,803
Total	47,031	38,373	314,532

38 SIGNIFICANT SUBSIDIARIES

The Company's significant subsidiaries are as follows.

Business Segments	Company Name Loc		Location Capital or Contributions (Millions of Yen)	Equity			Relation		
		Location		Ownership (%)	Officer (people)	Fin.	Business Transactions	Lease	
Automotive	Subaru Motor LLC	Moscow, Russia	RUB 945,654K	65.6	1	_	Customer of the products	_	
	Other 24 companies								
Aerospace & Transportation Project	Sojitz Aerospace Corporation	Chiyoda, Tokyo	1,410	100.0	7	_	Customer and Vendor of the products.	Building	
	Sojitz Royal In-flight Catering Co., Ltd.	Sennan, Osaka	100	60.0	3	_	_	_	
	Other 35 companies								
Infrastructure & Healthcare	Nissho Electronics Corporation	Chiyoda, Tokyo	14,336	100.0	7	_	_	Building	
	Tokyo Yuso Corporation	Kawasaki, Kawasaki	250	100.0	4	Yes	Contractor for the storage of the products	_	
	Sojitz Hospital PPP Investment B.V.	Amsterdam, Netherlands	31,802	100.0	2		_	1	
	Sojitz Global Investment B.V.	Amsterdam, Netherlands	USD 32K	100.0	2	l		l	
	Blue Horizon Power International Ltd.	Dubai, United Arab Emirates	USD 199K	100.0	2				
	SOJITZ HEALTHCARE AUSTRALIA PTY LTD	Sydney, Australia	AUD 630K	100.0	2	_	_	_	
	Other 40 companies								

			Capital or	F .	Relation				
Business Segments	Company Name	Location	Contributions (Millions of Yen)	Equity Ownership (%)	Officer (people)	Fin.	Business Transactions	Lease	
Metals, Mineral Resources &	Sojitz JECT Corporation	Minato, Tokyo	460	100.0	7	_	Customer of the products	_	
	Sojitz Development Pty Ltd	Brisbane, Australia	AUD 111,500K	100.0	7	Yes	_	_	
	Sojitz Resources (Australia) Pty. Ltd.	Perth, Australia	AUD 237,841K	100.0 (3.3)	2	_	_	_	
Recycling	Sojitz Moly Resources, Inc.	Vancouver, Canada	CAD 222,696K	100.0	3	_	_	_	
	Other 21 companies			1			,		
	Sojitz Pla-Net Corporation	Chiyoda, Tokyo	3,000	100.0	11	_	Supplier of raw materials and seller of the part of the products	Building	
	Pla Matels Corporation	Shinagawa, Tokyo	793	100.0 (100.0)	8	_	_	_	
Chemicals	PT. Kaltim Methanol Industri	Jakarta, Indonesia	USD 80,374K	85.0	6	_	Vendor of the products	_	
	solvadis deutschland GmbH	Frankfurt, Germany	EUR 5,000K	100.0 (40.0)	2	_	_	_	
	Other 24 companies								
Consumer Industry & Agriculture Business	Sojitz Building Materials Corporation	Chiyoda, Tokyo	1,039	100.0	8	_	Customer and Vendor of the products.	Building	
	Thai Central Chemical Public Co., Ltd.	Bangkok, Thailand	Baht 1,754,142K	83.5 (39.5)	6	_	_	_	
	Saigon Paper Corporation	Ho Chi Minh City, Vietnam	VND 1,116,716M	95.8	6	Yes	_	_	
	Atlas Fertilizer Corporation	Manila, Philippines	PHP 465,034K	100.0	7	_	Supplier of raw materials	_	
	Other 20 companies								
	Sojitz Foods Corporation	Minato, Tokyo	412	100.0	9	Yes	Customer and Vendor of the products.	Building	
	The Marine Foods Corporation	Shinagawa, Tokyo	1,133	100.0	4	_		_	
	Sojitz Fashion Co., Ltd.	Chuo, Osaka	200	100.0	6	_	Customer of the products	_	
Retail & Consumer Service	Daiichibo Co., Ltd.	Arao, Kumamoto	2,000	100.0	5	_	Customer and Vendor of the products.	_	
	Sojitz Infinity Inc.	Minato, Tokyo	100	100.0	5	_		_	
	Sojitz New Urban Development Corporation	Minato, Tokyo	3,000	100.0	9	Yes		Building	
	Sojitz LifeOne Corporation	Minato, Tokyo	324	100.0	7	_	Contractor for real estate management services.	Building	
	Other 22 companies								

			Capital or	Equity			Relation	
Business Segments	Company Name	Location	Contributions (Millions of Yen)	Ownership (%)	Officer (people)	Fin.	Business Transactions	Lease
	Sojitz Machinery Corporation	Chiyoda, Tokyo	301	100.0	12	Yes	_	Building
	Sojitz Kyushu Corporation	Chuo, Fukuoka	500	100.0	5	_	Customer and Vendor of the products.	_
	Sojitz Logistics Corporation	Chiyoda, Tokyo	623	100.0	4		Subcontractor for logistics-related operations	Building
Others	Sojitz Insurance Agency Corporation	Chiyoda, Tokyo	200	100.0	4	l	Property Insurance agency	Building
	Sojitz Tourist Corporation	Chiyoda, Tokyo	30	100.0	4		Business travel agency	Building
	Sojitz Shared Service Corporation	Chiyoda, Tokyo	50	100.0	4	_	Contractor for professional duties	Building
	Sojitz Research Institute, Ltd.	Chiyoda, Tokyo	41	100.0	3	_	Contractor for survey, research and development duties	Building
	Other 19 companies							

	Sojitz Corporation of America	New York, USA	USD 337,937K	100.0	6	_	Customer and Vendor of the products.	_
	Sojitz Europe plc	London, UK	13,240 GBP 26,618K	100.0	3		Customer and Vendor of the products.	_
Overseas	Sojitz Asia Pte. Ltd.	Singapore, Singapore	USD 136,507K	100.0	3	_	Customer and Vendor of the products.	_
	Sojitz (Hong Kong) Ltd.	Hong Kong, China	USD 27,691K	100.0	4	_	Customer and Vendor of the products.	_
	Sojitz (China) Co., Ltd.	Beijing, China	USD 60,000K	100.0	3	_	Customer of the products	_
	Other 49 companies							

39 BUSINESS COMBINATIONS

(1) Overview of business combinations

On March 31, 2022, the Company acquired 100% of the voting rights in The Marine Foods Corporation, thereby becoming the sole controlling interest of this company. The details of the transaction are as follows.

Name of acquiree	The Marine Foods Corporation
Business activities	Manufacturing and sale of processed marine food products, import and sale of marine product raw materials
Reason for business combination	Acquisition of domestic customer base, an area of strength for Marine Foods, as well as product development and processing functions and acceleration of global expansion centered on Asia and North America
Acquisition date	March 31, 2022
Method of how acquirer obtained control over acquiree	Acquisition of shares as cash consideration
Percentage of voting rights acquired	100%

(2) Assets acquired and liabilities assumed

	Millions of yen	Thousands of U.S. dollars
	2022	2022
Current assets	25,004	204,950
Non-current assets	15,534	127,327
Total assets	40,538	332,278
Current liabilities	26,439	216,713
Non-current liabilities	4,796	39,311
Total liabilities	31,236	256,032
Net equity	9,571	78,450
Non-controlling interests	(269)	(2,204)
Total liabilities and equity	40,538	332,278

(3) Goodwill associated with business combination

	Millions of yen	Thousands of U.S. dollars
	2022	2022
Consideration for acquisition	18,236	149,475
Fair value of identifiable net assets	9,571	78,450
Goodwill	8,665	71,024

Provisional accounting methods were used to measure for the amount of goodwill associated with the business combination and the amounts of assets acquired and liabilities assumed on the acquisition date as of March 31, 2022, as the identifiable amounts of assets and liabilities as of the acquisition date are still being calculated and allocation of consideration for acquisition has therefore not been completed.

Goodwill reflects the surplus earnings expected to be generated by the future business activities of the acquired company.

(4) Relationship between consideration for acquisition and acquisition of shares of subsidiary

	Millions of yen	Thousands of U.S. dollars
	2022	2022
Consideration for acquisition	18,236	149,475
Cash and cash equivalents held by acquired company	482	3,950
Accounts payable	909	7,450
Payments for acquisition of subsidiaries	16,845	138,073

(5) Acquisition - related costs

Other operating expenses of ¥181 million (U.S.\$1,483 thousand) were recorded as the acquisition-related costs associated with this business combination.

40 RELATED PARTIES

(1) Related party transactions

Related party transactions are priced at an arm's length basis and there exists no such transactions of significance.

(2) Remuneration for management executives

The remuneration for the Company's management executives for the years ended March 31, 2021 and March 31, 2022 was ¥385 million and ¥549 million (U.S.\$4,500 thousand), respectively.

The detailed information of the remuneration is as set forth under "Remuneration of Directors and Audit & Supervisory Board Members."

41 SUBSEQUENT EVENT

Not applicable.

42 APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements were authorized for issue by Masayoshi Fujimoto, President and Chief Executive Officer, and Seiichi Tanaka, Chief Financial Officer, on June 17, 2022.



5. Consolidated Financial Statements

(1) Consolidated Statement of Financial Position

T	EV 2004	(In Millions of Yen)
	FY 2021 (As of March 31, 2022)	FY 2022 (As of March 31, 2023)
Assats	(AS ULIVIATUT ST, 2022)	(MS UI IVIAIUII 31, 2023)
Assets Current assets		
Cash and cash equivalent	271,651	247,286
Time deposits	10,782	6,991
Trade and other receivables	791,466	794,898
Derivatives	10,743	4,642
Inventories	232,788	*
Income tax receivables	1,051	280,982
Other current assets	68,382	11,002
Subtotal	1,386,867	59,991
Assets as held for sale	7,352	1,405,796
Total current assets	1,394,220	38,743 1,444,540
Total current assets	1,594,220	1,444,540
Non-current assets		
Property, plant and equipment	201,516	195,414
Right of use assets	69,661	65,603
Goodwill	82,522	85,731
Intangible assets	85,031	70,834
Investment property	13,261	8,116
Investments accounted for using the equity	400 000	550,000
method	490,320	559,939
Trade and other receivables	118,273	86,293
Other investments	183,310	129,781
Derivatives	1,943	1,328
Other non-current assets	13,012	6,650
Deferred tax assets	8,607	6,609
Total non-current assets	1,267,460	1,216,303
Total assets	2,661,680	2,660,843
Liabilities and equity Liabilities		
Current liabilities		
Trade and other payables	545,963	579,252
Lease liabilities	17,427	17,305
Bonds and borrowings	231,216	167,775
Derivatives	8,614	5,480
Income tax payables Provisions	19,007 4,137	20,633 2,437
Other current liabilities	71,259	2,43 <i>1</i> 79,676
Subtotal	897,627	872,560
Liabilities directly related to assets held for	091,021	072,300
sale	_	19,260
Total current liabilities	897,627	891,821
	551,521	
Non-current liabilities		
Lease liabilities	57,836	54,104
Bonds and borrowings	821,508	715,929
Trade and other payables	8,203	9,234
Derivatives	117	38
Retirement benefits liabilities	23,930	22,713
Provisions	47,951	48,962
Other non-current liabilities	8,891	15,421
Deferred tax liabilities	31,734	26,042
Total non-current liabilities	1,000,174	892,445
Total liabilities	1,897,802	1,784,266
Fauity		
Equity Share capital	160,339	160,339
Capital surplus	147,027	147,601
Treasury stock	(31,015)	(31,058)
Other components of equity	136,747	138,638
Retained earnings	314,913	422,193
Total equity attributable to owners of the Company	728,012	837,713
Non-controlling interests	35,866	38,863
Total equity	763,878	876,576
Total liabilities and equity	2,661,680	2,660,843
Total habilities and equity	2,001,000	2,000,040

(2) Consolidated Statement of Profit or Loss

	FY 2021	FY 2022
		-
	(From April 1, 2021	(From April 1, 2022
	to March 31, 2022)	to March 31, 2023)
Revenue		
Sale of goods	1,998,218	2,368,500
Sales of service and others	102,534	111,339
Total revenue	2,100,752	2,479,840
Cost of sales	(1,829,433)	(2,142,272)
Gross profit	271,319	337,567
Selling, general and administrative expenses	(180,314)	(222,771)
Other income(expenses)		
Gain(loss) on sale and disposal of fixed assets, net	6,702	2,197
Impairment loss on fixed assets	(2,637)	(14,338)
Gain on reorganization of subsidiaries/associates	6,060	30,776
Loss on reorganization of subsidiaries/associates	(18,215)	(8,604)
Other operating income	7,357	11,040
Other operating expenses	(13,052)	(8,301)
Total other income/expenses	(13,784)	12,770
	(-, - ,	, -
Financial income		
Interests earned	7,425	12,802
Dividends received	5,063	6,732
Other financial income	828	_
Total financial income	13,317	19,534
Financial costs		
Interest expenses	(11,210)	(18,537)
Other financial costs	-	(808)
Total financial cost	(11,210)	(19,345)
Share of profit(loss) of investments accounted for		
using the equity method	37,968	27,282
Profit before tax	117,295	155,036
Income tax expenses	(31,824)	(39,211)
Profit for the year	85,471	115,824
Profit attributable to:		
Owners of the Company	82,332	111,247
Non-controlling interests	3,138	4,577
Total	85,471	115,824

(3) Consolidated Statement of Profit or Loss and other Comprehensive Income

	(ITI IVIIIIIVI ITI)				
	FY 2021	FY 2022			
	(From April 1, 2021	(From April 1, 2022			
	to March 31, 2022)	to March 31, 2023)			
Profit for the year	85,471	115,824			
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Financial assets measured at fair value through other comprehensive income	18,533	(11,064)			
Remeasurements of defined benefit pension plans	(258)	1,138			
Share of other comprehensive income of investments accounted for using the equity method	(10,743)	1,328			
Total items that will not be reclassified	7,530	(8,597)			
to profit or loss Items that may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operations	34,797	18,745			
Cash flow hedges	1,677	(3,178)			
Share of other comprehensive income of investments accounted for using the equity method	19,111	23,009			
Total items that may be reclassified subsequently to profit or loss	55,587	38,575			
Other comprehensive income for the year, net of tax	63,117	29,978			
Total comprehensive income for the year	148,588	145,803			
Total comprehensive income attributable to:					
Owners of the Company	142,429	138,434			
Non-controlling interests	6,159	7,369			
Total	148,588	145,803			
		·			

	ı				(11	n Millions of Yen)
	Attributable to owners of the Company					
				Other components of equity		
	Share capital	Capital surplus	Treasury stock	Foreign currency translation differences for foreign operations	Financial assets at fair value through other comprehensive income	Cash flow hedges
Balance as of April 1, 2021	160,339	146,814	(15,854)	(16,018)	97,920	(4,129)
Profit for the period						
Other comprehensive income				48,046	7,364	4,829
Total comprehensive income for the period	_	_	_	48,046	7,364	4,829
Purchase of treasury stock		(9)	(15,173)			
Disposition of treasury stock		(12)	12			
Dividends						
Change in ownership interests in subsidiaries without loss/acquisition of control				(712)		
Put options granted to non-controlling interests						
Reclassification from other components of equity to retained earnings					(552)	
Share remuneration payment transaction		235				
Other changes						
Total contributions by and distributions to owners of the Company	_	212	(15,160)	(712)	(552)	_
Balance as of March 31, 2022	160,339	147,027	(31,015)	31,314	104,732	699

	A	ttributable to owne	ers of the Compar	ıy		
	Other compor	nents of equity				
	Remeasurements of defined benefit pension plans	Total other components of equity	Retained earnings	Total equity attributable to owners of the Company	Non-controlling interests	Total equity
Balance as of April 1, 2021	_	77,772	250,039	619,111	35,527	654,639
Profit for the period			82,332	82,332	3,138	85,471
Other comprehensive income	(143)	60,096		60,096	3,021	63,117
Total comprehensive income for the period	(143)	60,096	82,332	142,429	6,159	148,588
Purchase of treasury stock				(15,183)		(15,183)
Disposal of treasury stock				_		_
Dividends			(16,408)	(16,408)	(4,577)	(20,986)
Change in ownership interests in subsidiaries without loss/acquisition of control		(712)	1,979	1,266	(2,468)	(1,201)
Put options granted to non-controlling interests			(3,571)	(3,571)		(3,571)
Reclassification from other components of equity to retained earnings	143	(409)	409	_		_
Share remuneration payment transaction				235		235
Other changes			133	133	1,225	1,358
Total contributions by and distributions to owners of the Company	143	(1,121)	(17,458)	(33,528)	(5,820)	(39,349)
Balance as of March 31, 2022	_	136,747	314,913	728,012	35,866	763,878

					(Ir	Millions of Yen)
			Attributable	to owners of the	Company	
				Othe	r components of e	quity
	Share capital	Capital surplus	Treasury stock	Foreign currency translation differences for foreign operations	Financial assets at fair value through other comprehensive income	Cash flow hedges
Balance as of April 1, 2022	160,339	147,027	(31,015)	31,314	104,732	699
Profit for the period Other comprehensive income				23,244	(9,438)	12,439
Total comprehensive in come for the period	_	_	_	23,244	(9,438)	12,439
Purchase of treasury stock		(2)	(139)			
Disposition of treasury stock		(96)	96			
Dividends						
Change in ownership interests in subsidiaries without loss/acquisition of control						
Put options granted to non-controlling interests						
Reclassification from other components of equity to retained earnings					(24,354)	
Share remuneration payment transaction		672				
Other changes						
Total contributions by and distributions to owners of the Company		573	(43)		(24,354)	
Balance as of March 31, 2023	160,339	147,601	(31,058)	54,559	70,939	13,139

	Attrib	utable to ow	ners of the C	Company		
	Other comp equi					
	Remeasurements of defined benefit pension plans	Total other componen ts of equity	Retained earnings	Total equity attributable to owners of the Company	Non-controlling interests	Total equity
Balance as of April 1, 2022		136,747	314,913	728,012	35,866	763,878
Profit for the period			111,247	111,247	4,577	115,824
Other comprehensive income	941	27,186		27,186	2,791	29,978
Total comprehensive income for the period	941	27,186	111,247	138,434	7,369	145,803
Purchase of treasury stock				(142)		(142)
Disposal of treasury stock				_		
Dividends			(29,208)	(29,208)	(4,415)	(33,624)
Change in ownership interests in subsidiaries without loss/acquisition of control				_	(722)	(722)
Put options granted to non-controlling interests			(28)	(28)		(28)
Reclassification from other components of equity to retained earnings	(941)	(25,296)	25,296	_		
Share remuneration payment transaction				672		672
Other changes			(26)	(26)	765	739
Total contributions by and distributions to owners of the Company	(941)	(25,296)	(3,967)	(28,733)	(4,372)	(33,105)
Balance as of March 31, 2023	_	138,638	422,193	837,713	38,863	876,576

(5) Consolidated Statement of Cash Flows

(Gain) loss on sale of fixed assets, net (IGain) loss on sale of fixed assets, net (Incraese) decrease in trade and other receivables (Incraese) decrease in trade and other receivables (Incraese) decrease in trade and other payables (26,026) (41,711 Increase) decrease) in trade and other payables (52,031 (26,026) (41,711 Increase) decrease) in relevant and every payables (52,031 (26,026) (41,711 Increase) decrease) in relevant payables (52,031 (26,026) (41,711 Increase) decrease) in relevant payables (495) (515 Others Subtotal Interests earned Dividents received 17,799 17,899 17,799			(In Millions of Yen)
Lash flows from operating activities Profit for the year September Sep		FY 2021	FY 2022
Cash flows from operating activities		(From April 1, 2021	(From April 1, 2022
Profit for the year 88.471 115,822 139,900 Impairment loss on fixed assets 2,837 39,900 Impairment loss on fixed assets 2,837 14,33 14,33 Finance (income) costs (2,106) (188 189 199		to March 31, 2022)	to March 31, 2023)
Profit for the year 88.471 115,822 139,900 Impairment loss on fixed assets 2,837 39,900 Impairment loss on fixed assets 2,837 14,33 14,33 Finance (income) costs (2,106) (188 189 199	Cash flows from operating activities		
Depreciation and amortization 34,279 39,905 Impairment loss on fixed assets 2,637 14,335 Finance (income) costs 2,2106 (188 5) (27,066 (27,266 (27,066 (27,266 (27,066 (27,266 (27,066 (27,266 (27,066 (27,266 (27,066 (27,266 (27,066 (27,266 (27,066	· -	05.474	445.004
Impairment loss on fixed assets 2,637 14,338 Finance (income) costs (2,106) (388 Share of (proffl)loss of investments accounted for using the equity method (37,968) (27,268 (37,968) (27,268 (37,968) (27,268 (37,968) (37,968) (27,268 (37,968) (37,968) (27,268 (37,968) (37,968) (27,268 (37,968) (37,968) (27,268 (37,968) (37,968) (27,268 (37,968) (,		
Finance (income) costs (2,106) (188 Share of (incrifi)cos of investments accounted for using the equity method (Gain) loss on sale of fixed assets, net (Gain) loss on sale of fixed assets, net (Increase) decrease in trade and other receivables (Increase) decrease in trade and other receivables (96,092) 22,122 (Increase) decrease in trade and other payables 28,026) (41,711 Increase) (decrease) in trade and other payables 52,031 28,246 Changes in other assets and liabilities 6,950 (188 187,101	· ·		
Share of (profit) (poss of investments accounted for using the equity method (Gain) loss on sale of fixed assets, net (6,702) (2,19) Income tax expenses (31,824 (39,21) (Increase) decrease in trade and other receivables (96,092) (22,72) (Increase) decrease in inventiories (28,026) (41,711 (Increase) decrease) in trade and other payables (52,031) (25,246) (41,711 (Increase) decrease) in trade and other payables (52,031) (25,246) (41,711 (Increase) decrease) in trade and other payables (59,00) (21,686) (11,676)			
Using the equity method (37,900) (27,60) (21,60) (30) (30) son sale of fixed assets, net (6,702) (2,09) (1,000m) tax expenses (31,824 39,21) (1,000m) tax expenses (96,092) (2,19) (· · · · ·	(2,100)	(100)
(Gain) loss on sale of fixed assets, net income tax expenses 318.24 39.21 (Increase) decrease in trade and other receivables (96.022) 22.22 (Increase) decrease in inventories (26.028) (41.71 increase) decrease in inventories (26.028) (42.71 increase) decrease) in trade and other payables 52.031 26.24 (Changes in other assets and liabilities 5.950 (15.68 increase) (decrease) in retirement benefits liabilities 6.950 (15.68 increase) (decrease) in retirement benefits liabilities 7.759 (17.799 37.960 interests paid 12.142 13.14 (19.61) (18.44 increase) (11.961) (18.44 increase) (11.961) (18.44 increase) (11.961) (18.44 increase) (11.961) (18.47 increase) (11.961) (18.47 increase) (11.961) (19.61) (1		(37,968)	(27,282)
Income tax expenses 31,824 39,21* Increase) decrease in trade and other receivables (96,092) 22,21* Increase (decrease) in trade and other payables 52,031 32,62* Changes in other assets and liabilities 5,950 21,68* Increase (decrease) in retirement benefits liabilities 6,950 21,68* Increase (decrease) in retirement benefits liabilities 4955 (51) Others Subtotal 58,288 187,70* Interests earned 12,142 13,14* Dividends received 17,799 37,96* Interests paid (11,96*) (18,48* Income taxes paid (11,96*) (18,48* Income taxes paid (11,96*) (18,48* Increase of property, plant and equipment (18,370) (25,68* Purchase of property, plant and equipment (18,370) (25,68* Purchase of intangible assets (8,700) (12,57* Increase) decrease in short-term loans receivable (10,360) (38* Payment for long-term loans receivable (10,360) (38* Proceeds from (payments for) acquisition of subsidiaries 7,485 (22,94* Purchase of investments (58,097) (47,13* Proceeds from (payments for) acquisition of subsidiaries 7,485 (22,94* Purchase of investments (58,097) (47,13* Proceeds from sale of property plant of subsidiaries (73,346) (19,98* Proceeds from sale of investments (58,097) (47,13* Proceeds from sale of investments (58,		(6.700)	(0.407)
(Increase) decrease in trade and other receivables (1,0,0,0) decrease in inventories (26,026) (41,711 (1,0,0) decrease) in trade and other payables (25,031) (26,046) (41,711 (1,0,0) decrease) in trade and other payables (25,031) (26,046) (41,711 (1,0,0) decrease) in retirement benefits liabilities (4,95) (516 (20,344) (4,95) (516 (20,344) (4,95) (516 (20,344) (4,95) (4,9			
(Increase) decrease in inventories (26,026) (41,711 Increase) (decrease) in trade and other payables 52,031 26,244 Changes in other assets and liabilities (5,950 21,88 Increase) (decrease) in retirement benefits liabilities (4,955) (51,184 (24,955) (51,184 (24,955) (51,184 (24,955)			
Increase (decrease) in trade and other payables	, ,		
Changes in other assets and liabilities 6,950 21,684 Increase (decrease) in retirement benefits liabilities (495) (511 Others	, ,	,	
Increase (decrease) in retirement benefits liabilities		-	
Others			
Subtotal 55.288 187.10t			
Interests earned 12,142 13,142		·	, , ,
Dividends received 17,799 37,966 Interests paid (11,951) (18,498 Income taxes paid (11,1951) (18,498 Income taxes paid (11,184) (48,078 (11,184) (48,078 (11,184) (48,078 (11,184) (48,078 (11,184) (48,078 (11,184) (48,078 (11,184) (48,078 (11,184) (48,078 (11,184) (48,078 (11,184) (48,078 (11,184) (48,078 (11,184) (48,078 (11,184) (11,184) (48,078 (11,184) (11,			
Interests paid			
Income taxes paid (11,184) (48,078 Net cash provided (used) by/in operating activities 65,084 171,635			
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Cash flows from investing activities Purchase of property, plant and equipment Proceeds from sale of property, plant and equipment Purchase of intangible assets (8,700) (12,578 (Increase) decrease in short-term loans receivable Payment for long-term loans receivable Proceeds from (payments for) acquisition of subsidiaries Proceeds from (payments for) acquisition of subsidiaries Proceeds from (payments for) sale of subsidiaries Proceeds from (payments for) sale of subsidiaries Proceeds from (payments for) sale of subsidiaries Proceeds from payments for) sale of subsidiaries Proceeds from payments for) sale of subsidiaries Proceeds from payments for) sale of subsidiaries Proceeds from sale of investments Proceeds from financing activities Proceeds from long-term borrowings and commercial papers Proceeds from long-term borrowings Proceeds from long-term borrowings Proceeds from long-term borrowings Proceeds from isonance of bonds Repayment of long-term borrowings Proceeds from isonance of bonds Repayment of lease liabilities Payment for acquisition of subsidiary's interests from non-controlling interest holders Proceeds from non-controlling interest holders Proceeds from succeeds from succeeds from non-controlling interest holders Proceeds from succeeds from succeeds from non-controlling interest holders Proceeds from provided (used) by/in financing activities Proceeds from provided (used) by/in financing activities Proceeds from succeeds provided (used) by/in financing activities Proceeds from succeeds provided (used) by/in financing activities Proceeds from succeeds from succeeds provided (used) by/in financing activities Proceeds from succeeds f			
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Proceeds from sale of property, plant and equipment 10,287 6,788 Purchase of intangible assets (8,700) (12,578 (Increase) decrease in short-term loans receivable 1,430 144 Payment for long-term loans receivable (10,360) (688 Collection of long-term loans receivable (10,360) (688 Collection of long-term loans receivable (10,360) (688 Collection of long-term loans receivable (10,360) (19,99 Proceeds from (payments for) acquisition of subsidiaries (35,749) (1,99 Purchase of investments (58,097) (47,138 Purchase of investments (58,097) (47,138 Proceeds from sale of investments (58,097) (47,138 Proceeds from sale of investments (57,346) (19,616 Others (138,819) (29,15) Cash flows from financing activities (138,819) (29,15) Cash flows from financing activities (138,819) (29,15) Cash flows from insurance of bords (214,740) (271,688 Proceeds from long-term borrowings and commercial papers (214,740) (271,688 Proceeds from issuance of bonds (20,003) (10,000 Repayment of lease liabilities (18,75) (16,926 Payment of lease liabilities (18,75) (16,926 Payment of reacquisition of subsidiary's interests from non-controlling interest holders (18,75) (13,73) (133 Dividends paid to non-controlling interest holders (16,408) (29,200 Dividends paid to non-controlling interest holders (16,408) (29,200 Others (14,710) (5,044 Others (26,835) (29,570 Cash and cash equivalents at the beginning of the year (26,835) (29,570 Decrease in cash and cash equivalents resulting from changing in the			(
Purchase of intangible assets (12,575 (Increase) decrease in short-term loans receivable (1,430			(25,684)
(Increase) decrease in short-term loans receivable Payment for long-term loans receivable (10,360) (688) Collection of long-term loans receivable 6,219 1,633 Proceeds from (payments for) acquisition of subsidiaries 7,485 12,207 Proceds from (payments for) sale of subsidiaries 7,485 12,207 Purchase of investments (58,097) (47,138) Proceeds from sale of investments (57,346) 19,614 Others (57,346) 19,614 Net cash provided (used) by/in investing activities Cash flows from financing activities Increase (decrease) in short-term borrowings and commercial papers Proceeds from long-term borrowings (214,740) (271,684) Proceeds from long-term borrowings (214,740) (271,684) Proceeds from isauance of bonds (20,003) (10,000) Repayment of lease liabilities (15,085) (16,925) Payment for acquisition of subsidiary's interests from non-controlling interest holders Alas 1,564 Sales of treasury stock (15,173) (138, 22,204) Dividends paid (16,408) (29,205) Others (47,710) (5,047,047) Others (66) (1,141) Net cash provided (used) by/in financing activities (26,835) (29,257) Cash and cash equivalents at the beginning of the year 287,597 (271,657) Effect of exchange rate changes on cash and cash equivalents (26,835) (29,576)		-	
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Collection of long-term loans receivable Proceeds from (payments for) acquisition of subsidiaries Proceeds from (payments for) acquisition of subsidiaries Proceeds from (payments for) sale of subsidiaries Proceeds from sale of investments Proceeds from sale of investments Proceeds from sale of investments Others Solution of long-term borrowings Increase (decrease) in short-term borrowings and commercial papers Proceeds from long-term borrowings Proceeds from long-term borrowings Proceeds from long-term borrowings Repayment of long-term borrowings Redemption of bonds Redemption of bonds Repayment of lease liabilities Payment for acquisition of subsidiary's interests from non-controlling interest holders Proceeds from non-			
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Proceeds from sale of investments Others Net cash provided (used) by/in investing activities Cash flows from financing activities Increase (decrease) in short-term borrowings and commercial papers Proceeds from long-term borrowings Repayment of long-term borrowings Redemption of bonds Repayment for acquisition of subsidiary's interests from non-controlling interest holders Proceeds from non-controlling interest holders Sales of treasury stock Purchase of treasury stock Purchase of treasury stock Dividends paid Dividends paid to non-controlling interest holders Net cash provided (used) by/in financing activities Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at the beginning of the year Effect of exchange rate changes on cash and cash equivalents Pegrease in cash and cash equivalents resulting from changing in the		-	
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Cash flows from financing activities Increase (decrease) in short-term borrowings and commercial papers Proceeds from long-term borrowings Repayment of long-term borrowings Redemption of bonds Redemption of bonds Repayment for lease liabilities Payment for acquisition of subsidiary's interests from non-controlling interest holders Proceeds from non-controlling interest holders Sales of treasury stock Purchase of treasury stock Dividends paid Dividends paid Dividends paid to non-controlling interest holders Net cash provided (used) by/in financing activities Net increase (decrease) in cash and cash equivalents Increase (decrease) in cash and cash equivalents Repayment of lease (decrease) in cash and cash equivalents Increase (decrease) in cash and cash equivalents resulting from changing in the			
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Proceeds from long-term borrowings Repayment of long-term borrowings Repayment of long-term borrowings Repayment of long-term borrowings Proceeds from issuance of bonds Redemption of bonds Repayment of lease liabilities Repayment for acquisition of subsidiary's interests from non-controlling interest holders Proceeds from non-controlling interest holders Sales of treasury stock Purchase of treasury stock Purchase of treasury stock Dividends paid Dividends paid to non-controlling interest holders Others Net cash provided (used) by/in financing activities Net increase (decrease) in cash and cash equivalents Repayment of long-term borrowings (201,740) (201,000) (10,000) (115,085	_		
Repayment of long-term borrowings Proceeds from issuance of bonds Redemption of bonds Repayment of lease liabilities Repayment for acquisition of subsidiary's interests from non-controlling interest holders Proceeds from non-controlling interest holders Proceeds from non-controlling interest holders Proceeds from non-controlling interest holders Sales of treasury stock Purchase of treasury stock Dividends paid Dividends paid to non-controlling interest holders Others Net cash provided (used) by/in financing activities Net increase (decrease) in cash and cash equivalents Effect of exchange rate changes on cash and cash equivalents Decrease in cash and cash equivalents resulting from changing in the	, ,		(64,360)
Proceeds from issuance of bonds Redemption of bonds Repayment of lease liabilities Payment for acquisition of subsidiary's interests from non-controlling interest holders Proceeds from non-controlling interest holders Proceeds from non-controlling interest holders Sales of treasury stock Purchase of treasury stock Dividends paid Dividends paid to non-controlling interest holders Others Net cash provided (used) by/in financing activities Net increase (decrease) in cash and cash equivalents Effect of exchange rate changes on cash and cash equivalents Pecrease in cash and cash equivalents resulting from changing in the			166,826
Redemption of bonds Repayment of lease liabilities Payment for acquisition of subsidiary's interests from non-controlling interest holders Proceeds from non-controlling interest holders Sales of treasury stock Purchase of treasury stock Dividends paid Dividends paid to non-controlling interest holders Net cash provided (used) by/in financing activities Net increase (decrease) in cash and cash equivalents Repayment of lease liabilities (15,085) (16,925) (17,875) (17,875) (18,925) (18,			(271,685)
Repayment of lease liabilities Payment for acquisition of subsidiary's interests from non-controlling interest holders Proceeds from non-controlling interest holders Sales of treasury stock Purchase of treasury stock Dividends paid Dividends paid to non-controlling interest holders Others Net cash provided (used) by/in financing activities Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at the beginning of the year Effect of exchange rate changes on cash and cash equivalents (15,085) (16,926) (1,875)			(40.00)
Payment for acquisition of subsidiary's interests from non-controlling interest holders Proceeds from non-controlling interest holders Sales of treasury stock Purchase of treasury stock Dividends paid Dividends paid to non-controlling interest holders Others Net cash provided (used) by/in financing activities Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at the beginning of the year Effect of exchange rate changes on cash and cash equivalents Peccease in cash and cash equivalents resulting from changing in the	Redemption of bonds	· · · · · · · · · · · · · · · · · · ·	` ' '
interest holders Proceeds from non-controlling interest holders Sales of treasury stock Purchase of treasury stock Dividends paid Dividends paid to non-controlling interest holders Others Net cash provided (used) by/in financing activities Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at the beginning of the year Effect of exchange rate changes on cash and cash equivalents Proceeds from non-controlling interest holders (15,173) (139 (14,713) (149 (15,173) (149 (15,173) (149 (15,173) (149 (15,173) (149 (15,173) (149 (15,173) (149 (15,173) (15,04) (15,173) (15,04) (15,173) (15,04) (15,173) (16,408) (16,408) (17,01) (16,408) (17,01) (17,	Repayment of lease liabilities	(15,085)	(16,929)
interest holders Proceeds from non-controlling interest holders Sales of treasury stock Purchase of treasury stock Dividends paid Dividends paid to non-controlling interest holders Others Net cash provided (used) by/in financing activities Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at the beginning of the year Effect of exchange rate changes on cash and cash equivalents Proceeds from non-controlling interest holders (15,173) (139 (14,713) (149 (15,173) (149 (15,173) (149 (15,173) (149 (15,173) (149 (15,173) (149 (15,173) (149 (15,173) (15,04) (15,173) (15,04) (15,173) (15,04) (15,173) (16,408) (16,408) (17,01) (16,408) (17,01) (17,	Payment for acquisition of subsidiary's interests from non-controlling	(4.075)	(2)
Sales of treasury stock Purchase of treasury stock Dividends paid Dividends paid to non-controlling interest holders Others Net cash provided (used) by/in financing activities Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at the beginning of the year Effect of exchange rate changes on cash and cash equivalents Sales of treasury stock (15,173) (139 (29,208 (4,710) (5,047 (66) (1,417 (66) (21,417 (26,835) (29,570 (26,835) (29,570 (271,657 (271		(1,875)	(3)
Sales of treasury stock Purchase of treasury stock Dividends paid Dividends paid to non-controlling interest holders Others Net cash provided (used) by/in financing activities Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at the beginning of the year Effect of exchange rate changes on cash and cash equivalents Sales of treasury stock (15,173) (139 (29,208 (4,710) (5,047 (66) (1,417 (66) (21,417 (26,835) (29,570 (26,835) (29,570 (271,657 (271	Proceeds from non-controlling interest holders	418	1,564
Purchase of treasury stock Dividends paid Dividends paid (16,408) (29,208 Dividends paid to non-controlling interest holders Others Net cash provided (used) by/in financing activities Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at the beginning of the year Effect of exchange rate changes on cash and cash equivalents Peccease in cash and cash equivalents resulting from changing in the		3	29
Dividends paid to non-controlling interest holders Others (66) (1,41 Net cash provided (used) by/in financing activities 46,898 (230,36) Net increase (decrease) in cash and cash equivalents (26,835) Cash and cash equivalents at the beginning of the year Effect of exchange rate changes on cash and cash equivalents Decrease in cash and cash equivalents resulting from changing in the		(15,173)	(139)
Others Net cash provided (used) by/in financing activities Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at the beginning of the year Effect of exchange rate changes on cash and cash equivalents Decrease in cash and cash equivalents resulting from changing in the	Dividends paid	(16,408)	(29,208)
Net cash provided (used) by/in financing activities A6,898 (230,367) Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at the beginning of the year Effect of exchange rate changes on cash and cash equivalents Decrease in cash and cash equivalents resulting from changing in the	Dividends paid to non-controlling interest holders	(4,710)	(5,047)
Net increase (decrease) in cash and cash equivalents (29,570 Cash and cash equivalents at the beginning of the year Effect of exchange rate changes on cash and cash equivalents Decrease in cash and cash equivalents resulting from changing in the	Others	(66)	(1,411)
Cash and cash equivalents at the beginning of the year Effect of exchange rate changes on cash and cash equivalents Decrease in cash and cash equivalents resulting from changing in the	Net cash provided (used) by/in financing activities	46,898	(230,367)
Effect of exchange rate changes on cash and cash equivalents 10,890 5,260	Net increase (decrease) in cash and cash equivalents	(26,835)	(29,570)
Decrease in cash and cash equivalents resulting from changing in the	Cash and cash equivalents at the beginning of the year	287,597	271,651
Decrease in cash and cash equivalents resulting from changing in the	Effect of exchange rate changes on cash and cash equivalents	10,890	5,260
r. = ا عالة الله والتواتية التواتية التواتية التواتية التواتية التواتية التواتية التواتية التواتية التواتية ال	Decrease in cash and cash equivalents resulting from changing in the		(FA)
scope of consolidation (52)		_	(54)
Cash and cash equivalents at the end of the year 271,651 247,286	Cash and cash equivalents at the end of the year	271,651	247,286

(7) Note to Consolidated Financial Statements

(Segment information)

Information regarding reportable segments

Main products and services of reportable segments are in 2. Group Business Operations.

The accounting method for the reported business segments are basically consistent with those used in the Consolidated Financial Statements, except with respect to the calculation of income tax expenses.

Prices for intersegment transactions are determined in the same way as general transactions and with reference to market prices.

For the year ended March 31, 2022 (April 1, 2021 - March 31, 2022)

(In Millions of Yen)

					(111	WIIIIONS OF TEN
			Reportable	esegments		
	Automotive	Aerospace & Transportaion Project	Infrastructure & Healthcare	Metals, Mineral Resources & Recyclig	Chemicals	Consumer Industry & Agriculture Business
Revenue						
External revenue	243,051	70,020	61,794	560,460	538,299	285,753
Inter-segment revenue		10	3,220		4	19
Total revenue	243,051	70,030	65,015	560,460	538,304	285,772
Gross profit	45,635	16,157	18,999	60,035	50,725	30,122
Share of profit (loss) of investments accounted for using the equity method	762	(395)	13,806	21,489	706	875
Profit attributable to owners of the Company	7,083	4,687	6,624	34,068	12,630	6,360
Segment assets	191,809	218,035	421,050	511,464	320,476	238,934
Others:						
Investment accounted for using the equity method	5,573	20,089	170,002	226,621	12,321	14,845
Capital expenditure	5,776	1,418	4,047	4,069	1,223	2,494

	Reportable	e segments			
	Retail & Consumer service	Total	Others	Reconciliations	Consolidated
Revenue					
External revenue	220,652	1,980,032	120,720	_	2,100,752
Inter-segment revenue	364	3,619	223	(3,842)	
Total revenue	221,016	1,983,651	120,943	(3,842)	2,100,752
Gross profit	32,466	254,144	19,317	(2,142)	271,319
Share of profit (loss) of investments accounted for using the equity method	(19)	37,223	745	(1)	37,968
Profit attributable to owners of the Company	5,010	76,463	843	5,025	82,332
Segment assets	427,141	2,328,912	335,629	(2,860)	2,661,680
Others:					
Investment accounted for using the equity method	29,845	479,300	11,025	(5)	490,320
Capital expenditure	2,222	21,252	21,910	_	43,163

Reconciliation of segment profit of 5,025 million yen includes the difference between the Company's actual income tax expenses and income tax expenses allocated to each segment based on the calculation method established internally, which amounted to 4,182 million yen, and unallocated dividend income and others of 843 million yen.

The reconciliation amount of segment assets of (2,860) million yen includes elimination of inter-segment transactions or the like amounting to (172,681) million yen, and all of the Companies' assets that were not allocated to each segment, amounting to 169,820 million yen, which mainly consists of the Company's surplus funds in the form of cash in bank or the like for investments and marketable securities or the like.

Capital expenditure includes amount related to usage rights assets.

(In millions of Yen)

					(111)	millions of Yen)
			Reportable	segments		
	Automotive	Aerospace & Transportaion Project	Infrastructure & Healthcare	Metals, Mineral Resources & Recyclig	Chemicals	Consumer Industry & Agriculture Business
Revenue						
External revenue	298,801	69,025	102,632	645,668	622,884	340,089
Inter-segment revenue	0	11	4,122	_	4	1
Total revenue	298,802	69,036	106,755	645,668	622,889	340,091
Gross profit	55,430	20,344	27,240	83,350	62,166	29,747
Share of profit (loss) of investments accounted for using the equity method	1,468	1,006	(20)	22,671	45	1,017
Profit attributable to owners of the Company	6,013	6,389	7,518	62,704	18,473	6,398
Segment assets	183,686	213,673	455,815	531,874	318,765	242,330
Others:						
Investment accounted for using the equity method	8,272	21,287	213,388	238,801	13,198	17,123
Capital expenditure	4,663	9,745	2,219	10,302	1,772	3,602

	Reportable	e segments			
	Retail & Consumer service	Total	Others	Reconciliations	Consolidated
Revenue					
External revenue	306,975	2,386,077	93,762	_	2,479,840
Inter-segment revenue	368	4,509	185	(4,695)	
Total revenue	307,343	2,390,586	93,948	(4,695)	2,479,840
Gross profit	43,707	321,987	17,611	(2,030)	337,567
Share of profit (loss) of investments accounted for using the equity method	257	26,446	838	(2)	27,282
Profit attributable to owners of the Company	7,435	114,934	1,658	(5,345)	111,247
Segment assets	407,597	2,353,744	363,682	(56,583)	2,660,843
Others:					
Investment accounted for using the equity method	36,549	548,622	11,325	(8)	559,939
Capital expenditure	3,329	35,635	10,772	_	46,407

Reconciliation of segment loss of (5,345) million yen includes the difference between the Company's actual income tax expenses and income tax expenses allocated to each segment based on the calculation method established internally, which amounted to (3,682) million yen, and unallocated financial costs and others of (1,663) million yen.

The reconciliation amount of segment assets of (56,583) million yen includes elimination of inter-segment transactions or the like amounting to (204,851) million yen, and all of the Companies' assets that were not allocated to each segment, amounting to 148,268 million yen, which mainly consists of the Company's surplus funds in the form of cash in bank or the like for investments and marketable securities or the like.

Capital expenditure includes amount related to usage rights assets.

(Changes in Reportable Segments)

Effective April 1, 2022, the Company reorganized its Consumer Industry & Agriculture Business and Retail & Consumer Service segments and changed its reporting segment classification method.

Segment information for the year ended March 31, 2022, has been restated to reflect the change in reportable segments.

(Earnings per share)

(1) Basic earnings per share and diluted earnings per share

(1) Basic carriings per share and dilated carriings per si	FY 2021 (From April 1, 2021 to March 31, 2022)	FY 2022 (From April 1, 2022 to March 31, 2023)
Basic earnings per share (yen)	352.65	481.94
Diluted earnings per share (yen)	352.65	

(2) Bases for calculation of basic earnings per share and diluted earnings per share

(2) Bases for calculation of basic earnings per share and	a ulluteu earnings per snare	;
	FY 2021	FY 2022
	(From April 1, 2021	(From April 1, 2022
	to March 31, 2022)	to March 31, 2023)
Profit used to calculate basic and diluted earnings per share		
Profit for the year, attributable to owners of the Company (In millions of yen)	82,332	111,247
Amount not attributable to the ordinary shareholders of the Company (In millions of yen)		ļ
Profit used to calculate basic earnings per share (In millions of yen)	82,332	111,247
Profit adjustment amount		
Adjustment amount concerning share options to be issued by associates (In millions of yen)	_	_
Profit used to calculate diluted earnings per share (In millions of yen)	82,332	_
Weighted average number of ordinary shares to be used to calculate basic and diluted earnings per share		
Weighted average number of ordinary shares to be used to calculate basic earnings per share (In thousands of shares)	233,464	230,830
Effects of dilutive latent ordinary shares (In thousands of shares)		
Weighted average number of ordinary shares used to calculate diluted earnings per share (In thousands of shares)	233,464	

Note1: The Company conducted a five-for-one share consolidation of common shares of stock effective October 1, 2021. Basic earnings per share and diluted earnings per share have been calculated based on the assumption that the share consolidation had been conducted on April 1, 2021.

Note2: Diluted earnings per share is not displayed for the year ended March 31, 2023, as there were no potential shares with dilutive effect.

(Important Subsequent Event)

(1) Share Repurchase of Treasury Stock

At a meeting of its Board of Directors held on March 31, 2023, it has authorized the repurchase of shares of its common stock pursuant to Article 156 of the Companies Act of Japan, as applied pursuant to Paragraph 3, Article 165 of the Companies Act and Sojitz has repurchased its own stock since April 10, 2023.

1. Purpose of the Share Repurchase:

Sojitz Corporation will repurchase its own shares with the aim of improving capital efficiency and allocating a portion of the surplus core cash flow generated over the course of Mediumterm Management Plan 2020 and the first and second fiscal year of the Medium-term Management Plan 2023 to shareholders in tandem with investment for growth.

2. Details of the Share Repurchase:

(1). Class of shares to be repurchased Common stocks (2). Total number of shares to be Up to 10,000,000 shares (Represents repurchased approximetely 4.3% of the total number of outstanding shares (excluding treasury stock)) (3). Total purchase price for Up to 30 billion yen

repurchase of shares

(4). Period of repurchase April 10, 2023 to September 29, 2023 (5). Method of repurchase Purchase at the Tokyo Stock Exchange

(2) Cancellation of Treasury Stock

At a meeting of its Board of Directors held on March 31, 2023, it has resolved to cancel treasury stocks pursuant to Article 178 of the Companies Act and Sojitz cancelled its treasury stocks on April 7. 2023.

1. Purpose of Cancellation of Treasury Stocks:

Sojitz Corporation cancelled its treasury stocks with the aims of eliminating concerns about the potential dilution of future stock value.

2. Details of Cancellation of Treasury Stocks:

(1). Class of shares to be repurchased Common stocks (2). Total number of shares to be 15,299,900 shares(Represents approximately cancelled 6.1% of total outstanding shares before cancellation (excluding treasury stock))

235,000,000 shares (3). Number of total issued shares after cancellation

(4). Planned date of cancellation April 7, 2023

Financial Statements of ISTS (Thailand) Company Limited
For Fiscal Year 2022 Ended 31 December 2022



บริษัท ดีลอยท์ ทู้ช โชมัทสุ ไชยยศ สอบบัญชี จำกัด อาคาร เอไอเอ สาทร ทาวเวอร์ ชั้น 23-27 11/1 ถนนสาทรใต้ แขวงยานนาวา เขตสาทร กรุงเทพฯ 10120

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REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS ISTS (THAILAND) CO., LTD.

Opinion

We have audited the financial statements of ISTS (Thailand) Co., Ltd. (the "Company"), which comprise the statement of financial position as at December 31, 2022, and the related statements of income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of ISTS (Thailand) Co., Ltd. as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standard for Non-Publicly Accountable Entities.

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing ("TSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standard for Non-Publicly Accountable Entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Sophaphan Saptippeyasatlana

Sophaphan Saptippayarattana Certified Public Accountant (Thailand) Registration No. 6523

BANGKOK March 17, 2023

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

UNIT: BAHT Notes 2022 2021 **ASSETS CURRENT ASSETS** Cash and cash equivalents 4 3,380,197 6,246,209 Temporary investment 5 210,000,000 170,000,000 Other current assets 347,483 179,811 **Total Current Assets** 213,727,680 176,426,020 NON-CURRENT ASSETS Investment in an associate 6 1,155,799,080 1,155,799,080 Equipment 7 1,211 1,916 Other non-current asset 158,330 158,330 Total Non-current Assets 1,155,958,621 1,155,959,326 TOTAL ASSETS 1,369,686,301 1,332,385,346

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2022

			UNIT: BAHT
	Notes	2022	2021
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Other payables - accrued expenses		591,741	491,000
Accrued withholding tax		11,258	11,390
Total Current Liabilities		602,999	502,390
TOTAL LIABILITIES		602,999	502,390
SHAREHOLDERS' EQUITY			
SHARE CAPITAL	8		
Authorized share capital			
490 preference shares of Baht 200 each		98,000	98,000
9,510 ordinary shares of Baht 200 each		1,902,000	1,902,000
		2,000,000	2,000,000
Paid-up share capital			
490 preference shares of Baht 200 each, fully paid	[98,000	98,000
9,510 ordinary shares of Baht 200 each, fully paid		1,902,000	1,902,000
		2,000,000	2,000,000
Share premium account - preference shares		882,000	882,000
RETAINED EARNINGS			
Appropriated			
Legal reserve	9	461,511	461,511
Unappropriated		1,365,739,791	1,328,539,445
TOTAL SHAREHOLDERS' EQUITY		1,369,083,302	1,331,882,956
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,369,686,301	1,332,385,346

STATEMENT OF INCOME

FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT: BAHT Note 2022 2021 **REVENUES** Dividend received 6 416,087,669 392,971,687 Interest revenue 808,976 451,563 **Total Revenues** 393,780,663 416,539,232 **EXPENSES** Administrative expenses (2,905,687)(2,814,297)Total Expenses (2,905,687)(2,814,297)**NET PROFIT** 390,874,976 413,724,935

ISTS (THAILAND) CO., LTD.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT: BAHT

	Notes	Paic	Paid-up	Share premium	Retained	Retained earnings	Total
		share	share capital	account -	Appropriated	Unappropriated	shareholders'
		Preference	Ordinary	Preference	Legal reserve		equity
		shares	shares	shares			
Beginning balances as at January 1, 2021		98,000	1,902,000	882,000	461,511	1,289,295,710	1,292,639,221
Changes during the year							
Net profit		ı	ı	ı	1	413,724,935	413,724,935
Dividends paid	10	1	1		-	(374,481,200)	(374,481,200)
Ending balances as at December 31, 2021		98,000	1,902,000	882,000	461,511	1,328,539,445	1,331,882,956
Beginning balances as at January 1, 2022		98,000	1,902,000	882,000	461,511	1,328,539,445	1,331,882,956
Changes during the year							
Net profit		1	ī	ı	1	390,874,976	390,874,976
Dividends paid	10	1	ř	'	1	(353,674,630)	(353,674,630)
Ending balances as at December 31, 2022		98,000	1,902,000	882,000	461,511	1,365,739,791	1,369,083,302

Notes to the financial statements form an integral part of these statements

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

Note 2022 2021 CASH FLOWS FROM OPERATING ACTIVITIES 390,874,976 413,724,935 Profit before income tax expense 390,874,976 413,724,935 Adjustments: 705 705 Depreciation 705 705 Interest income (808,976) (451,563) Profit from operations before changes in operating assets and liabilities 390,066,705 413,274,077 Decrease in other current assets 38,627 63,104 Decrease in accrued withholding tax (132) (2,755) Increase in other payables - accrued expenses 100,741 - Cash received from operations 390,205,941 413,334,426 Proceeds from interest income 602,677 646,596 Net cash provided by operating activities 390,808,618 413,981,022 CASH FLOWS FROM INVESTING ACTIVITY (40,000,000) (40,000,000) Net cash used in investing activity (40,000,000) (40,000,000) CASH FLOWS FROM FINANCING ACTIVITY (353,674,630) (374,481,200) Net cash used in financing activity (353,674,630)				UNIT: BAHT
Profit before income tax expense 390,874,976 413,724,935 Adjustments: 390,874,976 413,724,935 Depreciation 705 705 Interest income (808,976) (451,563) Profit from operations before changes in operating assets and liabilities 390,066,705 413,274,077 Decrease in other current assets 38,627 63,104 Decrease in accrued withholding tax (132) (2,755) Increase in other payables - accrued expenses 100,741 - Cash received from operations 390,205,941 413,334,426 Proceeds from interest income 602,677 646,596 Net cash provided by operating activities 390,808,618 413,981,022 CASH FLOWS FROM INVESTING ACTIVITY Cash paid for temporary investment (40,000,000) (40,000,000) Net cash used in investing activity (40,000,000) (40,000,000) CASH FLOWS FROM FINANCING ACTIVITY One cash used in financing activity (353,674,630) (374,481,200) Net cash used in financing activity (353,674,630) (374,481,200) Net decrease in cash and cash equivalents		Note	2022	2021
Adjustments : Joan Profit from operations before changes in operating assets and liabilities 390,066,705 413,274,077 Decrease in other current assets 38,627 63,104 Decrease in accrued withholding tax (132) (2,755) Increase in other payables - accrued expenses 100,741 - Cash received from operations 390,205,941 413,334,426 Proceeds from interest income 602,677 646,596 Net cash provided by operating activities 390,808,618 413,981,022 CASH FLOWS FROM INVESTING ACTIVITY Cash paid for temporary investment (40,000,000) (40,000,000) Net cash used in investing activity (40,000,000) (40,000,000) CASH FLOWS FROM FINANCING ACTIVITY Use Cash used in financing activity (353,674,630) (374,481,200) Net cash used in financing activity (353,674,630) (374,481,200) Net decrease in cash and cash equivalents (2,866,012) (500,178) Cash and cash equivalents as at January 1, 6,246,209 6,746,387	CASH FLOWS FROM OPERATING ACTIVITIES			
Depreciation 705 705 Interest income (808,976) (451,563) Profit from operations before changes in operating assets and liabilities 390,066,705 413,274,077 Decrease in other current assets 38,627 63,104 Decrease in accrued withholding tax (132) (2,755) Increase in other payables - accrued expenses 100,741 - Cash received from operations 390,205,941 413,334,426 Proceeds from interest income 602,677 646,596 Net cash provided by operating activities 390,808,618 413,981,022 CASH FLOWS FROM INVESTING ACTIVITY Cash paid for temporary investment (40,000,000) (40,000,000) Net cash used in investing activity (40,000,000) (40,000,000) CASH FLOWS FROM FINANCING ACTIVITY (353,674,630) (374,481,200) Net cash used in financing activity (353,674,630) (374,481,200) Net decrease in cash and cash equivalents (2,866,012) (500,178) Cash and cash equivalents as at January 1, 6,246,209 6,746,387	Profit before income tax expense		390,874,976	413,724,935
Interest income (808,976) (451,563) Profit from operations before changes in operating assets and liabilities 390,066,705 413,274,077 Decrease in other current assets 38,627 63,104 Decrease in accrued withholding tax (132) (2,755) Increase in other payables - accrued expenses 100,741 - Cash received from operations 390,205,941 413,334,426 Proceeds from interest income 602,677 646,596 Net cash provided by operating activities 390,808,618 413,981,022 CASH FLOWS FROM INVESTING ACTIVITY Cash paid for temporary investment (40,000,000) (40,000,000) Net cash used in investing activity (353,674,630) (374,481,200) CASH FLOWS FROM FINANCING ACTIVITY (353,674,630) (374,481,200) Net cash used in financing activity (353,674,630) (374,481,200) Net decrease in cash and cash equivalents (2,866,012) (500,178) Cash and cash equivalents as at January 1, 6,246,209 6,746,387	Adjustments:			
Profit from operations before changes in operating assets and liabilities 390,066,705 413,274,077 Decrease in other current assets 38,627 63,104 Decrease in accrued withholding tax (132) (2,755) Increase in other payables - accrued expenses 100,741 - Cash received from operations 390,205,941 413,334,426 Proceeds from interest income 602,677 646,596 Net cash provided by operating activities 390,808,618 413,981,022 CASH FLOWS FROM INVESTING ACTIVITY Cash paid for temporary investment (40,000,000) (40,000,000) Net cash used in investing activity (40,000,000) (40,000,000) CASH FLOWS FROM FINANCING ACTIVITY Dividends paid (353,674,630) (374,481,200) Net cash used in financing activity (353,674,630) (374,481,200) Net decrease in cash and cash equivalents (2,866,012) (500,178) Cash and cash equivalents as at January 1, 6,246,209 6,746,387	Depreciation		705	705
operating assets and liabilities 390,066,705 413,274,077 Decrease in other current assets 38,627 63,104 Decrease in accrued withholding tax (132) (2,755) Increase in other payables - accrued expenses 100,741 - Cash received from operations 390,205,941 413,334,426 Proceeds from interest income 602,677 646,596 Net cash provided by operating activities 390,808,618 413,981,022 CASH FLOWS FROM INVESTING ACTIVITY Cash paid for temporary investment (40,000,000) (40,000,000) Net cash used in investing activity (40,000,000) (40,000,000) CASH FLOWS FROM FINANCING ACTIVITY Dividends paid (353,674,630) (374,481,200) Net cash used in financing activity (353,674,630) (374,481,200) Net decrease in cash and cash equivalents (2,866,012) (500,178) Cash and cash equivalents as at January 1, 6,246,209 6,746,387	Interest income		(808,976)	(451,563)
Decrease in other current assets 38,627 63,104 Decrease in accrued withholding tax (132) (2,755) Increase in other payables - accrued expenses 100,741 - Cash received from operations 390,205,941 413,334,426 Proceeds from interest income 602,677 646,596 Net cash provided by operating activities 390,808,618 413,981,022 CASH FLOWS FROM INVESTING ACTIVITY (40,000,000) (40,000,000) Net cash used in investing activity (40,000,000) (40,000,000) CASH FLOWS FROM FINANCING ACTIVITY (353,674,630) (374,481,200) Net cash used in financing activity (353,674,630) (374,481,200) Net cash used in financing activity (353,674,630) (374,481,200) Net decrease in cash and cash equivalents (2,866,012) (500,178) Cash and cash equivalents as at January 1, 6,246,209 6,746,387	Profit from operations before changes in			
Decrease in accrued withholding tax (132) (2,755) Increase in other payables - accrued expenses 100,741 - Cash received from operations 390,205,941 413,334,426 Proceeds from interest income 602,677 646,596 Net cash provided by operating activities 390,808,618 413,981,022 CASH FLOWS FROM INVESTING ACTIVITY (40,000,000) (40,000,000) Net cash used in investing activity (40,000,000) (40,000,000) CASH FLOWS FROM FINANCING ACTIVITY (353,674,630) (374,481,200) Net cash used in financing activity (353,674,630) (374,481,200) Net cash used in financing activity (353,674,630) (374,481,200) Net decrease in cash and cash equivalents (2,866,012) (500,178) Cash and cash equivalents as at January 1, 6,246,209 6,746,387	operating assets and liabilities		390,066,705	413,274,077
Increase in other payables - accrued expenses 100,741 - Cash received from operations 390,205,941 413,334,426 Proceeds from interest income 602,677 646,596 Net cash provided by operating activities 390,808,618 413,981,022 CASH FLOWS FROM INVESTING ACTIVITY (40,000,000) (40,000,000) Net cash used in investing activity (40,000,000) (40,000,000) CASH FLOWS FROM FINANCING ACTIVITY (353,674,630) (374,481,200) Net cash used in financing activity (353,674,630) (374,481,200) Net decrease in cash and cash equivalents (2,866,012) (500,178) Cash and cash equivalents as at January 1, 6,246,209 6,746,387	Decrease in other current assets		38,627	63,104
Cash received from operations 390,205,941 413,334,426 Proceeds from interest income 602,677 646,596 Net cash provided by operating activities 390,808,618 413,981,022 CASH FLOWS FROM INVESTING ACTIVITY (40,000,000) (40,000,000) Net cash used in investing activity (40,000,000) (40,000,000) CASH FLOWS FROM FINANCING ACTIVITY (353,674,630) (374,481,200) Net cash used in financing activity (353,674,630) (374,481,200) Net decrease in cash and cash equivalents (2,866,012) (500,178) Cash and cash equivalents as at January 1, 6,246,209 6,746,387	Decrease in accrued withholding tax		(132)	(2,755)
Proceeds from interest income 602,677 646,596 Net cash provided by operating activities 390,808,618 413,981,022 CASH FLOWS FROM INVESTING ACTIVITY Cash paid for temporary investment (40,000,000) (40,000,000) Net cash used in investing activity (40,000,000) (40,000,000) CASH FLOWS FROM FINANCING ACTIVITY Dividends paid (353,674,630) (374,481,200) Net cash used in financing activity (353,674,630) (374,481,200) Net decrease in cash and cash equivalents (2,866,012) (500,178) Cash and cash equivalents as at January 1, 6,246,209 6,746,387	Increase in other payables - accrued expenses		100,741	-
Net cash provided by operating activities 390,808,618 413,981,022 CASH FLOWS FROM INVESTING ACTIVITY (40,000,000) (40,000,000) Cash paid for temporary investment (40,000,000) (40,000,000) Net cash used in investing activity (40,000,000) (40,000,000) CASH FLOWS FROM FINANCING ACTIVITY (353,674,630) (374,481,200) Net cash used in financing activity (353,674,630) (374,481,200) Net decrease in cash and cash equivalents (2,866,012) (500,178) Cash and cash equivalents as at January 1, 6,246,209 6,746,387	Cash received from operations		390,205,941	413,334,426
CASH FLOWS FROM INVESTING ACTIVITY Cash paid for temporary investment (40,000,000) (40,000,000) Net cash used in investing activity (40,000,000) (40,000,000) CASH FLOWS FROM FINANCING ACTIVITY Dividends paid (353,674,630) (374,481,200) Net cash used in financing activity (353,674,630) (374,481,200) Net decrease in cash and cash equivalents (2,866,012) (500,178) Cash and cash equivalents as at January 1, 6,246,209 6,746,387	Proceeds from interest income		602,677	646,596
Cash paid for temporary investment (40,000,000) (40,000,000) Net cash used in investing activity (40,000,000) (40,000,000) CASH FLOWS FROM FINANCING ACTIVITY Dividends paid (353,674,630) (374,481,200) Net cash used in financing activity (353,674,630) (374,481,200) Net decrease in cash and cash equivalents (2,866,012) (500,178) Cash and cash equivalents as at January 1, 6,246,209 6,746,387	Net cash provided by operating activities		390,808,618	413,981,022
Net cash used in investing activity (40,000,000) (40,000,000) CASH FLOWS FROM FINANCING ACTIVITY Dividends paid (353,674,630) (374,481,200) Net cash used in financing activity (353,674,630) (374,481,200) Net decrease in cash and cash equivalents (2,866,012) (500,178) Cash and cash equivalents as at January 1, 6,246,209 6,746,387	CASH FLOWS FROM INVESTING ACTIVITY			
CASH FLOWS FROM FINANCING ACTIVITY Dividends paid (353,674,630) (374,481,200) Net cash used in financing activity (353,674,630) (374,481,200) Net decrease in cash and cash equivalents (2,866,012) (500,178) Cash and cash equivalents as at January 1, 6,246,209 6,746,387	Cash paid for temporary investment		(40,000,000)	(40,000,000)
Dividends paid (353,674,630) (374,481,200) Net cash used in financing activity (353,674,630) (374,481,200) Net decrease in cash and cash equivalents (2,866,012) (500,178) Cash and cash equivalents as at January 1, 6,246,209 6,746,387	Net cash used in investing activity		(40,000,000)	(40,000,000)
Net cash used in financing activity (353,674,630) (374,481,200) Net decrease in cash and cash equivalents (2,866,012) (500,178) Cash and cash equivalents as at January 1, 6,246,209 6,746,387	CASH FLOWS FROM FINANCING ACTIVITY			
Net decrease in cash and cash equivalents (2,866,012) (500,178) Cash and cash equivalents as at January 1, 6,246,209 6,746,387	Dividends paid		(353,674,630)	(374,481,200)
Cash and cash equivalents as at January 1, 6,246,209 6,746,387	Net cash used in financing activity		(353,674,630)	(374,481,200)
Cash and cash equivalents as at January 1, 6,246,209 6,746,387	Net decrease in cash and cash equivalents		(2,866.012)	(500.178)
	•			, , ,
	Cash and cash equivalents as at December 31,	4	3,380,197	6,246,209

ISTS (THAILAND) CO., LTD. NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

1. THE COMPANY'S OPERATIONS AND GENERAL INFORMATION

ISTS (Thailand) Co., Ltd. (the "Company") was incorporated under the Thai Civil and Commercial Code on December 8, 2004. The registered office is located at 98 Sathorn Square Room 3725, 37th Floor North Sathorn Road, Silom, Bangrak, Bangkok. The main objective of the Company is a holding company.

The Company's major shareholder is Sojitz Corporation, which is incorporated in Japan, by holding 49% of the Company's share capital.

The Company has extensive transactions and relationships with the related companies. Accordingly, the financial statements may not necessarily be indicative of the conditions that would have existed or the results of operations that would have occurred had the Company operated without such affiliations.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

2.1 The financial statements of the Company have been prepared and presented in Thai Baht currency, in accordance with Thai Financial Reporting Standard for Non-Publicly Accountable Entities ("TFRS for NPAEs") issued by the Federation of Accounting Professions and accounting practices generally accepted in Thailand.

Other than TFRS for NPAEs, the Company also chooses to adopt Thai Accounting Standard No. 7 "Statement of Cash Flows" under Thai Financial Reporting Standards in the preparation of the financial statements for the years ended December 31, 2022 and 2021.

- 2.2 The financial statements of the Company have been prepared in compliance with the Notification of the Department of Business Development dated September 28, 2011 regarding "The Brief Particulars in the Financial Statements B.E. 2554".
- 2.3 On November 30, 2022, Thai Financial Reporting Standards for Non-Publicly Accountable Entities (Revised 2022) ("TFRS for NPAEs") has been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2023 onwards. This revised TFRS for NPAEs adds options to the accounting method and adds requirements to cover current transactions.

The Company's management is in the process of considering accounting policies and the impact of adopting the revised TFRS for NPAEs.

2.4 The financial statements have been prepared on an accrual basis under the measurement basis of historical cost except as disclosed in the accounting policies (see Note 3).

2.5 The financial statements are prepared in English version from the financial statements followed the laws which is in Thai. In the event of any conflict or be interpreted in two different languages, the Thai version financial statements in accordance with Thailand law will be superseded.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies are as follows:

3.1 Cash and cash equivalents

Cash are cash on hand and all types of bank deposits but excluding deposits that have to be repaid at the end of the specified period, excluding those at financial institutions used as collateral.

Cash equivalents are items held by an entity for the purpose of paying off short-term obligations rather than for an investment or other purpose. Investments that can be regarded as cash equivalents must be readily convertible to known amounts of cash and subject to insignificant risk of change in value. Therefore, investments are typically considered cash equivalents only if they have a short-term maturity, that is 3 months or less from the date of acquisition. Investments in equity securities are not considered cash equivalents, except for the substance, they are cash equivalents, such as preferred shares purchased when they are close to the maturity date and the redemption date is established. This shall be in accordance with the relevant financial reporting standards.

3.2 Current investment

Current investment consists of time deposits at banks with original maturities later than 3 months but not later than 1 year which are stated at cost.

3.3 Investment in an associate

Investments in associate is investments in other entities in which the entity has significant influence in that entity, the meaning of having significant influence as defined in relevant financial reporting standards. Investment in associates is accounted for by the cost method. Unless there is an indication that the investment is permanently diminished, a devaluation loss is recognized in the income statement.

3.4 Equipment

Equipment is stated at cost less accumulated depreciation. Depreciation is calculated on the straight-line method, based on the estimated useful lives of the asset of 3 - 5 years.

If there is an indicator that the value of an item of equipment has permanently declined, the Company will recognize a loss on diminution in value of an item of equipment in the statement of income.

Repairs and maintenance are recognized as expenses in the statement of income during the financial period in which they are incurred.

3.5 Recognition of revenues and expenses

Revenues and expenses are recognized on an accrual basis.

Dividend received is recognized when obtain right to receive dividend from declaration.

Dividend paid is recognized when dividend is declared.

3.6 Income tax expense

The Company records income tax to be paid (if any) as an expense for the year and records related tax liability on an accrual basis.

3.7 Use of management's judgement

The preparation of financial statements in conformity with TFRS for NPAEs requires the Company's management to exercise various judgements in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the year. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

4. SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION

Cash and cash equivalents as at December 31, consists of the following:

	2022		2021	
	Interest Rate % p.a.	Amount Baht	Interest Rate % p.a.	Amount Baht
Cash at banks - savings and current				
accounts	0.05 - 0.35	3,380,197	0.10 - 0.125	6,246,209
	_	3,380,197		6,246,209

5. CURRENT INVESTMENT

Current investment as at December 31, consists of the following:

	Maturity date		Interest rate (% per annum)		Unit : Baht		
					Financial Statements		
	As at	As at	As at	As at	As at	As at	
	December 31,	December 31,	December 31,	December 31,	December 31,	December 31,	
	2022	2021	2022	2021	2022	2021	
Time deposits	Maturity	date over					
	3 months but le	ess than 1 year	0.75	0.26 - 0.27	210,000,000	170,000,000	

6. INVESTMENT IN AN ASSOCIATE

Investment in an associate as at December 31, consists of the following:

Company's name	Type of business	Paid-up capital	Portion of investment	`	ost method) ember 31,	Dividend For the ye	
			%			Decem	ber 31,
				2022	2021	2022	2021
		Baht		Baht	Baht	Baht	Baht
Associate							
Thai Central Chemical	Manufacturer,						
Public Company	importer, exporter and						
Limited	distributor of various						
	chemical fertilizer						
	compound	1,754,142,204	39.53	1,155,799,080	1,155,799,080	392,971,687	416,087,669

7. EQUIPMENT

Equipment consists of the following:

As at December 31, 2022				
	Balance as at January 1, 2022	Additions	Disposals	Balance as at December 31, 2022
	Baht	Baht	Baht	Baht
Office equipment	69,122	_	_	69,122
Less Accumulated depreciation	(67,206)	(705)	-	(67,911)
Equipment	1,916			1,211
As at December 21, 2021				
As at December 31, 2021	Balance as at	Additions	Disposals	Balance as at
	Dalance as at	Auuluulis	Dispusais	
	January 1,		r	
	January 1, 2021			December 31, 2021
	•	Baht	Baht	December 31,
Office equipment	2021 Baht	Baht -	•	December 31, 2021 Baht
Office equipment Less Accumulated depreciation	2021	Baht - (705)	•	December 31, 2021 Baht 69,122
	2021 Baht	-	Baht -	December 31, 2021 Baht
Less Accumulated depreciation Equipment	2021 Baht 69,122 (66,501) 2,621	-	Baht -	December 31, 2021 Baht 69,122 (67,206)
Less Accumulated depreciation Equipment Depreciation for the years ended December 31,	2021 Baht 69,122 (66,501) 2,621	-	Baht - -	December 31, 2021 Baht 69,122 (67,206) 1,916
Less Accumulated depreciation Equipment	2021 Baht 69,122 (66,501) 2,621	-	Baht -	December 31, 2021 Baht 69,122 (67,206)

8. SHARE CAPITAL

The Company's shares comprise two types of shares, 490 preference shares and 9,510 ordinary shares at par value of Baht 200 each.

The preference shareholders shall have the right to receive non-cumulative dividend at 90% of total dividends declared in any year the dividend is declared prior to the ordinary shareholders.

In case of liquidation, after the claims of all creditors of the Company have been satisfied or discharged, the preference shareholders have the right to receive 90% of total capital paid up and the excess of the said capital prior to the ordinary shareholders.

In addition, the preference shareholders have the right to 4 votes for every 1 preference share held, at the meeting.

9. LEGAL RESERVE

According to the Civil and Commercial Code, the Company must appropriate to a reserve fund at each distribution of dividend at least one-twentieth of the profit arising from the business of the Company until the reserve fund reaches one-tenth of the capital of the Company. Such reserve fund is not available for dividend distribution.

As at December 31, 2022 and 2021, the Company's legal reserve equaled to one-tenth of the registered share capital.

10. DIVIDENDS PAID

On March 28, 2022, the Annual General Meeting of Shareholders had resolutions to approve the distribution of dividends to ordinary shareholders of Baht 3,719 per share and preference shareholder of Baht 649,606 per share, totaling Baht 353.67 million. Such dividends were paid in April 2022.

On March 29, 2021, the Annual General Meeting of Shareholders had resolutions to approve the distribution of dividends to ordinary shareholders of Baht 3,938 per share and preference shareholder of Baht 687,818 per share, totaling Baht 374.48 million. Such dividends were paid in April 2021.

11. INCOME TAX EXPENSE

For the years ended December 31, 2022 and 2021, the statements of income represented net profit but there was no income tax to pay since certain revenues were exempted from income tax and the Company still has an accumulated tax loss carried forward which could be used as expense for tax purpose in the calculation of corporate income tax.

12. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issue by the authorized director of the Company on March 17, 2023.