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**Independent Financial Advisor's Opinion on
Asset Acquisition and Connected transaction**

of



S&J International Enterprises Public Company Limited

by



Silom Advisory Co., Ltd

10 March 2021

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Subject Independent Financial Advisor's Opinion on Asset Acquisition and Connected transaction
To Shareholders
S&J International Enterprises Public Company Limited

Regarding the the Board of Directors meeting of International Enterprises Public Company Limited ("the Company ") No. 3/2021 on 1 March 2021, the meeting has approved and proposed to the shareholders' meeting to consider and approve Top Trend Manufacturing Co., Ltd ("TTM") as the Company's subsidiary to purchase land property which, TTM's factory is located on, within Saha Group Industrial Park Sriracha from Saha Pathana Inter-Holding Public Company Limited ("SPI"). The land property's area is 10 rai 1 ngan 14.9 sq.wa (10-1-14.9 rai) which will be purchased at the price not over than 10.15 million baht per rai or not over than 104.42 million baht in total. SPI. as the seller, will be responsible for all fees associated with property transfer. According to the long-term lease agreement specifying that after the lease term has been expired, TTM shall transfer ownership of buildings and structures built on the lease property to SPI as the lessor. Thus, by purchasing the land property, TTM will own ownership in the property and does not have obligation to transfer ownership of the buildings and structures on the land property.

The transaction is considered an acquisition of assets as according to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated 31 August 2008 (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 dated 29 October 2004 (as amended) ("the Notification on Asset Acquisition or Disposal"). The maximum transaction size is equal to 2.04 percent of total assets of the Company, which is calculated based on total value of consideration according to the consolidated financial statements of the Company for year ended 31 December 2020. Regarding the Notifications on Asset Acquisition and Disposal, as the transaction size is lower than 15 percent of total assets of the Company and there is no securities issued to pay for the transaction, the transaction can be approved by the Board of Directors. The Company does not have to disclose information to the Stock Exchange of Thailand, nor have to call for a shareholders' meeting to consider the transaction. The Company did not have any asset acquisition during the past 6 months prior to the date which the Board of Directors approved the transaction.

Moreover, the transaction is considered as a connected transaction according to the Notification of the Capital Market Supervisory Board No.TorChor 21/2551 Re: Rules on Connected Transaction, dated 31 August 2008 and the amendments thereto, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, B.E. 2546 dated 19 November 2003 (as amended) ("the Notification on Connected Transaction"), because SPI is a major shareholder of the Company. As of 31 December 2020, SPI held 29,435,192 shares of the Company or 19.63 of issued and paid-up shares of the Company. The maximum transaction size is equal to 2.98 percent which is less than 3.00 percent of the Company's net tangible assets (NTA) according to the consolidated financial statements of the Company for year ended 31 December 2020. Therefore, the transaction

is deemed as middle-size connected transaction which can be approved by the Board of Directors. The Company only have to disclose information to the Stock Exchange of Thailand, and does not have to call for a shareholders' meeting to consider the transaction.

However, in order to comply with good corporate governance practice, the Board of Directors had a resolution to propose an agenda to the shareholders meeting for approval. The Company had disclosed information on the transaction to SET, appointed an independent financial advisor to provide opinion on the transaction, and is arranging a shareholders' meeting to approve the transaction. The transaction must receive approval from the shareholders meeting with votes of not less than three-fourth of total number of the shareholders attending the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter.

In this regard, the Company has appointed Silom Advisory Co., Ltd ("IFA" or "the Advisor") as the independent financial advisor to provide their opinion on entering into the acquisition of assets of TTM as the Company's subsidiary, which is the connected transaction, to shareholders of the Company as information for their consideration.

In order to calculate the number in this report, some figures and values are typically rounded up by two or three digits (as the case may be) in which the derived numbers may not equal to such figure and value appeared in this report.

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Glossary

Abbreviation	Definition
S&J or the Company	: S&J International Enterprises Public Company Limited
TTM	: Top Trend Manufacturing Co., Ltd
SPI	: Saha Pathana Inter-Holding Public Company Limited
IFA or the Advisor	: Silom Advisory Co., Ltd
the Appraiser or LAS	: Leading Appraisal and Service (Thailand) Co., Ltd
SEC	: The Securities and Exchange Commission
SET	: the Stock Exchange of Thailand
IFA's Opinion	: Independent Financial Advisor's Opinion on asset acquisition and connected transaction of S&J International Enterprises Public Company Limited
Notifications on Asset Acquisition and Disposal	: The Notification of the Capital Market Supervisory Board No. TorChor. 20/2551, Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated 31 August 2008 (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand, re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, dated 29 October 2004 (as amended)
Notifications on Connected Transaction	: The Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transaction dated 31 August 2008 and (as amended), and the Notification of the Securities and Exchange Commission Re: Disclosure of Information and Other Acts of Listed Companies Concerning Connected Transactions B. E. 2546 dated 19 November 2003 (as amended)
Public Limited Companies Act	: Public Limited Companies Act, B.E.2535 (as amended)
Securities and Exchange Act	: Securities and Exchange Act B.E.2535 (as amended)
P/E	: Price per earning ratio
P/BV	: Price per book value ratio

Section 1 : Executive Summary

The Board of Directors meeting of International Enterprises Public Company Limited ("the Company ") No. 3/2021 on 1 March 2021 has approved and proposed to the shareholders' meeting to consider and approve Top Trend Manufacturing Co., Ltd ("TTM") as the Company's subsidiary to purchase land property which, TTM's factory is located on, within Saha Group Industrial Park Sriracha from Saha Pathana Inter-Holding Public Company Limited ("SPI"). The land property's area is 10 rai 1 ngan 14.9 sq.wa (10-1-14.9 rai); deed No. 250323, 250324 and 250416, which will be purchased at the price not over than 10.15 million baht per rai or not over than 104.42 million baht in total and the price must be fully paid on the date of property transfer. SPI, as the seller, will be responsible for all fees associated with property transfer.

The land property is the location which TTM's factory is located on, and adjacent to TTM's land property which its warehouse located on. TTM has been leasing the land property from SPI since May 1989, by engaging in 2 leases; a 30-years lease and a short-term lease which has been extended consecutively. When the long-term lease had met its expiration in 2019, TTM negotiated for lease extension annually. Current term of the leases will meet their expiration on 30 April 2021 and 1 May 2021 respectively. According to the long-term lease agreement specifying that after the lease term has been expired, TTM shall transfer ownership of buildings and structures built on the lease property to SPI as the lessor. Thus, by purchasing the land property, TTM will own ownership in the property and does not have obligation to transfer ownership of the buildings and structures on the land property.

Due to TTM has its policy to control expenses as appropriated level, therefore TTM has proposed to purchase of the said land from SPI instead of leases. As TTM has been a good long-term customer of Saha Group Industrial Park Sriracha, and as the land property is located near an airport runway that cause a limitation on how high a building can be constructed on the property; which does not affect TTM's operation, TTM offered to purchase the property at the price 10.15 million baht per rai (which the appraised value by the appraiser is equal to 10.00 million baht per rai). Thus, the Board of Directors' meeting of the Company considered that the offer price is appropriate since it is comparable to the appraised price, and the Company and TTM will benefit from the transaction as the property is located on the industrial estate that has appropriate utilities for factories.

The transaction is considered an acquisition of assets as according to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated 31 August 2008 (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 dated 29 October 2004 (as amended) ("the Notification on Asset Acquisition or Disposal"). The maximum transaction size is equal to 2.04 percent of total assets of the Company, which is calculated based on total value of consideration according to the consolidated financial statements of the Company for year ended 31 December 2020. Regarding the Notifications on Asset Acquisition and Disposal, as the transaction size is lower than 15 percent of total assets of the Company and there is no securities issued to pay for the transaction, the transaction can be approved by the Board of Directors. The Company does not have to disclose information to the Stock Exchange of Thailand, nor have to call for a shareholders' meeting to consider the transaction. The Company did not have any asset acquisition during the past 6 months prior to the date which the Board of Directors approved the transaction.

Moreover, the transaction is considered as a connected transaction according to the Notification of the Capital Market Supervisory Board No.TorChor 21/2551 Re: Rules on Connected Transaction, dated 31 August 2008 and the amendments thereto, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, B.E. 2546 dated 19 November 2003 (as amended) ("the Notification on Connected Transaction"), because SPI is a major shareholder of the Company. As of 31 December 2020, SPI held 29,435,192 shares of the Company or 19.63 of issued and paid-up shares of the Company. The maximum transaction size is equal to 2.98 percent which is less than 3.00 percent of the Company's net tangible assets (NTA) according to the consolidated financial statements of the Company for year ended 31 December 2020. Therefore, the transaction is deemed as middle-size connected transaction which can be approved by the Board of Directors. The Company only have to disclose information to the Stock Exchange of Thailand, and does not have to call for a shareholders' meeting to consider the transaction.

However, in order to comply with good corporate governance practice, the Board of Directors had a resolution to propose an agenda to the shareholders meeting for approval. The Company had disclosed information on the transaction to SET, appointed an independent financial advisor to provide opinion on the transaction, and is arranging a shareholders' meeting to approve the transaction. The transaction must receive approval from the shareholders meeting with votes of not less than three-fourth of total number of the shareholders attending the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter.

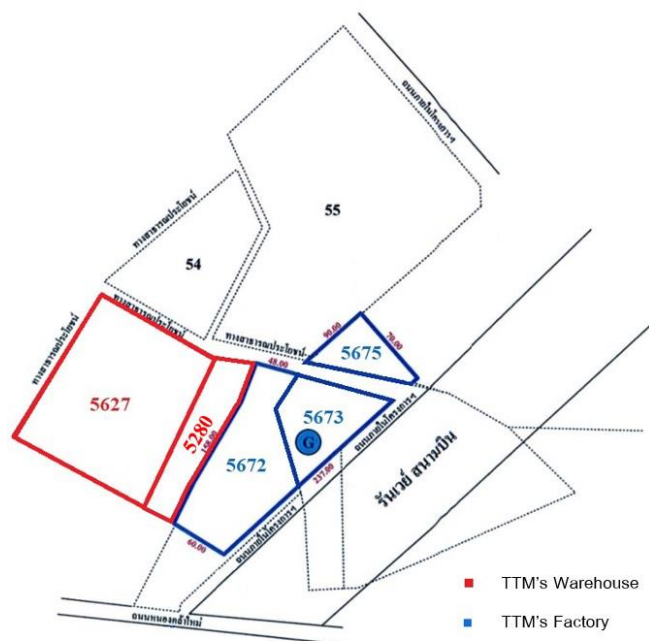
IFA has studied on relevant information such as criterias of the transaction, advantages and disadvantages of entering into the transaction, risks associated with entering into the transaction, advantages and disadvantages of not entering into the transaction, advantages and disadvantages of entering into the connected transaction and appropriateness of entering into the transaction. IFA's Opinion are summarized as follows;

Advantages of Entering into the Transaction

1. **TTM will own the land property which its factory is located on**

TTM will own the land property which its factory is located on. As a result, TTM will have ownership in land property that are the location of its factory and warehouse. By entering into the transaction, TTM is able to operate its business continuously while eliminating the risk of unable to extend the leases that will cause TTM to lose ownership in the buildings and structures on the land, have to seek for a new location, and have additional expenses for relocation. Moreover, the relocation may cause troubles to the company's operation as its warehouse is located adjacent to current factory buildings.

Land which TTM will purchase and the land already owned by TTM



2. Reduce the cost of land lease and the risk of increasing lease payment

By entering into the transaction, TTM will acquire ownership in land property that are the location of its factory and warehouse, and cut the lease expenses which in 2020, TTM paid for the leases 9.6 million baht in total. TTM will also be able to eliminate the risk of increasing lease payment as the lease expense has been increased approximately 10.00 percent per year. Moreover, the Appraiser estimated that the market rate of lease will increase around 5.00 percent every three years.

3. Chance to benefit from increasing property price

By entering into the transaction, TTM will acquire ownership in land property and has a chance to benefit from increasing price of land property that will increase the value of the company's assets. The price of land property in Chonburi province are on a rising trend from the development of EEC and high-speed trains.

4. Purchase price is close to the appraised value

As for the transaction, TTM will purchase land property of 10 rai 1 ngan 14.9 sq.wa at the price not over than 10.15 million baht per rai totaling not over than 104.42 million baht. The price is according to the negotiation as TTM has been a good long-term customer of Saha Group Industrial Park Sriracha over 30 years, and the land property is located near an airport runway that cause a limitation on how high a building can be constructed on the property. However, the limitation does not affect TTM's operation.

In comparison to the market value appraised for public purpose by Leading Appraisal and Service (Thailand) Co., Ltd ("LAS") which is an asset appraiser certified by Valuer Association of Thailand and SEC. market value of the property (land only) is 10.00 million baht per rai totaling 102.87 million baht. The purchase price is only 1.55 million baht or 1.5 percent higher than the market value appraised by LAS. Therefore, the price condition of the transaction is worthwhile since the land property is located within the industrial estate that has appropriate utilities for factories, close to communities and adjacent to TTM's warehouse, comparing to

expenses associate with factory relocation that may arise if TTM is unable to purchase the land and extend the lease causing the company to relocate.

Disadvantages of Entering into the Transaction

1. Lost an opportunity to seek for better location

By entering into the transaction, TTM will acquire ownership in land property that are the location of its factory and warehouse. The land property are fully occupied by TTM's factory buildings. TTM has increased production capacity during 2019 – 2020 and currently has approximate capacity of 49 million pieces per month which as of 2021, around 90 percent of the capacity has been utilized. Therefore, TTM may need more capacity in the future which the empty land owned by TTM adjacent to the warehouse can be used as a location for a new factory building.

By acquiring ownership of the land which the factory buildings located on, TTM does not have to seek for a new location, on the other hand, TTM also lose opportunity to search for a new location which may be better than current property.

2. Increase debt from loan and decrease financial liquidity

The acquisition of land property amounting to 104.42 million baht will be paid by TTM's working capital including cash flow from operating activities and short-term borrowing from financial institutions which the interest rate is between 0.90 – 1.5 percent per annum in terms of promisory notes which can be used for land acquisition. TTM expects to repay the borrowing within 3 years. By entering into the transaction, TTM will have increasing debt from loans which may cause TTM to have lower financial liquidity and approximately 1 million baht of interest expense per year. TTM's management will consider appropriate proportion of the source of funds to be used depending on the company's financial liquidity as of the transaction date.

However TTM currently has credit line for overdraft and short-term loans approximately 800 million baht in total and as of 31 December 2020, the company have yet to utilize it. Thus, TTM has enough financial resource for the transaction and business operations. As of 31 December 2020, TTM had 29 million baht of cash approximately.

Advantages of Not Entering into the Transaction

TTM will not have debt and financial cost from loan

If TTM does not enter into the transaction, it will not have to utilize the credit line of short-term loans and will not be charged with interest expense. Moreover, the company may spend its surplus cash flow in other investment which may offer better returns or it may pay dividend instead.

Disadvantages of Not Entering into the Transaction

1. Risk of unable to extend the lease

Though TTM is an affiliated company in Saha Group, with the nature of short-term lease, TTM is inevitably facing the risks of the leases being terminated or unable to be extended which may arise from several causes, for examples, the lessee may fail to pay the lease or do unauthorized construction which breaches the regulations of Saha Group Industrial Park etc.

Without entering into the transaction, TTM will not acquire ownership in the land property. If SPI does not agree to extend the leases, the current leases will reach their expiration and, according to the conditions of the lease contracts, TTM will lose ownership in its buildings and structures constructed on the lease property, or TTM may have to demolish the buildings if requested by SPI. TTM then will have to seek for a new location for its factory causing the company the cost of construction, relocation and installation.

Moreover, the relocation may cause troubles and expenses to the company's operation as its warehouse is located adjacent to current factory buildings.

2. Risk of increasing lease payment

In 2020 TTM paid 9.6 million baht for leases. If the company does not enter into the transaction and extend the leases, TTM will have the risks of increasing lease payment as the lease expense has been increased approximately 10.00 percent per year. Moreover, the Appraiser estimated that the market rate of lease will increase around 5.00 percent every three years.

3. Chance to benefit from increasing property price

If TTM does not enter into the transaction, it will loss a chance to benefit from increasing price of land property that will increase the value of the company's assets. The price of land property in Chonburi province are on a rising trend from the development of EEC and high-speed trains.

Advantages of Entering into the Connected Transaction

1. Ease of negotiation

By entering into the transaction with SPI which is TTM's major shareholders, TTM may be ale to proceed documentation and negotiation with ease comparing to entering into the transaction with other parties.

2. Trustworthiness in entering into the transaction

Even though the counterparties have not signed a promise of sale agreement, as SPI is the major shareholder of the Company and TTM, it has more trustworthiness comparing to other parties.

Disadvantages of Entering into the Connected Transaction

TTM may unable to negotiate for the best benefit from negotiation

As a connected transaction, by its nature, may cause a disadvantage in negotiation. As for the transaction with SPI which is the major shareholder of the Company and TTM, TTM may unable to negotiate for the best benefit as much as negotiating with oterh parties. However, regarding entering into the transaction, TTM and SPI negotiated for the land property considering their position as a customer and an service provider of the industrial estate, along with the limitation of building that can be construct on the property. As a result, both parties agreed to enter into the transaction at the price 10.15 million baht per rai. Thus, the Board of Directors' meeting of the Company considered that the Company and TTM will benefit from the transaction.

Risks from Entering into the Transaction

1. Financial liquidity after entering into the transaction

The Advisor has prepared a cash flow projection estimating TTM's financial liquidity after entering into the transaction. According to the projection, TTM will need approximately 110.0 million baht of loan for the transaction which TTM has 800.00 million baht of credit line which is adequate for the transaction. Using the financial information as of 31 December 2020, the Advisor estimated that in 2021 TTM's interest bearing debt to equity ratio will be 0.2 and interest coverage will be 121. The ratios represent that TTM will have low financial risk from entering into the transaction.

2. TTM may need additional investment to increase production capacity

The land property which TTM will purchase are fully occupied by TTM's factory buildings. TTM has increased production capacity during 2019 – 2020 and currently has approximate capacity of 49 million pieces per month which as of 2021, around 90 percent of the capacity has been utilized. If TTM need to increase production capacity more than usable area of the current buildings, TTM may have to acquire more land property and construct new factory to install additional production lines, or relocate existing production lines that will cause the company substantial investment.

However, TTM owns the empty land adjacent to the warehouse which can be used as a location for a new factory building.

IFA's Opinion on Reasonableness of Entering into the Transaction

After considering the advantages and disadvantages of entering into the transactions, along with the advantages and disadvantages of not enter into the transaction, the Advisor opined that the entering into the transactions is reasonable.

After considering the advantages and disadvantages of entering into the transactions, the advantages and disadvantages of entering into the connected transaction, along with the risks from entering into the transaction and criterias of the transaction, **the Advisor opined that the acquisition of assets and connected transaction are reasonable, and the criterias of the transaction are appropriate.**

Valuation

To consider appropriateness of the transaction price, the Advisor has compared the appraised price by LAS and the net present value of cash flow paid for the lease payment and the asset acquisition, which can be summarized as followed;

1. Comparison of appraised value and purchase price

Market value of the land property that TTM will purchase from SPI is appraised by LAS using the market approach. On 15 October 2020, the value is 10.00 million baht per rai, which is lower than the transaction price of 10.15 million baht by 1.5 percent.

2. Cost Comparison between Lease Payment and Land Purchase

The net present value of the lease payment using the discounted cash flow method is equal to 183.09 million baht, while the cost of asset acquisition is 104.42 million baht. Thus, the net present value of the lease payment is higher than the cost of asset acquisition by 73.54 percent.

IFA's Opinion on Appropriateness of Price

After considering the appropriateness of transaction price by comparing the fair value appraised by LAS and the transaction price, and by comparing the net present value of cash flow paid for the lease payment and the asset acquisition, **the Advisor opined that the Company will receive more benefit from entering into the transaction rather than not.**

Summary of IFA's Opinion

After considering reasonableness of the transaction and appropriateness of the transaction price, by comparing the fair value appraised by LAS, and by comparing the cost and expenses between the lease payment and the asset acquisition, **the Advisor opined that the acquisition of assets and connected transaction are reasonable and beneficial to the Company's shareholders, the criterias of the transaction are appropriate and shareholders should approve the acquisition of land property.**

However, shareholders should consider reasonableness, criteria and conditions of the transaction, as well as the IFA's opinion which are were on the assumptions that gathered information, documents and drafts of document received by the Advisor, including interviews with the management and relevant parties were complete and accurate. Shareholders should also consider conditions and criterias of the transaction.

The Advisor is of the opinion that the assumptions used in this report are reasonable in accordance with economic condition and existing information during the study period. Any future possible change may be the factors affecting the IFA's opinion. Hence, decision-making on whether to approve or disapprove entering into the transaction will mainly depend on shareholders' consideration.

Section 2 : Practice and Information Used in the Preparation of IFA Report

The IFA considered and studied the transactions which are an acquisition and a connected transaction from the information received from the Company, the management's interviews, public information, and relevant information including, but not limited to;

1. The resolutions of the Board of Directors and the information memorandum relevance to the connected transaction which were disclosed to SET
2. Documents of the Company, SPI and TTM such as, affidavit, memorandum of association, and article of association etc.
3. Audited financial statements of the Company, SPI and TTM for year ended 2018 - 2020
4. Information on credit line and relevance documents of TTM
5. Land rental agreements between SPI and TTM and Land sales proposal from SPI
6. Appraisal report of SPI's land property which will be bought by TTM
7. Interviews with the Company's management and relevant parties
8. The Annual Registration Statement (Form 56-1) of the Company
9. SET Statistics and Industry Outlook

The IFA's opinion based on the assumption that information and/or document in which the IFA receive as well as interview with the Company and management as well as relevant person were true and accurate. The Advisor has carefully considered and studied such information to comply with professional standard. Moreover, the Advisor considered that all contracts and business agreements were effective and legally enforceable and the conditions of such agreement will not be changed, revoked or canceled, and there is no circumstance or any condition which might significantly affect the transaction.

Therefore, in case that information and/or documents which the IFA received is untrue and/or inaccurate or the contracts and business agreements are not effective and/or not legally enforceable and/or the conditions of contracts and business agreements are changed, revoked or canceled, and/or there is any circumstance or condition that might cause significant effect to the transactions which may affect opinion of the IFA. The IFA, therefore, will not be able to provide an opinion on such effect to the Company and its shareholders.

The IFA's opinion was prepared based on the information received by the IFA including information on the industry, economic condition, and other factors occurred during the preparation, which may significantly change later and affected the IFA's opinion. The Advisor does not have an obligation to edit the report on the IFA Report.

The IFA Report was prepared for the Company's shareholders as additional information. However, the IFA Report does not guarantee success of the transaction, including possible impacts, and the IFA will not be able to, either directly or indirectly, response for any impact cause from entering into the transaction.

Section 3 : Characteristics and Details of the Transaction

3.1 Characteristics of the Transaction

Top Trend Manufacturing Co., Ltd ("TTM") as the Company's subsidiary will purchase land property which, TTM's factory is located on, within Saha Group Industrial Park Sriracha from Saha Pathana Inter-Holding Public Company Limited ("SPI"). The land property's area is 10 rai 1 ngan 14.9 sq.wa (10-1-14.9 rai); deed No. 250323, 250324 and 250416, which will be purchased at the price not over than 10.15 million baht per rai or not over than 104.42 million baht in total and the price must be fully paid on the date of property transfer. The transaction is expected to be completed within May 2021. SPI, as the seller, will be responsible for all fees associated with property transfer.

The land property is the location which TTM's factory is located on, and adjacent to TTM's land property which its warehouse located on. TTM has been leasing the land property from SPI since May 1989, by engaging in 2 leases; a 30-years lease and a short-term lease which has been extended consecutively. When the long-term lease had met its expiration in 2019, TTM negotiated for lease extension annually. Current term of the leases will meet their expiration on 30 April 2021 and 1 May 2021 respectively.

According to the long-term lease agreement specifying that after the lease term has been expired, TTM shall transfer ownership of buildings and structures built on the lease property to SPI as the lessor. Thus, by purchasing the land property, TTM will own ownership in the property and does not have obligation to transfer ownership of the buildings and structures on the land property.

3.2 Transaction Date

TTM, which is a subsidiary of the company, will enter into an agreement to purchase land with area of 10 rai 1 ngan and 14.9 square wah or 10.28725 rai, which TTM's factory is located on, from SPI. The transaction is expected to be proceed after the Company obtained an approval from the shareholders' meeting which will be held on 27 April 2021, and is expected to be completed within May 2021.

3.3 Relevant Parties and Relationships

Purchaser : Top Trend Manufacturing Co., Ltd ("TTM")

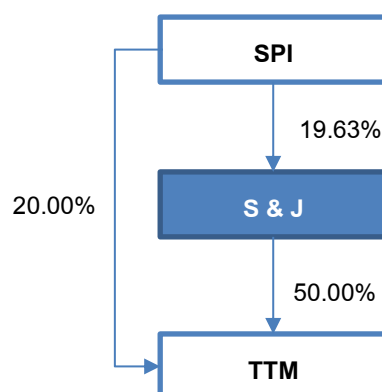
Seller : Saha Pathana Inter-Holding Public Company Limited ("SPI")

Relationship with the Company

SPI is a connected person according to the Notification of the Connected Transaction since SPI is the major shareholder of the Company and TTM, and TTM is the Company's subsidiary. As of 31 December 2020, SPI holds 29,435,192 shares or equivalent to 19.63 percent of the issued and paid-up shares of the Company and holds 24,000,000 shares or 20.00 percent of the issued and paid-up shares of TTM.

The Company, TTM and SPI also share one director in common, namely Mr. Boonkiet Chokwatana, who holds 10,298,408 shares, or 6.87 percent of the Company's issued and paid-up shares. In addition, there is another director of SPI who is also a shareholder of the Company, namely Mr. Boonyasit Chokwatana, who holds 3,452,374 shares or 2.30 percent of the issued and paid-up shares.

Shareholding relationship of SPI, S&J and TTM



3.4 Transaction Size Calculation

3.4.1 Acquisition of Assets

The transaction is considered as an acquisition of assets which the size of transaction, regarding the Notification of the Connected Transaction, can be calculated based on the audited consolidated financial statements for the period ended 31 December 2020. The transaction size calculated under the total value of consideration basis shows the highest value which is 2.04 percent of the Company's total asset.

$$\begin{aligned}
 \text{transaction size} &= \text{Total value of consideration} \times 100 / \text{total assets of the Company} \\
 &= 104,415,588 \times 100 / 5,115,102,020 \\
 &= 2.04 \text{ percent}
 \end{aligned}$$

According to the Notification on Asset Acquisition or Disposal, the transaction is considered as an acquisition of assets with transaction size of less than 15 percent of the total assets of the Company without securities issuance as payment. Therefore, the transaction can be approved by the Board of Directors and the Company neither does not have to disclose information on the transaction to the Stock Exchange of Thailand, nor propose the agenda to the Shareholders' meeting for approval. The company did not have any acquisition or disposition of assets within the past 6 months prior to the date the Board of Directors approved the transaction.

3.4.2 Connected Transaction

The acquisition of assets is considered as a connected transaction according to the Notification of the Connected Transaction since SPI is a connected person according to the Notification of the Connected Transaction. SPI is a major shareholder of the Company which, as of 31 December 2020, holds 29,435,192 shares in the Company or equivalent to 19.63 percent of the total issued and paid-up shares of the Company. Regarding calculation of the transaction size based on the consolidated financial statements of the Company. For the period ended 31 December 2020, the maximum transaction size is 2.98 percent is higher than 3.00 percent of the Company's net tangible assets. The transaction is considered as a medium-size connected transaction which can be approved by the Board of Director. Therefore, the Company only have to disclose information to SET but does not have to arrange a shareholders' meeting to approve the transaction.

$$\begin{aligned}
 \text{Transaction size} &= \text{Highest possible transaction value} \times 100 / \text{Net tangible assets (NTA)} \\
 &= 104,415,588 \times 100 / 3,505,348,541 \\
 &= 2.98 \text{ percent}
 \end{aligned}$$

However, in compliance to a good corporate governance practice, the Board of Directors has resolve to propose the issue to the shareholders' meeting for approval. The Company, therefore, disclosed the information on the transaction to SET, appointed an independent financial advisor to give opinions on the transaction, and will arrange a shareholders' meeting to approve the transaction. The transaction must be approved by the shareholders' meeting, with votes of not less than three-fourths of total number of votes of shareholders who attend the meeting and have the rights to vote, excluding those who have an interest in the matter.

3.5 Details of the Assets

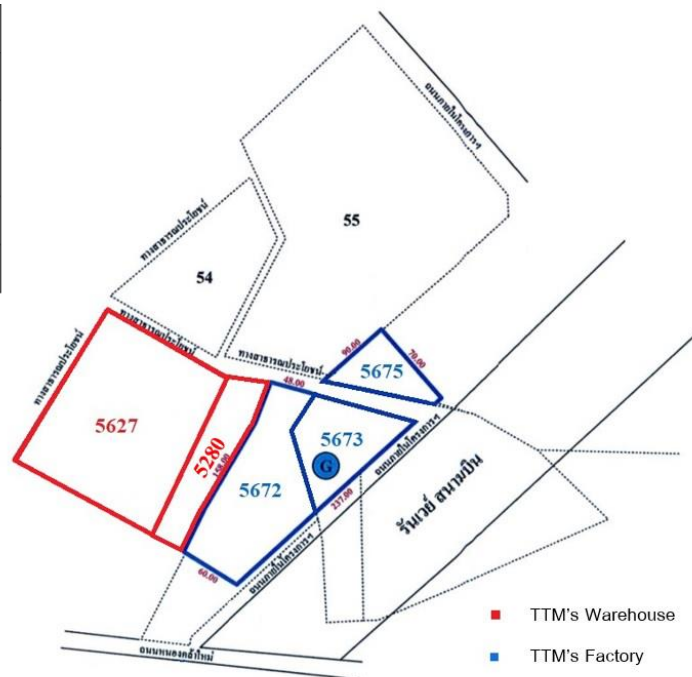
Asset Type	Real property (Land)
Asset Details	Land with utilities located on 3 plots of land on a public road within Saha Group Industrial Park Sriracha and adjacent to TTM's real property which its warehouse located on.
Location	Saha Group Industrial Park Sriracha, Sukhaphiban Road, Bung, Sriracha, Chonburi Province
Deed No.	250323, 250324 and 250416 (New deed numbers assigned after survey)
Land Code	5672, 5673 and 5675
Land Area	10 rai 1 ngan 14.9 sq.wa or 10-1-14.9 rai
Environment	The surrounding environment of the property is industrial area in Saha Group Industrial Park consisting of factories, warehouses and surrounding communities including housing estates, banks, shops, fresh markets and residential housing.
City Planning	The real property is located in Pink zone (residential) of Chonburi's Land Use Zoning Plan
Expropriation	None
Highest and Best Use	Industry
Onwership	Freehold
Ownwer	SPI
Obligation related to the Assets	None

Location of the land property which TTM will purchase from SPI



Plot of lands which will be acquired by TTM

Area of property to be purchase	
Land code	Area
5672	5-1-8.6 rai
5673	2-3-72.8 rai
5675	2-0-33.5 rai
Total	10-1-14.9 rai



Source: the Company

The land property is currently under lease agreement between TTM and SPI, with the details as followed;

Details of current rental agreements

1. Lease agreement No. 1

Counterparty	:	TTM (Lessee) and SPI (Lessor)
Leased Property	:	Partial of land deed No. 18575 with land area of 8,439.68 sq. m. ¹ (5.27 rai approximately) in Saha Group Industrial Park Sriracha, Sukhaphiban Road, Bung, Sriracha, Chonburi Province
Leasing Period	:	30 years 2 May 1989 – 1 May 2019 Admendment 1: 2 May 2019 – 1 May 2020 Admendment 2: 2 May 2020 – 1 May 2021
Rate of lease	:	45 baht/sq. m./ month (379,785.60 baht/ month in total) Overdue lease payment will be charged 15 percent per annum Lease payment is adjusted 50 percent every 5 years throughout the contract
Important criteria related to buildings and structures	:	Lessee can built and renovate buildings after receives consent from Lessor Lessee cannot pledge, sell on consignment, cause any obligation on, or demolish the buildings located on the leased property without consent, in written document, from Lessor. However, the Lessee may decorate, renovate or repair the buildings without demolishing building structure. Owership in all buildings and structures within the lease property shall be transferred to the Lessor immediately once the lease term reaches expiration. The Lessor may request the Lessee to demolish the buildings or clear land area back to original condition or a condition the Lessor consented, by the Lessee own expense. If the contract is terminated because the Lessee has breached the contract, the Lessor has the right to take ownership in the assets immediately.

2. Lease agreement No. 2

Counterparty	:	TTM (Lessee) and SPI (Lessor)
Leased Property	:	Partial of land deed No. 18575, 156896 and 156899 with land area of 9,347 sq. m. ¹ (5.84 rai approximately) in Saha Group Industrial Park Sriracha, Sukhaphiban Road, Bung, Sriracha, Chonburi Province
Leasing Period	:	Short-term agreement which current agreement term is one year between 1 Jan 2021 – 30 Apr 2021

Rate of lease	:	45 baht/sq. m./ month (420,615 baht/ month in total) Outstanding lease pay Overdue lease payment will be charged 15 percent per annum
Important criteria related to buildings/structures	:	Lessee can built and renovate buildings after receives consent from Lessor Lessee cannot pledge, sell on consignment, cause any obligation on, or demolish the buildings located on the leased property without consent, in written document, from Lessor. However, the Lessee may decorate, renovate or repair the buildings without demolishing building structure. Once the lease term reaches expiration, the Lessee must return the lease property back to the Lessor in good condition, and remove their possessions from the lease property immediately, or else the Lessee has breached the contract, the Lessor has the right to take ownership in the assets.

Note: ¹ Total area of the leases is equal to 17,786.68 sq. m. or 11-0-47 rai approximately. The area is calculated without survey. After the property survey to divide the plots and issue new deeds, the area of land property to be purchased is equal to 10 rai 1 ngan 14.9 sq.wa (10-1-14.9 rai), deed No. 250323, 250324 and 250416. The difference in land area is due to property survey on public area.

3.6 Value of Consideration and Criteria

The property which TTM, as a subsidiary of the Company, will acquire has total area of 10 rai 1 ngan 14.9 square wah or 10-1-14.9 rai, at the price not over than 10.15 million baht per rai or at the total purchase of not exceeding 104.42 million baht. The purchase price is based on the land price quotation letter of the project dated 28 January 2020, the standard price of land within Saha Group Sriracha Industrial Park owned by SPI, and a negotiation between TTM and SPI. TTM has negotiated with SPI and received the offer price because TTM has been a good long-term customer of Saha Group Industrial Park Sriracha, and as the land property is located near an airport runway that cause a limitation on how high a building can be constructed on the property.

TTM has appointed Leading Appraisal and Service (Thailand) Co., Ltd ("LAS") which is an asset appraiser certified by Valuer Association of Thailand and SEC, to appraised market value of the property; for public purpose, as of 15 October 2020. The market value of the land property appraised by LAS was 10.00 million baht per rai totaling 102.87 million baht. The purchase price is only 1.5 percent higher than the market value appraised by LAS.

3.7 Criterias of the Transaction

TTM and SPI have yet to signed a promise of sale agreement, but will engage in the sales and property transfer agreement after the Company received approval from the shareholders. The transaction is under the following criterias.

1. Purchase price not over than 10.15 million baht per rai.
2. The transaction must be fully paid on the date of property transfer.
3. SPI will responsible for all fee associated with property transfer.

3.8 Source of Fund and Payment Plan for the Transaction

TTM will use working capital of the company as a source of fund for the transaction which includes cash flow from operating activities and short-term borrowing from financial institutions which TTM currently has credit line for short-term loans approximately 740 million baht in total which the interest rate is between 0.90 – 1.5 percent per annum in terms of promissory notes which can be used for land acquisition. As of 31 December 2020, the company have yet to utilize it. Thus, TTM has enough financial resource for the transaction and business operations. TTM expects to repay the borrowing within 3 years and approximately 1 million baht of interest expense per year. As of 31 December 2020, TTM had 29 million baht of cash approximately. In this regard, TTM's management will consider appropriate proportion of the source of funds to be used depending on the company's financial liquidity as of the transaction date.

3.9 Expected benefit to the Company

By entering into the land purchase transaction, the Company expects to receive the following benefits:

- (1) TTM will acquire ownership of land which it's factory is located on and used for business operation, and will not have a risk that the lease agreements is being terminated or is not being renewed. The risk may cause TTM to have to acquire new property and factory for relocation, which will affect the continuity of TTM business and may incur higher expenses in compared to entering into this transaction.
- (2) Due to the terms of agreement specified in of the original 30-year lease agreement between SPI and TTM, upon expiration of the agreement, ownership of buildings located on the property will be transferred to SPI as the lessor of land. The original lease agreement has already expired since 1 May 2019, and both parties agree to extend the agreement annually, which the latest agreement will expire on 1 May 2021. By entering into the land purchase transaction, TTM will not lose ownership of the buildings.
- (3) Reduce rental expense, where TTM currently pays land rental amounting to approximately 9.6 million Baht per year.
- (4) Avoid a risk of rental price to be increased in the future.

Section 4 : Reasonableness of the Transaction

4.1 Objective of the Transaction

TTM as the Company's subsidiary will purchase land property, deed No. 250323, 250324 and 250416, total land area of 10 rai 1 ngan 14.9 sq.wa within Saha Group Industrial Park Sriracha. TTM's factory is located on the property which TTM leased from SPI since May 1989.

TTM planned to purchase the property instead of a lease at the price not over than 10.15 million baht per rai totaling not over than 104.42 million baht and the price must be fully paid on the date of property transfer. The transaction is expected to be completed within May 2021. SPI, as the seller, will be responsible for all fees associated with property transfer.

4.2 Necessity of the Transaction

TTM has factory and warehouse located in Saha Group Industrial Park Sriracha. The property consists of; the factory located on the land with land area of 10 rai 1 ngan 14.9 sq.wa which TTM leases from SPI, and the warehouse located on the land approximately 16 rai, which is TTM's property.

TTM has been leasing the land property from SPI since May 1989, by engaging in 2 leases; a 30-years lease and a short-term lease which has been extended consecutively. When the long-term lease had met its expiration in 2019, TTM negotiated for lease extension annually. In 2020, TTM paid for the lease 9.6 million baht and the current term of the leases will meet their expiration on 30 April 2021 and 1 May 2021 respectively. Therefore, TTM is facing the risk of unable to extend the lease and the risk that the rental rate may be increased in the future. By purchasing the land property, TTM will own ownership in the property and does not have obligation to transfer ownership of the buildings and structures on the land property.

Moreover, the land property within the industrial estate is appropriate for industrial factory, the property location is close to the Company which is one of TTM's major customers, and the location is also in a center of industrial production and logistic in Eastern Thailand, with convenient transportation.

4.3 Advantages and Disadvantages of Entering into the Transaction

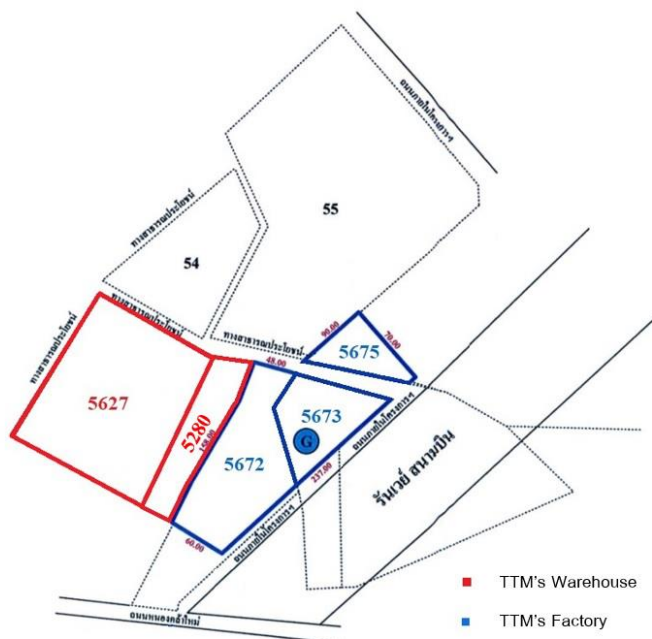
4.3.1 Advantages of Entering into the Transaction

1. TTM will own the land property which its factory is located on

TTM will own the land property which its factory is located on. As a result, TTM will have ownership in land property that are the location of its factory and warehouse and is able to operate continuously without the risk of unable to extend the lease. The current term of the leases will meet their expiration on 30 April 2021 and 1 May 2021 respectively. If TTM is unable to extend the lease, the lease agreement will reach expiration and according to the long-term lease agreement, after the lease term has been expired, ownership in all buildings within the lease property shall be transferred to the lessor immediately or the lessor may request demolish the buildings or clear land area back to original condition. As a result, TTM to lose ownership in the buildings and structures on the land, have to seek for a new location, and have additional expenses for relocation. Moreover,

the relocation may cause troubles to the company's operation as its warehouse is located adjacent to current factory buildings.

Land which TTM will purchase and the land already owned by TTM



2. Reduce the cost of land lease and the risk of increasing lease payment

By entering into the transaction, TTM will acquire ownership in land property that are the location of its factory and warehouse, and cut the lease expenses which in 2020, TTM paid for the leases 9.6 million baht in total. TTM will also be able to eliminate the risk of increasing lease payment as the lease expense has been increased approximately 10.00 percent per year. Moreover, the Appraiser estimated that the market rate of lease will increase around 5.00 percent every three years.

3. Chance to benefit from increasing property price

By entering into the transaction, TTM will acquire ownership in land property and has a chance to benefit from increasing price of land property that will increase the value of the company's assets. The price of land property in Chonburi province are on a rising trend from the development of EEC and high-speed trains.

4. Purchase price is close to the appraised value

As for the transaction, TTM will purchase land property of 10 rai 1 ngan 14.9 sq.wa at the price not over than 10.15 million baht per rai totaling not over than 104.42 million baht. The price is according to the negotiation as TTM has been a good long-term customer of Saha Group Industrial Park Sriracha, and the land property is located near an airport runway that cause a limitation on how high a building can be constructed on the property. However, the limitation does not affect TTM's operation.

In comparison to the market value appraised for public purpose by Leading Appraisal and Service (Thailand) Co., Ltd ("LAS") which is an asset appraiser certified by Valuer Association of Thailand and SEC. market value of the property (land only) is 10.00 million baht per rai totaling 102.87 million baht. The purchase price is only 1.55 million baht or 1.5 percent higher than the market value appraised by LAS. Therefore, the price condition of the transaction is worthwhile since the land property is located within the industrial estate that has appropriate utilities for factories, close to communities and adjacent to TTM's warehouse, comparing to expenses associate with factory relocation that may arise if TTM is unable to purchase the land and extend the lease causing the company to relocate.

4.3.2 Disadvantages of Entering into the Transaction

1. Lost an opportunity to seek for better location

By entering into the transaction, TTM will acquire ownership in land property that are the location of its factory and warehouse. The land property are fully occupied by TTM's factory buildings. TTM has increased production capacity during 2019 – 2020 and currently has approximate capacity of 49 million pieces per month which as of March 2021, around 90 percent of the capacity has been utilized. Therefore, TTM may need more capacity in the future which the empty land owned by TTM adjacent to the warehouse can be used as a location for a new factory building.

By acquiring ownership of the land which the factory buildings located on, TTM does not have to seek for a new location, on the other hand, TTM also lose opportunity to search for a new location which may be better than current property.

2. Increase debt from loan and decrease financial liquidity

The acquisition of land property amounting to 104.42 million baht will be paid by TTM's working capital including cash flow from operating activities and short-term borrowing from financial institutions which the interest rate is between 0.90 – 1.5 percent per annum in terms of promisory notes which can be used for land acquisition. TTM expects to repay the borrowing within 3 years. By entering into the transaction, TTM will have increasing debt from loans which may cause TTM to have lower financial liquidity and approximately 1 million baht of interest expense per year. TTM's management will consider appropriate proportion of the source of funds to be used depending on the company's financial liquidity as of the transaction date.

However TTM currently has credit line for overdraft and short-term loans approximately 800 million baht in total and as of 31 December 2020, the company have yet to utilize it. Thus, TTM has enough financial resource for the transaction and business operations. As of 31 December 2020, TTM had 29 million baht of cash approximately.

4.4 Advantages and Disadvantages of Not Entering into the Transaction

4.4.1 Advantages of Not Entering into the Transaction

TTM will not have debt and financial cost from loan

If TTM does not enter into the transaction, it will not have to utilize the credit line of short-term loans and will not be charged with interest expense. Moreover, the company may spend its surplus cash flow in other investment which may offer better returns or it may pay dividend instead.

4.4.2 Disadvantages of Not Entering into the Transaction

1. Risk of unable to extend the lease

Though TTM is an affiliated company in Saha Group, with the nature of short-term lease, TTM is inevitably facing the risks of the leases being terminated or unable to be extended which may arise from several causes, for examples, the lessee may fail to pay the lease or do unauthorized construction which breaches the regulations of Saha Group Industrial Park etc.

Without entering into the transaction, TTM will not acquire ownership in the land property. If SPI does not agree to extend the leases, the current leases will reach their expiration and, according to the conditions of the lease contracts, TTM will lose ownership in its buildings and structures constructed on the lease property, or TTM may have to demolish the buildings if requested by SPI. TTM then will have to seek for a new location for its factory causing the company the cost of construction, relocation and installation.

Moreover, the relocation may cause troubles and expenses to the company's operation as its warehouse is located adjacent to current factory buildings.

2. Risk of increasing lease payment

In 2020 TTM paid 9.6 million baht for leases. If the company does not enter into the transaction and extend the leases, TTM will have the risks of increasing lease payment as the lease expense has been increased approximately 10.00 percent per year. Moreover, the Appraiser estimated that the market rate of lease will increase around 5.00 percent every three years.

3. Chance to benefit from increasing property price

If TTM does not enter into the transaction, it will lose a chance to benefit from increasing price of land property that will increase the value of the company's assets. The price of land property in Chonburi province are on a rising trend from the development of EEC and high-speed trains.

4.5 Advantages and Disadvantages of Entering into the Connected Transaction

4.5.1 Advantages of Entering into the Connected Transaction

1. Ease of negotiation

By entering into the transaction with SPI which is TTM's major shareholders, TTM may be able to proceed documentation and negotiation with ease comparing to entering into the transaction with other parties.

2. Trustworthiness in entering into the transaction

Even though the counterparties have not signed a promise of sale agreement, as SPI is the major shareholder of the Company and TTM, it has more trustworthiness comparing to other parties.

4.5.2 Disadvantages and Disadvantages of Entering into the Connected Transaction

TTM may unable to negotiate for the best benefit from negotiation

As a connected transaction, by its nature, may cause a disadvantage in negotiation. As for the transaction with SPI which is the major shareholder of the Company and TTM, TTM may unable to negotiate for the best benefit as much as negotiating with other parties. However, regarding entering into the transaction, TTM and SPI negotiated for the land property considering their position as a customer and a service provider of the industrial estate, along with the limitation of building that can be constructed on the property. As a result, both parties agreed to enter into the transaction at the price 10.15 million baht per rai. Thus, the Board of Directors' meeting of the Company considered that the Company and TTM will benefit from the transaction.

4.6 Risks from Entering into the Transaction

1. Financial liquidity after entering into the transaction

The Advisor has prepared a cash flow projection estimating TTM's financial liquidity after entering into the transaction as followed;

Transactions (Million Baht)	Actual		Forecast				
	2019	2020	2021	2022	2023	2024	2025
revenue from operations	1,004.88	1,117.50	1,000.00	1,030.00	1,060.90	1,092.73	1,125.51
Cash flow from operating activities	128.53	242.70	97.35	99.99	100.74	101.42	101.92
Cash flow from investing activities	(166.70)	(107.69)	(210.38)	(103.00)	(106.09)	(109.27)	(112.55)
Cash flow from financial activities	50.36	(132.00)	110.00	5.00	5.00	5.00	15.00
Net cash flow	12.19	3.00	(3.04)	1.99	(0.35)	(2.85)	4.36
Total assets	925.85	877.53	958.40	942.12	916.26	880.45	844.18
Interest bearing debt	120.00	-	110.00	115.00	120.00	125.00	140.00
Total liabilities	253.89	141.76	236.89	245.01	253.22	261.54	279.96
Total shareholders' equity	671.96	735.77	721.52	697.11	663.03	618.91	564.23
<i>Interest coverage (time)</i>	62.9	283.8	120.6	51.7	44.2	38.3	32.4
<i>Interest bearing debt per equity (time)</i>	0.2	-	0.2	0.2	0.2	0.2	0.2

In order to estimate TTM's revenue, the Advisor has prepared a financial projection estimating revenue from operations in 2021 to grow at declining rate of 10.0 percent comparing to the previous year to reflect the effect of COVID-19 in 2020. Revenue will grow 3.0 percent per annum from 2022 onward which is equal to TTM's growth rate during 2016 – 2019. According to the projection, TTM will need approximately 110.0 million baht of loan for the transaction which TTM has 800.00 million baht of credit line which is adequate for the transaction. Using the financial information as of 31 December 2020, the Advisor estimated that in 2021 TTM's interest bearing debt to equity ratio will be 0.2 and interest coverage will be 121. The ratios represent that TTM will have low financial risk from entering into the transaction.

2. TTM may need additional investment to increase production capacity

The land property which TTM will purchase are fully occupied by TTM's factory buildings. TTM has increased production capacity during 2019 – 2020 and currently has approximate capacity of 49 million pieces per month which as of 2021, around 90 percent of the capacity has been utilized. If TTM need to increase production capacity more than usable area of the current buildings, TTM may have to acquire more land property and construct new factory to install additional production lines, or relocate existing production lines that will cause the company substantial investment.

However, TTM owns the empty land adjacent to the warehouse which can be used as a location for a new factory building.

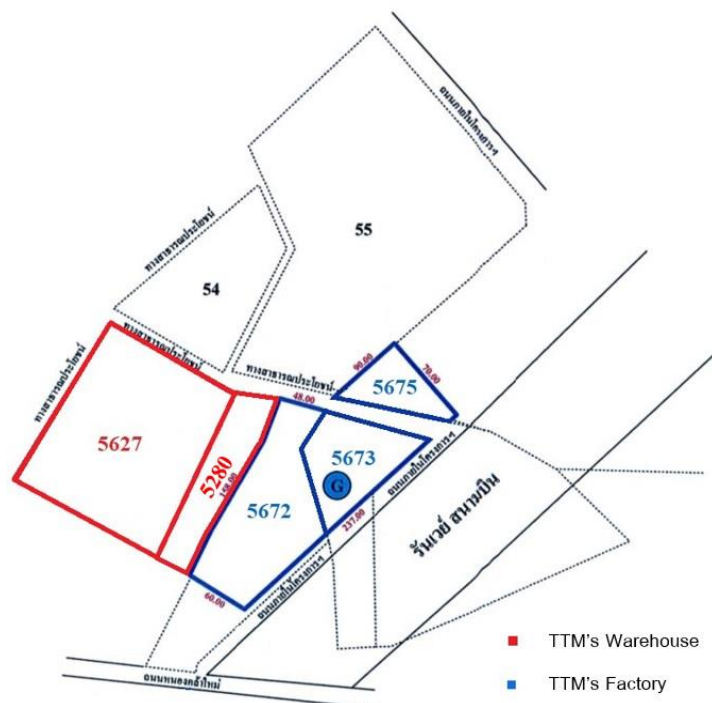
4.7 IFA's Opinion on Reasonableness of the Transaction

After considering advantages and disadvantages of entering into the transaction, advantages and disadvantages of not enter into the transaction, advantages and disadvantages of entering into the connected transaction, the risks associated with the transaction, along with criterias of the transaction, the Advisor opined that the price of the acquisition of land property within the industrial estate where TTM's factory is located on is only 1.55 million baht or 1.5 percent higher than the appraised value. Thus, the transaction is worthwhile since the land property is located within the industrial estate that has appropriate utilities for factories, close to communities and adjacent to TTM's warehouse, comparing to expenses associate with factory relocation that may arise if TTM is unable to purchase the land and extend the lease causing the company to relocate. Moreover, TTM will have ownership in land property that are the location of its factory and warehouse. By entering into the transaction, TTM is able to operate its business continuously while eliminating the risk of unable to extend the leases and can save lease expense approximately 9.6 million baht per year.

As a whole, the acquisition of assets which is considered as a connected transaction according to the Notifications on Connected Transaction will benefit TTM and the Company, as well as the Company's shareholders. Thus **the Advisor opined that the transaction is reasonable, and the criterias of the transaction are appropriate.**

Section 5 : Valuation

TTM as the Company subsidiary will purchase land property of 10 rai 1 ngan 14.9 sq.wa (or 10-1-14.9 rai), deed No. 250323, 250324 and 250416. The layout of land property which TTM will acquire is as followed;



Source: The Company

To consider appropriateness of the transaction price, the Advisor has compared the appraised price by LAS and the net present value of cash flow paid for the lease payment and the asset acquisition, which can be summarized as followed;

5.1 Comparison of appraised value and purchase price

TTM appointed Leading Appraisal and Service (Thailand) Co., Ltd (“the Appraiser” or “LAS”) as the independent appraiser. LAS appraised market value of the property on 15 October 2020 using market approach. The details are as followed;

(1) Asset Details

Type of appraised asset ¹	:	Land property, deed No. 18575 156896 156899 and 31576, buildings excluded
Area and shape of land plots ¹	:	Appraised land area of 10-3-50.0 rai (or 10-3-50.0 rai) The land property is in polygonal shape with 237.00 m width and 70.00 m dept. South side: Facing main road of the industrial estate. Other sides: Facing other land and buildings

Geology, surface level and utilization of land	:	Leveled and flat. Ground level is equal to the main road facing the plots
Location	:	Saha Group Industrial Park Sriracha, located in Laem Chabang, Moo 11 Hnong Kham, and Moo1 Bung, Sriracha, Chonburi
Ownership	:	Freehold
Owner	:	Saha Pathana Inter-Holding Public Company Limited
Obligation related to the Assets ^{/1}	:	Deed No. 18575: partly in a 10-years long-term lease ^{/2} from 1 Oct 2014. Deed No. 31576: Documentation not found on the appraised date
Utilities	:	Electricity, water supply, telephone, drainage and street lights
City Planning	:	The real property is located in pink zone (residential) according to the ministerial regulations on Chonburi's city plan B.E. 2560 Pink zone is determined for "community area" which the real property in the zone can be utilized for residential housing, commerce, agriculture, educational institutions, religion institutions, government agencies, utilities and public assistance.
Government appraised value ^{/1}	:	Deed No. 18575 and 31576: 10,000 baht/ sq. wa Deed No. 156896 and 156899: Not surveyed

Remark: ^{/1} Land area prior the property survey which was conducted to divide into new plots of land and issue new deed. The new deed number assigned to the plot of lands are 250323, 250324 and 250416 with the surveyed land area of 10 rai 1 ngan 14.9 sq.wa. The difference in land area is due to property survey which public area and land property area are precizedly surveyed.

^{/2} According to the new deed issued after property survey, the land property is owned by SPI without any obligation related to the assets.

(2) *Highest and Best Use*

The Appraiser opined that appropriate purpose of usage to achieve the highest and best use of the asset is for industrial purpose.

(3) *Valuation Method*

LAS applied market approach to evaluate the market value of the asset by comparing the market information of comparable assets proposing for sales ("Market information") to consider the different characteristics of the assets. This approach requires adequate market information while LAS compared several factors that may affect value of the appraised asset with the market information, such as location, city planning, plost size, usable area, quality of buildings etc. The Appraiser then appraised the market value using appropriate techniques such as sales adjustment-grid method or weighted quality score (WQS).

For the valuation using market approach, as the comparable assets were different from the appraised asset in some factors affecting the asset value, LAS then adjusted the valuation using WQS which is a method that weights the effect of each factors associated to asset value. Factors which highly affect the asset value receive more weight. Total weight of all factors are equal to 100.0. The Appraiser then estimated scores for each factor and multiplied with the weight of the factor. The result is WQS of the asset.

Market Comparison

Properties of Land	Peer 1	Peer 2	Peer 3
Asset Type	Empty land	Empty land (facing beach and cliffs)	Empty land (facing main road)
Location	Lam Thong road	Hnong Khla Mai road	Rai Nueng-Hnong Kham road
Land area (rai)	7-3-12.0	10-0-0	1-3-76.0
Shape of land plot	Rectangular-like	Rectangular-like	Rectangular-like
Estimated width	80.0 x 240.0 m	120.0 x 160.0 m	29.35 x 105.00 m
Road access/width/road boundary	concrete / 10.0 m / 12.0 m	Asphalt / 10.0 m / 12.0 m	concrete / 10.0 m / 12.0 m
Utilities access	Electricity/ water supply/ telephone	Electricity/ water supply/ telephone	Electricity/ water supply/ telephone
Price (Baht/sq. wa)	21,250.00	27,500.00	28,351.00
Comparison between peers and the appraised asset			
Comparison Factors	Peer 1	Peer 2	Peer 3
Environment	Inferior	Inferior	Comparable
Location	Comparable	Comparable	Superior
Road access/width	Comparable	Superior	Comparable
Land area	Inferior	Comparable	Inferior
Physical condition	Superior	Superior	Superior
Utilities	Inferior	Inferior	Inferior
Potential for development	Inferior	Inferior	Inferior

Weighted Quality Scoring (WQS)

Comparison Factors	Scores (%)	Appraised Asset	Peers		
			1	2	3
Environment	15	9	8	8	9
Location	15	8	8	8	9
Road access/width	15	7	7	9	7
land area	15	9	7	9	6
Physical condition	15	6	8	7	9
Utilities	15	9	7	7	7

Comparison Factors	Scores (%)	Appraised Asset	Peers		
			1	2	3
Potential for development	10	8	7	7	7
Total	100	800	745	790	775

Note: Scoring 1-2 Low / 3-4 Fair / 5-6 Moderate / 7-8 Good / 9-10 Very good

Details	Appraised Asset	Peers		
		1	2	3
Offering price (baht/sq.wa)		21,250	27,500	28,351
Adjusted offering price (%)		5	10	15
Initial adjusted price (baht/sq. wa)		20,188	24,750	24,098
Weighted Quality Score (WQS)	800	745	790	775
Proportion of weight adjustment		1.07	1.01	1.03
Weighted price (Initial adjusted price x Proportion of weight adjustment)		21,678	25,063	24,875
Degree of difference (Difference in WQS)	90	55	10	25
% Difference	1.00	0.61	0.11	0.28
Degree of similarity	14.24	1.64	9.00	3.60
Comparability	1.00	0.115	0.632	0.253
Appraised value	24,627	2,492	15,845	6,290
Market value of the appraised asset (rounded) (baht/sq. wa)	25,000			

Market value of the land property which TTM will purchase from SPI appraised by the market approach on 15 October 2020 is equal to 10.00 million baht per rai or 25,000 baht/ sq. wa, which is lower than the transaction price which is 10.15 million baht per rai or 25,375 baht/ sq. wa. Thus the transaction price that TTM will enter into the transaction is considered as fair price.

Opinion of the Advisor

The Advisor opined that the market approach is appropriate to evaluate market value of the asset, because the Appraiser has compared market price of comparable empty plot of land and weighted the difference to reflect superior/inferior characteristics of the asset comparing to the peers. Therefore, the current value of the appraised asset is reflected appropriately. Even though total land area of the asset was decreased due to property survey conducted after the asset appraisal, the shape and characteristic of the assets remains intact. Thus the Advisor opined that the market value appraised by LAS can be used as reference.

5.2 Cost Comparison between Lease Payment and Land Purchase

TTM lease the land property where its factory located on from SPI by engaging into two lease contract; 8,439.68 sq. m. lease contract and 9,347 sq. m. lease contract. The leases have been extended consecutively.

TTM currently pays for the lease at a rate of 45.00 baht/ month. The rate of lease payment which TTM has paid to SPI and the adjustment during 2019 – present are as followed;

Lease contract date	Term	Area (sq. m.)	Rate (Baht/sq. m.)	Total lease fee (Baht)	Rate adjustment
<u>Lease agreement No. 1</u>					
3 May 32 – 1 May 62	30 years	8,439.68	1.00	354,467 ^{/1}	50% every 5 years
2 May 62 – 1 May 63	1 year	8,439.68	45.00	4,557,427	-
2 May 63 – 1 May 64	1 year	8,439.68	45.00	4,557,427	-
<u>Lease agreement No. 2</u>					
1 Jan 63 – 31 ธ.ค. 63	1 year	9,347.00	45.00	5,047,380	-
1 Jan 64 – 30 Apr 64	4 months	9,347.00	45.00	5,047,380	-

The Advisor has projected the net present value to compare the cost of lease payment and asset acquisition, by using weighted average cost of capital of TTM as a discount rate. The assumptions for the projection are as followed;

Yearly Lease Payment	:	<ul style="list-style-type: none"> - In 2020 TTM paid for the lease to SPI 9.60 million baht - Lease payment increase according to market rate appraised by the Appraiser, 5.00 percent every 3 years.
Discount Rate	:	<p>WACC = $(D/(D+E)) * Kd * (1-T) + (E/(D+E)) * Ke$</p> <p>whereas;</p> <p>WACC = Weighted Average Cost of Capital</p> <p>D = TTM capital structure as of 31 Dec 2020 which D/E ratio is equal to 0.00 or debt 0%</p> <p>E = TTM capital structure as of 31 Dec 2020 which D/E ratio is equal to 0.00 or equity 100%</p> <p>Kd = Average cost of debt 1.06 percent per annum</p> <p>T = Corporate tax 20 percent</p> <p>Ke = Cost of equity derived from CAPM, which is equal to 6.97 percent. Ke can be calculated as follows;</p> <p>Ke = $Rf + \beta (Rm - Rf)$</p> <p>whereas;</p> <p>Ke = Cost of equity derived</p> <p>Rf = Risk free rate; a return from risk free investment derived from the rate of 20-years government bond which is 2.37 percent per annum (www.thaibma.or.th, 25 Feb 2021)</p>

	<p>R_m = Market return; average 20-years return from Thai stock exchange, from Mar 2001 – Feb 2021, which is 13.79 (source: SETSMART)</p> <p>Beta (β) = average variance in monthly return of stock investment, in packaging industrial sector of SET.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Levered Beta</th> <th>D/E</th> <th>Unlevered Beta</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">0.61</td> <td style="text-align: center;">0.65</td> <td style="text-align: center;">0.40</td> </tr> </tbody> </table> <p>β_L (Levered Beta) of TTM is equal to 0.40</p> <p>Discount rate calculated using WACC is equal to 6.97 percent</p>	Levered Beta	D/E	Unlevered Beta	0.61	0.65	0.40
Levered Beta	D/E	Unlevered Beta					
0.61	0.65	0.40					

	2019	2020	2021	2022	2023	2024	2025
Lease Payment (Million Baht)	8.2	9.6	9.76	9.92	10.09	10.25	10.42
Growth rate per year (%)							1.64
Terminal Value (Million Baht)							198.60
Discount Rate (%)	6.97						
NPV (Million Baht)							183.09

By comparing the NPV with the transaction price of 104.42 million baht, it can be concluded that the acquisition of land property generates better returns than yearly lease payment at the current rate.

5.3 IFA's Opinion on Appropriateness of Price

The Appraiser suggested market value of the land property to be equal to 10.00 million baht or 25,000 baht/sq. wa. Therefore, market value of the lease property after the property survey, which the land area is 10 rai 1 ngan 14.9 sq.wa, is equal to 102.87 million baht. Comparing to the value of consideration of the transaction which is 104.42 million baht, the transaction price of TTM is approximately 1.50 percent higher than the market value. Thus **the Advisor opined that the transaction price that TTM will enter into the transaction is considered as fair price.**

After considering the appropriateness of transaction price by comparing the fair value appraised by LAS and the transaction price, and by comparing the net present value of cash flow paid for the lease payment and the asset acquisition, **the Advisor opined that the Company will receive more benefit from entering into the transaction rather than not.**

To compare TTM's cost arising from the lease payment and the asset acquisition, the Advisor compared the net present value of the lease payment and the cost of asset acquisition of TTM. The net present value of the lease payment is equal to 183.09 million baht, while the cost of asset acquisition is 104.42 million baht. Therefore the net present value of cash flow paid for the lease payment is 73.54 percent higher than the net present value of the cost of asset acquisition. Thus, **the Advisor opined that the Company will receive more benefit from entering into the transaction rather than not.**

Section 6 : Summary of the IFA's Opinion

After considering reasonableness of the transaction and appropriateness of the transaction price, by comparing the fair value appraised by LAS, and by comparing the cost and expenses between the lease payment and the asset acquisition, **the Advisor opined that the acquisition of assets and connected transaction are reasonable and beneficial to the Company's shareholders, the criterias of the transaction are appropriate and shareholders should approve the acquisition of land property.**

However, shareholders should consider reasonableness, criteria and conditions of the transaction, as well as the IFA's opinion which are were on the assumptions that gathered information, documents and drafts of document received by the Advisor, including interviews with the management and relevant parties were complete and accurate. The Advisor is of the opinion that the assumptions used in this report are reasonable in accordance with economic condition and existing information during the study period. Any future possible change may be the factors affecting the IFA's opinion. Hence, decision-making on whether to approve or disapprove entering into the transaction will mainly depend on shareholders' consideration.

Silom Advisory Co., Ltd, as the independent financial advisor of the Company, hereby certify that the Advisor have considered and studied the information with the prudence and reasonableness according to professional conduct and have opined based on reasonableness and fair basis by accounting the interest of the Company's shareholders.

Yours sincerely,

Mr. Pitak Kitti akrasatien
(Mr. Pitak Kitti akrasatien)
Managing Director
Silom Advisory Co., Ltd

Ms. Sirinart Phuchaiwatananon
(Ms. Sirinart Phuchaiwatananon)
Operation Controller
Silom Advisory Co., Ltd

Attachement 1: Information summary of S&J International Enterprises Public Company Limited

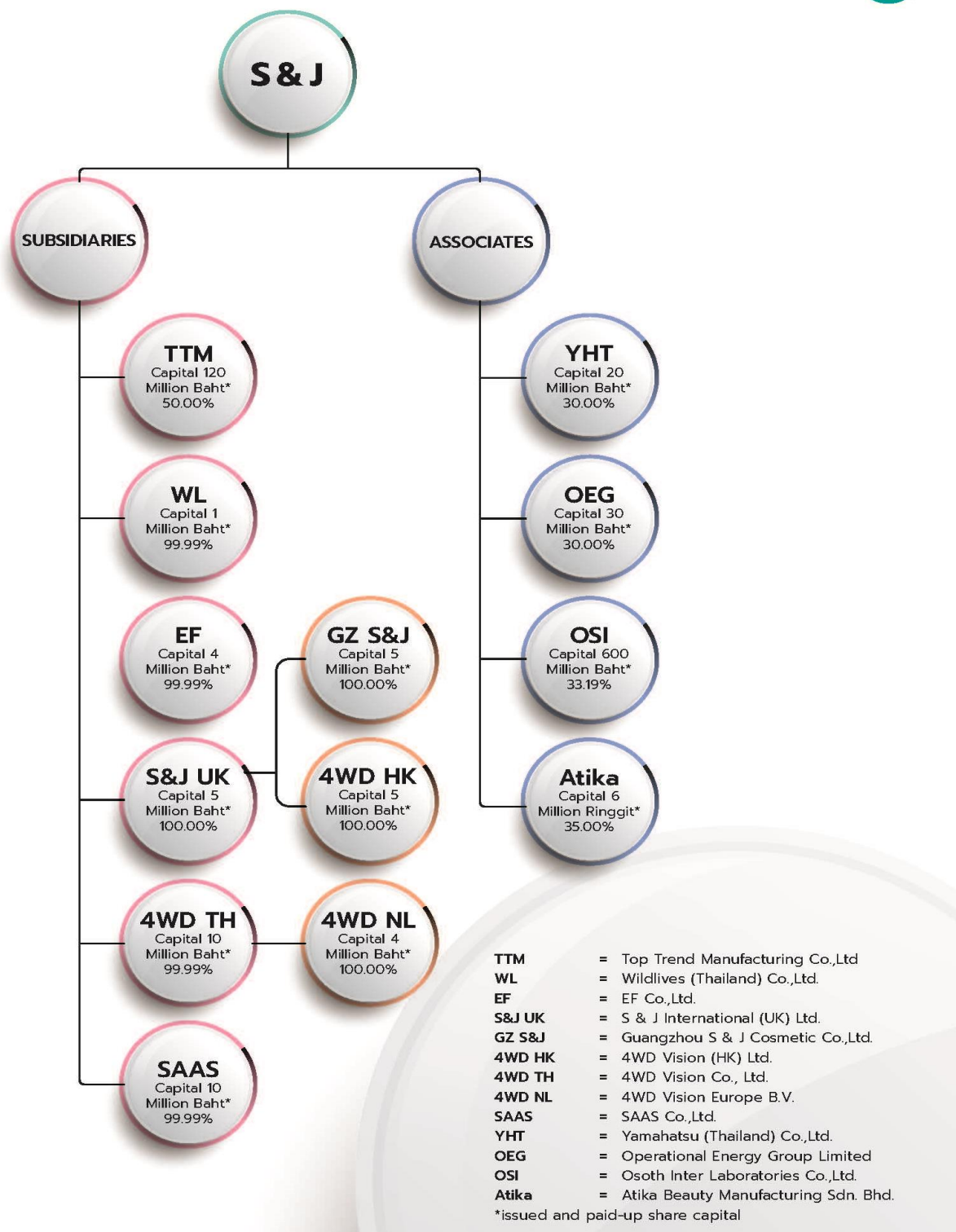
1. Basic Information

Company Name	:	S&J International Enterprises Public Company Limited ("S&J" or "Company")
Registration date	:	22 April 1980
Registration number	:	0107537001366
Location of Head Office & factory no. 1	:	600/4 Moo 11 Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi, 20230
Telephone	:	0-2676-2727
Fax	:	0-2676-2726
Website	:	www.snjinter.com
Factory no. 2	:	789/159 Moo 1, Sai Nong Kho-Leamchabang Road, Nongkharm, Sriracha, Chonburi, 20230
Registered capital	:	Baht 200,000,000.00 to be composed of 200,000,000 common stocks of Baht 1.- par value
Issued and paid-up share capital	:	Baht 149,930,828.00 to be composed of 149,930,828 common stocks of Baht 1.- par value
Type of business	:	Cosmetics manufacturing for local and international brands
Divident policy	:	Rate of 20-80% of net profit of the Company's separate financial statement. However, this rate principally depends on economic conditions and business performance of the company

2. Shareholding Structure for Companies under S&J

As of 31 December 2020, S&J International Enterprises Public Company Limited ("S&J" or "Company") comprised of S&J, 6 subsidiaries, and 4 associates as follows:

SHARE HOLDING STRUCTURE FOR COMPANIES UNDER S&J



3. Nature of Business

At present, the company, together with its subsidiaries, manufactures and distributes various cosmetic and beauty products for both local and international brands based on specific requirements and standards. The company also produces beauty products based on in-house R&D with modern and standardized machinery and technology. The company business can be divided into 3 major activities as follows:

1) Manufacturing of Cosmetic products

S&J main business is in the production and the development of all cosmetic products with modern and standardized machinery and technology. The company has been certified with quality-standards certificates, creating confidence in the quality of products delivered to customers, such as

- GMP certificates from Food and Drug Administration, Ministry of Public Health
- ISO 9001: 2015 certificates from TUV ASIA PACIFIC LIMITED – Hong Kong
- ISO 14001: 2015 certificates from TUV ASIA PACIFIC LIMITED – Hong Kong
- ISO 17025 cosmetic-lotion from Department of Medical Sciences, Ministry of Public Health
- OHSAS 18001: 2007 certificates from TUV ASIA PACIFIC LIMITED – Hong Kong
- CSR-DIW (Corporate Social Responsibility - Department of Industrial Work) Certificate or Equivalent to ISO 26000
- ISO 22716: 2007 certificates from TUV ASIA PACIFIC LIMITED – Hong Kong
- ESG 100 (Environmental Social Governance 100) certificates from Thaipat Institute
- Halal certificate from LPPOM MUI, Indonesia
- Thai Labor Standard (TLS 8001:2553)
- The Company becomes a member of the Sedex Member Ethical Trade Audit (SMETA) or SEDEX
- Roundtable on Sustainable Palm Oil certificate (RSPO) from TUV NORD (Thailand)

2) Manufacturing of Packaging

Top Trend Manufacturing Co., Ltd. (TTM), a subsidiary of S&J, manufactures packaging for cosmetic, medicine, and food products such as tube, bottle, jar, compact, lipstick. TTM also supply other packaging materials not manufactured by TTM to better serve customer needs.

3) Other Businesses

Other businesses ranges from the distribution of personal care raw material to the research and development of personal care products. The businesses are operated by S&J's subsidiaries and associates.

Businesses Operated by Subsidiaries

1. Wildlives (Thailand) Co., Ltd. and EF Co., Ltd. are engaged in the development and distribution of personal care and cleaning products.
2. S&J International (UK) Ltd., Guangzhou S&J Cosmetic Co., Ltd. 4WD Vision (HK) Ltd., 4WD Vision Co., Ltd., and 4WD Vision Europe B.V. Co., Ltd are engaged in marketing services coupled with trading of raw materials and packaging relating to cosmetic manufacturing industry and beauty care products.
3. SAAS Co., Ltd. is engaged in research and development of cosmetic and beauty care products.

Businesses Operated by Associates

1. Yamahatsu (Thailand) Co., Ltd. is a manufacturer and distributor of hair dyeing and hair perm products.
2. Operational Energy Group Limited is a service provider for operation and maintenance to private power plant as well as local and overseas industrial factories and leased engine service including technical due diligence of power plant for financial advisor.
3. Osoth Inter Laboratories Co., Ltd. is a manufacturer and distributor of pharmaceuticals including food supplements.
4. Atika Beauty Manufacturing Sdn.Bhd., located in Malaysia, manufactures HALAL certified cosmetics and beauty products.

4. Revenue Structure

Separated Revenue of each company	%Shareholding of Company	2020		2019		2018	
		Million Baht	%	Million Baht	%	Million Baht	%
		Manufacturing and Others Business Income					
Manufacturing of Cosmetic							
S&J International Enterprises PLC.	Domestic	1,336.4	24.8	1,612.6	28.6	1,837.2	32.0
	Oversea	1,947.2	36.1	2,174.4	38.6	1,974.8	34.3
Total Manufacturing of Cosmetic		3,283.6	60.9	3,787.0	67.2	3,812.0	66.30
Manufacturing of Packaging							
Top Trend Manufacturing Co., Ltd.	Domestic	1,014.1	18.8	918.6	16.3	1,038.5	18.1
	Oversea	103.4	1.9	86.30	1.5	96.1	1.7
Total Manufacturing of Packaging		1,117.5	20.7	1,004.9	17.8	1,134.6	19.8
Others Business							
Wildlives (Thailand) Co., Ltd.	Domestic	4.3	0.1	7.7	0.1	10.3	0.2
	Oversea	-	-	-	-	-	-
EF Co., Ltd.	Domestic	21.7	0.4	21.9	0.4	20.2	0.3
	Oversea	-	-	-	-	-	-
S&J International (UK) Ltd.	Domestic	-	-	-	-	-	-
	Oversea	472.5	8.7	373.0	6.6	264.4	4.6
Guangzhou S&J Cosmetic Co., Ltd.	Domestic	-	-	-	-	-	-
	Oversea	-	-	-	-	-	-
4WD Vision (HK) Ltd.	Domestic	-	-	-	-	-	-
	Oversea	126.8	2.4	82.0	1.5	59.0	1.0
4WD Vision Co., Ltd.	Domestic	89.7	1.7	86.8	1.6	64.3	1.1
	Oversea	-	-	-	-	2.9	0.1
4WD Vision Europe BV	Domestic	-	-	-	-	-	-
	Oversea	7.0	0.1	-	-	-	-
SAAS Co., Ltd.	Domestic	1.0	-	1.1	-	0.7	-
	Oversea	-	-	-	-	-	-
Total Others Business		723	13.4	572.5	10.2	421.8	7.3
Total Manufacturing and Others Business Income		5,124.1	95.0	5,364.4	95.2	5,368.4	93.4
Other Income		193.9	3.6	215.7	3.8	339.0	5.9
Share of profit of investment in associates		74.5	1.4	57.6	1.0	42.4	0.7
Total Revenue		5,392.5	100.0	5,637.7	100.0	5,749.8	100.0

Remark:

Additional information are disclosed in the Notes to Financial Statements for the year 31 December 2020 No.28: Financial information by segment

5. The Board of Directors (As of 31 December 2020)

No.	Name	Position
1	Mr. Boonkiet Chokwatana	Chairman
2	Mrs. Tipaporn Chokwatana	Vice Chairman/ Director
3	Mr. Thirasak Vikitset	Executive Board's Chairman / Managing Director / Director
4	Dr. Atthakorn Glankwamdee	Director / Deputy Managing Director
5	Mrs. Kaewta Ongsaranakom	Director
6	Prof. Dr.Malyn Ungsurungsie	Director
7	Mrs. Chitraporn Vikitset	Director
8	Mrs. Teerada Ambhanwong	Director
9	Mr. Suthep Dansiriviroj	Director
10	Mr. Amorn Asvanunt	Audit Committee's Chairman / Independent Director
11	Mrs. Pradittha Chongwattana	Audit Committee's Director / Independent Director
12	Pol.Gen. Somchai Prabhasabhakdi	Audit Committee's Director / Independent Director
13	Assist. Prof. Dr. Pongchai Athikomrattanakul	Audit Committee's Director / Independent Director
14	Admiral Apichart Pengsritong	Independent Director
15	Mrs. Pismai Chandrubeksa	Independent Director

Source: The Stock Exchange of Thailand

6. List of the Management

No.	Name	Position
1	Mr. Thirasak Vikitset	Managing Director / Director which are Management
2	Dr. Atthakorn Glankwamdee	Deputy Managing Director / Director which are Management
3	Mrs. Kaewta Ongsaranakom	Director / Director involved in the Management
4	Prof.Dr. Malyn Ungsurungsie	Director / Director involved in the Management
5	Mrs. Chitraporn Vikitset	Director / Director involved in the Management
6	Mr. Bo Nystrup Nielsen	Strategy and Corporate Development Division Manager
7	Mr.Simon Rhoderick Knight	Overseas Business Division Manager
8	Mrs.Thongsuk Upathambhakul	Domestic Business Division Manager
9	Mr.Praj Srichan	Factory Division Manager
10	Mr.Varith Tritrapun	Office Division Assistant Manager (Accounting & Finance)
11	Mrs.Patchara Pongwichan	Human Resource Division Assistant Manager
12	Mrs.Daranee Ajneeyakul	Technical Division Assistant Manager
13	Dr.Arucha Budsakornbhinanda	Automation and Digital Technology Division Assistant Manager

Source: The Company

7. Major Shareholders (As of 31 December 2020)

The company has total registered capital of Baht 200,000,000.00, with issued and paid-up share capital of Baht 149,930,828.00 to be composed of 149,930,828 shares of common stocks of 1 Baht per share. The list of 10 major shareholders as follows:

No.	Name	No. of share	%
1	Saha Pathana Inter-Holding Public Company Limited	29,435,192	19.63
2	I.C.C. International Public Company Limited	21,897,781	14.60
3	I.D.F. Company Limited	16,269,802	10.85
4	Vittayasith Company Limited	13,039,447	8.70
5	Mr. Boonkiet Chokwatana	10,298,408	6.87
6	Mr. Virapat Punsak-Udomsin	7,430,144	4.96
7	Mr. Boonsithi Chokwatana	3,452,374	2.30
8	Mrs. Tipaporn Chokwatana	2,725,652	1.82
9	Mr. Thanapon Punsak-Udomsin	1,800,000	1.20
10	Ms. Ratiporn Punsak-Udomsin	1,800,000	1.20
11	Mrs. Pavinee Punsak-Udomsin	1,800,000	1.20
12	Mrs. Orapin Punsak-Udomsin	1,800,000	1.20
13	Mrs. Orathai Thongmeearkom	1,800,000	1.20
14	Other shareholders	36,382,028	24.27
Total		149,930,828	100.00

Source: The Company

8. Financial Statement and Performance Overview

8.1 Statement of Financial Position

Consolidated financial statement	Audited financial statement as of 31 December					
	2018		2019		2020	
	MB	%	MB	%	MB	%
Assets						
Current assets						
Cash and cash equivalents	53.01	1.08	127.19	2.57	269.00	5.26
Current investments - Certificates of deposits	8.00	0.16	4.00	0.08	-	-
Trade and other receivables	932.67	18.94	873.86	17.67	857.94	16.77
Inventories	698.05	14.17	764.29	15.45	771.04	15.07
Other current financial assets	-	-	-	-	18.81	0.37
Other current assets	88.82	1.80	111.64	2.26	68.26	1.33
Total current assets	1,780.55	36.16	1,880.99	38.03	1,985.04	38.81
Non-current assets						
other non-current financial assets	-	-	-	-	1,044.27	20.42
Available-for-sale investments	998.75	20.28	948.05	19.17	-	-
Investments in subsidiaries	279.07	5.67	278.89	5.64	289.62	5.66
Investments in associates		-	-	-	0.05	0.00
Investments in related companies	65.22	1.32	62.90	1.27	-	-
Investment in other company	5.00	0.10	5.00	0.10	-	-
Long-term investments - Certificates of deposits	-	-	3.00	0.06	-	-
Long-term loans to other company	16.14	0.33	-	-	-	-
Investment properties	92.50	1.88	88.68	1.79	87.13	1.70
Property, plant, and equipment	1,569.70	31.87	1,575.30	31.85	1,485.09	29.03
Right-of-use assets	0.53	0.01	-	-	127.93	2.50
Intangible assets	34.70	0.70	32.97	0.67	29.11	0.57
Deferred tax assets	47.72	0.97	53.98	1.09	59.46	1.16
Other non-current assets	34.71	0.70	16.12	0.33	7.39	0.14
Total non-current assets	3,144.04	63.84	3,064.88	61.97	3,130.06	61.19
Total assets	4,924.59	100.00	4,945.87	100.00	5,115.10	100.00
Liabilities and shareholders' equity						
Current liabilities						
Bank overdrafts and short-term loans from financial Institutions	138.74	2.82	180.07	3.64	60.28	1.18
Trade and other payables	529.20	10.75	498.54	10.08	500.27	9.78
Current portion of lease liabilities	-	-	-	-	43.20	0.84
Income tax payable	45.36	0.92	26.21	0.53	10.44	0.20
Other current financial liabilities	-	-	-	-	0.00	0.00

Consolidated financial statement	Audited financial statement as of 31 December					
	2018		2019		2020	
	MB	%	MB	%	MB	%
Other current liabilities	10.62	0.22	17.38	0.35	18.00	0.35
Total current liabilities	723.92	14.70	722.21	14.60	632.19	12.36
Non-current liabilities						
Lease liabilities, net of current portion	-	-	-	-	85.36	1.67
Provision for long-term employee benefits	185.84	3.77	178.53	3.61	187.99	3.68
Deferred tax liabilities	129.70	2.63	119.72	2.42	120.59	2.36
Other non-current liabilities	0.36	0.01	0.37	0.01	0.58	0.01
Total non-current liabilities	315.90	6.41	298.62	6.04	394.53	7.71
Total liabilities	1,039.83	21.12	1,020.82	20.64	1,026.72	20.07
Shareholders' equity						
Share capital						
Registered						
200,000,000 ordinary shares of Baht 1.- each	200.00		200.00		200.00	
Issued and fully paid-up						
149,930,828 ordinary shares of Baht 1.- each	149.93	3.04	149.93	3.03	149.93	2.93
Share premium	724.76	14.72	724.76	14.65	724.76	14.17
Retained earnings						
Appropriated-statutory reserve	20.00	0.41	20.00	0.40	20.00	0.39
Unappropriated	2,152.07	43.70	2,234.43	45.18	2,341.18	45.77
Other components of shareholders' equity	510.47	10.37	461.54	9.33	485.98	9.50
Equity attributable to owners of the Company	3,557.24	72.23	3,590.66	72.60	3,721.85	72.76
Non-controlling Interests	327.52	6.65	334.39	6.76	366.53	7.17
Total shareholders' equity	3,884.76	78.88	3,925.05	79.36	4,088.38	79.93
Total liabilities and shareholders' equity	4,924.59	100.00	4,945.87	100.00	5,115.10	100.00

8.2 Income Statement

Unit: Million Baht	Audited financial statement as of 31 December					
	2018		2019		2020	
	MB	%	MB	%	MB	%
Revenue						
Sales revenue	4,798.32	95.34	4,634.03	97.16	4,315.59	97.66
Dividend income	34.41	0.68	27.20	0.57	18.62	0.42
Exchange gains	-	-	12.75	0.27	3.38	0.08
Gain on disposal of investments	87.24	1.73	-	-	-	-
Gain from fair value measurement of derivatives	-	-	0.80	0.02	1.54	0.03
Other income	112.81	2.24	94.46	1.98	79.73	1.80
Total revenue	5,032.78	100.00	4,769.25	100.00	4,418.86	100.00
Expenses						
Cost of sales	3,614.18	71.81	3,419.63	71.70	3,058.60	69.22
Selling and distribution expenses	140.94	2.80	155.07	3.25	143.87	3.26
Administrative expenses	880.44	17.49	945.03	19.82	949.67	21.49
Total expenses	4,635.56	92.11	4,519.72	94.77	4,152.15	93.96
Operating profit	397.22	7.89	249.52	5.23	266.72	6.04
Share of profit from investments in associates	42.38	0.84	57.63	1.21	74.46	1.69
Finance income	-	-	1.31	0.03	0.68	0.02
Finance cost	(5.97)	(0.12)	(5.33)	(0.11)	(7.27)	(0.16)
Profit before income tax expenses	433.62	8.62	303.14	6.36	334.59	7.57
Income tax expenses	(55.81)	(1.11)	(28.34)	(0.59)	(20.47)	(0.46)
Profit for the year	377.82	7.51	274.80	5.76	314.12	7.11
Profit attributable to:						
Equity holders of the Company	347.40	6.90	258.25	5.41	275.91	6.24
Non-controlling interests	30.42	0.60	16.55	0.35	38.21	0.86
	377.82	7.51	274.80	5.76	314.12	7.11
Earnings per share						
Profit attributable to equity holders of the Company	2.32	0.00	1.72	0.00	1.84	0.00

8.3 Statement of Cash Flows

Unit: Million Baht	Audited financial statement as of 31 December		
	2018	2019	2020
Net cash flows from (used in) operating activities	489.63	375.25	557.28
Net cash flows from (used in) investing activities	13.13	(135.81)	(76.07)
Net cash flows from (used in) financing activities	(488.80)	(156.58)	(342.97)
Increase (decrease) in translation adjustments	(3.08)	(8.68)	3.56
Net Increase (Decrease) in cash and cash equivalents	10.88	74.17	141.81
Cash and cash equivalents at beginning of the year	42.14	53.01	127.19
Cash and cash equivalents at end of the year	53.01	127.19	269.00

8.4 Financial Ratio

Financial Ratio	Unit	Consolidated financial statement		
		2018	2019	2020
<u>Liquidity Ratio</u>				
Current Ratio	Time	2.46	2.6	3.14
Quick Ratio	Time	1.31	1.35	1.78
Current Cash Flow Ratio	Time	0.58	0.52	0.82
Receivable Turnover	Time	5.38	5.27	5.02
Average Collection Period	Day	67	68	72
Inventory Turnover	Time	16.28	12.78	10.40
Inventory Turnover Period	Day	22	28	35
Payable Turnover	Time	11.46	10.87	10.52
Payment Period	Day	32	33	34
Cash Cycle	Day	57	63	73
<u>Profitability Ratio</u>				
Gross Profit	%	24.68	26.21	29.13
Operating Profit	%	3.39	2.47	3.79
Operating Cash Flow Turnover		300.83	328.28	340.97
Net Profit	%	6.9	5.41	6.24
Return on Equity	%	9.01	6.61	7.55
<u>Efficiency Ratio</u>				
Return on Total Asset	%	6.96	5.23	5.48
Total Asset Turnover	Time	1.01	0.97	0.88
<u>Financial Policy Ratio</u>				
Debt to Equity	Time	0.27	0.26	0.25
Payout Ratio (The Separate Financial Statements)	%	50.02	62.91	62.94

8.5 Business Performance

In 2019, the company and its subsidiaries had revenue from sales of 4,634 Million Baht, a decrease from 2018 by 164 Million Baht or 3.4% due to a decrease in local sales of 353 Million Baht or 12.9% from decreasing market share of cosmetic and packaging products while overseas sales increased by 189 Million Baht or 9.1% from increasing market share in cosmetic products. Overall, the decrease in sales caused inventory turnover to reduce from 16.28 to 12.78, and inventory turnover period to increase from 28 days to 35 days.

For other income, the company recorded a decrease in other income by 98 Million Baht due to in year 2018, the company recorded gain on disposal of investment.

Moreover, the company and its subsidiaries had a gross profit of 26.2% of revenue from sales, an increase of 1.5% from 2018 as the company maintained a similar level of cost of sales and increased the profitability in cosmetic and packaging products. While the company group's selling and distribution expenses was at the same level as 2018, the company recorded 945 Million Baht of administrative expense, an increase of 65 Million Baht or 7.3% due to increasing personal and computer system expense.

As a result, the company and its subsidiaries had profit attributable to equity holders of the parent company of 258.2 Million Baht, decreased from the prior year by 89.2 Million Baht or 25.66% and ROE of 7.23%, a decrease from 9.82% in 2018.

In 2020, the company and its subsidiaries had revenue from sales of 4,316 Million Baht, decreased from prior year of 318 million baht or 6.9% due to recession in economic from the COVID-19 Pandemic effect to sale and delivery goods to customers , resulting decrease in total revenue of the company and its subsidiaries of 318.44 Million Baht , or 7.4% and decrease in inventory turnover from 12.78 times in year 2019 to 10.40 times in year 2020 ,resulting inventory turnover period increased from 28 days in year 2019 to 35 days in year 2020

The company's cost of sales was 3,058.6 Million Baht in 2020, decreased by 10.6% from 2019 due to increased profitability in cosmetic and packaging products as well as stricter control over manufacturing cost. As a result, the company's gross profit grew to 29.13% or by 2.9% from prior year. Selling and distribution expenses decreased by 7.2% which was in line with falling revenue while administrative expenses was maintained at the same level as last year.

Though the company had decreased in revenue from sales in 2020, control in cost of sales and operating expense had led to an increase in operating profit by 17.2 Million Baht or 6.9%. Moreover, the company had increased in share of profit from investments in associates by 16.83 Million Baht while the finance cost had slightly increased to 7.27 Million Baht due to recognition of interest under leases according to Accounting Standards (TFRS 16) : Leases. As a result, the company recorded profit attributable to equity holders of 275.91 Million Baht, increased by 17.7 Million Baht with higher ROE of 7.55%.

Financial position

Total assets

As of December 31, 2019, the company and its subsidiaries had total assets of 4,946.9 Million Baht which was at the same level as 2018. Material changes in total assets were due to an increase in cash and cash equivalent of 74 Million Baht and a decrease in trade and other receivables of 59 Million Baht due to debt collection of receivables, an increase in inventories of 66 Million Baht and a decrease in other non-current assets due to decreasing investment value.

As of December 31, 2020, the company and its subsidiaries recorded total assets of 5,115.1 Million Baht, an increase of 169.2 Million Baht or 3.42% due to an increase in cash and cash equivalent and recorded right-of-use assets under TFRS 16 (Leases) at the end of the year.

Total liabilities

As of December 31, 2019, The company and its subsidiaries had total liabilities of 1,021 Million Baht, decreased by 19 Million Baht or 1.9% due to an increase in bank overdraft and short-term loans from financial institutions of 41 Million Baht from subsidiary's loan from Bank to support its liquidity, a decrease in trade and other payables of 31 Million Baht due to payment to payables, and a decrease in income tax payable by 19 Million Baht which in line with declining sales.

As of December 31, 2020, the company and its subsidiaries recorded total liabilities of 1,026.7 Million Baht from current liabilities of 632.19, decreased by 12.5% from 2019 due to decreasing bank overdrafts and short-term loans from financial institutions by 66.5% as the company repaid bank overdrafts and short-term loans. Also, the company had recorded leases liabilities according to TFRS 16 (Leases) effective as at 1 January 2020.

Shareholders' equity

As of December 31, 2019, the company and its subsidiaries had shareholder's equity of 3,925 Million Baht, increased by 40 Million Baht from net profit of 274 Million Baht and dividend payment of 189 Million Baht. The company also recorded 40 Million Baht loss from change in value of available-for-sale investments.

As of December 31, 2020, the company had shareholder's equity of 4,088.4 Million Baht, increased by 163.3 Million Baht from profit for the year of 314 Million Baht, dividend payment of 165 Million Baht, loss from changes in value of investments (net of income tax) of 70 Million Baht and Cumulative effect from changes in accounting policies of 93 Million Baht due to a change in accounting standard from the adoption of TFRS on financial instruments.

Attachment 2: Information summary of Top Trend Manufacturing Co., Ltd.**1. Basic Information**

Company name	:	Top Trend Manufacturing Co., Ltd. (TTM)
Registration date	:	12 October 1983
Registration No.	:	0105526042901
Location of Head Office	:	334, Moo 1, Sriracha Industrial Zone, Sukaphiban 8 Road, Boun, Sriracha, Chonburi, 20230, Thailand Tel. (038) 760-763, (038) 480-851 Fax. (038) 760-763
Registered capital	:	Baht 120,000,000.00 to be composed of 1,200,000 common stocks of Baht 100.00 par value
Issued and paid-up capital	:	Baht 120,000,000.00 to be composed of 1,200,000 common stocks of Baht 100.00 par value
Type of business	:	Manufacturer and distributor of packaging

2. Nature of Business

Top Trend Manufacturing Co., Ltd. (TTM) is a subsidiary of S&J International Enterprises Public Company Limited that manufactures and distributes packaging for cosmetic and pharmaceuticals products including plastic bottle, compact, tube, blush, and lipstick which supports S&J's main business. TTM also offers other packaging from suppliers to better serve customers.

TTM's focuses in manufacturing cosmetic packaging for local and oversea customers. TTM major customers are local clients who are market leaders and has well-established relationship with TTM. For oversea clients, TTM mainly provides services to clients in AFTA nations such as Malaysia and Singapore with potential for growth. TTM also plans to expand to other regions including Australia and Europe and in other sub-industries such as food, medical, and hair-care.

3. Revenue Structure

Product	2018		2019		2020	
	MB	%	MB	%	MB	%
Plastic Bottle	321	28	304	30	397	36
Compact	160	14	136	14	107	10
Tube	532	47	438	44	486	43
Blush	5	0	3	0	1	0
Other cosmetic packaging (Trading)	117	10	125	12	126	11
Total	1,135	100	1,005	100	1,118	100

4. The Board of Director (As of 31 December 2020)

No.	Name	Position
1	Mr. Boonkiet Chokwatana	Chairman/ Director
2	Mr. Phitsanu Chokwattana	Vice President/ Director
3	Mr. Charuyot Phairojthawornwatthana	Managng Director/Director
4	Mr. Thirasak Vikitset	Director
5	Mr. Atthakorn Glankwamdee	Director
6	Mrs. Chitraporn Vikitset	Director
7	Mrs. Phatchara Pongwijan	Director
8	Mrs. Thongsuk Uppathamphakul	Director
9	Mr. Warit Treetrphan	Director
10	Mr. Pheemphat Talaluk	Director

Source: TTM

5. List of shareholders

As of 26 April 2018, TTM had total registered paid-up share capital of Baht 120,000,000.00 to be composed of 1,200,000 common stocks of Baht 100.00 par value. List of major shareholders as follows:

No.	Name	No. of Share	%
1	S & J INTERNATIONAL ENTERPRISESS PUBLIC COMPANY LIMITED	600,000	50.00
2	SAHA PATHANA INTER-HOLDING PUBLIC COMPANY LIMITED	240,000	20.00
3	I.C.C. INTERNATIONAL PUBLIC COMPANY LIMITED	216,000	18.00
4	INTERNATIONAL LABORATORIES CORP.,LTD.	54,000	4.50
5	VITAYASITHI CO.,LTD.	30,000	2.50
5	OTHER SHAREHOLDERS	60,000	5.00
Total		1,200,000	100.00

Source: Department of Business Development

6. Financial Statement and Business Performance

6.1 Statement of Financial Position

Statement of Financial Position	Audited financial statement as of 31 December					
	2018		2019		2020 (Unaudited)	
	MB	%	MB	%	MB	%
Current assets						
Cash and cash equivalents	13.69	1.62	25.88	2.21	28.88	3.29
Trade and other receivables	207.00	24.54	226.82	19.41	175.01	19.94
Inventories	74.40	8.82	84.43	7.23	73.08	8.33
Other current assets	2.12	0.25	2.69	0.23	3.36	0.38
Total current assets	297.21	35.23	339.82	29.08	280.34	31.94
Non-current assets						
Long-term investments	3.58	0.42	3.55	0.30	3.37	0.38
Investment properties	0.12	0.01	0.12	0.01	0.12	0.01
Property, plant, and equipment	509.36	60.37	564.59	48.32	547.39	62.38
Leasehold right	0.53	0.06		-		-
Intangible assets	0.72	0.09	1.22	0.10	0.73	0.08
Deferred tax assets	8.75	1.04	10.77	0.92	18.01	2.05
Certificates of deposits	22.78	2.70	4.39	0.38	26.17	4.38
Other non-current assets	0.63	0.07	1.39	0.12	1.40	0.16
Total non-current assets	546.47	64.77	586.03	50.15	597.19	68.06
Total assets	843.68	100.00	925.85	100.00	877.53	100.00
Current liabilities						
Bank overdrafts and short-term loans from financial institutions	51.64	6.12	120.00	10.27	-	-
Trade and other payables	100.23	11.88	94.03	8.05	100.65	11.47
Income tax payable	2.28	0.27		-		-
Other current liabilities	2.72	0.32	3.44	0.29	2.69	0.31
Total current liabilities	156.87	18.59	217.47	18.61	103.35	11.78
Non-current liabilities						
Provision for long-term employee benefits	31.32	3.71	36.31	3.11	38.31	4.37
Other non-current liabilities	0.11	0.01	0.11	0.01	0.11	0.01
Total non-current liabilities	31.43	3.73	36.42	3.12	38.42	4.38
Total liabilities	188.30	22.32	253.89	21.73	141.76	16.15
Registered share capital	120.00	14.22	120.00	10.27	120.00	13.67
Issued and fully paid-up share capital	120.00	14.22	120.00	10.27	120.00	13.67

Statement of Financial Position	Audited financial statement as of 31 December					
	2018		2019		2020 (Unaudited)	
	MB	%	MB	%	MB	%
Share premium	120.00	14.22	120.00	10.27	120.00	13.67
Retained earnings						
Appropriated-statutory reserve	6.00	0.71	6.00	0.51	6.00	0.68
Unappropriated	409.39	48.52	425.96	36.45	489.76	55.81
Total shareholders' equity	655.39	77.68	671.96	57.51	735.76	83.85
Total liabilities and shareholders' equity	843.69	100.00	925.85	79.23	877.53	100.00

6.2 Income Statement

Income Statement	Audited Financial Statement as of 31 December					
	2018		2019		2020 (Unaudited)	
	MB	%	MB	%	MB	%
Sales Revenue	1,134.64	98.54	1,004.88	98.15	1,117.50	98.75
Other Income	16.80	1.46	18.92	1.85	14.20	1.25
Total Revenue	1,151.43	100.00	1,023.80	100.00	1,131.70	100.00
Cost of sales	985.32	85.57	887.42	86.68	942.89	83.32
Selling and distribution expenses	19.95	1.73	20.59	2.01	24.08	2.13
Administrative expenses	82.55	7.17	81.21	7.93	95.53	8.44
Total expenses	1,087.82	94.48	989.23	96.62	1,062.50	93.89
Profit before finance costs and income tax expenses	63.61	5.52	34.57	3.38	69.20	6.11
Finance costs	(1.13)	(0.10)	(2.02)	(0.20)	(0.64)	(0.06)
Profit before income tax expenses	62.49	5.43	32.55	3.18	68.57	6.06
Income tax expenses	(3.96)	(0.34)	2.02	0.20	7.23	0.64
Profit for the year	58.52	5.08	34.57	3.38	75.80	6.70

6.3 Financial Ratio

Financial Ratio	Unit	Consolidated Financial Statement		
		2018	2019	2020 (Unaudited)
Liquidity Ratio				
Current Ratio	Time	1.89	1.56	2.97
Quick Ratio	Time	1.41	1.16	1.97
Receivable Turnover	Time	4.91	8.86	5.56
Average Collection Period	Day	73.25	40.63	64.72

Financial Ratio	Unit	Consolidated Financial Statement		
		2018	2019	2020 (Unaudited)
Payable Turnover	Time	10.50	18.88	9.69
Payment Period	Day	34.30	19.07	37.17
Profitability Ratio				
Gross Profit	%	13.16	11.69	15.63
Operating Profit	%	5.61	3.44	6.19
Net Profit	%	5.16	3.38	6.70
Return on Equity	%	9.24	10.29	10.77
Efficiency Ratio				
Return on Total Asset	%	7.64	5.92	7.41
Return on Fixed Asset	%	13.12	11.80	13.10
Total Asset Turnover	Time	1.36	1.75	1.11
Financial Policy Ratio				
Debt to Asset	Time	0.22	0.22	0.16
Debt to Equity	Time	0.29	0.38	0.19

6.4 Business Performance

In 2019, TTM had revenue from sales of 1,004.88 Million Baht, decreased by 129.8 Million Baht or 11.4% due to decreasing sales in 2020 while the company incurred same level of cost of sales and expenses as 2019. As a result, TTM experienced a drop in operating profit by 34.57 Million Baht or 45.7% and decrease in net profit by 34.57 Million Baht or 40.9%.

In 2020, TTM recorded revenue from sales of 1,117.50 Million Baht, increased by 16.9% from last year due to increasing sales particularly in packaging related to highly demanded alcohol gel products from COVID-19 pandemic as well as decreasing cost of sales and expenses as the company increased its manufacturing capacity in 2020. As a result, the company recorded higher operating profit to 69.20 Million Baht, increased by 100%, and recorded net profit of 75.80 Million Baht, increased by 100% from 2019.

Financial Position

Total Assets

In 2019, TTM recorded total assets of 925.85, an increase of 82.17 Million Baht due to investment in machinery and equipment for capacity expansion driving Property, plant, and equipment up by 55.23 Million Baht.

In 2020, TTM had total assets of 877.53 Million Baht, decreased by 48.3 Million Baht or 5.5% from 2019 due to a decrease in trade and other receivables during end of year as well as the completion of capacity expansion project in 2020.

Total liabilities

In 2019, TTM had total liabilities of 253.89 Million Baht, increased by 65.59 Million Baht or 34.8% due to increasing bank overdraft and short-term loans from financial institutions of 68.36 Million Baht for increasing working capital needed from capacity expansion.

In 2020, TTM recorded total liabilities of 141.76 Million Baht, decreased by 112.13 Million Baht or 79.1% as the company repaid all short-term loans in 2020.

Shareholder's equity

In 2019, TTM had shareholder's equity of 671.96 Million Baht, increased by 16.57 Million Baht from increased retained earning and dividend payment of 18 Million Baht.

In 2020, TTM had shareholder's equity of 735.76 Million Baht, increased by 63.80 Million Baht from 2019 due to increased retained earning by 63.80 Million Baht which resulted from boost in sales of packaging related to Alcohol gel products.

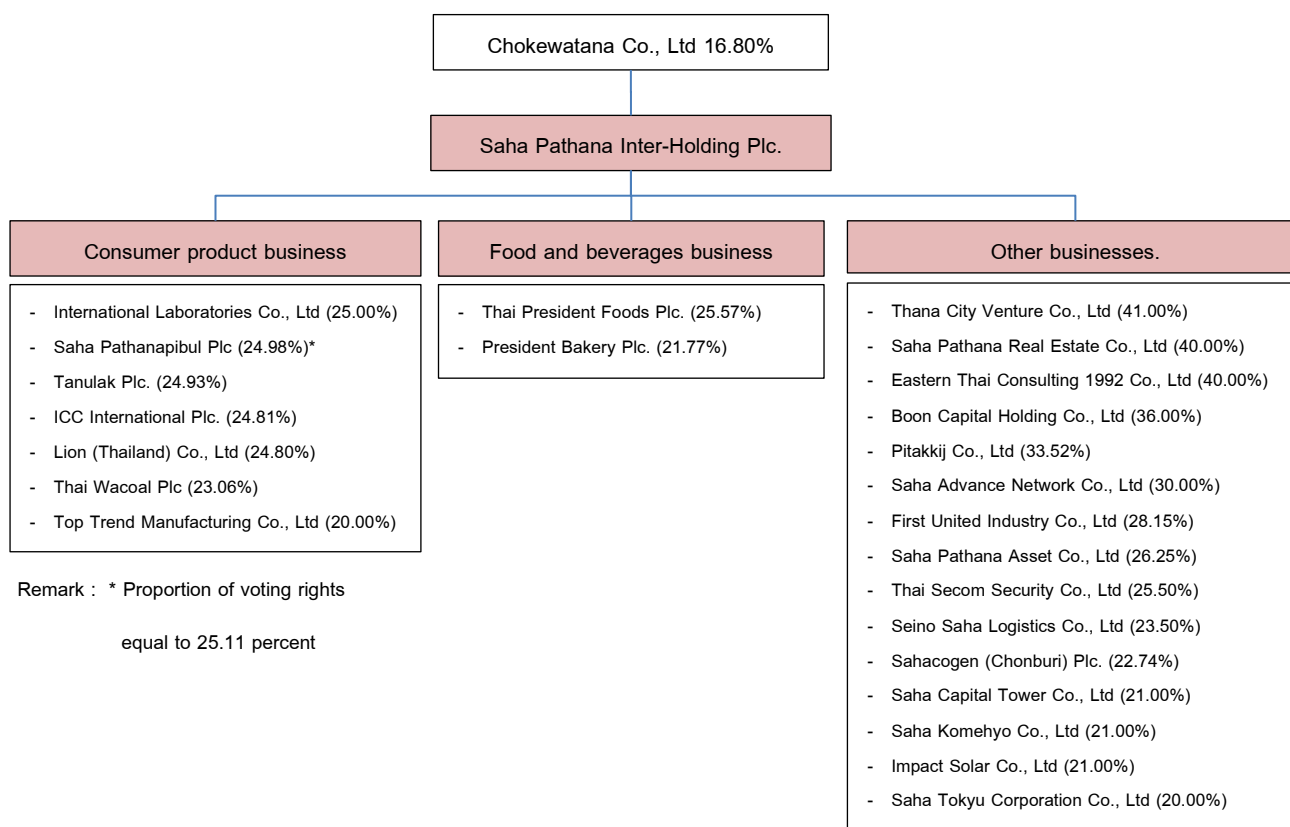
Attachment 3: Saha Pathana Inter-Holding Public Company Limited

1. Basic Information

Company Name	:	Saha Pathana Inter-Holding Public Company Limited ("SPI")
Company registration date	:	5 April 1972
Registration No.	:	0107537001340
Location of Head Office	:	530 Soi Sathupradit 58, Bangpongpang, Yannawa, Bangkok, 10120 Tel: 0-2293-0030-9 Fax: 0-2293-0040 Website: www.spi.co.th
Registered Capital	:	Baht 582,923,188.00 to be composed of 582,923,188 common stocks of Baht 1.- par value
Issued and paid-up share capital	:	Baht 571,890,666.00 to be composed of 571,890,666 common stocks of Baht 1.- par value
Type of Business	:	3 main business segments including 1. Investment in consumer product business, 2. Investment in food and beverage business, 3. Industrial park development and investment in others business
Dividend Policy	:	Minimum dividend payment at Baht 0.10 per share

2. Shareholding Structure for Companies under SPI

SPI has shareholding in 24 associated companies. The shareholding structure can be divided into the following business line:



3. Nature of Business

SPI businesses is divided into 3 segments, which are 1. Investment in consumer product business, 2. Investment in food and beverage business, 3. Industrial park development and investment in others business

1) Investment in Consumer Product Businesses

SPI invests in share capital of consumer product business including textile and fashion (eg. Wacoal, Arrow), Household (eg. PAO, Shokubutsu, Monogatari), Beauty and Cosmetic (eg. BSC, Mistine), and Other categories which SPI considers as daily essentials. SPI investment ranges from manufacturing to distribution business.

2) Investment in Food and Beverage Businesses

SPI invests in share capital of food and beverage business spanning over a wide range of products, such as instant noodles (eg. MAMA) and bread and bakery production and distribution (Farmhouse). SPI also diversifies into BUD's ice cream and POCARI SWEAT electrolyte beverage.

3) Industrial Park Development and Investment in others businesses

SPI is a developer of industrial areas, aiming to serve business expansion of Saha Group and to support government plan to expand industrial growth from rural to urban area. The company currently operates Saha Group Industrial Parks at 4 locations which are 1. Si Racha, Chonburi; 2. Kabinburi, Prachinburi; 3. Mueng Lamphun, Lamphun; 4. Mae Sot, Tak; with services including land and building lease, basic utilities and infrastructure, and land sales to potential customers who would like to invest in Saha Group Industrial Parks. In addition, the company also invests in others business such as real estate developments (eg. K-Park Sriracha Nihon Mura, a Japanese-style community mall in Surasak, Sri Racha, Chonburi). The company also engages in others business not relating to consumer product and food and beverage.

4. Revenue Structure

Business	2018		2019		2020	
	Baht	%	Baht	%	Baht	%
Dividend Income	292,662,430	5.15	286,433,884	5.38	167,036,724	3.21
Share of profit from investments in associates	2,326,901,274	40.94	2,331,873,020	43.78	2,068,474,280	39.74
Facility Income	2,127,498,918	37.44	2,096,853,637	39.37	1,944,825,193	37.36
Rental and services income	449,256,303	7.90	425,346,537	7.99	377,365,265	7.25
Revenue from sales of real estate	-	-	-	-	381,096,000	7.32
Other Income	487,187,837	8.57	185,554,241	3.48	266,820,752	5.12
Total Revenue	5,683,506,762	100.00	5,326,061,319	100.00	5,205,618,214	100.00

5. The Board of Directors

No.	Name	Position
1	Mr. Somkid Jatusripitak	Chairman of the BOD / Independent Director
2	Mr. Boonsithi Chokwatana	Chairman of the Executive Board / Vice-president of BOD
3	Mr. Nophorn Bhongsvej	Chairman of Audit Committee / Independent Director
4	Mr. Vichai Kulsomphob	Managing Director / Director
5	Mr. Samrerng Manoonpol	Director
6	Ms. Sirikul Dhanasarnsilp	Director
7	Mr. Pipope Chokvathana	Director
8	Mr. Pipat Paniangvait	Director
9	Mr. Sujarit Patchimnan	Director
10	Mr. Boonchai Chokwatana	Director
11	Mr. Boonkiet Chokwatana	Director
12	Mr. Piriya Khempon	Director
13	Mrs.Punnee Worawuthichongsathit	Audit Committee Director / Independent Director
14	Mr. Nipon Poapongsakorn	Audit Committee Director / Independent Director
15	Mr. Surachai Danaitangtrakul	Independent Director

Source: The Stock Exchange of Thailand

6. List of Shareholders

SPI has total registered share capital of Baht 582,923,188.00, Issued and paid-up share capital of Baht 571,890,666.00 to be composed of 571,890,666 common stocks of Baht 1.- par value as of 31 December. The list of major shareholders as follows:

No.	Names	No. of Share	%
1	CHOKWATANA COMPANY LIMITED	96,094,066	16.80
2	I.C.C. INTERNATIONAL PUBLIC COMPANY LIMITED	57,001,656	9.97
3	SAHA PATHANAPIBUL PUBLIC COMPANY LIMITED	49,433,806	8.64
4	NOMURA SECURITIES CO LTD - CLIENT A/C	24,234,953	4.24
5	UNI CENTRAL COMPANY LIMITED	21,218,182	3.71
6	SMBC NIKKO SECURITIES INC. - CLIENT ACCOUNT	20,220,550	3.54
7	MR. WEERAPAT PUNSAK-UDOMSIN	20,060,122	3.51
8	I.D.F. COMPANY LIMITED	19,368,582	3.39
9	UNI WEALTH COMPANY LIMITED	14,380,310	2.51
10	UNIVERSEBEAUTY COMPANY LIMITED	10,459,727	1.83
11	LION CORPORATION	10,000,000	1.75
12	OTHER INVESTORS	229,418,712	40.12
	รวม	571,890,666	100.00

Source: SPI

7. Financial Statement and Business Performance

7.1 Statement of Financial Position

Consolidated Financial Statement	Audited financial statement as of 31 December					
	2018		2019		2020	
	MB	%	MB	%	MB	%
Assets						
Cash and cash equivalents	211.55	0.55	251.44	0.60	5,152.53	9.42
Investments in trading securities	639.99	1.65	1,530.00	3.68	-	-
Current investments	40.00	0.10	-	-	-	-
Trade and other receivables	193.96	0.50	194.53	0.47	178.97	0.33
Current portion of finance lease receivables	39.18	0.10	7.51	0.02	1.72	0.00
Short-term loans to a related party	-	-	-	-	4.78	0.01
Inventories	1.31	0.00	1.36	0.00	1.50	0.00
Other current financial assets	-	-	-	-	10.00	0.02
Other current assets	16.26	0.04	14.26	0.03	44.63	0.08
Total current assets	1,142.25	2.94	1,999.10	4.81	5,394.12	9.86
Long-term loans to a related party	-	-	-	-	6.39	0.01
Available-for-sale investments	2,842.61	7.33	2,488.66	5.99	-	-
Other non-current financial assets	-	-	-	-	9,614.64	17.57
Investments in associates	27,525.04	70.94	29,279.10	70.42	33,914.96	61.98
Other long-term investments	2,077.70	5.35	1,850.05	4.45	-	-
Finance lease receivables - net of current portion	9.01	0.02	1.98	0.00	0.26	0.00
Investment properties	3,700.87	9.54	4,327.69	10.41	4,261.95	7.79
Property, plant, and equipment	1,284.37	3.31	1,307.99	3.15	1,361.69	2.49
Right-of-use assets	-	-	-	-	68.56	0.13
Intangible assets	7.39	0.02	5.85	0.01	4.38	0.01
Deferred tax assets	49.72	0.13	123.58	0.30	-	-
Other non-current assets	160.54	0.41	191.48	0.46	90.75	0.17
Total non-current assets	37,657.25	97.06	39,576.37	95.19	49,323.58	90.14
Total assets	38,799.50	100.00	41,575.47	100.00	54,717.70	100.00
Liabilities and shareholders' equity						
Short-term loans from financial institutions	-	-	2,160.00	5.20	3,000.00	5.48
Trade and other payables	340.87	0.88	296.47	0.71	296.23	0.54
Current portion of long-term loans from financial institution	980.00	2.53	980.00	2.36	980.00	1.79
Current portion of lease liabilities	-	-	-	-	13.60	0.02
Current portion of debentures	-	-	1,000.00	2.41	-	-
Current portion of provision for long-term employee benefits	8.81	0.02	8.81	0.02	-	-
Other current liabilities	8.07	0.02	8.02	0.02	7.89	0.01
Total current liabilities	1,337.75	3.45	4,453.30	10.71	4,297.72	7.85
Long-term loans from financial institution – net of current portion	6,020.00	15.52	5,040.00	12.12	4,060.00	7.42
Lease liabilities, net of current portion	-	-	-	-	53.23	0.10
Debentures - net of current portion	2,000.00	5.15	1,000.00	2.41	5,992.11	10.95
Convertible debentures - liability component	16.63	0.04	1.72	0.00	1.76	0.00
Provision for long-term employee benefits - net of current portion	90.03	0.23	82.46	0.20	120.10	0.22

Consolidated Financial Statement	Audited financial statement as of 31 December					
	2018		2019		2020	
	MB	%	MB	%	MB	%
Deferred tax liabilities	-	-	-	-	842.23	1.54
Other non-current financial liabilities	-	-	-	-	109.01	0.20
Other non-current liabilities	329.40	0.85	464.50	1.12	150.68	0.28
Total non-current liabilities	8,456.06	21.79	6,588.69	15.85	11,329.13	20.70
Total liabilities	9,793.81	25.24	11,041.99	26.56	15,626.85	28.56
Shareholders' equity						
Share capital						
Registered share capital 582,923,188 ordinary shares of Baht 1 each	582.92	1.50	582.92	1.40	582.92	1.07
Issued and paid-up capital 571,890,666 ordinary shares of Baht 1 each	571.52	1.47	571.89	1.38	571.89	1.05
Share premium	4,516.31	11.64	4,533.33	10.90	4,533.33	8.28
Premium on treasury stock of associates	6.15	0.02	6.15	0.01	6.15	0.01
Retained earnings						
Appropriated						
Statutory reserve	80.00	0.21	80.00	0.19	80.00	0.15
General reserve	280.00	0.72	280.00	0.67	280.00	0.51
Unappropriated	22,269.33	57.40	24,103.40	57.98	26,238.38	47.95
Other components of shareholders' equity	1,267.68	3.27	958.70	2.31	7,381.09	13.49
Shareholders equity – the company	28,991.00	74.72	30,533.48	73.44	39,090.85	71.44
Non-controlling interest	14.69	0.04	-	-	-	-
Total shareholders' equity	29,005.69	74.72	30,533.48	73.44	39,090.85	71.44
Total liabilities and shareholders' equity	38,799.50	99.96	41,575.47	100.00	54,717.70	100.00

7.2 Statement of Comprehensive Income

Consolidated Financial Statement	Audited financial statement as of 31 December					
	2018		2019		2020	
	MB	%	MB	%	MB	%
Revenues						
Facility income	2,127.50	37.43	2,096.85	39.37	1,944.83	37.36
Dividend income	292.66	5.15	286.43	5.38	167.04	3.21
Rental and services income	449.26	7.90	425.35	7.99	377.37	7.25
Revenue from sales of real estate	-	0.00	-	0.00	381.1	7.32
Gain on change in investment classification	433.96	7.64	-	0.00	18.4	0.35
Gain from fair value measurement of investments	-	0.00	-	0.00	57.49	1.10
Gain from sale of investments	3.07	0.05	93.74	1.76	7.16	0.14
Reversal of loss from diminution in value of land	-	0.00	62.11	1.17	-	0.00
Other income	50.15	0.88	29.71	0.56	183.77	3.53
Share of profit from investments in associates	2,326.90	40.94	2,331.87	43.78	2,068.47	39.74
Total Revenues	5,683.50	100.00	5,326.06	100.00	5,205.63	100.00
Cost of facility	1,930.49	33.97	1,905.81	35.78	1,755.44	33.72
Cost of rental and services	466.19	8.20	430.88	8.09	375.38	7.21
Cost of sales of real estate	-	-	-	-	90.21	1.73
Administrative expenses	410.01	7.21	438.48	8.23	439.15	8.44
Loss from diminution in value of investments	61.99	1.09	64.63	1.21	-	0.00
Total Expenses	2,868.68	50.47	2,839.80	53.32	2,660.18	51.10
Operating profit	2,814.82	49.53	2,486.26	46.68	2,545.45	48.90
Finance cost	(191.69)	(3.37)	(222.31)	(4.17)	(267.06)	(5.13)
Profit before income tax	2,623.13	46.15	2,263.95	42.51	2,278.39	43.77
Income tax revenue	(22.50)	(0.40)	2.06	0.04	27.20	0.52
Profit for the year	2,600.63	45.76	2,266.01	42.55	2,305.59	44.29
Other comprehensive income for the year	(1,035.61)	(18.22)	(339.19)	(6.37)	(17.31)	(0.33)
Total comprehensive income for the year	1,565.02	27.54	1,926.82	36.18	2,288.28	43.96
Profit attributable to:						
Equity holders of the Company	2,595.28	45.66	2,270.72	42.63	2,305.58	73.49
Non-controlling interests of the subsidiary	5.36	0.09	(4.70)	(0.16)		
	2,600.64	45.76	2,266.02	42.47		

7.3 Statement of Cash Flows

Consolidated Financial Statement (Million Baht)	Audited financial statement as of 31 December		
	2018	2019	2020
Net cash flows from operating activities	171.68	131.26	75.83
Net cash flows from (used in) investing activities	(2,419.82)	(643.64)	1,662.08
Net cash flows from financing activities	2,360.93	552.28	3,163.17
Net increase in cash and cash equivalents	112.79	39.90	4,901.08
Cash and cash equivalents at beginning of the period	98.76	211.55	251.44
Cash and cash equivalents at end of the period	211.55	251.44	5,152.53

7.4 Financial Ratio

Financial Ratio	Unit	Consolidated financial statement		
		2018	2019	2020
<u>Liquidity Ratio</u>				
Current Ratio	Time	0.85	0.45	1.26
Quick Ratio	Time	0.85	0.45	1.25
Current Cash Flow Ratio	Time	0.06	0.05	0.02
Receivable Turnover	Time	11.72	12.98	14.48
Average Collection Period	Day	31	28	25.21
Payable Turnover	Time	7.37	7.33	7.49
Payment Period	Day	50	49	48
Cash Cycle	Day	(19)	(21)	(23)
<u>Profitability Ratio</u>				
Gross Profit	%	56.74	54.91	57.33
Operating Profit	%	45.76	42.55	44.29
Return on Equity	%	9.62	7.61	6.62
<u>Efficiency Ratio</u>				
Return on Total Asset	%	7.12	5.63	4.73
Return on Fixed Asset	%	52.69	42.63	40.47
Total Asset Turnover	Time	0.15	0.13	0.11
<u>Financial Policy Ratio</u>				
Debt to Equity	Time	0.34	0.36	0.40
Interest Coverage	Time	18.29	11.14	9.37
Debt Service Coverage	Time	0.05	0.03	0.01
Payout Ratio	%	14.37	17.63	17.36

7.5 Business Performance

In 2019, SPI recorded total revenues of 5,326.1 Million baht, decreased by 357.4 million baht or 6.29% from 2018, mainly due to the gain on change in investment classification of 434.0 million baht, SPI's profit attributable to equity holder decreased to 2,270.7 million baht, or decreased by 12.51% from 2018.

In 2020, SPI had total revenues of 5,205.62 million baht, increased by 120.44 million baht or 2.26% from 2019, mainly due to a decrease in profit sharing from associates amounting to 263.40 million baht and a drop in facility income amounting to 152.03 million baht. However, SPI received 381.1 million baht revenue from sales of real estate altogether with cost management reducing the expense from 179.6 million baht or 6.32 percent from last year. As a result, SPI's profit attributable to equity holders of the company was 2,305.58 which increased by 34.9 million baht or 1.54% from 2019.

7.6 Financial Position

Total Assets

As of 31 December 2019, SPI had total assets of 41,575.5 million baht, increased by 2,776 million baht or 7.2% from 2018 due to the increase in, investments in associates 1,754.1 million baht, trading securities 890 million baht, and investment in real properties 626.82 million baht, while the investment in available-for-sales securities decreased by 353.95 million baht.

As of 31 December 2020, SPI had total assets of 54,717.7 million baht, increased by 13,142.23 million baht due to increase in cash and cash equivalent received from debenture issuance of 5,000 million baht, increase in investment in associates, and revaluation of other non-current financial assets of 9,614 million baht according to the financial reporting standards of financial instruments.

Total Liabilities

As of 31 December 2019, SPI had total liabilities of 11,042 million baht, increased by 1,248.2 million baht or 12.7% due to an increase in short-term loans from financial institutions of 2,160.0 million baht and repayment of long term loans of 980.0 million Baht.

As of 31 December 2020, SPI had total liabilities of 15,626.9 Million Baht, increased by 4,584.9 million baht or 41.5% due to debenture issuance of 5,000 million baht, deferred tax liabilities of 842.23 million baht, and an increase in short-term loans from financial institutions of 840 million baht, while SPI repaid debentures and long-term loans from financial institutions amounting to 1,000 million baht and 980 million baht respectively.

Shareholder's Equity

As of 31 December 2019, SPI recorded shareholder's equity of 30,533.5 million baht, increased by 1,542.5 million baht or 5.3% from prior year due to increase in retained earning by 1,834.1 million baht with other component in the shareholder's equity decreased by 309 million baht which was mainly from the loss from revaluation of available-for-sales securities.

As of 31 December 2020, SPI showed shareholder's equity of 39,090.9 million baht, increased by 8,557.4 million baht due to an increase in net profit by 2,306.0 million baht and other component of shareholder's equity by 6,422.39 million baht, mainly from the fair-value revaluation of financial assets which was recorded in other comprehensive income according to the financial reporting standards of financial instruments.

Attachment 4 : Summary of asset valuation report by the Appraiser

Prior to entering into asset acquisition transaction, TTM hired Leading Appraisal and Service Company ("LAS"), an asset appraiser listed and approved by The Securities and Exchange, to appraise the fair value of land of TTM factory. The appraisal was conducted by the appraiser on 15 October 2020 which was before the remeasurement and split of land in February 202. As a result, estimated land size by LAS was different from land size in the asset acquisition transaction.

Detailed summary of appraised asset as follows;

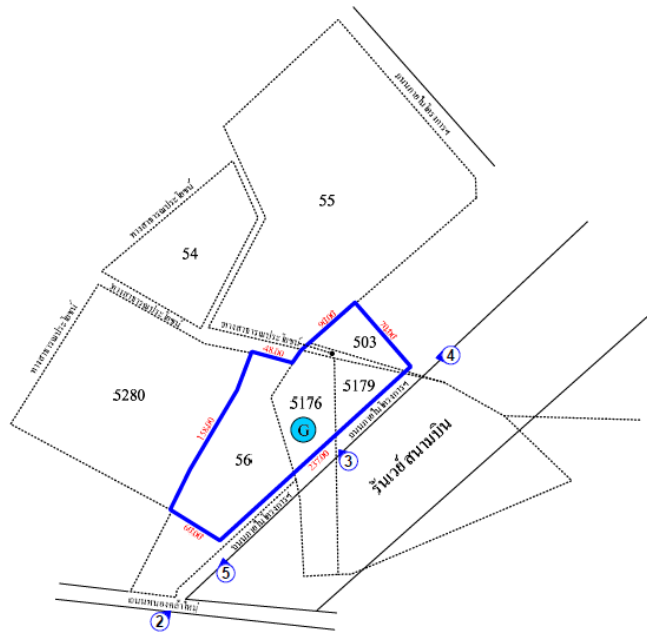
Appraisal of Vacant Land in Saha Industrial Park, Sri Racha

Type of Asset	Vacant land only
Purpose of Appraisal	Public
Location	Saha Group Industrial Park Sriracha, Sukhaphiban Road, Bung, Sriracha, Chonburi Province
Asset Information^{/1}	Approximately 10 Rai 3 ngan 50.0 Sq.Wa (10-3-50 Rai) with portion of land belongs to Deed no. 18575, 156896, 156899 and 31576 Total land size according to ownership document 144 Rai 2 ngan 82.5 Sq.Wa (144-2-82.5 Rai)
Ownership	Freehold
Owner	SPI
Registered Obligation^{/1}	Deed no. 31576 could not be examined (no document as of observation date) Deed no. 18575 with 10 years rent contract ^{/2} (effective 1 October 2014) Deed no. 156896, 156899 have no obligation
Environment	The surrounding environment of the property is industrial area in Saha Group Industrial Park consisting of factories, warehouses and surrounding communities including housing estates, banks, shops, fresh markets and residential housing.
City Plan	Located in Chonburi (Pink Zone), Residential area
Expropriation	Not in expropriation area
Maximum Benefit	Industrial
Appraised date	15 October 2020
Fair value^{/1}	108,750,000 Baht (10,000,000 Baht per Rai or 25,000 Baht per Sq.Wa)
Valuation model	Market Approach

Remark: ¹ Land size was appraised before remeasurement conducted by Department of Lands in February 2021. Appraised land has new deed no. 250323, 250324 and 250416 with total 10 Rai 1 ngan 14.9 Sq.Wa. The remeasurement provided an accurate measure of land.

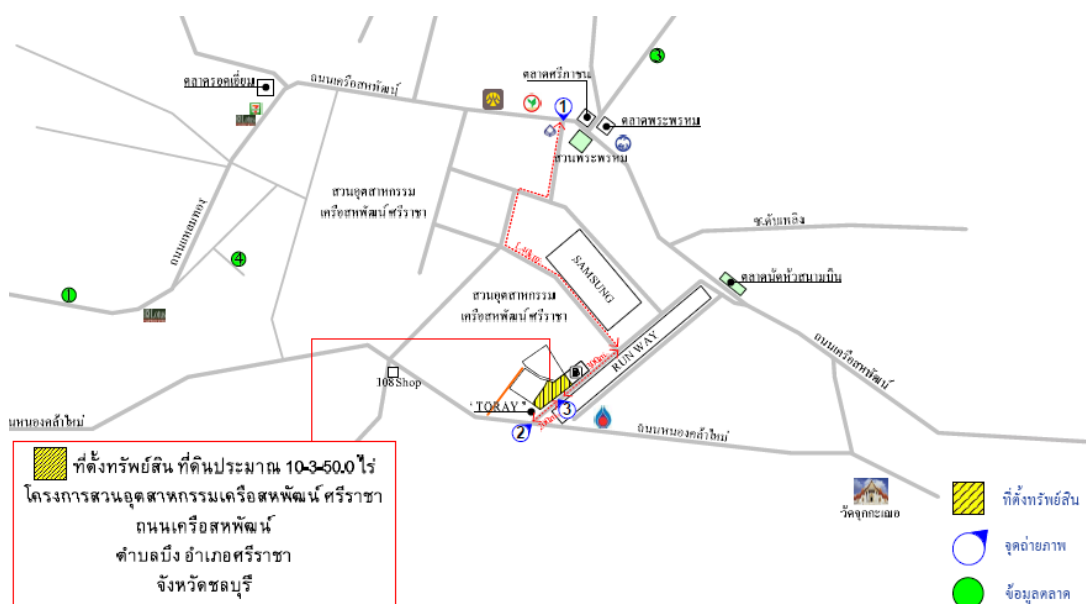
² SPI owned the appraised land deed documents (after the remeasurement) with no obligation

Plot of land



Source: Asset Appraisal Report by LAAS

Location of land



Source: Asset Appraisal Report by LAAS

LAS applied market approach to evaluate the market value of the asset as summarized below;

Market Comparison Approach

Market comparison approach is the valuation model used to assess the market value of asset by comparing the market information of comparable assets proposing for sales ("Market information") to consider the different characteristics of the assets. This approach requires adequate market information while LAS compared several factors that may affect value of the appraised asset with the market information, such as location, city planning, plot size, usable area, quality of buildings, trading period, utilization, payment condition etc. The Appraiser then appraised the market value using appropriate techniques such as sales adjustment-grid method or weighted quality score (WQS).

For the valuation using market approach, as the comparable assets were different from the appraised asset in some factors affecting the asset value, LAS then adjusted the valuation using WQS which is a method that weights the effect of each factors associated to asset value. Factors which highly affect the asset value receive more weight. Total weight of all factors are equal to 100.0. The Appraiser then estimated scores for each factor and multiplied with the weight of the factor. The result is WQS of the asset.

Details	Appraised Land	Info 1	Info 2	Info 3
Asset Type	Vacant land	Vacant land	Vacant land	Vacant land
Location	Saha Group Industrial Park	Lam Thong road	Hnong Khla Mai road	Rai Nueng-Hnong Kham road
Land size (Rai-ngan-Sq.Wa)	10-3-50.0	7-3-12.0	10-0-00.0	1-3-76.0
Shape of land plot	Multiple-angles	Rectangular-like	Rectangular-like	Rectangular-like
Estimated Width (m.)	237 X 70	80 x 240	120 x 160	29.35 x 105
Road condition	Concrete	Concrete	Paved	Concrete
width/road boundary	10 m. / 12 m.	10 m. / 12 m.	10 m. / 12 m.	10 m. / 12 m.
Utilities access	Electricity/ water supply/ telephone	Electricity/ water supply/ telephone	Electricity/ water supply/ telephone	Electricity/ water supply/ telephone
Price (Baht/sq. wa)	-	21,250	27,500	28,351
DD/MM/YY		15/10/20	15/10/20	15/10/20

Weighted Quality Scoring (WQS)

Factor	Weight	Info 1	Info 2	Info 3	Asset
Environment	15	8	8	9	9
Location	15	8	8	9	8
Access	15	7	9	7	7

Factor	Weight	Info 1	Info 2	Info 3	Asset
Area	15	7	9	6	9
Physical	15	8	7	9	6
Infrastructure	15	7	7	7	9
Potential	10	7	7	7	8
Sum	100	745	790	775	800
Offer Price (Baht/Sq.Wa)		21,250	27,500	28,351	
% Adjust Price		5%	10%	15%	
Net Price) (Baht/Sq.Wa)		20,188	24,750	24,098	
WQS.		745	790	775	800
Adjust Ratio		1.07	1.01	1.03	
Weighted price (Initial adjusted price x Proportion of weight adjustment)		21,678	25,063	24,875	
Degree of difference (Difference in WQS)		55	10	25	90
% Difference		0.61	0.11	0.28	1.00
Degree of similarity		1.64	9.00	3.60	14.24
Comparability		0.115	0.632	0.253	1.00
Apprasied value (baht/sq. wa)		2,492	15,845	6,290	24,627
Market value of the appraised asset (rounded) (baht/sq. wa)					25,000

As a result, the market approach suggested fair value to be 25,000 Baht/Sq.Wa or 108,750,000 Baht¹ covering total land area of 4,350 Sq.Wa (Appraised land size before remeasurement as at Feb 2021)

Summary of Asset Appraisal

Leading Appraisal and Service Company performed asset appraisal using market approach by opined that the market approach is appropriated to assess market value of the vacant land. The market approach suggest the fair value to be 25,000 Baht per Sq.Wa or 108,750,000 covering the whole land size to be acquired. Nevertheless, as the land sit on 4 different land deed with total land of 144-2-82.5 Rai, it is recommended that the company remeasure the land again for accuracy before entering any legal transaction as this could impact asset fair value.

¹ After property survey and new deed issuance, the land property's current area is equal to 10-1-14.9 rai. Total value calculated using the appraised value per sq. wa is equal to 102,872,500 baht.

