



November 8, 2022

Subject: Submission of the Opinions of the Company on the Tender Offer to buy all securities of T.Krunghai Industries Public Company Limited

To: Secretary General of the Office of the Securities and Exchange Commission
The President of the Stock Exchange of Thailand
Shareholders T.Krunghai Industries Public Company Limited

Enclosure: 1. Copy of Opinions of the Company on the Tender Offer to buy all securities of T.Krunghai Industries Public Company Limited
2. Copy of Opinions of the Independent Financial Advisor on the Tender Offer to buy all securities of T.Krunghai Industries Public Company Limited

Pursuant to T.Krunghai Industries Public Company Limited (“the Company” or “Business” or “TKT”) received a copy of the Tender Offer to buy all securities of the Company (form 247-4) dated on October 18, 2022 from Karrie Automotive Investment Limited (“the Offeror”), the Company has prepared the Opinions of the Company on the Tender Offer (form 250-2) and appointed Avantgarde Capital Company Limited to act as the Independent Financial Advisor (“IFA”) for shareholders to render the opinion on the Tender Offer to buy all T.Krunghai Industries Public Company Limited.

In this regard, the Company hereby submit a copy of Opinions of the Company on the Tender Offer (form 250-2) and a copy of Opinions of the Independent Financial Advisor on the Tender Offer to buy all securities of the Company to The Securities and Exchange Commission, The Stock Exchange of Thailand, and the Company’s shareholders as per details in the Enclosures.

Please be informed accordingly.

Yours faithfully,

- Signed -

(Sumate Techakraisri)

T.Krunghai Industries Public Company Limited

Opinions of the Company on the Tender Offer

(Form 250-2)

of

T.Krungthai Industries Public Company Limited

to



Shareholders of T.Krungthai Industries Public Company Limited

The Offeror

Karrie Automotive Investment Limited

November 8, 2022

Opinions of the Company Regarding the Tender offer

November 8, 2022

To Shareholders of T.Krunghthai Industries Public Company Limited

Pursuant to the fact that Karrie Automotive Investment Limited (the “Offeror” or “KAI”) has acquired shares of T.Krunghthai Industries Public Company Limited (the “Business” or the “Company” or “TKT”) on October 4, 2022, resulting in the Offeror holding shares in total of 136,780,000 shares, or representing 38.99 percent of the total issued and paid-up shares of the Business. Thus, the Offeror is obligated to make a mandatory tender offer for all securities of the Business in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers dated May 13, 2011 (as amended) (“Notification TorChor. 12/2554”), details as follow:

Types of securities	Number of securities		Percentage of securities		Tender Offer Price per share (THB)	Offering Value (THB)
	Shares/Unit	Shares with voting rights	Of the total issued securities ¹	Of the total shares with voting rights		
Ordinary Shares	214,000,000	214,000,000	61.01	61.01	1.99	425,860,000
Preferred Shares						
Warrants						
Convertible Debentures						
Other Securities (if any)						
			Total	61.01	Total	425,860,000

Remark: Shareholding proportion is calculated from issued and paid-up shares of 350,780,000 shares which is the number of shares after KAI exercise the warrants to purchase the newly issued ordinary shares of TKT No.2 (“TKT-W2”) total 65,000,000 units and No.3 (“TKT-W3”) total 48,000,000 units, in total 113,000,000 units.

However, because the company Set limits on foreign shares (Foreign Limit) equal to 49.00 percent of total issued and paid-up shares in the Business, which means the proportion that foreign investors (individuals and juristic persons who is not Thai nationality) can hold shares and have their names appear on the securities register equal to 49.00 percent of total issued and paid-up shares in the Business Therefore, the Offeror who is a juristic person who is not Thai nationality has the highest voting rights equal to 49.00 percent of total issued and paid-up shares in the Business of the total voting rights of the Company even the Offeror will

be able to purchase the Company's securities From the completion of this tender offer until the Company's shareholding is more than 49.00 percent of total issued and paid-up shares in the Business. In the event that the Tender Offeror holds more than 49.00 percent of total issued and paid-up shares in the Business, the Offeror is required to manage the shareholding of the Company which exceeds 49.00 percent of total issued and paid-up shares in the Business in order to comply with the foreign share restrictions by means such as the sale of the Company's shares after the completion of the purchase of the Company's securities until the shareholding of the Company does not exceed 49.00 percent of total issued and paid-up shares in the Business or the registration of the Company's shares which exceeds 49.00 percent of total issued and paid-up shares in the Business as a certificate of benefit arising from Thai underlying securities (NVDR: Non -Voting Depository Receipt).

Offer Price and Offer Period

The offer price for ordinary shares is THB 1.99 (Thai Baht One point nine nine) per share (the “**Offer Price**”). The Company’s shareholders who wish to tender their shares (the “**Offeree**”) is subject to pay the Tender Offer agent fee at the rate of 0.25 percent of the Offer Price and the value added tax (“**VAT**”) of 7.00 percent of the Tender Offer agent fee. Therefore, the net offer price to be received by the Offeree will be THB 1.984677 (Thai Baht One point nine eight four six seven seven) per share. Such Offer Price is:

the final offer which shall not be changed (Final Offer) (unless the conditions specified in Conditions of Change to the Tender Offer apply)

not the final offer price and the Offeror may change the Offer Price

If the Offeree is a foreign juristic person not operating any business in Thailand (except the case that the Offeree can show to I V Global Securities Public Company Limited (the “**Tender Offer Agent**”) that the Offeree is a foreign juristic person residing in a country having a double tax treaty with Thailand and such treaty exempts tax on capital gains realized from the sale of securities in Thailand), the Tender Offer Agent will deduct a withholding tax of 15.00 percent of the capital gains realized on sale of securities (which is a difference between the Offer Price and the original cost at which the Offeree paid to acquire the tendered shares). The Offeree must declare the original cost of such tendered shares and submit the proper evidence thereof to the Tender Offer Agent (for additional details, please refer to Part 4). In the

event that any Offeree fails to declare such original cost or does not submit the proper evidence together with the Confirmation of Securities Cost Form, to the Tender Offer Agent, the Tender Offer Agent will determine the amount of withholding tax on the basis of the entire proceeds to be received by the Offeree from the sale of shares and will deduct the tax accordingly.

Remark: An Offeree which is a Thai juristic person will be responsible to withhold 3.00 percent (Three) tax on the Tender Offer fee and must issue a Withholding Tax Certificate to I V Global Securities Public Company Limited, the Tender Offer Agent.

The Offer Period will last for a total of 25 business days from October 21, 2022 to November 25, 2022, during the office hours from 9:00 a.m. to 4:30 p.m. on every business day. Such Offer Period is:

the final period which will not be extended (unless the conditions specified in Conditions of Change to the Tender Offer apply)

not the final period and the Offeror may extend the period.

In this regard, in the case where there is an announcement of extra public holidays during the Tender Offer Period, the Offeror will extend the Tender Offer Period to meet the requirement of 25 business days according to the Notification TorChor. 12/2554

Moreover, conditions of change to the Tender Offer shown as below detail:

The Offeror may reduce the Offer Price or extend the Offer Period in the case of any event or action that occurs during the Offer Period which causes severe damage to the status or assets of the Business; or

The Offeror may change the offer or extend the Offer Period to compete with another offeror who has submitted a tender offer for shares of the Business during the Offer Period.

Conditions for Cancellation of the Tender

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

- any event or action occurring after the submission of the Tender Offer to the SEC but within the Offer Period which causes or may cause severe damage to the financial status or the assets of the Business, where such event or action has not

resulted solely from the actions of the Offeror or actions for which the Offeror is responsible; or

- any event or action occurring after the submission of the Tender Offer to the SEC but within the Offer Period which causes or may cause severe damage to the financial status or the assets of the Business, where such event or action has not resulted solely from the actions of the Offeror or actions for which the Offeror is responsible; or
- any action conducted by the Business after the submission of the Tender Offer to the SEC but within the Offer Period which causes or may cause a significant decrease in the value of the Business's shares; or
- any action conducted by the Business as defined in the Notification of the Capital markets Supervisory Board No. TorChor. 14/2554 Re: Actions or exempt of actions that may affect the result of Tender Offer.

Tender Offer Revocation Period

The Offeree is able to revoke its acceptance of the Tender Offer at the office of the Tender Offer Agent on any business day between October 21, 2022 to November 18, 2022 during the hours of 9:00 a.m. to 4:30 p.m., inclusively totaling 20 business days. If any of the Offerees wishes to revoke its acceptance of the Tender Offer, it must follow the Tender Offer Revocation Procedures.

In this regard, in case where there is an announcement of extra financial institutions' holidays during the Offer Period, the Offeror will extend the Tender Offer Revocation Period to meet the requirement of 20 business days pursuant to the Takeover Notification.

Source of Funds for the Tender Offer

Pursuant to the fact that Karrie Automotive Investment Limited (the “Offeror” or “KAI”) has acquired shares of T.Krungthai Industries Public Company Limited (the “Business” or the “Company” or “TKT”) on October 4, 2022, resulting in the Offeror holding shares in total of 136,780,000 shares, or representing 38.99 percent of the total issued and paid-up shares of the Company. Thus, the Offeror is obligated to make a mandatory tender offer for all securities of the Company totaling 214,000,000 shares, or representing 61.01 percent of the total issued and paid-up shares of the Company.

However, 30 shareholders (“Group of Shareholders”) who hold shares of Business in a total of 141,873,966 shares, representing 40.45 percent of the total issued and paid-up shares in the Business (after the conversion of warrants), and 40.45 percent of the total voting rights of the Business (after the conversion of the warrants) has signed a letter to express intention not to sell TKT’s ordinary shares in accordance with the Tender Offer of the Offeror (“LOI”) stating that such person shall not sell all shares held in the total of 40.45 percent of the total issued and paid-up shares of the Business to the Offeror throughout the Tender Offer period. The details are as shown in the LOI.

On this basis, the total amount of funds required for the Offeror to acquire 72,126,034 shares in the Business, representing 20.56 percent of the total issued and paid-up shares in the Business and 20.56 percent of the total voting rights in the Business (excluding the 141,873,966 shares in the Business held by the Group of Shareholders and 136,780,000 shares in the Business held by the Offeror), which is equivalent to a total amount of THB 143,530,808 (Thai Baht One hundred forty-three million five hundred thirty thousand eight hundred eight).

The Offeror will pay compensation in cash to all shareholders who accept the Tender Offer. The Offeror’s funding source for the Tender Offer comes from a loan from Karrie, who indirectly holds 100.00 percent of the Offeror’s issued and paid-up shares. In this regard, the loan received from Karrie is an interest-free loan and is reclaimable on demand.

As of September 23, 2022, the Offeror had cash deposit in a saving account with The Hongkong and Shanghai Banking Corporation Limited (“HSBC”) with a current balance of HKD 32,248,266 or approximately THB 148,986,804 (the “Funds”) to be solely used for the purpose

of conducting the Tender Offer. The Funds are assured to remain available for the settlement of the Tender Offer until the settlement of the Tender Offer is completed.

In the event that the Funds converted into THB currency, is not sufficient for the Tender Offer due to the change in foreign exchange rate, the Offeror agrees to provide additional funds to I V Global Securities Public Company Limited, as the Tender Offer Agent, to ensure the sufficient fund in THB currency for the Tender Offer.

Remark: 1. The source of funds in Thai Baht currency is calculated by using the average foreign exchange rates quoted by The Hongkong and Shanghai Banking Corporation Limited on September 22, 2022, which is equivalent to THB 4.62 to HKD 1.

The Company has considered the offer with the benefit of the securities holders in mind and has supplied the opinions for the matter as follows:

1. The Company's Information

1.1. General Information of The Company

Company name	T.Krungthai Industries Public Company Limited
Headquarter address	23 Soi Chan 43 Yak 21, Tungwatdon, Sathon, Bangkok 10120
Business type	Injection Molding and Mold Production and Repair for Automotive, Electric, and Original Equipment Manufacturer (OEM)
Telephone	0-2211-2762, 0-2211-3732, 0-2212-4719
Fax	0-2212-4864
Company Registration Number	0107547000010
Website	www.tkrungthai.com
Establish Date	4 November 1980
Stock Exchange Market	The Stock Exchange of Thailand (SET)
Industry	Industrials / Automotive
First Trade Date	30 September 2004
IPO Price	THB 4.10
Par value	THB 1.00 per share
Authorized Capital	THB 350,780,000.00
Paid-up Capital	THB 350,780,000.00
Dividend Policy	The Company has a policy to pay dividends to shareholders at the rate of not less than 40 percent of the net profit each year, except in the case where the company intends to invest in other projects.

1.2. History and Successful Events

Year	Event
2018	- The company bought 2 injection machines to increase production capacity to support new jobs
2019	- The company renovated the painting room of King Kaew Plant to support the new Model
2020	<ul style="list-style-type: none"> - The resolution of the 2020 shareholders' meeting approves the increase in registered capital of 136.78 million shares from the specific offering of 23.78 million shares, which is the offering in conjunction with the issuance of warrants to purchase additional shares to Private Placement (PP) is 113 million shares of Karrie Automotive Investment Limited. - The company called for additional registered capital from Karrie Automotive Investment Limited in the amount of 23.78 million shares with a par value of THB 1.00 per share, totaling THB 237.78 million in paid-up capital.
2021	- Purchase 2 injection machines to replace the old injection machines of Kabinburi Plant to maintain quality and production efficiency

1.3. The Company's Business Overview

T. Krungthai Industries Public Company Limited ("the Company") ("TKT") was established on 4 November 1980 by the Taechakraisri Group and foreign shareholders (Established as a Krungthai Industrial, Part., Ltd. on 16 September 1973) with an initial registered capital of THB 5 million, with the objective of doing business as a producer of plastic parts including the spray painting, silk-screen & hot stamping and sub assembly, and the service provider on mold design, mold production and mold repair for plastic parts to the leading Automobile, Electrical appliance and Original Equipment Manufacturers (OEM). The Company was listed in the Stock Exchange of Thailand in 30 September 2004 with the registered capital of THB 208 million.

The Company is the producer of plastic parts for industry. After the process of injection molding, plastic parts would be brought into further processes such as spray painting, silk-screen & hot stamping and sub assembly. The production of plastic parts supports the 3 groups of industry as follows:

Plastic parts for Automotive Industry

Include plastic parts for used for the interior such as dashboard components/trims, panel, and door panels as well as for the exterior Part such as radiator Grilles, wheel Cap, and mud guards; and for the engine room such as engine cover.

Plastic parts for Electrical Appliance Industry

Include plastic parts for refrigerators such as door handle, base, top plate and other parts inside the refrigerator as well as for air conditioner such as air condition mask; and for washing machine such as washing machine base.

Plastic parts for other industries

Products of this group include plastic parts that are components of packaging for consumer products such as can covers, etc.

Moreover, the Company also provides services on mold design and mold repair as well as manufacture of plastic injection molds, with professional teams of over 48 years of experience in mold design and production. Computers are used in designing process such as CAE (Mold Flow) which is used to analyze the design of plastic parts and mold as well as Computer Aid Design (CAD) and Computer Aid Manufacturing (CAM), which enable the Company to produce good quality molds that are accurate as designed. Mold making is divided into 2 groups as follows:

New Mold for customers' order

The production of mold for injection according to the customers specification and make the mold in accordance with the design details agreed by both sides.

Customers provide mold for repair and adjustment

The customers provide molds for repair and adjustment, both the company and the customer support each other for the improvement of surface, mold design for injection improvement and adjustment for quicker production or as per the customers requirement

As for the investment support from Board of Investment Directors (BOI), the Company has received promotional privileges from the Board of Investment (BOI) in Zone (Chachoengsao) for plant Suwintawong on 25 February 2011 to indicate that the user is encouraged to invest in the business of mold manufacturing and mold repair itself. The gist has been promoted as follows:

- 1) Exemption in company income tax for the net profit on the BOI privilege for 8 years and reduction on corporate income tax in the Net Profit 50 percent for 5 years after 8 years.
- 2) Exemption from the need to include dividends from promoted businesses to pay income tax throughout the promotion period, exempt from corporate income tax.
- 3) Exemption of import duty on raw and essential materials that must be brought from abroad for use in production for export for a period of 1 year.
- 4) Exemption of import duty for those who have been promoted to import for re-export for a period of 1 year.

1.4. Shareholding Structure of the Company

No subsidiary or associated company in any way

1.5. The Company's Revenue Structure

Revenue Structure	2019		2020		2021		Quarter 2 of 2022	
	THB million	Percent	THB million	Percent	THB million	Percent	THB million	Percent
Revenue								
Revenue from sales - Plastic products for Automotive Industry	991.08	76.14	730.34	71.68	904.27	73.40	469.95	73.55
Revenue from sales - Plastic products for Electrical Appliance Industry	111.34	8.55	133.57	13.11	132.52	10.76	66.48	10.40
Revenue from sales - Plastic products for other Industries	30.07	2.31	18.70	1.84	25.37	2.06	6.85	1.07
Revenue from sales - molds	154.73	11.89	129.02	12.66	149.34	12.12	90.66	14.19
Other income ^{1/}	14.51	1.11	7.21	0.71	20.43	1.66	5.00	0.78
Total Revenue	1,301.73	100.00	1,018.84	100.00	1,231.93	100.00	638.94	100.00

Source: Financial statement of TKT from 2019 – 2021 and quarter 2 of 2022

Note: 1/ Consists of revenue from sales of other materials, scrap and revenue from investment

1.6. Financial position and past performance

The IFA has analyzed the performance and financial position of the Company from the financial statement for the year 2019 – 2021 and quarter 2 of 2022, which has been audited by a certified public accountant, Karin Audit Company Limited, with the following details:

- Income Statement

Table of income statement from 2019 – 2021 and quarter 2 of 2022

	2019		2020		2021		Quarter 2 of 2022	
	THB million	Percent	THB million	Percent	THB million	Percent	THB million	Percent
Revenue from sales - Plastic Products	1,132.49	87.00	882.61	86.63	1,062.16	86.22	543.28	85.03
Revenue from sales - molds	154.73	11.89	129.02	12.66	149.34	12.12	90.66	14.19
Other income	14.51	1.11	7.21	0.71	20.43	1.66	5.00	0.78
Total Revenue	1,301.73	100.00	1,018.84	100.00	1,231.93	100.00	638.94	100.00
Cost of sales and rendering of services	1,109.13	85.20	877.67	86.14	1,024.15	83.13	528.75	82.75
Distribution cost	31.98	2.46	24.98	2.45	30.31	2.46	14.41	2.25
Administrative expenses	109.07	8.38	98.54	9.67	109.09	8.86	52.90	8.28
Other expenses	4.10	0.31	2.86	0.28	4.98	0.40	2.92	0.46
Director and management remunerations	19.75	1.52	28.02	2.75	29.35	2.38	14.28	2.24
Total expenses	1,274.04	97.87	1,032.08	101.30	1,197.89	97.24	613.26	95.98
Profit (Loss) before finance cost and income tax	27.69	17.90	(13.24)	(1.30)	34.04	2.76	25.68	4.02
Finance cost	21.18	1.63	18.27	1.79	16.44	1.33	8.04	1.26
Profit (Loss) before income tax	6.51	0.50	(31.51)	(3.09)	17.60	1.43	17.65	2.76
Income tax (expenses)	5.70	0.44	(5.04)	(0.49)	(4.01)	(0.33)	(3.31)	(0.52)
Profit (Loss) for the year	12.21	0.94	(36.56)	(3.59)	13.59	1.10	14.34	2.24

Source: Financial Statement of TKT from 2019 – 2021 and Quarter 2 of 2022

■ Financial Position

Table of financial position from 2019 – 2021 and quarter 2 of 2022

	31 December 2019		31 December 2020		31 December 2020		For 2 Quarters 30 June 2022	
	THB million	Percent	THB million	Percent	THB million	Percent	THB million	Percent
Asset								
Cash and cash equivalents	76.12	6.55	54.41	4.81	71.53	6.25	54.31	4.78
Trade and other current receivables	223.68	19.26	226.22	20.00	265.95	23.22	267.80	23.56
Contract assets	57.53	4.95	81.09	7.17	74.89	6.54	90.04	7.92
Inventories - net	90.69	7.81	81.28	7.18	97.97	8.55	98.06	8.63
Current tax assets	17.37	1.50	10.45	0.92	10.45	0.91	10.45	0.92
Other current financial assets	-	-	-	-	-	-	-	-
Total current assets	465.40	40.08	453.45	40.08	520.78	45.47	520.66	45.80
Property, plant and equipment - net	640.29	55.13	610.83	54.00	578.01	50.47	560.20	49.28
Right - of - use assets - net	-	-	4.28	0.38	2.19	0.19	3.34	0.29
Other intangible assets - net	8.14	0.70	6.69	0.59	6.83	0.60	8.54	0.75
Deferred tax assets	9.04	0.78	4.00	0.35	-	-	-	-
Other non - current assets	38.45	3.31	52.03	4.60	37.43	3.27	43.99	3.87
Total non - current assets	695.92	59.92	677.82	59.92	624.45	54.53	616.08	54.20
Total assets	1,161.31	100.00	1,131.28	100.00	1,145.23	100.00	1,136.74	100.00
Liabilities								
Bank overdrafts and short - term borrowings from financial institutions	519.87	44.77	474.00	41.90	458.00	39.99	454.00	39.94
Trade and other current payables	138.25	11.90	159.73	14.12	187.18	16.34	167.20	14.71
Contract liabilities	-	-	1.32	0.12	1.78	0.16	1.20	0.11
Current portion of lease liabilities	10.84	0.93	14.32	1.27	12.34	1.08	11.44	1.01
Current provisions for employee benefits	1.47	0.13	1.60	0.14	3.90	0.34	3.90	0.34
Other current provisions	0.00	0.00	0.07	0.01	0.02	0.00	0.07	0.01
Total current liabilities	670.44	57.73	651.04	57.55	663.21	57.91	637.80	56.11
Lease liabilities	29.34	2.53	26.95	2.38	16.81	1.47	14.35	1.26
Deferred tax liabilities - net	-	-	-	-	0.01	0.00	3.33	0.29
Non - current provisions for employee benefits	27.56	2.37	28.39	2.51	26.71	2.33	28.44	2.50
Total non - current liabilities	56.90	4.90	55.34	4.89	43.53	3.80	46.12	4.06
Total liabilities	727.34	62.63	706.38	62.44	706.74	61.71	683.92	60.16

	31 December 2019		31 December 2020		31 December 2020		For 2 Quarters 30 June 2022	
	THB million	Percent	THB million	Percent	THB million	Percent	THB million	Percent
Shareholders' equity								
Issued and paid - up share capital	214.00	18.43	237.78	21.02	237.78	20.76	237.78	20.92
Share premium	144.24	12.42	147.94	13.08	147.94	12.92	147.94	13.01
Retained earnings (deficits)								
Appropriated – Legal reserve	21.40	1.84	21.40	1.89	21.40	1.87	21.40	1.88
Unappropriated	(65.17)	(5.61)	(101.72)	(8.99)	(88.13)	(7.70)	(73.79)	(6.49)
Other component of Shareholders' equity	119.50	10.29	119.50	10.56	119.50	10.43	119.50	10.51
Total shareholders' equity	433.98	37.37	424.90	37.56	438.49	38.29	452.83	39.84
Total liabilities and shareholders' equity	1,161.31	100.00	1,131.28	100.00	1,145.23	100.00	1,136.74	100.00

Source: Financial statement of TKT from 2019 – 2021 and quarter 2 of 2022

- Key financial ratios

Table of key financial ratios from 2019 – 2021 and quarter 2 of 2022

Key financial ratios	Unit	2019	2020	2021	Quarter 2 of 2022
Liquidity ratio					
Current ratio	time	0.69	0.70	0.79	0.82
Quick ratio	time	0.56	0.57	0.64	0.66
Account receivable turnover	time	5.53	4.23	4.32	4.09
Account receivable day	day	66.03	86.19	84.42	89.22
Contract asset turnover	time	2.69	1.59	1.99	2.03
Contract asset day	day	135.71	229.40	183.04	179.76
Inventory turnover	time	11.56	10.10	9.89	10.35
Inventory day	day	31.58	36.15	36.89	35.27
Account payable turnover	time	10.37	8.04	8.34	6.07
Payment period	day	35.21	45.39	43.75	60.14
Cash cycle	day	198.12	306.36	260.60	244.11
Profitability ratio					
Gross profit margin	%	13.83	13.24	15.46	16.59
Operating profit margin	%	2.13	(1.30)	2.76	4.02
Net profit margin	%	0.94	(3.59)	1.10	2.24
Return on asset	%	1.05	-3.23	1.19	1.26
Return on equity	%	2.81	-8.60	3.10	3.17
Financial policy ratio					
Debt to equity ratio	time	1.68	1.66	1.61	1.51
Interest coverage ratio	time	1.31	(0.72)	2.07	3.20
Dividend payout ratio	%	N/A	N/A	N/A	N/A
Data on per share capital					
Net book value per share	THB	2.03	1.88	1.80	1.90

Source: Calculated from financial statement of TKT from 2019 – 2021 and quarter 2 of 2022

Explanation of financial position and performance

Total Revenue

Total revenues during the year 2019 – 2021 were THB 1,301.73 million, THB 1,018.84 million and THB 1,231.93 million respectively, representing the compound annual deduction rate (CADR) between 2019 - 2021 of 2.72 percent

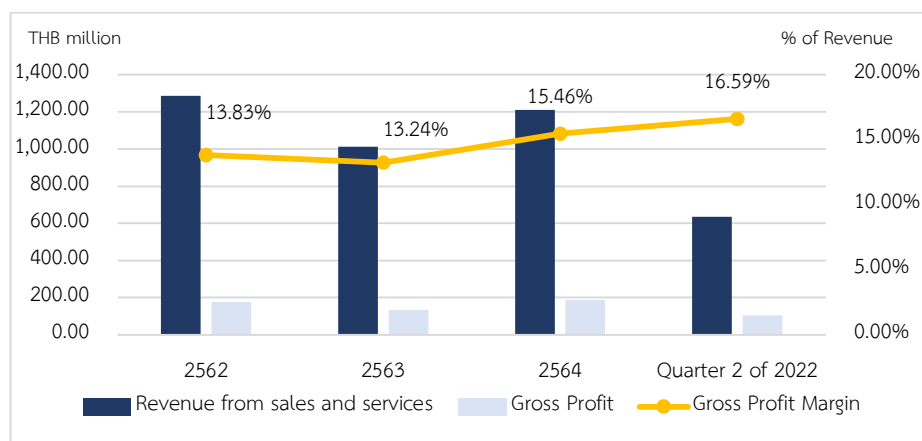
In 2020, the Company had total revenue of THB 1,018.84 million, a decrease of THB 282.89 million or 21.73 percent from the year 2019, which was THB 1,301.73 million, thanks to a decrease in revenue from sales and services of THB 275.59 million or 21.41 percent to THB 1,011.63 million from THB 1,287.22 million. This was due to the COVID-19 outbreak starting in March 2020, which impacted the automotive industry significantly that the automobile production decreased by 0.58 million units or 28.86 percent to 1.43 million units from the previous year of 2.01 million units.

In 2021, the Company had total revenue of THB 1,231.93 million, an increase of THB 213.09 million or 20.91 percent from the year 2020, which was THB 1,018.84 million, thanks to an increase in revenue from sales and services of THB 199.87 million or 19.76 percent to THB 1,211.50 million from THB 1,011.63 million. This was due to the COVID-19 situation getting better as the government had encouraged the general public to vaccinate. The total automobile production output therefore increased by 0.58 million units or 17.48 percent from 1.43 million units in the previous year to 1.68 million units.

In quarter 2 of 2022, the Company had total revenue of THB 638.94 million, an increase of THB 28.60 million or 4.69 percent from the same period of previous year which was equal to THB 610.34 million due to the Company receiving more mold production for automobile and electrical appliance orders than expected.

Gross Profit Margin

Revenue, Gross Profit and Gross Margin Chart of the Company for the year 2019 – 2021
and quarter 2 of 2022



Between 2019 – 2021, the Company had a gross profit of THB 178.09 million, THB 133.96 million, and THB 187.35 million or a gross profit margin of 13.83 percent, 13.24 percent, and 15.46 percent respectively.

In 2020, the Company had a gross profit of THB 133.96 million, a decrease of THB 44.13 million or 24.78 percent from 2019, which was THB 178.09 million. This was in line with the decrease in revenue from sales and services. The gross profit margin of the year 2020 was indifferent from the year 2019 due to the Company improving productivity, a constant control of production costs and reducing waste in production continuously.

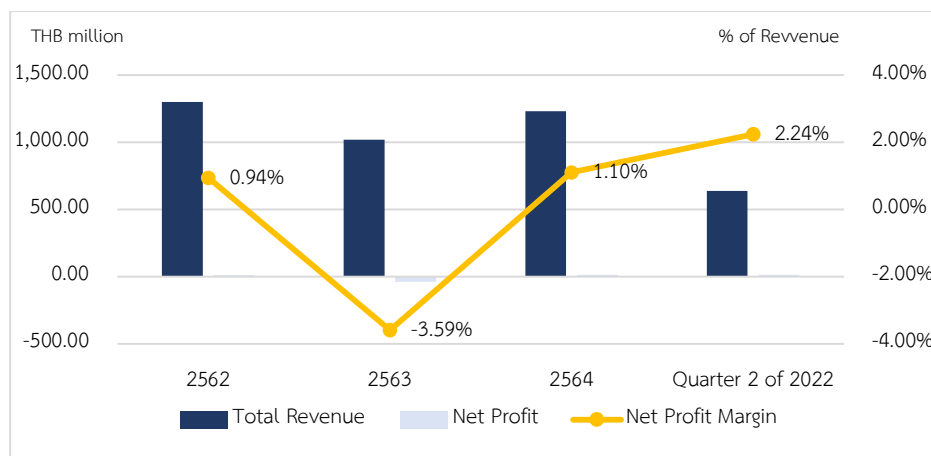
In 2021, the Company had a gross profit of THB 187.35 million, an increase of THB 53.39 million or 19.76 percent from 2019, which was THB 133.96 million. This was in line with the increase in revenue from sales and services. Moreover, with the Company's continuous effort to reduce the loss from the set up time of molds and improve the cycle time to be shorter as well as continuously reduce the defect rate of plastic parts production, the gross profit margin had increased.

In quarter 2 of 2022, the Company had a gross profit margin of THB 105.19 million, an increase of THB 5.29 million or 5.29 percent from the same period of the previous year, which was THB 99.90 million. This was largely due to cost and expenses reduction efforts as well as an increase in the proportion of sales of molds – of which has lower cost compared to plastic

products – therefore resulting in the increase of cost of goods sold being less than the increase in sales.

Net Profit Margin

**Net Profit and Net Profit Margin Chart of the Company for the year 2019 – 2021
and quarter 2 of 2022**



Between 2019 – 2021, the Company had a net profit (loss) of THB 12.21 million, THB (36.55) million, and THB 13.59 million or a net profit margin of 0.94 percent, 3.59 percent, and 1.10 percent respectively.

In 2020, the Company had a net loss of THB 36.55 million, a decrease of THB 48.76 million or 48.76 percent from 2019, which had a net profit of THB 12.21 million. This was largely due to an economic recession from the COVID-19 crisis. However, there was also an improve in productivity, better cost control and lower financial costs as well as a repayment of the short-term and long-term loan. Moreover, there was an income tax expense of THB 5.04 million as a result of a reduction in unused deferred tax assets of the portion of accumulated losses carried forward from the year 2016 and 2017 that will expire in 2021 and 2022.

In 2021, the Company had a net profit of THB 13.59 million, an increase of THB 50.14 million or 137.18 percent from 2019, which had a net loss of THB 36.55 million. This was due to lower financial expenses from lower debt burden, although interest rates have moved higher according to the economic situation.

In quarter 2 of 2022, the Company had a net profit margin of THB 14.33 million, an increase of THB 3.71 million or 34.90 percent from the same period of the previous year, which was THB 10.62 million. This was due to a decrease in selling and administrative expenses.

Analysis of the Company's Financial Position

Total Asset

As of 31 December 2020, the Company had total asset of THB 1,131.28 million, a decrease of THB 30.03 million or 2.59 percent from 31 December 2019 which was THB 1,161.31 million. The decrease in total assets came from the significant changes in the increase or decrease of assets as follows: (1) Cash and cash equivalent decrease by THB 21.71 million due to the repayment of THB 25 million promissory notes in November (2) Inventories decrease by THB 9.41 million (3) Trade and other receivables increase by THB 2.54 million due to higher sales in November that were not yet due (4) Contract assets increase by THB 23.56 million due to the higher recognition of accrued income from mold services in December (5) Non-current assets decrease by THB 18.09 million due to the company investing in the purchase of fixed assets of only THB 41.49 million by investing in one molding machine (EDM), a measurement machine, computer hardware and overhauling machinery and equipment while the annual depreciation expenses was THB 60.86 million (6) Right-of-use assets and lease liabilities for assets increase by THB 4.28 million due to the Company leasing assets for operating.

As of 31 December 2021, the Company had total asset of THB 1,145.23 million, an increase of THB 13.95 million or 1.23 percent from 31 December 2020 which was THB 1,131.28 million. The increase in total assets came from the significant changes in the increase or decrease of assets as follows: (1) Cash and cash equivalent increase by THB 21.71 million (2) Trade and other receivables increase by THB 39.73 million, in line with the increase in sales (3) Contract assets decrease by THB 6.20 million from the recognition of accrued revenue from mold manufacturing services (4) Non-current assets decrease by THB 53.38 million due to the company's investment in the purchase of fixed assets of only 36.92 million baht, which were the purchase of injection molding machines, renovation of factory building area for convenience and safety, installation of equipment in the machine to increase work efficiency,

improvement of the painting room to reduce the waste rate and replacement of deteriorated computer hardware, machinery and vehicles, meanwhile the amortized depreciation expense for the year was THB 59.07 million and amortization expenses of THB 8.84 million of the boxes used to contain products and jigs that helps in the production and inspection of the goods (5) Right-of-use assets decrease by THB 2.09 million due to the amortization of depreciation over the life of the operating lease.

As of 30 June 2022, the Company had total asset of THB 1,136.74 million, a decrease of THB 8.49 million or 0.74 percent from 31 December 2021 which was THB 1,145.23 million. The decrease in total assets came from the significant changes in the increase or decrease of assets as follows: (1) Cash and cash equivalent decrease by THB 17.22 million (2) Contract assets increase by THB 15.15 million from the recognition of accrued revenue from mold manufacturing services (3) Trade and other receivables increase by THB 1.85 million due to the increase in sales (4) Inventories increase by THB 0.10 million (5) Non-current assets decrease by THB 8.37 million due to the depreciation and amortization exceeding the increase in non-current assets. The Company invested in Manufacturing Execution System, modified the machine for improved efficiency, altered the machine layout for better convenience when moving products and to support newly purchased machine.

Total liabilities

As of 31 December 2020, the Company had total liabilities of THB 706.38 million, a decrease of THB 20.96 million or 2.88 percent from 31 December 2019 which was THB 727.34 million. The decrease in total liabilities came from the significant changes in the increase or decrease of liabilities as follows: (1) Bank overdrafts and short-term loans from financial institution decrease by THB 45.87 million (2) Trade payables and other payables increase by THB 21.48 million due to higher raw material purchases at the end of the year related to higher sales. (3) Lease liabilities increase by THB 1.09 million.

As of 31 December 2021, the Company had total liabilities of THB 706.74 million, an increase of THB 0.36 million or 0.05 percent from 31 December 2020 which was THB 706.38 million. The increase in total liabilities came from the significant changes in the increase or decrease of liabilities as follows: (1) Trade payables and other payables increase by THB 27.45

million, in line with the increase in sales (2) Short-term loans from financial institutions decrease by THB 16.00 million (3) Lease liabilities decrease by THB 12.12 million.

As of 30 June 2022, the Company had total liabilities of THB 683.92 million, a decrease of THB 22.83 million or 3.23 percent from 31 December 2021 which was THB 706.74 million. The decrease in total liabilities came from the significant changes in the increase or decrease of liabilities as follows: (1) Short-term loans from financial institutions decrease by THB 4.00 million due to repayment (2) Trade payables and other payables decrease by THB 19.98 million.

Total Shareholders' Equity

As of 31 December 2020, the Company had total shareholders' equity of THB 424.90 million, a decrease of THB 9.08 million or 2.09 percent from 31 December 2019 which was THB 433.98 million. The decrease in total shareholders' equity was the result of the net loss of THB 36.56 million even though there was the issuance of 23.78 million newly issued ordinary shares to specific investor at the selling price THB 1.30 per share, with a share premium after deducting the cost of issuing shares of THB 3.70 million.

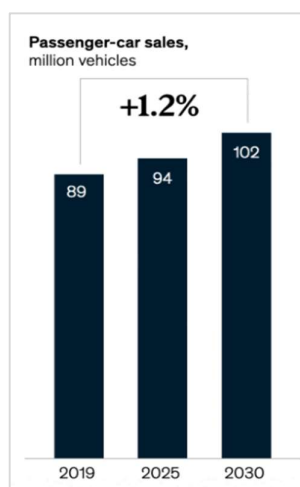
As of 31 December 2021, the Company had total shareholders' equity of THB 438.49 million, an increase of THB 13.59 million or 3.20 percent from 31 December 2020 which was THB 424.90 million. The increase was due to the net profit of the Company becoming positive again at THB 13.59 million.

As of 30 June 2022, the Company had total shareholders' equity of THB 452.83 million, an increase of THB 14.34 million or 3.27 percent from 31 December 2021 which was THB 438.49 million. The increase was due to the net profit of the first half of the Company standing at THB 14.33 million.

1.7. Industry overview and business outlook

At present, the industry of manufacturing plastic injection molded parts for commercial use is a rapidly growing industry due to the increase in demand for plastic parts with flexible properties that can also withstand torsion, impact and are light weight to be used to replace metal parts. This, coupled with the expansion of the downstream industry that requires plastic parts – which is the main component in the production of products such as the automotive industry, electronic Industry, and packaging industry, especially flexible packaging that has been well received in the past 2-3 years until now due to the advancement of technology in the production of flexible packaging that can meet the needs of consumers perfectly

For the past year, Thailand's plastics industry has been affected by the slowdown in the global economy as well as Thailand's. As a result, the overall demand for plastic products has been sluggish. However, after vaccination covers more people, things have started to have a better direction and the economy has gradually recovered – which will support the purchasing power of consumers. This will help stimulate the overall manufacturing market, with the demand for industrial plastic products to grow in the same direction, part of which was supported mainly by the recovery of the automobile industry that has bright trends and will return to the pre-epidemic levels by 2024 as the electric vehicle market is expanding by leaps and bounds, thanks to the benefit from government support measures in many countries. In addition, the demand for commercial vehicles will increase due to the expansion of the construction sector, online retail business, and logistics. According to estimates from McKinsey & Company Limited – the world's leading management consulting firm – as of 25 April 2022, the car sales is forecasted to have an average annual growth rate of 1.20 percent from 2019 – 2030.



Source: McKinsey Mobility Component Model

1.8. Shareholders of the Company

List of Top 10 shareholders before and after KAI exercise the right to purchase ordinary shares according to the warrant TKT-W2 and TKT-W3 is as follows:

List of the Company's Top 10 shareholders before KAI exercise warrants W2 and W3

Rank	Title	No. of shares (Shares)	Shareholding percent
1	MRS. YUPA TECHAKRAISRI	24,000,000	10.09
2	KARRIE AUTOMOTIVE INVESTMENT LIMITED	23,780,000	10.00
3	MR. SUMATE TECHAKRAISRI	23,500,000	9.88
4	MR. KAM KWAN KOON	12,750,000	5.36
5	MR. TANAWAT KRAIPISITKUL	12,682,820	5.33
6	MR. SORAPOJ TECHAKRAISRI	10,000,040	4.21
7	THAI NVDR COMAPANY LIMITED	6,928,166	2.91
8	MR. MITR TECHAKRAISRI	6,500,000	2.73
9	MR. PREECHA TECHAKRAISRI	6,138,400	2.58
10	MRS. URAIWAN SAETAE	6,000,000	2.52
11	MRS. TAETIASI SAETAE	6,000,000	2.52
12	Other shareholders	105,500,614	41.85
Total		237,780,000	100.00

Source: List of shareholders as of 14 March 2022

On 30 September 2022, KAI notified the intention to exercise the right to purchase ordinary shares according to the warrant TKT-W2 and TKT-W3 warrants for a total of 113,000,000 shares. And when combined with the existing shares, results in KAI now holding

136,780,000 shares in the business, or 38.99 percent of the total share issued and voting rights of the business.

List of the Company's Top 10 shareholders after KAI exercise warrants W2 and W3

Rank	Title	No. of shares (Shares)	Shareholding percent
1	KARRIE AUTOMOTIVE INVESTMENT LIMITED	136,780,000	38.99
2	MRS. YUPA TECHAKRAISRI	24,000,000	6.84
3	MR. SUMATE TECHAKRAISRI	23,500,000	6.70
4	MR. KAM KWAN KOON	12,750,000	3.63
5	MR. TANAWAT KRAIPISITKUL	12,682,820	3.62
6	MR. SORAPOJ TECHAKRAISRI	10,000,040	2.85
7	THAI NVDR COMPANY LIMITED	6,928,166	1.98
8	MR. MITR TECHAKRAISRI	6,500,000	1.85
9	MR. PREECHA TECHAKRAISRI	6,138,400	1.75
10	MRS. URAIWAN SAETAE	6,000,000	1.71
11	MRS. TAETIASI SAETAE	6,000,000	1.71
12	Other shareholders	105,500,614	28.37
Total		350,780,000	100.00

Source: Tender offeror the securities form (247-4) as of 5 October 2022

1.9. Directors of the Company

List of the Company's directors before the transaction

Rank	Title	Position
1	GEN. TERDSAK MARROME	CHAIRMAN OF THE BOARD / INDEPENDENT DIRECTOR
2	MR. SUMATE TECHAKRAISRI	CHIEF EXECUTIVE DIRECTOR / DIRECTOR
3	MR. KOWATE LIMTRAKUL	DIRECTOR
4	MR. KUMPEE CHONGTHURAKIT	DIRECTOR
5	MR. PRASONG TECHAKAISRI	DIRECTOR
6	MRS. YUPA TECHAKRAISRI	DIRECTOR
7	MR. APICHART KASEMKULSIRI	DIRECTOR
8	MR. PHREECHA TACHAKRAISRI	DIRECTOR
9	MR. CHUMPOL TECHAKRAISRI	DIRECTOR
10	MR. PAIRUCH SAHAMETHAPAT	INDEPENDENT DIRECTOR / CHAIRMAN OF AUDIT COMMITTEE
11	MR. PAOTEP CHOTINUCHIT	INDEPENDENT DIRECTOR / AUDIT COMMITTEE
12	MR. VIRASAK SUTANTHAVIBUL	INDEPENDENT DIRECTOR / AUDIT COMMITTEE
13	MR. KOSOL SURAKOMOL	INDEPENDENT DIRECTOR

List of the Company's directors before the transaction

Rank	Title	Position
1	GEN. TERDSAK MARROME	CHAIRMAN OF THE BOARD / INDEPENDENT DIRECTOR
2	MR. SUMATE TECHAKRAISRI	CHIEF EXECUTIVE DIRECTOR / DIRECTOR
3	Mr. Chan Wah Ying	DIRECTOR (KAI representative)
4	Ms. Chan Ming Mui Silvia	DIRECTOR (KAI representative)
5	Mr. Chan Raymond	DIRECTOR (KAI representative)
6	MRS. YUPA TECHAKRAISRI	DIRECTOR
7	MR. APICHART KASEMKULSIRI	DIRECTOR
8	MR. PHREECHA TACHAKRAISRI	DIRECTOR
9	MR. CHUMPOL TECHAKRAISRI	DIRECTOR
10	MR. PAIRUCH SAHAMETHAPAT	INDEPENDENT DIRECTOR / CHAIRMAN OF AUDIT COMMITTEE
11	MR. PAOTEP CHOTINUCHIT	INDEPENDENT DIRECTOR / AUDIT COMMITTEE
12	MR. VIRASAK SUTANTHAVIBUL	INDEPENDENT DIRECTOR / AUDIT COMMITTEE
13	MR. KOSOL SURAKOMOL	INDEPENDENT DIRECTOR

2. Opinions on the accuracy of the Company's information disclosed in the Tender Offer

The Company's Board of Director views that material information relevant to the Company as shown on the Tender Offer (Form 247-4) received on October 18, 2022 is accurate.

3. Relationship between the Offeror and the Company, Major Shareholders or Directors of the Business

3.1. Summary of the Material Information of Any Contract/ Agreement/ Memorandum of Understanding, entered into by the Offeror Prior to Making the Tender Offer for the Purpose of Trading Securities of the Business, regardless of whether or Not Such Contract/ Agreement/ Memorandum of Understanding is Entered into for the Purpose of Trading of Securities in the Tender Offer

Agreement	To express intention not to sell the ordinary shares of TKT as per the tender offer made by KAI
Counterparties	<p>30 shareholders of TKT</p> <ul style="list-style-type: none"> ● Mrs. Yupa Techakraisri ● Mr. Sumate Techakraisri ● Mr. Kam Kwan Koon ● Mr. Tanawat Kraipisitkul ● Mr. Sorapoj Techakraisri ● Mr. Mitr Techakraisri ● Mr. Preecha Techakraisri ● Mrs. Taetiasi Saetae ● Mrs. Uraiwan Saetae ● Ms. Siri-on Israngkura Na Ayudhya ● Mrs. Oui-ngo Saetae ● Mr. Noppadol Kasemkulsiri ● Ms. Suphattra Soppavanich ● Ms. Thanatorn Bunyawirojana ● Mrs. Chan Hung Kam ● Mr. Prasong Techakraisri ● Mr. Narongsak Techakraisri ● Ms. Juthamas Kasemkulsiri ● Mr. Joopol Techakraisri ● Mr. Chotipol Techakraisri ● Mrs. Sujittra Chongthurakit ● Mr. Pongthorn Tupanangkul ● Ms. Patumporn Tupanangkul ● Mr. Sawad Tupanangkul ● Mr. Kumpee Chongthurakit ● Mr. Krit Techakraisri ● Mr. Tanutchot Techakraisri ● Mr. Jirapong Soppavanich ● Mr. Phumintr Chongthurakit ● Ms. Peerapan Chongthurakit
Date of agreement	<ul style="list-style-type: none"> ● September 6, 2022, 5 persons ● September 7, 2022, 1 person ● September 8, 2022, 2 persons ● September 9, 2022, 10 persons ● September 12, 2022, 5 persons ● September 13, 2022, 5 persons ● September 14, 2022, 2 persons

Related securities	141,873,966 Shares
Main content	<p>1) Group of Shareholders express intention not to sell the ordinary shares of TKT with details as follows:</p> <p>(i) Group of Shareholders shall not sell their respective Shares in the Tender Offer; and</p> <p>(ii) Group of Shareholders shall perform any actions which may be required under the rules and regulations of the Stock Exchange of Thailand (“SET”), the Securities and Exchange Commission (“SEC”), and other relevant departments and regulators in order to ensure the fulfilment of their respective obligations/commitments under this Letter.</p> <p>1) Group of Shareholders hereby confirm that my refusal of such tender is voluntary and is enforceable by which I shall in no way revoke such refusal.</p>
End of enforcement period	After the last day of the Tender Offer period

Source: Tender Offer for Securities (Form 247-4) from the Offeror

3.2. Shareholding, whether direct or indirect, by the Offeror or the authorized persons in the Business or major shareholders of the Business

3.2.1. Shareholding of the Offeror in the Business

(1) The Offeror

As the date of submission of the Tender Offer, the Offeror holds 136,780,000 ordinary shares of the Business, representing 38.99 percent of total issued and paid-up shares of the Business and 38.99 percent of total voting rights of the Business.

The authorized director of the Offeror does not hold any shares in the Business

(2) Broadly which is the shareholder with authority to control or the power to designate important policies, management and the operation of the Offeror
- None -

(3) Karrie which is the shareholder with authority to control or the power to designate important policies, management and the operation of the Offeror
Broadly
- None -

3.2.2. Shareholding of the Offeror in major shareholders of the Business

(1) The Offeror

- None -

(2) Broadly which is the shareholder with authority to control or the power to designate important policies, management and the operation of the Offeror
- None -

(3) Karrie which is the shareholder with authority to control or the power to designate important policies, management and the operation of Broadly
- None -

3.3. Shareholding, whether Direct or Indirect, by the Business, Major Shareholders or Directors of the Business in the Offeror

3.3.1. Shareholding by the Business in the Offeror

(1) The Offeror
- None -

(2) Broadly which is the shareholder with authority to control or the power to designate important policies, management and the operation of the Offeror
- None -

(3) Karrie which is the shareholder with authority to control or the power to designate important policies, management and the operation of Broadly
- None -

3.3.2. Shareholding by the major shareholder of the Business in the Offeror

(1) The Offeror
- None -

(2) Broadly which is the shareholder with authority to control or the power to designate important policies, management and the operation of the Offeror
- None -

(3) Karrie which is the shareholder with authority to control or the power to designate important policies, management and the operation of Broadly
- None -

3.3.3. Shareholding by the directors of the Business in the Offeror

(1) The Offeror
- None -

(2) Broadly which is the shareholder with authority to control or the power to designate important policies, management and the operation of the Offeror

- None -

(3) Karrie which is the shareholder with authority to control or the power to designate important policies, management and the operation of Broadly

- None -

3.4. Other relationships

3.4.1. Common directors and/or common management

(1) The Offeror

- None -

(2) Broadly which is the shareholder with authority to control or the power to designate important policies, management and the operation of the Offeror

- None -

(3) Karrie which is the shareholder with authority to control or the power to designate important policies, management and the operation of Broadly

- None -

3.4.2. Related party transactions between the Offeror and the Business and subsidiaries of the Business

(1) The Offeror

- None -

(2) Broadly which is the shareholder with authority to control or the power to designate important policies, management and the operation of the Offeror

- None -

(3) Karrie which is the shareholder with authority to control or the power to designate important policies, management and the operation of Broadly

- None -

Prior to the Tender Offer, the Offeror, and persons under section 258 of the Securities and Exchange Act B.E. 2535 (include the amendment) (the “Securities

and Exchange Act”) of the Offeror have 1 related transaction with the Company pursuant to the policies and procedures regarding approving of related transactions of the Company and in compliance with the rules and regulations of the SET and the SEC. Moreover, the transaction has already been complete with the details as shown in the following table.

Name	Type of Transaction	For Year 2020 (THB)	For Year 2021 (THB)	For Six-Month Period Ended 30 June 2022 (THB)	Total (THB)	Reasonableness of Related Party Transactions
Karrie Industrial Company Limited ¹	Trading/Service	546,093.60	50,480.14	1,263,426.89	1,860,000.63	It is a transaction 1 item for which the Company pays the operating expenses in installments, which is the expenses operation normal business.

Note: 1/ The same major shareholder is Karrie

Source: The Business

3.4.3. Securities of the Offeror that are hold prior to making the Tender Offer and securities which may hold in future in accordance with other terms.

(1) Ordinary Shares

Name	Class of shares	Number of Shares	Percentage of total number of issued and paid-up shares	Percentage of total voting right
I. The Offeror				
1. Karrie Automotive Investment Limited	Ordinary shares	136,780,000	38.99	38.99
II. Persons in the same group of the Offeror	-	-	-	-
III. Related parties under Section 258 of the person under I and II	-	-	-	-
IV. The agreements to result in additional acquisition of shares by the person under I to III	-	-	-	-
Total		136,780,000	38.99	38.99

(2) Convertible Securities

- None -

(3) Others

- None -

3.4.4. Source of Funds for the Tender Offer

Pursuant to the fact that Karrie Automotive Investment Limited (the “Offeror” or “KAI”) has acquired shares of T.Krungthai Industries Public Company Limited (the “Business” or the “Company” or “TKT”) on October 4, 2022, resulting in the Offeror holding shares in total of 136,780,000 shares, or representing 38.99 percent of the total issued and paid-up shares of the Company. Thus, the Offeror is obligated to make a mandatory tender offer for all securities of the Company totally 214,000,000 shares, or representing 61.01 percent of the total issued and paid-up shares of the Company.

However, 30 shareholders (“Group of Shareholders”) who hold shares of Business in a total of 141,873,966 shares, representing 40.45 percent of the total issued and paid-up shares in the Business (after the conversion of warrants), and 40.45 percent of the total voting rights of the Business (after the conversion of the warrants) has signed a letter to express intention not to sell TKT’s ordinary shares in accordance with the Tender Offer of the Offeror (“LOI”) stating that such person shall not sell all shares held in the total of 40.45 percent of the total issued and paid-up shares of the Business to the Offeror throughout the Tender Offer period. The details are as shown in the LOI.

On this basis, the total amount of funds required for the Offeror to acquire 72,126,034 shares in the Business, representing 20.56 percent of the total issued and paid-up shares in the Business and 20.56 percent of the total voting rights in the Business (excluding the 141,873,966 shares in the Business held by the Group of Shareholders and 136,780,000 shares in the Business held by the Offeror), which is equivalent to a total amount of THB 143,530,808 (Thai Baht One hundred forty-three million five hundred thirty thousand eight hundred eight).

The Offeror will pay compensation in cash to all shareholders who accept the Tender Offer. The Offeror’s funding source for the Tender Offer comes from a loan from Karrie,

who indirectly holds 100 percent of the Offeror's issued and paid-up shares. In this regard, the loan received from Karrie is an interest-free loan and is reclaimable on demand.

As of September 23, 2022, the Offeror had cash deposit in a saving account with The Hongkong and Shanghai Banking Corporation Limited (“HSBC”) with a current balance of HKD 32,248,266 or approximately THB 148,986,804 (the “Funds”) to be solely used for the purpose of conducting the Tender Offer. The Funds are assured to remain available for the settlement of the Tender Offer until the settlement of the Tender Offer is completed.

In the event that the Funds converted into THB currency, is not sufficient for the Tender Offer due to the change in foreign exchange rate, the Offeror agrees to provide additional funds to I V Global Securities Public Company Limited, as the Tender Offer Agent, to ensure the sufficient fund in THB currency for the Tender Offer.

Discover Management Company Limited, as the Tender Offer Preparer, has verified the source of funds for the Tender Offer of the Offeror is sufficient to conduct and complete this Tender Offer.

Remark: The source of funds in Thai Baht currency is calculated by using the average foreign exchange rates quoted by The Hongkong and Shanghai Banking Corporation Limited on 22 September 2022, which is equivalent to THB 4.62 to HKD 1.

3.4.5. Plan to Sell Shares of the Business

As of the Tender Offer date, the Offeror has no intention to sell or transfer a significant number of the Business's securities during the first 12 months period commencing from the last day of the Offer Period unless one of the following events occurs:

- 1) The Offeror is obligated by any relevant laws or regulations that are effective during such period, which includes restrictions on foreign shareholders;
- 2) The Offeror sells or transfers shares of the Business to person(s) under Section 258 under the SEC Act; or
- 3) The Offeror has a purpose of shareholding restructuring and/or corporate restructuring within its group.

3.4.6. Other Necessary Information

- None -

4. Opinions of the Company's Board of Directors to shareholders

The Company's Board of Directors' Meeting No. 7/2022 held on 20 October 2022 to consider the Tender Offer made by the Offeror (Form 247-4) and to acknowledge the report prepared by Avantgarde Capital Company Limited, which has been appointed as the Independent Financial Advisor to the shareholders with regard to the Tender Offer. There were 13 directors from total of 13 directors attending and voting in such meeting, as follows:

Name		Position
1.	General Terdsak Marrome	Chairman of the Board / Independent Director
2.	Mr. Sumate Techakraisri	CEO / Director / Director of Remuneration and Nomination Committee / Director of Corporate Governance Committee
3.	Mr. Pairuch Sahamethapat	Chairman of the Audit Committee / Independent Director / Director / Director of Remuneration and Nomination Committee / Director of Corporate Governance Committee
4.	Mr. Paotep Chotinuchit	Chairman of Remuneration and Nomination Committee / Chairman of Corporate Governance Committee / Independent Director / Audit Committee / Director
5.	Dr. Kosol Surakomol	Chairman of Risk Management Committee / Independent Director / Director / Director of Remuneration and Nomination Committee / Director of Corporate Governance Committee
6.	Mr. Virasak Sutanthavibul	Independent Director / Audit Committee / Director
7.	Mr. Kumpee Chongthurakit	Director / Director of Remuneration and Nomination Committee / Director of Corporate Governance Committee
8.	Mr. Phreecha Tachakraisri	Director / Executive Director / Director of Risk Management Committee
9.	Mr. Chumpol Techakraisri	Director / Executive Director / Director of Risk Management Committee / Company Secretary / Company Board Secretary / Asst. Managing Director
10.	Mr. Kowate Limtrakul	Director / Executive Director / Director of Risk Management Committee / Managing Director
11.	Mrs. Yupa Techakraisri	Director
12.	Mr. Apichart Kasemkulsiri	Director
13.	Mr. Prasong Techakraisri	Director

4.1. Reasons to accept and/or reject the Tender Offer

The Company's Board of Directors, in exclusion of the directors who have conflict of interest, has considered the Tender Offer made by the Offeror (Form 247-4) and the opinion regarding the Tender Offer made by the Independent Financial Advisor to the shareholders, who has studied the fairness of Tender Offer Price by considering various factors and using several accepted evaluation methodologies. The Company's Board of Directors shares a mutual opinion with the Independent Financial Advisor, which the opinion is that the Tender Offer and Tender Offer Price are not appropriate; therefore, the shareholders **should reject the Tender Offer** based on the following reasons:

- **The Tender Offer Price is fair**

The IFA has evaluated the appropriateness of Tender Offer Price of THB 1.99 per share in which the IFA considered many factors and conducted many company valuation methods which are widely accepted. It has been found that the Tender Offer Price is not appropriate in comparison with the price ranged appraised by the Discounted Cash Flow Approach (DCF) which is the appropriate valuation method, in the IFA's opinion. The fair value of the price ranging between THB 2.82 – 3.24 (the details of the Company valuation approaches are in part 3. Appropriateness of Tender Offer Price in the IFA Opinion Report), which the Tender Offer Price is lower than the fair value of the Company. Therefore, the IFA is of the opinion that the shareholders should reject the Tender Offer based on the above reason.

- **Change in shareholders may affect the change in the Company's management structure**

Under the current management team, the Company has plans to expand its product line in the automotive parts business unit as well as the increase in the quantity and the efficiency of plastic injection molding. At the present, the Company has backlog with a global automotive manufacturer, which the Company has a good relationship with the automotive manufacture for a long time. Therefore, the current management team has the ability to develop the business in a sustainable way, in the future. Hence, the acquisition from the Offeror may affect the Company's business plan and its relationship with the global automotive manufacturer.

Nonetheless, as presented in Form 247-4, the Offeror has no plans or policies to significantly change the Company's core business objectives in the following 12 months after the end of the Tender Offer Period. Additionally, the Offeror still intends to focus on the manufacturing and distributing plastic parts business and the molds for plastic injection business as before.

Moreover, the Company is still obligated to prepare and provide data to the Offeror which is its shareholder such that the Offeror could fulfil regulatory disclosure requirements. Shareholders could still obtain and follow the Company's information and reports as prepared and disclosed by the Offeror to the SET and the shareholders in general.

Given the aforementioned reasons, the Tender Offer of 214,000,000 shares of the Company's ordinary shares with Tender Offer Price of THB 1.99 per share or Offering Value of totally THB 425,860,000 the shareholders should reject the Tender Offer because the Tender Offer Price is lower than the range of fair value, appraised by the Independent Financial Advisor and the change in the management team may negatively affect the Company's operation.

Nevertheless, the valuation may have some limitations regarding the information from the Company and external factors, as well as business growth that depends on risks and uncertainties where the shareholders should exercise thorough consideration and reasonable analysis. Changes due to the condition of the stock market or other external factors may affect the Company's share price; therefore, the opinion of the Company's Board of Directors is merely one component from many for the shareholders to consider. In deciding whether to accept or reject the Tender Offer, the shareholders should consider related information, the Independent Financial Advisor's opinion, and other relevant resources. The decision to accept or reject the Tender offer shall be based on the shareholder's own discretion.

4.2. Opinion of each director and the number of shares held by such director (In case the resolution of the Company's Board of Directors meeting in 4.1 is not unanimous)

- None -

4.3. Benefits of impacts from the plans and policies indicated in the Tender Offer and viability of such plans and policies

1. The Business status

As stated in Form 247-4, the Offeror has no intention to delist the Business from the SET within 12 months after the end of the Offer Period, excepting for the case that the Offeror has to comply with the related rules, guidelines, and regulations which are enacted during the period.

Opinion of the Board of Directors to the business status

The Board of Directors, excluding interested directors, considers Form 247-4 in the part of the Company status and shared a mutual opinion with the Independent Financial Advisor that the Company will remain a status of listed company in the SET, which the Company and the Shareholders will not affect from the risk of delisted. In this regard, shareholders will continue their roles and receive benefits as shareholders of companies listed on the Stock Exchange of Thailand.

2. Policies and Plans of Business Operations

■ **Business Objectives**

As stated in Form 247-4, the Offeror does not have a plan or policy to materially change the Business's objectives and operations within 12 months after the Offer Period and is still determined for the Company to be a manufacturer and distributor of plastic injection molding and mold production for plastic injection production as before.

Opinion of the Board of Directors to business objectives

The Board of Directors, excluding interested directors, considered Form 247-4 in the part of the Company objectives and shared a mutual opinion with the Independent Financial Advisor that the Company's shareholders will not have any significant impact on the Company's business operations since the Offeror has no plan to change the Company's core business objectives significantly during the period of 12 months following the end of the Tender Offer Period.

In the event that the Offeror changes any action in the important part, such changes must be approved by the Board of Directors' meeting and/or the shareholders' meeting in accordance with the Company's policies and guidelines and related laws.

■ **Investment Plan**

As stated in Form 247-4, the Offeror may expand the investment beyond the normal investment of the Business within 12 months from the end of the Offer Period depending on the appropriateness in operating business. However, the Offeror may suggest the Company to consider expanding its investment when having business opportunity or investment opportunity. In this case, the Offeror will proceed in accordance with the relating rules and regulation as well as the having resolutions from board of directors' meeting and/or shareholders' meeting.

Opinion of the Board of Directors to investment plan

The Board of Directors, excluding interested directors, considered Form 247-4 in the part of investment plan and shared a mutual opinion with the Independent Financial Advisor that the Offeror may not make any material additional investment except for normal operation. However, if the Offeror makes any material changes on investment plan, the changes are subject to gain approvals from the Company's Board of Director and/or the shareholders and in compliance with relevant laws and regulations, which will reduce the risks and negative impacts that will occur. If there is an amendment to the investment expansion plan by the Offeror in the future.

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

As stated in Form 247-4, the Offeror does not intend to change the Business's managements and organization structure during the period of 12 months after the Offer Period. However, the Offeror may consider increasing/decreasing the number of directors of the Company to increase efficiency and flexibility in management. Moreover, to reflect the Offeror's increased shareholding, the Offeror may consider adjusting the number of directors who represent the Offeror on the Board of Directors of the Company. After acquiring shares by the Offeror, 3 directors i.e. Mr. Kumpee Chongthurakit, Mr. Prasong Techakaisri and Mr. Kowate Limtrakul will resign from being a director and Ms. Chan Ming Mui Silvia, Mr. Chan Raymond and Mr. Chan Wah Ying will be appointed to be a director in replacement of the resigned directors (more details appear in Part 3 Case 1.5.2 above).

In addition, there may be change as deemed appropriate, such as the appointment of new directors or replacement of existing directors who resign or retire from office by rotation or for any other reasons whereby the Offeror will seek for resolutions from board of directors' meeting and/or shareholders' meeting of the Business to be in accordance with the Articles of Association of the Business, and relevant rules and regulations.

Opinion of the Board of Directors to plan on changing corporate structure, management, and recruitment

The Board of Directors, excluding interested directors, considered Form 247-4 in the part of plan on changing corporate structure, management, and recruitment and shared a mutual opinion with the Independent Financial Advisor that the Offeror may nominate persons as an executive as appropriate. Whereby, the Company has rules and procedures for recruiting and appointing executives, namely the Nomination and Corporate Governance Committee (the "NGC"). The NGC is responsible for recruiting, selecting qualified persons based on diversity in gender, age, and experience as well as legal offense history, elements of

independence, the Company's direction and the overall composition of the company. Then, the nominations will be proposed to the Company's directors to consider appointing or proposing for approval to appoint to the shareholders' meeting in accordance with the Company's Articles of Association. From the abovementioned, the Board of Directors is of opinion that this will help to recruit competent executives and reduce the risk of negative impacts on the overall management of the business. In addition, it deems appropriateness that the Offeror receives 3 directors out of 8 directors since the proportion is equal to 37.50 percent, compared to the ownership stakes of 38.99 percent, making the Offeror has less control over the votes of the Company's resolutions. Nevertheless, if the Offeror has the ownership stake of more than 49.00 percent after the Tender Offer, the excess amount will be converted to NVDR (Non-Voting Depository Receipt), which does not have any voting rights, therefore the Offeror may not receive any additional directors.

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

As stated in Form 247-4, during the period of 12 months after the Offer Period, the Offeror has no plan to make any disposal of the core assets of the Business or its subsidiaries, except in the case of disposal in the normal course of business which will be duly approved in accordance with the policy of the Business and shall be in compliance with relevant rules and regulations.

Opinion of the Board of Directors to plan on disposal of existing core assets

The Board of Directors, excluding interested directors, considered Form 247-4 in the part of plan on disposal of existing core assets and shared an opinion that the Offeror shall not make any significant disposal of the core assets of the Company during the period of 12 months after the end of the Offer Period. Any material disposal of investment must be approved followed the Company's authorization matrix, transaction size, including relevant rules and regulations. However, if the Offeror makes any material changes, the changes are subject to gain approvals from the Company's Board of Directors' meeting and/or the

shareholders' meeting and in compliance with relevant laws and regulations. The Independent Financial Advisor believes that it will create fairness to shareholders.

- **Plan on changing financial structure**

As stated in Form 247-4, within 12 months after the end of the Offer Period, the Offeror does not have a plan to significantly change the financial structure of the Business except in the case that the change in financial structure will enhance the efficiency in managing the Business or avoid any adverse effect on the Business. The Offeror and the Business will mutually consider the financial structure for the best benefit of the Business.

In case that the Offeror decides to make any significant material changes from what has been stated in the Tender Offer documents, the Offeror shall obtain relevant approvals by the Board of Directors' meeting and/or shareholders' meeting according to the Articles of Association, and laws and regulations of the SEC and the SET.

Opinion of the Board of Directors to plan on changing financial structure

The Board of Directors, excluding interested directors, considered Form 247-4 in the part of plan on changing financial structure and shared a mutual opinion with the Independent Financial Advisor that the Offeror has no plan to make a significant change on the Company's financial structure during the period of 12 months after the end of the Offer Period. However, if the Offeror makes any material changes, the changes are subject to gain approvals from the Company's Board of Director and/or the shareholders and in compliance with relevant laws and regulations.

- **Dividend payment policy**

As stated in Form 247-4, During the period of 12 months after the Offer Period, the Offeror has no plan to change the current dividend policy as the Business has a dividend payment policy at not less than 40 percent of the payable amount after the deduction of corporate income tax and legal reserve. However, the

Board of Directors may decide to pay dividend differently from such policy as deem appropriate and necessary, for example, in case the Company needs money for investment or business expansion, changes in economic or market conditions, or any other events that affect the financial liquidity of the Business.

However, if the Offeror takes any action that may lead to a material change in the Business's financial or economic conditions or other necessary changes; other than those specified in Clause 2.1. Business Status and Clause 2.2. Policies and plans of Business's operations, the Offeror must comply with the Notification No. TorChor. 12/2554, Clause 48 (2). The Offeror is prohibited from doing any material matters that is different from the statements in the Tender Offer for a period of 12 months from the end of the purchase period, unless the shareholders' meeting of the business resolves otherwise, with a vote of not less than three-fourths of the total number of votes of the shareholders attending the meeting and having the right to vote and has notified the SEC.

Opinion of the Board of Directors to dividend payment policy

The Board of Directors, excluding interested directors, considered Form 247-4 in the part of dividend payment policy and shared a mutual opinion with the Independent Financial Advisor that the Offeror may not change the dividend payment policy during the period of 12 months after the Offer Period. According to dividend policy, the Company aims to pay dividend approximately 40.00 percent of its operating net profit from separate financial statement after the deduction of retained loss (if any), which the dividend payment amount shall be approved by shareholders' meeting. In all cases, dividend payment shall be depending in cash flow, investment plan including any other future obligations of the Company and/or subsidiaries. The dividend payment shall not exceed the retained earnings shown in the Company's separate financial statements and/or have a material impact on the Company's normal operations, which will help to increase efficiency in cash flow management to consistent with the overall investment plan in the Company's business operations. The Independent

Financial Advisor believes that it will reduce the impact that will occur from the operation of the company.

Any amendment or change of dividend payment policy of the Company has been reserved as authorization of the Board of Directors so as to protect the highest interests of the Company and its shareholders. The Executive Committee is responsible for reviewing and making recommendations to the Board of Directors regarding the Company's dividend policy.

3. Related Party Transaction

As stated in Form 247-4, currently, the Company has specified policies and procedures regarding approving of related transactions to comply with the rules and regulations of the SET and the SEC to prevent any conflict of interests between the Company and its associate companies and/or any persons who may have conflicts.

Prior to the Tender Offer, the Offeror, and persons under section 258 of the Securities and Exchange Act B.E. 2535 (include the amendment) (the "Securities and Exchange Act") of the Offeror have 1 related transaction with the Company and associate companies pursuant to the policies and procedures regarding approving of related transactions of the Company and in compliance with the rules and regulations of the SET and the SEC. Moreover, the transaction has already been completed with the details as shown in the following table;

Name	Type of Transaction	For Year 2020 (THB)	For Year 2021 (THB)	For Six-Month Period Ended 30 June 2022 (THB)	Total (THB)	Reasonableness of Related Party Transactions
Karrie Industrial Company Limited ¹	Trading/Service	546,093.60	50,480.14	1,263,426.89	1,860,000.63	It is a transaction 1 item for which the Company pays the operating expenses in installments. which is the expenses operation normal business.

Remarks: /1 The same major shareholder is Karrie.

Source: TKT

However, in the future, if the Offeror has connected transactions with the Company, the Offeror will ensure that the Business complies with the regulations of the SEC and the SET including laws, announcements, regulations or protocols of relevant organization, as well as setting various conditions to be in accordance with normal business transactions and/or market price which can be referenced or compared with the price incurred to a third party at an arm's length basis. The Audit Committee will have a meeting to consider and give opinions on the necessity and appropriateness of such related transactions in accordance with Good Corporate Governance principle in order to enhance transparency and efficiency of the Business operations.

Opinion of the Board of Directors to dividend payment policy

The Board of Directors, excluding interested directors, considered Form 247-4 in the part of related party transaction and shared a mutual opinion with the Independent Financial Advisor that before the Offeror, and persons under section 258 of the Securities and Exchange Act B.E. 2535 (include the amendment) (the "Securities and Exchange Act") of the Offeror have 1 related transaction with the Company and associate companies as stated above. Which was set various conditions to be in accordance with normal business transactions and/or market price which can be referenced or compared with the price incurred to a third party at an arm's length



basis. The Audit Committee has examined, considered and gave opinions on the necessity of the transactions as appropriate and fair in terms of price and the terms of the transaction.

However, the Offeror has no objective to do connected transactions with the Company in the future and the Company will consider carefully to ensure that the Business complies with the regulations of the SEC and the SET including laws, announcements, regulations or protocols of relevant organization, as well as setting various conditions to be in accordance with normal business transactions and/or market price which can be referenced or compared with the price incurred to a third party at an arm's length basis. The Audit Committee will have a meeting to consider and give opinions on the necessity and appropriateness of such related transactions in accordance with Good Corporate Governance principle in order to enhance transparency and efficiency of the Business operations which the Independent Financial Advisor believes it will cause fairness to shareholders.

5. The Opinion of the shareholders' advisor who is the financial advisor listed in the SEC's approved list

Please refer the report of the Independent Financial Advisor's opinion to the Tender Offer of T.Krungthai Industries Public Company Limited.

In addition, whether each shareholder will accept or reject this tender offer or not Each shareholder should analyze the relevant information as well as to consider the opinions of the Company regarding the tender offer, Independent Financial Advisor's Opinion Report, and information from other sources which the shareholders consider to be reliable to use as information for decision making. However, the consideration for accepting or rejecting this tender offer is mainly at the discretion of the shareholders.

The Company hereby certifies that the information contained herein is accurate. There is neither information that may cause a misunderstanding in material aspect among other parties nor any concealment of material information that should have been explicitly disclosed.

Respectfully Yours,

T.Krungthai Industries Public Company Limited

- Signed -

Sumate Techakraisri

Authorized Director

- Signed -

Joompol Techakraisri

Authorized Director

Opinions of the Independent Financial Advisor on the Tender Offer
of T.Krungthai Industries Public Company Limited

To



Shareholders of T.Krungthai Industries Public Company Limited

The Offeror

Karrie Automotive Investment Limited

By



Avantgarde Capital Company Limited

November 8, 2022

November 8, 2022

Subject: Opinions of the Independent Financial Advisor on the Tender Offer to Buy All Securities of T.Krungthai Industries Public Company Limited from Karrie Automotive Investment Limited

To: Shareholders of T.Krungthai Industries Public Company Limited

Pursuant to the fact that Karrie Automotive Investment Limited (the “Offeror” or “KAI”) has acquired shares of T.Krungthai Industries Public Company Limited (the “Business” or the “Company” or “TKT”) on October 4, 2022, resulting in the Offeror holding shares in total of 136,780,000 shares, or representing 38.99 percent of the total issued and paid-up shares of the Business. Thus, the Offeror is obligated to make a mandatory tender offer for all securities of the Business in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers dated May 13, 2011 (as amended) (“Notification TorChor. 12/2554”).

In this regard, the Company appointed Avantgarde Capital Company Limited (the “Independent Financial Advisor” or “IFA”), to act as the independent financial advisor to provide an opinion on the Conditional Voluntary Tender Offer to the Company’s shareholders (“the Opinion”). In preparing the Opinion, the IFA has studied the Tender Offer (Form 247-4) including information and documents received from the Company and other information publicly disclosed by the Company such as annual report, annual registration statement (Form 56-1), audited or reviewed financial statements and other information publicly available as well as information from management interview, etc. The opinion of the IFA is based on the assumption that information and documents received from the Company and/or the Offeror as well as from management interview are authentic, correct, completed and reflect the management’s view and would not significantly affect the Company’s operation in the future. However, the IFA has not specifically audited, reviewed or evaluated the assets or liabilities of the Company and is not responsible for the accuracy of the aforementioned information.

The Opinion has an objective to be an information for the Company’s shareholders to consider the Conditional Voluntary Tender Offer of the Offerors only. The shareholders should

study information and the Opinion in different points of view to use as information to support a decision. Nevertheless, the final decision whether to accept or reject the Tender Offer shall be made at the sole discretion of each of the Company's shareholders.

Glossary

“Broadly”	Broadly Bright Investment Holding Limited
“CADR”	Compound Annual Decline Rate
“CAGR”	Compound Annual Growth Rate
“KAI”	Karrie Automotive Investment Limited
“DCF”	Discounted Cash Flow
“EV/EBITDA”	Enterprise Value/ Earnings before interest, tax, depreciation and amortization
“FCFF”	Free Cash Flow to Firm
“Group of Shareholders”	30 shareholders who hold shares of Business in a total of 141,873,966 shares
“HKEx”	Hong Kong Exchanges and Clearing Limited
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited
“IFA” or “Independent Financial Advisor”	Avantgarde Capital Company Limited
“Kd”	Cost of Debt
“Ke”	Cost of Equity
“LOI”	Letter of Intent stating that such person shall not sell all shares held
“Net Offer Price”	Net offer price to be received by the Offeree
“Notification of the Capital markets Supervisory Board No. TorChor. 14/2554”	Actions or exempt of actions that may affect the result of Tender Offer
“NVDR”	Non-Voting Depository Receipt
“Offeree”	Shareholders who wish to sell shares
“Offeror”	Karrie Automotive Investment Limited
“Offer Period”	From 21 October to 25 November 2022 during the office hours from 9:00 a.m. to 4:30 p.m. on every business day
“Offer Price”	Offer price for ordinary shares is THB 1.99
“P/BV”	Price to Book Value Ratio
“P/E”	Price to Earnings Ratio
“SEC”	The Securities and Exchange Commission

“SET”	Stock Exchange of Thailand
“Tender Offer Agent”	I V Global Securities Public Company Limited
“The Company”	T.Krungthai Industries Public Company Limited
“The Opinion”	The IFA’s opinion on the Conditional Voluntary Tender Offer to the Company’s shareholders

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1. Background

1.1. Characteristics of the Transaction

As KAI, a shareholder that previously holds in total of 23,780,000 shares or representing 10.00 percent of total issued and paid-up shares in the Business and representing 10.00 percent of the total voting rights of the Business, has acquired the ordinary shares from the exercising of the right to convert the Warrants to Purchase the Company's Newly Issued Ordinary Shares No. 2 ("TKT- W2") of 65,000,000 units and No. 3 ("TKT-W3") of 48,000,000 units, totaling 113,000,000 units. As a consequence, KAI currently holds shares of TKT in a total of 136,780,000 shares or representing 38.99 percent of total issued and paid-up shares in the Business and representing 38.99 percent of the total voting rights of the Business (Percentage of shareholding is calculated from 350,780,000 issued and paid-up shares, which are the total number of shares of the Business after KAI exercises TKT-W2 and TKT-W3) on September 30, 2022. Then the company registered the increase of the total number of issued and paid-up shares of the Business from the exercise of the warrants on October 4, 2022 which exceeded 25.00 percent of the total voting right of the Business.

Therefore, the Offeror is obligated to conduct the mandatory tender offer of 214,000,000 ordinary shares, representing 61.01 percent of total issued and paid-up shares of the Business and 61.01 percent of total issued and paid-up shares in the Business of total voting rights of the Business to be in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers dated May 13, 2011 (as amended) (the "Notification TorChor. 12/2554" or "Takeover Notification").

However, because the company Set limits on foreign shares (Foreign Limit) equal to 49.00 percent of total issued and paid-up shares in the Business, which means the proportion that foreign investors (individuals and juristic persons who is not Thai nationality) can hold shares and have their names appear on the securities register equal to 49.00 percent of total issued and paid-up shares in the Business Therefore, the Offeror who is a juristic person who is not Thai nationality has the highest voting rights equal to 49.00 percent of total issued and paid-up shares in the Business of the total voting rights of the Company even the Offeror will be able to purchase the Company's securities From the completion of this tender offer until

the Company's shareholding is more than 49.00 percent of total issued and paid-up shares in the Business. In the event that the Tender Offeror holds more than 49.00 percent of total issued and paid-up shares in the Business, the Offeror is required to manage the shareholding of the Company which exceeds 49.00 percent of total issued and paid-up shares in the Business in order to comply with the foreign share restrictions by means such as the sale of the Company's shares after the completion of the purchase of the Company's securities until the shareholding of the Company does not exceed 49.00 percent of total issued and paid-up shares in the Business or the registration of the Company's shares which exceeds 49.00 percent of total issued and paid-up shares in the Business as a certificate of benefit arising from Thai underlying securities (NVDR: Non -Voting Depository Receipt).

As at the date of submission of the Tender Offer document, the Business has only one class of securities, namely ordinary shares, at a total of 350,780,000 shares with par value of THB 1.00 per share, The business has totaling to THB 350,780,000 issued and paid-up ordinary shares in which 1 ordinary share has 1 voting right.

In this regard, the Offeror does not have any plan or policy to materially change the Company's business operation within 12 months from the date of the end of the Offer Period.

1.2. Name of the Offeror

Karrie Automotive Investment Limited (the "**Offeror**" or "**KAI**"), the Offeror, is a Hong Kong juristic person, established on January 2, 2003, having an indirect shareholder of 100.00 percent, namely Karrie International Holdings Limited ("**Karrie**") listed on Hong Kong Stock Exchanges and Clearing Limited ("**HKEx**"). The Offeror has an objective of investing in automotive industry for Karrie through Broadly Bright Investment Holding Limited ("**Broadly**"), which is a company that operates investment business for Karrie.

1.3. Offer Price and Offer Period

The offer price for ordinary shares is THB 1.99 (Thai Baht One point nine nine) per share (the “Offer Price”). The Company’s shareholders who wish to tender their shares (the “Offeree”) is subject to pay the Tender Offer agent fee at the rate of 0.25 percent of the Offer Price and the value added tax (“VAT”) of 7.00 percent of the Tender Offer agent fee. Therefore, the net offer price to be received by the Offeree will be THB 1.984677 (Thai Baht One point nine eight four six seven seven) per share. Such Offer Price is:

the final offer which shall not be changed (Final Offer) (unless the conditions specified in Conditions of Change to the Tender Offer apply)

not the final offer price and the Offeror may change the Offer Price

If the Offeree is a foreign juristic person not operating any business in Thailand (except the case that the Offeree can show to I V Global Securities Public Company Limited (the “Tender Offer Agent”) that the Offeree is a foreign juristic person residing in a country having a double tax treaty with Thailand and such treaty exempts tax on capital gains realized from the sale of securities in Thailand), the Tender Offer Agent will deduct a withholding tax of 15.00 percent of the capital gains realized on sale of securities (which is a difference between the Offer Price and the original cost at which the Offeree paid to acquire the tendered shares). The Offeree must declare the original cost of such tendered shares and submit the proper evidence thereof to the Tender Offer Agent (for additional details, please refer to Part 4). In the event that any Offeree fails to declare such original cost or does not submit the proper evidence together with the Confirmation of Securities Cost Form, to the Tender Offer Agent, the Tender Offer Agent will determine the amount of withholding tax on the basis of the entire proceeds to be received by the Offeree from the sale of shares and will deduct the tax accordingly.

Remark: An Offeree which is a Thai juristic person will be responsible to withhold 3.00 percent (Three) tax on the Tender Offer fee and must issue a Withholding Tax Certificate to I V Global Securities Public Company Limited, the Tender Offer Agent.

The Offer Period will last for a total of 25 business days from October 21, 2022 to November 25, 2022, during the office hours from 9:00 a.m. to 4:30 p.m. on every business day. Such Offer Period is:

(✓) the final period which will not be extended (unless the conditions specified in Conditions of Change to the Tender Offer apply)

() not the final period and the Offeror may extend the period.

In this regard, in the case where there is an announcement of extra public holidays during the Tender Offer Period, the Offeror will extend the Tender Offer Period to meet the requirement of 25 business days according to the Notification TorChor. 12/2554

Moreover, conditions of change to the Tender Offer shown as below detail:

(✓) The Offeror may reduce the Offer Price or extend the Offer Period in the case of any event or action that occurs during the Offer Period which causes severe damage to the status or assets of the Business; or

(✓) The Offeror may change the offer or extend the Offer Period to compete with another offeror who has submitted a tender offer for shares of the Business during the Offer Period.

1.4. Conditions for Cancellation of the Tender

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

- any event or action occurring after the submission of the Tender Offer to the SEC but within the Offer Period which causes or may cause severe damage to the financial status or the assets of the Business, where such event or action has not resulted solely from the actions of the Offeror or actions for which the Offeror is responsible; or
- any event or action occurring after the submission of the Tender Offer to the SEC but within the Offer Period which causes or may cause severe damage to the financial status or the assets of the Business, where such event or action has not resulted solely from the actions of the Offeror or actions for which the Offeror is responsible; or
- any action conducted by the Business after the submission of the Tender Offer to the SEC but within the Offer Period which causes or may cause a significant decrease in the value of the Business's shares; or

- any action conducted by the Business as defined in the Notification of the Capital markets Supervisory Board No. TorChor. 14/2554 Re: Actions or exempt of actions that may affect the result of Tender Offer.

1.5. Tender Offer Revocation Period

The Offeree is able to revoke its acceptance of the Tender Offer at the office of the Tender Offer Agent on any business day between October 21, 2022 to November 18, 2022 during the hours of 9:00 a.m. to 4:30 p.m., inclusively totaling 20 business days. If any of the Offerees wishes to revoke its acceptance of the Tender Offer, it must follow the Tender Offer Revocation Procedures.

In this regard, in case where there is an announcement of extra financial institutions' holidays during the Offer Period, the Offeror will extend the Tender Offer Revocation Period to meet the requirement of 20 business days pursuant to the Takeover Notification.

1.6. Summary of the letter to express intention not to sell the ordinary shares of TKT as per the tender offer made by KAI (“LOI”)

Agreement	To express intention not to sell the ordinary shares of TKT as per the tender offer made by KAI
Counterparties	<p>30 shareholders of TKT</p> <ul style="list-style-type: none"> ● Mrs. Yupa Techakraisri ● Mr. Sumate Techakraisri ● Mr. Kam Kwan Koon ● Mr. Tanawat Kraipisitkul ● Mr. Sorapoj Techakraisri ● Mr. Mitr Techakraisri ● Mr. Preecha Techakraisri ● Mrs. Taetiasi Saetae ● Mrs. Uraiwan Saetae ● Ms. Siri-on Israngkura Na Ayudhya ● Mrs. Oui-ngo Saetae ● Mr. Noppadol Kasemkulsiri ● Ms. Suphattra Soppavanich ● Ms.Thanatorn Bunyawirojana ● Mrs. Chan Hung Kam ● Mr. Prasong Techakraisri ● Mr. Narongsak Techakraisri ● Ms.Juthamas Kasemkulsiri ● Mr. Joompol Techakraisri ● Mr. Chotipol Techakraisri ● Mrs. Sujittra Chongthurakit ● Mr. Pongthorn Tupanangkul ● Ms. Patumporn Tupanangkul ● Mr. Sawad Tupanangkul ● Mr. Kumpee Chongthurakit ● Mr. Krit Techakraisri ● Mr. Tanutchot Techakraisri ● Mr. Jirapong Soppavanich ● Mr. Phumintr Chongthurakit ● Ms. Peerapan Chongthurakit
Date of agreement	<ul style="list-style-type: none"> ● September 6, 2022, 5 persons ● September 7, 2022, 1 person ● September 8, 2022, 2 persons ● September 9, 2022, 10 persons

	<ul style="list-style-type: none"> • September 12, 2022, 5 persons • September 13, 2022, 5 persons • September 14, 2022, 2 persons
Related securities	141,873,966 Shares
Main content	<ol style="list-style-type: none"> 1) Group of Shareholders express intention not to sell the ordinary shares of TKT with details as follows: <ol style="list-style-type: none"> (i) Group of Shareholders shall not sell their respective Shares in the Tender Offer; and (ii) Group of Shareholders shall perform any actions which may be required under the rules and regulations of the Stock Exchange of Thailand (“SET”), the Securities and Exchange Commission (“SEC”), and other relevant departments and regulators in order to ensure the fulfilment of their respective obligations/commitments under this Letter. 2) Group of Shareholders hereby confirm that my refusal of such tender is voluntary and is enforceable by which I shall in no way revoke such refusal.
End of enforcement period	After the last day of the Tender Offer period

Source: Tender Offer for Securities (Form 247-4) from the Offeror

1.7. Source of Funds for the Tender Offer

Pursuant to the fact that Karrie Automotive Investment Limited (the “Offeror” or “KAI”) has acquired shares of T.Krungthai Industries Public Company Limited the (the “Business” or the “Company” or “TKT”) on October 4, 2022, resulting in the Offeror holding shares in total of 136,780,000 shares, or representing 38.99 percent of the total issued and paid-up shares of the Company. Thus, the Offeror is obligated to make a mandatory tender offer for all securities of the Company totally 214,000,000 shares, or representing 61.01 percent of the total issued and paid-up shares of the Company.

However, 30 shareholders (“Group of Shareholders”) who hold shares of Business in a total of 141,873,966 shares, representing 40.45 percent of the total issued and paid-up shares in the Business (after the conversion of warrants), and 40.45 percent of the total voting rights of the Business (after the conversion of the warrants) has signed a letter to express intention not to sell TKT’s ordinary shares in accordance with the Tender Offer of the Offeror (“LOI”) stating that such person shall not sell all shares held in the total of 40.45 percent of the total issued and paid-up shares of the Business to the Offeror throughout the Tender Offer period. The details are as shown in the LOI.

On this basis, the total amount of funds required for the Offeror to acquire 72,126,034 shares in the Business, representing 20.56 percent of the total issued and paid-up shares in the Business and 20.56 percent of the total voting rights in the Business (excluding the

141,873,966 shares in the Business held by the Group of Shareholders and 136,780,000 shares in the Business held by the Offeror), which is equivalent to a total amount of THB 143,530,808 (Thai Baht One hundred forty-three million five hundred thirty thousand eight hundred eight).

The Offeror will pay compensation in cash to all shareholders who accept the Tender Offer. The Offeror's funding source for the Tender Offer comes from a loan from Karrie, who indirectly holds 100.00 percent of the Offeror's issued and paid-up shares. In this regard, the loan received from Karrie is an interest-free loan and is reclaimable on demand.

As of September 23, 2022, the Offeror had cash deposit in a saving account with The Hongkong and Shanghai Banking Corporation Limited ("HSBC") with a current balance of HKD 32,248,266 or approximately THB 148,986,804 (the "Funds") to be solely used for the purpose of conducting the Tender Offer. The Funds are assured to remain available for the settlement of the Tender Offer until the settlement of the Tender Offer is completed.

In the event that the Funds converted into THB currency, is not sufficient for the Tender Offer due to the change in foreign exchange rate, the Offeror agrees to provide additional funds to I V Global Securities Public Company Limited, as the Tender Offer Agent, to ensure the sufficient fund in THB currency for the Tender Offer.

Remark: The source of funds in Thai Baht currency is calculated by using the average foreign exchange rates quoted by The Hongkong and Shanghai Banking Corporation Limited on September 22, 2022, which is equivalent to THB 4.62 to HKD 1.

2. General Information of the Offeror

2.1. Information of the Offeror

2.1.1. General information

Company Name	Karrie Automotive Investment Limited (“KAI”)
Address	9/F., Southeast Industrial Building 611-619 Castle Peak Road Tsuen Wan, New Territories, Hong Kong
Nature of Business	Holding company for Karrie International Holdings Limited (“Karrie”) without operating its own business
Telephone No.	+8522437-6835
Facsimile No.	+8522437-6829
Company Registration No.	827821
Establishment Date	2 January 2003

2.1.2. Business Overview of the Offeror¹

KAI, which is a juristic person in Hong Kong, is established on January 2, 2003, having an indirect shareholder of 100.00 percent by Karrie International Holdings Limited (“Karrie”) through Broadly Bright Investment Holding Limited (“Broadly”). KAI has its objectives to invest in automotive business for Karrie and does not conduct its own business.

KAI is 100.00 percent indirect held by Karrie, which is a company listed on Hong Kong Stock Exchanges and Clearing Limited (“HKEx”). Karrie operates manufacturing and distributing of metal and molded plastic products, such as server cases, mold, and injection molding plastic business, electronic manufacturing services such as assembling computer peripherals and medical equipment, and real estate business. Karrie established in 1980, began with making video cassette tapes from a small factory in Hong Kong and quickly grew into an international organization. In the year 1996, Karrie has been listed on Hong Kong Stock Exchanges and Clearing Limited (HKEx: 1050) whereby the products of Karrie have been distributed globally

¹ Information within the business overview of the Offeror is based on Form 247-4 Tender Offer for Securities of T.Krungthai Industries Public Company Limited in which Karrie Automotive Investment Limited is the tender offeror. The information is publicly disclosed by which the Company is not able to validate the accuracy of such information.

and Karrie have representative offices spreading throughout the United States, Europe, Taiwan, and other parts of Asia.

Business Description of Karrie

1) Industrial Business

Equipped with comprehensive solutions in manufacturing, Contract manufacturing services (CMS) and mechanical design solutions, Karrie provides the right level of support for global OEM clients. Many of them are the Fortune 500 companies. The products and services are divided into types as followed:

- (1) Karrie's metal stamping parts production has machines more than 230 sets of metal pumps from 25 to 600 tons.
- (2) Karrie's plastic injection has more than 100 advanced plastic injection machines from 25 to 1,600 tons
- (3) Karrie's design and production has a core team of 100 highly experienced technicians that can complete assignments regardless of complexity within 20 to 60 days.
- (4) Karrie's Numerical Control (NC) service provides numerical control machining services, specializing in sheet metal and components.

2) Real Estate Business

Karrie engages in the development of boutique residential real estate located in Greater Bay Area

Karrie has 3 residential real estate projects that are being sold and are under development which are 1) Phase 3 of Castfast Villas 2) Phase 4 and 5 of Castfast Villas 3) Mansion (located in Huizhou in Guangdong province)

Characteristics of Karrie's residential properties

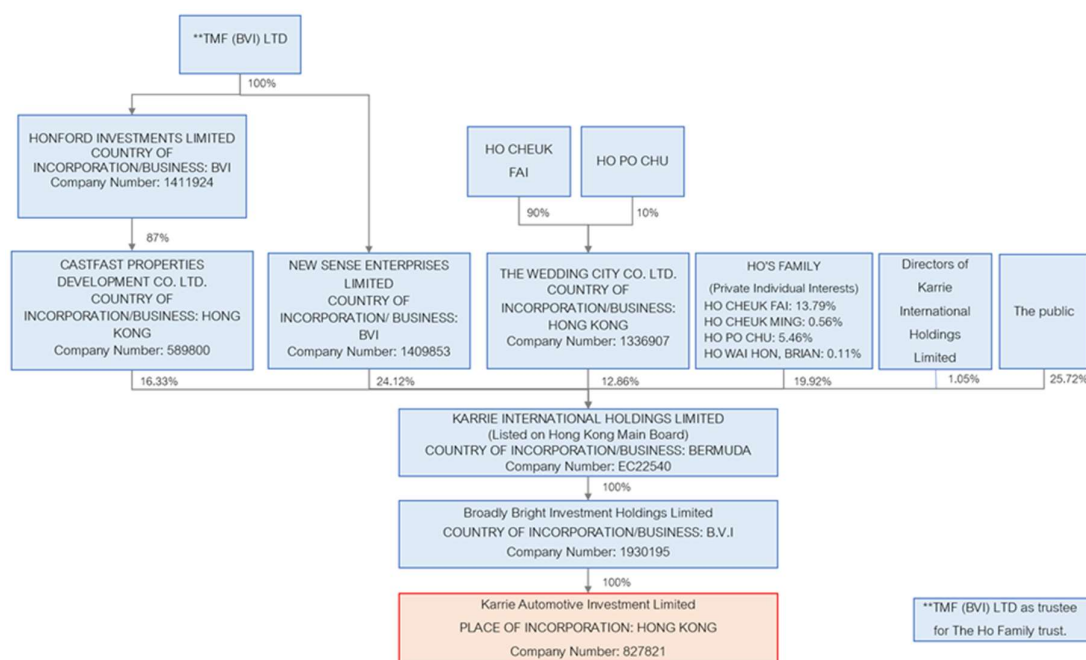
Gross Floor Area (square meter)	Phase 3 of Castfast Villas	Phase 4 and 5 of Castfast Villas	Mansion	Total
Total Completed Gross Floor Area	79,319	182,287	-	261,606
Total Saleable Gross Floor Area	76,498	177,143	-	254,091
Total Gross Floor Area under development	-	-	45,031	45,031

Source: information from Karrie

2.1.3. Shareholding structure of the Offeror

Diagram showing the shareholding structure of KAI as of 30 September 2022 has details as follows:

KAI Shareholding structure of KAI



Remarks: 1/ Details as of 30 September 2022

2/ TMF is the trustee of the Ho Family Trust and was established as a management in the form of trust manager for the Ho Family Trust, which Mr. Ho Cheuk Fai is the controlling person. From KAI's shareholding structure, it is shown that KAI's Ultimate Shareholder list is Ho Family Trust. KAI is not a connected person with the Company as of 31 August 2020 in accordance with the Notification of the Capital Market Supervisory Board No. Tor Jor. 21/2551 Re: Rules on Connected Transactions dated 31 August 2008 (including amendments) and the announcement of the Stock Exchange of Thailand Re: Disclosure of Information and Actions of Listed Companies in Connected Transactions B.E. 2546 dated 19 November 2003 (including amendments)

2.1.4. Revenue breakdown of Karrie

Revenue breakdown of Karrie

Business Unit	31 March 2020		31 March 2021		31 March 2022	
	HKD million	%	HKD million	HKD million	%	HKD million
Real Estate Business	290.22	10.00	659.83	19.00	923.09	23.00
Electronic Manufacturing Services Business	986.75	34.00	902.93	26.00	1,163.89	29.00
Metal and Plastic Business	1,625.24	56.00	1,910.04	55.00	1926.45	48.00
Total Revenue	2,902.21	100.00	3,472.80	100.00	4,013.43	100.00

Source: Annual report of Karrie for the year 2020 - 2022

Note: The Offeror and Broadly do not have revenue as they do not have business operations on their own

2.1.5. Performance and financial position of Karrie Automotive Investment Limited Broadly, Bright Investment Holding Limited and the Offeror

The IFA analyzes Karrie, Broadly and the Tender Offerors' financial operation and financial positions from the financial statements as of 31 March 2020 – 31 March 2022²

■ Income statement of Karrie

	31 March 2020		31 March 2021		31 March 2022	
	HKD million	%	HKD million	%	HKD million	%
Revenue	2,902.21	100.00	3,472.80	100.00	4,013.43	100.00
Cost of goods sold	2,521.43	86.88	2,728.81	94.03	3,045.35	104.93
Gross Profit	529.49	18.24	946.38	27.25	1,148.36	28.61
Distribution and selling expenses	(30.67)	(1.06)	(46.46)	(1.34)	(43.56)	(1.09)
General and administrative expenses	(120.13)	(4.14)	(159.71)	(4.60)	(149.45)	(3.72)
Other income/gains	4.44	0.15	2.60	0.07	10.77	0.27
Net valuation gain/(loss) on investment properties	(2.35)	(0.08)	1.18	0.03	1.97	0.05
Total expenses	(148.71)	(5.12)	(202.39)	(5.83)	(180.27)	(4.49)
Operating Profit	380.78	13.12	743.99	21.42	968.09	24.12

² The cutoff date for the annual financial statements for registered companies in Hong Kong Special Administrative Region of the People's is on 31 March of the subsequent year. HKEx's listing rules state that companies that are listed in Hong Kong's stock exchange are obligated to publish annual financial statements as of 31 March of the subsequent year not later than 4 months after the cutoff date and half-yearly financial statements as of 30 September not later than 3 months after the cutoff date.

	31 March 2020		31 March 2021		31 March 2022	
	HKD million	%	HKD million	%	HKD million	%
Finance income	4.46	0.15	11.38	0.33	17.07	0.43
Finance costs	(24.86)	(0.86)	(7.98)	(0.23)	(14.75)	(0.37)
Share of profits on an associate	1.35	0.05	1.49	0.04	1.16	0.03
Profit before income tax	361.73	12.46	748.88	21.56	971.58	24.21
Income tax	(111.47)	(3.84)	(303.55)	(8.74)	(422.48)	(10.53)
Net Profit for the year	250.26	8.62	445.33	12.82	549.10	13.68

Source: Karrie's financial statements as of 31 March 2020 – 2022

■ Income Statement of Broadly

	31 March 2020		31 March 2021		31 March 2022	
	HKD	%	HKD	%	HKD	%
Revenue	-	-	-	-	-	-
Total expenses	(5,774.00)	-	(8,149.00)	-	(6,859.00)	-
Gross Profit	(5,774.00)	-	(8,149.00)	-	(6,859.00)	-
Finance costs	-	-	-	-	-	-
Profit before income tax	(5,774.00)	-	(8,149.00)	-	(6,859.00)	-
Income tax	-	-	-	-	-	-
Net Loss for the year	(5,774.00)	-	(8,149.00)	-	(6,859.00)	-

Source: Broadly's financial statements as of 31 March 2020 – 2022

■ Income Statement of the Offeror

	31 March 2020		31 March 2021		31 March 2022	
	HKD	%	HKD	%	HKD	%
Revenue	-	-	-	-	-	-
Total expenses	(22,615)	-	(22,820)	-	(68,058)	-
Gross Profit	(22,615)	-	(22,820)	-	(68,058)	-
Finance costs	-	-	-	-	-	-
Profit before income tax	(22,615)	-	(22,820)	-	(68,058)	-
Income tax	-	-	-	-	-	-
Net Loss for the year	(22,615)	-	(22,820)	-	(68,058)	-

Source: Offeror's financial statements as of 31 March 2020 – 2022

■ Statement of financial position of Karrie

Statement of financial position of Karrie as of 31 March 2020 – 31 March 2022

	31 March 2020		31 March 2021		31 March 2022	
	HKD million	%	HKD million	%	HKD million	%
Assets						
Inventories	528.87	17.52	391.07	8.83	778.37	15.36
Property development and contract costs	818.88	27.13	1,110.92	25.07	1,268.09	25.03
Account receivables and other receivables	480.22	15.91	1,257.94	28.39	784.80	15.49
Current tax recoverable	0.05	0.00	0.20	0.00	1.15	0.02
Pledged deposits	-	-	-	-	84.54	1.67
Restricted deposits	33.44	1.11	275.79	6.22	397.96	7.86
Cash and bank deposits	264.04	8.75	387.05	8.74	441.55	8.72
Total current assets	2,125.50	70.41	3,422.97	77.25	3,756.46	74.15
Property, plant and equipment	510.84	16.92	519.60	11.73	688.26	13.59
Investment properties	294.80	9.77	317.42	7.16	332.96	6.57
Intangible assets	7.89	0.26	6.35	0.14	4.84	0.10
Investment in an associate	16.54	0.55	19.27	0.43	21.26	0.42
Other financial assets	19.63	0.65	26.4	0.60	29.21	0.58
Other non-current assets	38.30	1.27	10.85	0.24	43.08	0.85
Deferred tax assets	5.29	0.18	108.03	2.44	189.99	3.75
Total non-current assets	893.29	29.59	1,007.92	22.75	1,309.60	25.85
Total assets	3,018.79	100.00	4,430.89	100.00	5,066.06	100.00
Liabilities						
Trade payables and other payables	785.93	26.03	1,192.14	26.91	1,525.14	30.11
Bank borrowing	126.80	4.20	301.01	6.79	738.43	14.58
Lease liabilities	3.24	0.11	2.59	0.06	7.94	0.16
Current tax payable	88.57	2.93	606.11	13.68	607.12	11.98
Total current liabilities	1,004.54	33.28	2,101.85	47.44	2,878.63	56.82
Long term bank borrowings	824.84	27.32	616.46	13.91	462.75	9.13
Long term lease liabilities	1.42	0.05	1.14	0.03	12.63	0.25
Provision for service payments	8.16	0.27	9.15	0.21	6.24	0.12
Deferred tax liabilities	4.13	0.14	5.58	0.13	9.26	0.18
Total non-current liabilities	838.55	27.78	632.33	14.27	490.88	9.69
Total liabilities	1,843.09	61.05	2,734.18	61.71	3,369.51	66.51
Shareholders' equity						
Share capital	199.38	6.60	201.24	4.54	202.13	1.94
Other reserves	193.4	6.41	363.58	8.21	98.20	27.56

	31 March 2020		31 March 2021		31 March 2022	
	HKD million	%	HKD million	%	HKD million	%
Retained earnings	782.92	25.93	1131.89	25.55	1,396.22	27.56
Total shareholders' equity	1,175.70	38.95	1,696.71	38.29	1,696.55	33.49
Total liabilities and shareholders' equity	3,018.79	100.00	4,430.89	100.00	5,066.06	100.00

Source: Karrie's financial statements as of 31 March 2020 – 2022

■ Statement of financial position of Broadly

Statement of financial position of Broadly as of 31 March 2020 – 31 March 2022

	31 March 2020		31 March 2021		31 March 2022	
	HKD	%	HKD	%	HKD	%
Assets						
Total current assets	-	-	-	-	-	-
Total non-current assets	-	-	-	-	-	-
Total assets	-	-	-	-	-	-
Liabilities						
Total current liabilities	22,155.00	-	30,574.00	-	37,433.00	-
Total non-current liabilities	-	-	-	-	-	-
Total liabilities	22,155.00	-	30,574.00	-	37,433.00	-
Shareholders' equity						
Share capital	8.00	-	8.00	-	8.00	-
Retained loss	(22,163.00)	-	(30,852.00)	-	(37,441.00)	-
Total shareholders' equity	(22,155.00)	-	(30,574.00)	-	(37,433.00)	-
Total liabilities and shareholders' equity	-	-	-	-	-	-

Source: Broadly's financial statements as of 31 March 2020 – 2022

■ Statement of financial position of Offeror

Statement of financial position of Offeror as of 31 March 2020 – 31 March 2022

	31 March 2020		31 March 2021		31 March 2022	
	HKD	%	HKD	%	HKD	%
Assets						
Total current assets	78,761.00	100.00	75,506.00	100.00	299,987.00	3.87
Total non-current assets	-	-	-	-	7,445,030.00	96.13
Total assets	78,761.00	100.00	75,506.00	100.00	7,745,017.00	100.00
Liabilities						
Total current liabilities	1,209,400.00	1,535.53	1,228,965.00	1,627.64	9,454,733.00	122.08
Total non-current liabilities	-	-	-	-	-	-
Total liabilities	1,209,400.00	1,535.53	1,228,965.00	1,627.64	9,454,733.00	122.08
Shareholders' equity						
Share capital	2.00	0.00	2.00	0.00	2.00	0.00
Retained loss	-	-	-	-	(488,199.00)	(6.30)
Total shareholders' equity	(1,130,641.00)	(1,435.53)	(1,153,461.00)	(1,527.64)	(1,221,519.00)	(15.77)
Total liabilities and shareholders' equity	(1,130,639.00)	(1,435.53)	(1,153,459.00)	(1,527.64)	(1,709,716.00)	(22.08)
Assets	78,761.00	100.00	75,506.00	100.00	7,745,017.00	100.00

Source: Offeror's financial statements as of 31 March 2020 – 2022

- Key financial ratios of Karrie

Key financial ratios of Karrie as of 31 March 2020 – 31 March 2022

	1 April 2019 - 31 March 2020	1 April 2020 - 31 March 2021	1 April 2021 - 31 March 2022
Liquidity Ratio			
Current ratio (times)	2.12	1.63	1.30
Quick ratio (times)	0.93	3.04	3.48
Account receivable day (days)	52.00	91.34	92.89
Inventory day (days)	66.48	66.45	74.49
Account payable day (days)	106.06	142.89	173.09
Cash cycle (days)	12.42	14.91	(5.71)
Profitability ratio			
Gross profit margin (%)	18.24	27.25	28.61
Operating profit margin (%)	13.12	21.42	24.12
Net profit margin (%)	8.62	12.82	13.68
Return-on-equity (%)	21.29	26.25	32.37
Solvency ratio			
Debt-to-equity ratio (times)	1.57	1.61	1.99
Interest coverage ratio (times)	15.55	94.84	66.87

Source: Karrie's financial statements as of 31 March 2020 – 2022 and the IFA's calculation

- Key financial ratios of Broadly

Key financial ratios of Broadly as of 31 March 2020 – 31 March 2022

	1 April 2019 - 31 March 2020	1 April 2020 - 31 March 2021	1 April 2021 - 31 March 2022
Liquidity Ratio			
Current ratio (times)	N/A	N/A	N/A
Quick ratio (times)	N/A	N/A	N/A
Account receivable day (days)	N/A	N/A	N/A
Inventory day (days)	N/A	N/A	N/A
Account payable day (days)	N/A	N/A	N/A
Cash cycle (days)	N/A	N/A	N/A
Profitability ratio			
Gross profit margin (%)	N/A	N/A	N/A
Operating profit margin (%)	N/A	N/A	N/A
Net profit margin (%)	N/A	N/A	N/A
Return-on-equity (%)	N/A	N/A	N/A
Solvency ratio			
Debt-to-equity ratio (times)	N/A	N/A	N/A
Interest coverage ratio (times)	N/A	N/A	N/A

Source: Broadly's financial statements as of 31 March 2020 – 2022 and the IFA's calculation

Source: N/A means the IFA could not calculate the ratios due to lack of information and Broadly has net loss

- Key financial ratios of Offeror

Key financial ratios of Offeror as of 31 March 2020 – 31 March 2022

	1 April 2019 - 31 March 2020	1 April 2020 - 31 March 2021	1 April 2021 - 31 March 2022
Liquidity Ratio			
Current ratio (times)	0.07	0.06	0.03
Quick ratio (times)	N/A	N/A	N/A
Account receivable day (days)	N/A	N/A	N/A
Inventory day (days)	N/A	N/A	N/A
Account payable day (days)	N/A	N/A	N/A
Cash cycle (days)	N/A	N/A	N/A
Profitability ratio			
Gross profit margin (%)	N/A	N/A	N/A
Operating profit margin (%)	N/A	N/A	N/A
Net profit margin (%)	N/A	N/A	N/A
Return-on-equity (%)	N/A	N/A	N/A
Solvency ratio			
Debt-to-equity ratio (times)	N/A	N/A	N/A
Interest coverage ratio (times)	N/A	N/A	N/A

Source: Offeror's financial statements as of 31 March 2020 – 2022 and the IFA's calculation

Source: N/A means the IFA could not calculate the ratios due to lack of information and Offeror has net loss

2.1.6. Karrie Explanation for the Karrie's performance

Revenue

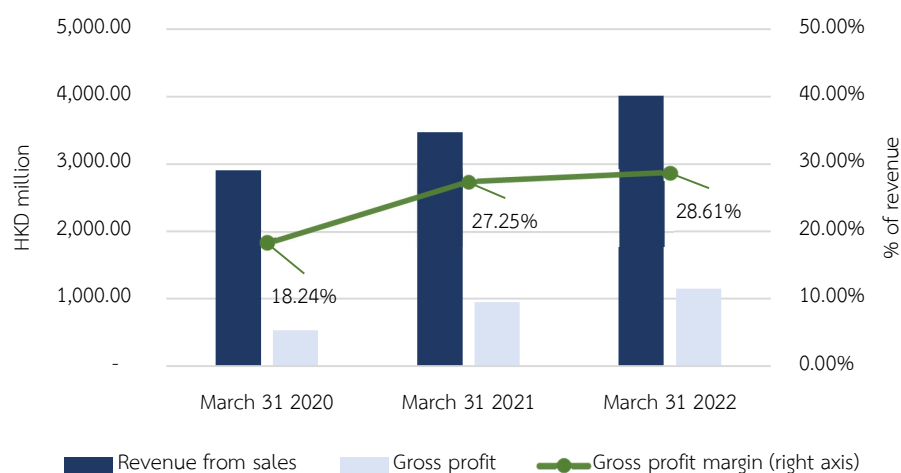
Revenue consists of revenue from Metal and Plastic Business, revenue from Electronics Manufacturing Services Business and revenue from Real Estate Business. As of 31 March 2020 – 31 March 2022, Karrie had revenue of HKD 2,902.21 million, HKD 3,472.80 million and HKD 4,013.43 million respectively.

As of 31 March 2021, Karrie's revenue equals HKD 3,472.80 million, an increase of HKD 570.59 million or equivalent to 19.66 percent from 31 March 2020 which was HKD 2,902.21 million. This was due to the excellent performance of the M&P Business as a result of the rising demand for cloud applications, online commerce and high-performance computing, boosting the demand for servers.

As of 31 March 2022, Karrie's revenue equals HKD 4,013.43 million, an increase of HKD 540.64 million or equivalent to 15.57 percent from 31 March 2021 which was HKD 3,472.80 million. This was due to the increase of revenue from the Electronics Manufacturing Services Business mainly owing to the increase of sale revenue for storage products while the Metal and Plastic Business remained stable.

Gross Profit

Figure representing the Karrie' revenue from sales, gross profit and gross profit margin as of March 31, 2020 – 2022



Between 31 March 2020 – 31 March 2022, Karrie had gross profit margin of 18.24 percent, 27.25 percent and 28.61 percent respectively.

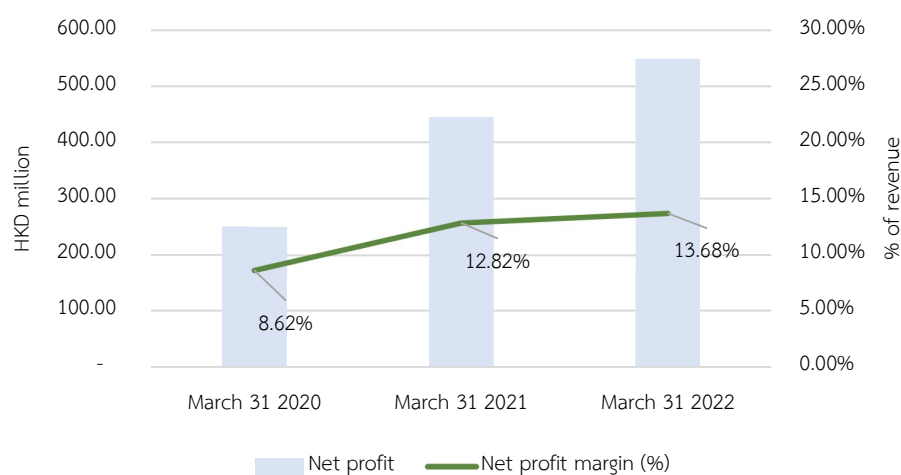
As of 31 March 2021, Karrie's gross profit equals HKD 946.38 million, an increase of HKD 416.89 million or equivalent to 78.73 percent from 31 March 2020 which was HKD 529.49 million. This was due to the increase in production efficiency of automated production and optimization of product mix.

As of 31 March 2022, Karrie's gross profit equals HKD 1,148.36 million, an increase of HKD 201.99 million or equivalent to 21.34 percent from 31 March 2020 which was HKD 946.38 million. This was due to the increase in profit was mainly attributable to the completion of delivery, with revenue recognized, of 195 units for Phases 4 and 51 units for Phase 5 of Castfast Villas project in Fenggang in Guangdong province in China. as well as the increase in supply of global logistics. Additionally, various factors brought challenges to Karrie's operating costs. In this regard, Karrie has been striving to effectively manage production operations in a fast and

flexible manner. For example, Karrie sets up closed-loop operation points for cross-border drivers to enhance Epidemic prevention and control, and successfully speed up logistics operations. Karrie also actively communicated with the local governments to coordinate the pace of operation and management, and enhanced utilization of resource. Karrie timely adjusted its material inventory level to reduce the impact of material price fluctuations. These factors contribute to the overall increase in its gross profit.

Net Profit

Figure representing the Karrie' net profit and profit margin as of March 31, 2020 – 2022



Between 31 March 2020 – 31 March 2022, Karrie had net profit margin of 8.62 percent, 12.82 percent and 13.68 percent respectively.

As of 31 March 2021, Karrie's net profit equals HKD 445.33 million, an increase of HKD 195.07 million or equivalent to 77.95 percent from 31 March 2020 which was HKD 250.26 million. This was due to significant growth in Metal and Plastic Business, the increase in production efficiency of automated production, the delivery of units of real estate projects with revenue recognized, and the receipt of a one-off concessions and expenses waivers from the government of Hong Kong and the Chinese government.

As of 31 March 2021, Karrie's net profit equals HKD 549.10 million, an increase of HKD 103.77 million or equivalent to 23.30 percent from 31 March 2021 which was HKD 445.33 million. This was due to the increase in net profit for the year ended 31 March 2021 and the

stability of the proportion of finance revenue to total revenue and the proportion of share of profit from an associate to total revenue.

Total Assets

As of March 31, 2020, 2021 and 2022, Karrie's total assets were HKD 3,018.79 million, HKD 4,430.89 million and HKD 5,066.06 million, respectively, representing a compound annual growth rate (CAGR) of 29.54 percent

As of 31 March 2021, Karrie had total assets of HKD 4,430.89 million, an increase of HKD 1,412.10 million or equivalent to 46.78 percent from 31 March 2020 which was HKD 3,018.79 million. The increase in total assets is caused by the increase in trade receivables and other receivables due to increase in sales during the period and change in accounting treatment for account receivables and account payables offsetting.

As of 31 March 2022, Karrie had total assets of HKD 5,066.06 million, an increase of HKD 635.17 million or equivalent to 14.34 percent from 31 March 2021 which was HKD 4,430.89 million. The increase in total assets is caused by the increase in inventories due to supply chain issues due to China's pandemic lockdown during March 2022.

Total Liabilities

As of March 31, 2020, 2021 and 2022, Karrie's total liabilities were HKD 1,843.09 million, HKD 2,734.18 million and HKD 3,369.51 million, respectively, representing a mean annual growth rate (CAGR) of 35.21 percent.

As of 31 March 2021, Karrie had total liabilities of HKD 2,734.18 million, an increase of HKD 891.09 million or equivalent to 48.35 percent from 31 March 2020 which was HKD 1,843.09 million. The increase in total liabilities is caused by the increase in trade payables and other payables due to receipt in advance for the pre-sold residential properties.

As of 31 March 2022, Karrie had total liabilities of HKD 3,369.51 million, an increase of HKD 635.33 million or equivalent to 23.24 percent from 31 March 2021 which was HKD 2,734.18 million. The increase in total liabilities is caused by the increase in trade payables and other payables due to receipt in advance for the pre-sold residential properties and the

increase in bank borrowings due to capital expenditure investment in China and Thailand's factory.

Total Equity

As of March 31, 2021, Karrie's total shareholder equity is HKD 1,696.71 million. An increase of HKD521.01 million or representing an increase of 44.31 percent from as of March 31, 2020, which is HKD 1,175.20 million. This is due to the increase in retained earnings.

As of March 31, 2022, Karrie's total shareholder equity was HKD 1,696.55 million, a decrease of HKD 0.16 million. or representing a reduction of 0.01 percent from as of March 31, 2021, which is HKD1,696.71 million as a result of the decrease in legal reserves.

2.1.7. Industry Overview

Since Karrie's main revenue comes from metal and plastic business, in which its main product is server cases which is in the server cases manufacture industry. Therefore, the analysis on industry overview and associated risk are based on the analysis on the global server market.

Market Overview

The global server market weathered the pandemic market shock in 2020 and subsequently the economic turmoil and supply chain disruptions during 2021. The market faces continued challenges in 2022, including an unresolved Covid-19 pandemic, historically high inflation, supply chain disruption and international war.

However, the server market has proven very resilient in recent years, as IT infrastructure has evolved from a nice-to-have or add value to becoming a mission critical investment for most organizations. While the nature of investment and the server case's demand may be impacted by economic and other pressures, overall, the market is expected to continue on a growth trajectory.

According to a study from IDC Corporate USA ("IDC") which provides market analysis and consulting services for the IT market, it is expected that the worldwide server market spending will recover strongly in 2022 and continue with a CAGR of 10.70 percent in a



five-year period. This is due to the increased demand for servers for network connectivity, supercomputers, and cloud applications.

Risk

The main risk associated with the server market in 2021 is the supply chain shortage especially in quarter 3 and quarter 4 when inventories were depleted, and delivery depended on components coming in on time. However, the market still experienced high year over year growth in both quarters where backlogs were increasing during the period.

2.1.8. List of major shareholders of the Offeror

- The Offeror

List of shareholders of the Offeror as of 30 September 2022 can be shown as follows:

Name		Percentage
1.	Broadly Bright Investment Holding Limited	100.00
Total		100.00

Source: Form 247-4 Tender Offer for Securities from the Offeror

- Broadly

List of shareholders of Broadly as of 30 September 2022 can be shown as follows:

Name		Percentage
1.	Karrie International Holdings Limited	100.00
Total		100.00

Source: Form 247-4 Tender Offer for Securities from the Offeror

- Karrie

List of shareholders of Karrie as of 30 September 2022 can be shown as follows:

Name		Percentage
1.	The Public	25.72
2.	New Sense Enterprises Limited	24.12
3.	Ho Family	19.92
4.	Castfast Properties Development Co. Ltd.	16.33
5.	The Wedding City Co. Ltd.	12.86
6.	Directors of Karrie International Holdings Limited ^{1/}	1.05
Total		100.00

Source: Form 247-4 Tender Offer for Securities from the Offeror

Note: 1/ Karrie's directors consist of (1) Mr. Zhao Kai holding 0.53 percent (2) Ms. Chan Ming Mui Silvia holding 0.30 percent (3) Mr. Chan Raymond Kai holding 0.20 percent (4) Mr. Yam Chung Shing holding 0.02 percent (5) Mr. Fong Hoi Shing holding 0.002 percent

2.1.9. List of Board of Directors of the Offeror

- The Offeror

List of board of directors of the Offeror as of 30 September 2022 can be shown as follows:

Name		Position
1.	Mr. Ho Cheuk Fai	Director
2.	Mr. Ho Cheuk Ming	Director
3.	Ms. Chan Ming Mui Silvia	Director
4.	Mr. Chan Raymond	Director

Source: Form 247-4 Tender Offer for Securities from the Offeror

- Broadly

List of board of directors of Broadly as of 30 September 2022 can be shown as follows:

Name		Position
1.	Mr. Ho Cheuk Fai	Director
2.	Mr. Ho Po Chu	Director
3.	Ms. Ho Kai Man	Director

Source: Form 247-4 Tender Offer for Securities from the Offeror

- Karrie

List of board of directors of Karrie as of 30 September 2022 can be shown as follows:

Name		Position
1.	Mr. Ho Cheuk Fai	Executive Director
2.	Mr. Zhao Kai	Executive Director
3.	Ms. Chan Ming Mui Silvia	Executive Director
4.	Mr. Chan Raymond	Executive Director
5.	Mr. Ho Cheuk Ming	Non-Executive Director
6.	Mr. Ho Kai Man	Non-Executive Director
7.	Dr. Lau Kin Wah	Independent Director
8.	Mr. Fong Hoi Shing	Independent Director
9.	Mr. Yam Chung Shing	Independent Director

Source: Form 247-4 Tender Offer for Securities from the Offeror

2.2. The Company's Information

2.2.1. General Information of The Company

Company name	T.Krunghai Industries Public Company Limited
Headquarter address	23 Soi Chan 43 Yak 21, Tungwatdon, Sathon, Bangkok 10120
Business type	Injection Molding and Mold Production and Repair for Automotive, Electric, and Original Equipment Manufacturer (OEM)
Telephone	0-2211-2762, 0-2211-3732, 0-2212-4719
Fax	0-2212-4864
Company Registration Number	0107547000010
Website	www.tkrungthai.com
Establish Date	4 November 1980
Stock Exchange Market	The Stock Exchange of Thailand (SET)
Industry	Industrials / Automotive
First Trade Date	30 September 2004
IPO Price	THB 4.10
Par value	THB 1.00 per share
Authorized Capital	THB 350,780,000.00
Paid-up Capital	THB 350,780,000.00
Dividend Policy	The Company has a policy to pay dividends to shareholders at the rate of not less than 40 percent of the net profit each year, except in the case where the company intends to invest in other projects.

2.2.2. History and Successful Events

Year	Event
2018	- The company bought 2 injection machines to increase production capacity to support new jobs
2019	- The company renovated the painting room of King Kaew Plant to support the new Model
2020	<ul style="list-style-type: none"> - The resolution of the 2020 shareholders' meeting approves the increase in registered capital of 136.78 million shares from the specific offering of 23.78 million shares, which is the offering in conjunction with the issuance of warrants to purchase additional shares to Private Placement (PP) is 113 million shares of Karrie Automotive Investment Limited. - The company called for additional registered capital from Karrie Automotive Investment Limited in the amount of 23.78 million shares with a par value of THB 1.00 per share, totaling THB 237.78 million in paid-up capital.
2021	- Purchase 2 injection machines to replace the old injection machines of Kabinburi Plant to maintain quality and production efficiency

2.2.3. The Company's Business Overview

T. Krungthai Industries Public Company Limited ("the Company") ("TKT") was established on 4 November 1980 by the Taechakraisri Group and foreign shareholders (Established as a Krungthai Industrial, Part., Ltd. on 16 September 1973) with an initial registered capital of THB 5 million, with the objective of doing business as a producer of plastic parts including the spray painting, silk-screen & hot stamping and sub assembly, and the service provider on mold design, mold production and mold repair for plastic parts to the leading Automobile, Electrical appliance and Original Equipment Manufacturers (OEM). The Company was listed in the Stock Exchange of Thailand on 30 September 2004 with the registered capital of THB 208 million.

The Company is the producer of plastic parts for various industry. After the process of injection molding, plastic parts would be brought into further processes such as spray painting, silk-screen & hot stamping and sub assembly. The production of plastic parts supports the 3 groups of industry as follows:

Plastic parts for Automotive Industry

Include plastic parts for used for the interior such as dashboard components/trims, panel, and door panels as well as for the exterior Part such as radiator Grilles, wheel Cap, and mud guards; and for the engine room such as engine cover.

Plastic parts for Electrical Appliance Industry

Include plastic parts for refrigerators such as door handle, base, top plate and other parts inside the refrigerator as well as for air conditioner such as air condition mask; and for washing machine such as washing machine base.

Plastic parts for other industries

Products of this group include plastic parts that are components of packaging for consumer products such as can covers, etc.

Moreover, the Company also provides services on mold design and mold repair as well as manufacture of plastic injection molds, with professional teams of over 48 years of experience in mold design and production. Computers are used in designing process such as CAE (Mold Flow) which is used to analyze the design of plastic parts and mold as well as Computer Aid Design (CAD) and Computer Aid Manufacturing (CAM), which enable the Company to produce good quality molds that are accurate as designed. Mold making is divided into 2 groups as follows:

New Mold for customers' order

The production of mold for injection according to the customers specification and make the mold in accordance with the design details agreed by both sides.

Customers provide mold for repair and adjustment

The customers provide molds for repair and adjustment, both the company and the customer support each other for the improvement of surface, mold design for injection improvement and adjustment for quicker production or as per the customers requirement

As for the investment support from Board of Investment Directors (BOI), the Company has received promotional privileges from the Board of Investment (BOI) in Zone (Chachoengsao) for plant Suwintawong on 25 February 2011 to indicate that the user is encouraged to invest in

the business of mold manufacturing and mold repair itself. The gist has been promoted as follows:

- 1) Exemption in company income tax for the net profit on the BOI privilege for 8 years and reduction on corporate income tax in the Net Profit 50 percent for 5 years after 8 years.
- 2) Exemption from the need to include dividends from promoted businesses to pay income tax throughout the promotion period, exempt from corporate income tax.
- 3) Exemption of import duty on raw and essential materials that must be brought from abroad for use in production for export for a period of 1 year.
- 4) Exemption of import duty for those who have been promoted to import for re-export for a period of 1 year.

2.2.4. Shareholding Structure of the Company

No subsidiary or associated company in any way

2.2.5. The Company's Revenue Structure

Revenue Structure	2019		2020		2021		Quarter 2 of 2022	
	THB million	Percent	THB million	Percent	THB million	Percent	THB million	Percent
Revenue								
Revenue from sales - Plastic products for Automotive Industry	991.08	76.14	730.34	71.68	904.27	73.40	469.95	73.55
Revenue from sales - Plastic products for Electrical Appliance Industry	111.34	8.55	133.57	13.11	132.52	10.76	66.48	10.40
Revenue from sales - Plastic products for other Industries	30.07	2.31	18.70	1.84	25.37	2.06	6.85	1.07
Revenue from sales - molds	154.73	11.89	129.02	12.66	149.34	12.12	90.66	14.19
Other income ^{1/}	14.51	1.11	7.21	0.71	20.43	1.66	5.00	0.78
Total Revenue	1,301.73	100.00	1,018.84	100.00	1,231.93	100.00	638.94	100.00

Source: Financial statement of TKT from 2019 – 2021 and quarter 2 of 2022

Note: 1/ Consists of revenue from sales of other materials, scrap and revenue from investment

2.2.6. Financial position and past performance

The IFA has analyzed the performance and financial position of the Company from the financial statement for the year 2019 – 2021 and quarter 2 of 2022, which has been audited by a certified public accountant, Karin Audit Company Limited, with the following details:

- Income Statement

Table of income statement from 2019 – 2021 and quarter 2 of 2022

	2019		2020		2021		Quarter 2 of 2022	
	THB million	Percent	THB million	Percent	THB million	Percent	THB million	Percent
Revenue from sales - Plastic products	1,132.49	87.00	882.61	86.63	1,062.16	86.22	543.28	85.03
Revenue from sales - molds	154.73	11.89	129.02	12.66	149.34	12.12	90.66	14.19
Other income	14.51	1.11	7.21	0.71	20.43	1.66	5.00	0.78
Total Revenue	1,301.73	100.00	1,018.84	100.00	1,231.93	100.00	638.94	100.00
Cost of sales and rendering of services	1,109.13	85.20	877.67	86.14	1,024.15	83.13	528.75	82.75
Distribution cost	31.98	2.46	24.98	2.45	30.31	2.46	14.41	2.25
Administrative expenses	109.07	8.38	98.54	9.67	109.09	8.86	52.90	8.28
Other expenses	4.10	0.31	2.86	0.28	4.98	0.40	2.92	0.46
Director and management remunerations	19.75	1.52	28.02	2.75	29.35	2.38	14.28	2.24
Total expenses	1,274.04	97.87	1,032.08	101.30	1,197.89	97.24	613.26	95.98
Profit (Loss) before finance cost and income tax	27.69	17.90	(13.24)	(1.30)	34.04	2.76	25.68	4.02
Finance cost	21.18	1.63	18.27	1.79	16.44	1.33	8.04	1.26
Profit (Loss) before income tax	6.51	0.50	(31.51)	(3.09)	17.60	1.43	17.65	2.76
Income tax (expenses)	5.70	0.44	(5.04)	(0.49)	(4.01)	(0.33)	(3.31)	(0.52)
Profit (Loss) for the year	12.21	0.94	(36.56)	(3.59)	13.59	1.10	14.34	2.24

Source: Financial statement of TKT from 2019 – 2021 and quarter 2 of 2022

■ Financial Position

Table of financial position from 2019 – 2021 and quarter 2 of 2022

	31 December 2019		31 December 2020		31 December 2020		For 2 Quarters 30 June 2022	
	THB million	Percent	THB million	Percent	THB million	Percent	THB million	Percent
Asset								
Cash and cash equivalents	76.12	6.55	54.41	4.81	71.53	6.25	54.31	4.78
Trade and other current receivables	223.68	19.26	226.22	20.00	265.95	23.22	267.80	23.56
Contract assets	57.53	4.95	81.09	7.17	74.89	6.54	90.04	7.92
Inventories - net	90.69	7.81	81.28	7.18	97.97	8.55	98.06	8.63
Current tax assets	17.37	1.50	10.45	0.92	10.45	0.91	10.45	0.92
Other current financial assets	-	-	-	-	-	-	-	-
Total current assets	465.40	40.08	453.45	40.08	520.78	45.47	520.66	45.80
Property, plant and equipment - net	640.29	55.13	610.83	54.00	578.01	50.47	560.20	49.28
Right - of - use assets - net	-	-	4.28	0.38	2.19	0.19	3.34	0.29
Other intangible assets - net	8.14	0.70	6.69	0.59	6.83	0.60	8.54	0.75
Deferred tax assets	9.04	0.78	4.00	0.35	-	-	-	-
Other non - current assets	38.45	3.31	52.03	4.60	37.43	3.27	43.99	3.87
Total non - current assets	695.92	59.92	677.82	59.92	624.45	54.53	616.08	54.20
Total assets	1,161.31	100.00	1,131.28	100.00	1,145.23	100.00	1,136.74	100.00
Liabilities								
Bank overdrafts and short - term borrowings from financial institutions	519.87	44.77	474.00	41.90	458.00	39.99	454.00	39.94
Trade and other current payables	138.25	11.90	159.73	14.12	187.18	16.34	167.20	14.71
Contract liabilities	-	-	1.32	0.12	1.78	0.16	1.20	0.11
Current portion of lease liabilities	10.84	0.93	14.32	1.27	12.34	1.08	11.44	1.01
Current provisions for employee benefits	1.47	0.13	1.60	0.14	3.90	0.34	3.90	0.34
Other current provisions	0.00	0.00	0.07	0.01	0.02	0.00	0.07	0.01
Total current liabilities	670.44	57.73	651.04	57.55	663.21	57.91	637.80	56.11
Lease liabilities	29.34	2.53	26.95	2.38	16.81	1.47	14.35	1.26
Deferred tax liabilities - net	-	-	-	-	0.01	0.00	3.33	0.29
Non - current provisions for employee benefits	27.56	2.37	28.39	2.51	26.71	2.33	28.44	2.50
Total non - current liabilities	56.90	4.90	55.34	4.89	43.53	3.80	46.12	4.06
Total liabilities	727.34	62.63	706.38	62.44	706.74	61.71	683.92	60.16

	31 December 2019		31 December 2020		31 December 2020		For 2 Quarters 30 June 2022	
	THB million	Percent	THB million	Percent	THB million	Percent	THB million	Percent
Shareholders' equity								
Issued and paid - up share capital	214.00	18.43	237.78	21.02	237.78	20.76	237.78	20.92
Share premium	144.24	12.42	147.94	13.08	147.94	12.92	147.94	13.01
Retained earnings (deficits)								
Appropriated – Legal reserve	21.40	1.84	21.40	1.89	21.40	1.87	21.40	1.88
Unappropriated	(65.17)	(5.61)	(101.72)	(8.99)	(88.13)	(7.70)	(73.79)	(6.49)
Other component of shareholders' equity	119.50	10.29	119.50	10.56	119.50	10.43	119.50	10.51
Total shareholders' equity	433.98	37.37	424.90	37.56	438.49	38.29	452.83	39.84
Total liabilities and shareholders' equity	1,161.31	100.00	1,131.28	100.00	1,145.23	100.00	1,136.74	100.00

Source: Financial statement of TKT from 2019 – 2021 and quarter 2 of 2022

- Key financial ratios

Table of key financial ratios from 2019 – 2021 and quarter 2 of 2022

Key financial ratios	Unit	2019	2020	2021	Quarter 2 of 2022
Liquidity ratio					
Current ratio	time	0.69	0.70	0.79	0.82
Quick ratio	time	0.56	0.57	0.64	0.66
Account receivable turnover	time	5.53	4.23	4.32	4.09
Account receivable day	day	66.03	86.19	84.42	89.22
Contract asset turnover	time	2.69	1.59	1.99	2.03
Contract asset day	day	135.71	229.40	183.04	179.76
Inventory turnover	time	11.56	10.10	9.89	10.35
Inventory day	day	31.58	36.15	36.89	35.27
Account payable turnover	time	10.37	8.04	8.34	6.07
Payment period	day	35.21	45.39	43.75	60.14
Cash cycle	day	198.12	306.36	260.60	244.11
Profitability ratio					
Gross profit margin	%	13.83	13.24	15.46	16.59
Operating profit margin	%	2.13	(1.30)	2.76	4.02
Net profit margin	%	0.94	(3.59)	1.10	2.24
Return on asset	%	1.05	-3.23	1.19	1.26
Return on equity	%	2.81	-8.60	3.10	3.17
Financial policy ratio					
Debt to equity ratio	time	1.68	1.66	1.61	1.51
Interest coverage ratio	time	1.31	(0.72)	2.07	3.20
Dividend payout ratio	%	N/A	N/A	N/A	N/A
Data on per share capital					
Net book value per share	THB	2.03	1.88	1.80	1.90

Source: Calculated from financial statement of TKT from 2019 – 2021 and quarter 2 of 2022

2.2.7. Explanation of financial position and performance

Total Revenue

Total revenues during the year 2019 – 2021 were THB 1,301.73 million, THB 1,018.84 million and THB 1,231.93 million respectively, representing the compound annual deduction rate (CADR) between 2019 - 2021 of 2.72 percent

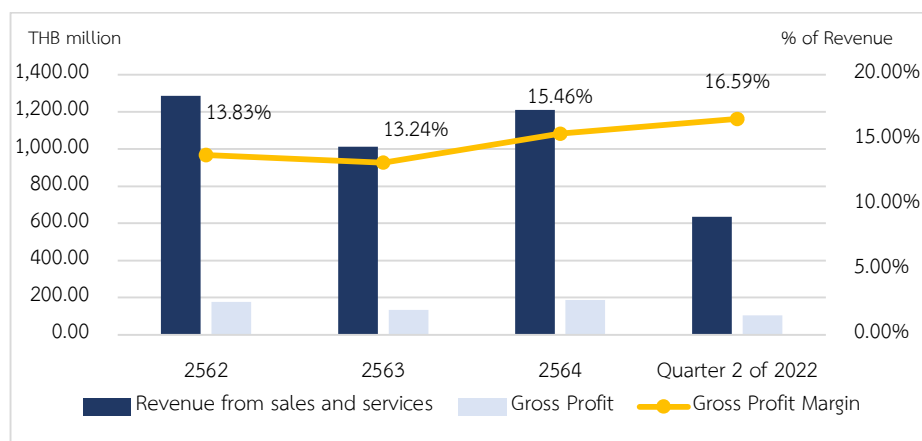
In 2020, the Company had total revenue of THB 1,018.84 million, a decrease of THB 282.89 million or 21.73 percent from the year 2019, which was THB 1,301.73 million, thanks to a decrease in revenue from sales and services of THB 275.59 million or 21.41 percent to THB 1,011.63 million from THB 1,287.22 million. This was due to the COVID-19 outbreak starting in March 2020, which impacted the automotive industry significantly that the automobile production decreased by 0.58 million units or 28.86 percent to 1.43 million units from the previous year of 2.01 million units.

In 2021, the Company had total revenue of THB 1,231.93 million, an increase of THB 213.09 million or 20.91 percent from the year 2020, which was THB 1,018.84 million, thanks to an increase in revenue from sales and services of THB 199.87 million or 19.76 percent to THB 1,211.50 million from THB 1,011.63 million. This was due to the COVID-19 situation getting better as the government had encouraged the general public to vaccinate. The total automobile production output therefore increased by 0.58 million units or 17.48 percent from 1.43 million units in the previous year to 1.68 million units.

In quarter 2 of 2022, the Company had total revenue of THB 638.94 million, an increase of THB 28.60 million or 4.69 percent from the same period of previous year which was equal to THB 610.34 million due to the Company receiving more mold production for automobile and electrical appliance orders than expected.

Gross Profit Margin

Revenue, Gross Profit and Gross Margin Chart of the Company for the year 2019 – 2021
and quarter 2 of 2022



Between 2019 – 2021, the Company had a gross profit of THB 178.09 million, THB 133.96 million, and THB 187.35 million or a gross profit margin of 13.83 percent, 13.24 percent, and 15.46 percent respectively.

In 2020, the Company had a gross profit of THB 133.96 million, a decrease of THB 44.13 million or 24.78 percent from 2019, which was THB 178.09 million. This was in line with the decrease in revenue from sales and services. The gross profit margin of the year 2020 was indifferent from the year 2019 due to the Company improving productivity, a constant control of production costs and reducing waste in production continuously.

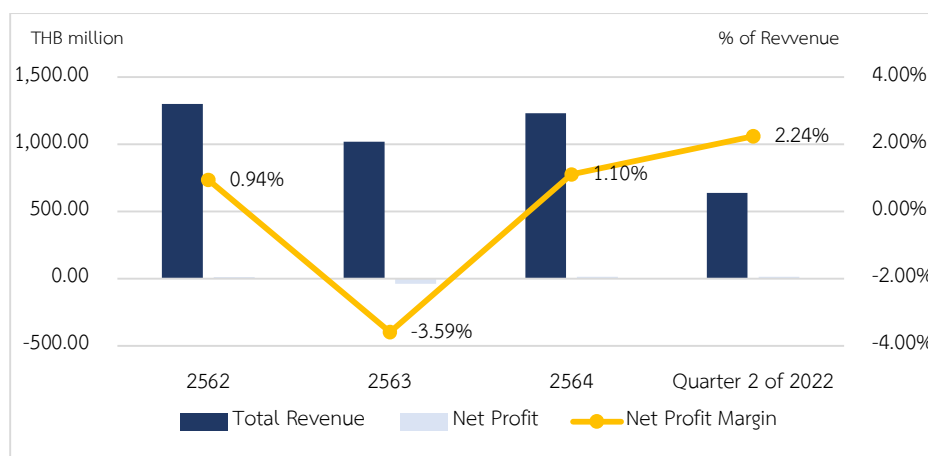
In 2021, the Company had a gross profit of THB 187.35 million, an increase of THB 53.39 million or 19.76 percent from 2019, which was THB 133.96 million. This was in line with the increase in revenue from sales and services. Moreover, with the Company's continuous effort to reduce the loss from the setup time of molds and improve the cycle time to be shorter as well as continuously reduce the defect rate of plastic parts production, the gross profit margin had increased.

In quarter 2 of 2022, the Company had a gross profit margin of THB 105.19 million, an increase of THB 5.29 million or 5.29 percent from the same period of the previous year, which was THB 99.90 million. This was largely due to cost and expenses reduction efforts as well as an increase in the proportion of sales of molds – of which has lower cost compared

to plastic products – therefore resulting in the increase of cost of goods sold being less than the increase in sales.

Net Profit Margin

**Net Profit and Net Profit Margin Chart of the Company for the year 2019 – 2021
and quarter 2 of 2022**



Between 2019 – 2021, the Company had a net profit (loss) of THB 12.21 million, THB (36.55) million, and THB 13.59 million or a net profit margin of 0.94 percent, 3.59 percent, and 1.10 percent respectively.

In 2020, the Company had a net loss of THB 36.55 million, a decrease of THB 48.76 million or 48.76 percent from 2019, which had a net profit of THB 12.21 million. This was largely due to an economic recession from the COVID-19 crisis. However, there was also an improve in productivity, better cost control and lower financial costs as well as a repayment of the short-term and long-term loan. Moreover, there was an income tax expense of THB 5.04 million as a result of a reduction in unused deferred tax assets of the portion of accumulated losses carried forward from the year 2016 and 2017 that will expire in 2021 and 2022.

In 2021, the Company had a net profit of THB 13.59 million, an increase of THB 50.14 million or 137.18 percent from 2019, which had a net loss of THB 36.55 million. This was due to lower financial expenses from lower debt burden, although interest rates have moved higher according to the economic situation.

In quarter 2 of 2022, the Company had a net profit margin of THB 14.33 million, an increase of THB 3.71 million or 34.90 percent from the same period of the previous year, which was THB 10.62 million. This was due to a decrease in selling and administrative expenses.

2.2.8. Analysis of the Company's Financial Position

Total Asset

As of 31 December 2020, the Company had total asset of THB 1,131.28 million, a decrease of THB 30.03 million or 2.59 percent from 31 December 2019 which was THB 1,161.31 million. The decrease in total assets came from the significant changes in the increase or decrease of assets as follows: (1) Cash and cash equivalent decrease by THB 21.71 million due to the repayment of THB 25 million promissory notes in November (2) Inventories decrease by THB 9.41 million (3) Trade and other receivables increase by THB 2.54 million due to higher sales in November that were not yet due (4) Contract assets increase by THB 23.56 million due to the higher recognition of accrued income from mold services in December (5) Non-current assets decrease by THB 18.09 million due to the company investing in the purchase of fixed assets of only THB 41.49 million by investing in one molding machine (EDM), a measurement machine, computer hardware and overhauling machinery and equipment while the annual depreciation expenses was THB 60.86 million (6) Right-of-use assets and lease liabilities for assets increase by THB 4.28 million due to the Company leasing assets for operating.

As of 31 December 2021, the Company had total asset of THB 1,145.23 million, an increase of THB 13.95 million or 1.23 percent from 31 December 2020 which was THB 1,131.28 million. The increase in total assets came from the significant changes in the increase or decrease of assets as follows: (1) Cash and cash equivalent increase by THB 21.71 million (2) Trade and other receivables increase by THB 39.73 million, in line with the increase in sales (3) Contract assets decrease by THB 6.20 million from the recognition of accrued revenue from mold manufacturing services (4) Non-current assets decrease by THB 53.38 million due to the company's investment in the purchase of fixed assets of only 36.92 million baht, which were the purchase of injection molding machines, renovation of factory building area for convenience and safety, installation of equipment in the machine to increase work efficiency,

improvement of the painting room to reduce the waste rate and replacement of deteriorated computer hardware, machinery and vehicles, meanwhile the amortized depreciation expense for the year was THB 59.07 million and amortization expenses of THB 8.84 million of the boxes used to contain products and jigs that helps in the production and inspection of the goods (5) Right-of-use assets decrease by THB 2.09 million due to the amortization of depreciation over the life of the operating lease.

As of 30 June 2022, the Company had total asset of THB 1,136.74 million, a decrease of THB 8.49 million or 0.74 percent from 31 December 2021 which was THB 1,145.23 million. The decrease in total assets came from the significant changes in the increase or decrease of assets as follows: (1) Cash and cash equivalent decrease by THB 17.22 million (2) Contract assets increase by THB 15.15 million from the recognition of accrued revenue from mold manufacturing services (3) Trade and other receivables increase by THB 1.85 million due to the increase in sales (4) Inventories increase by THB 0.10 million (5) Non-current assets decrease by THB 8.37 million due to the depreciation and amortization exceeding the increase in non-current assets. The Company invested in Manufacturing Execution System, modified the machine for improved efficiency, altered the machine layout for better convenience when moving products and to support newly purchased machine.

Total liabilities

As of 31 December 2020, the Company had total liabilities of THB 706.38 million, a decrease of THB 20.96 million or 2.88 percent from 31 December 2019 which was THB 727.34 million. The decrease in total liabilities came from the significant changes in the increase or decrease of liabilities as follows: (1) Bank overdrafts and short-term loans from financial institution decrease by THB 45.87 million (2) Trade payables and other payables increase by THB 21.48 million due to higher raw material purchases at the end of the year related to higher sales. (3) Lease liabilities increase by THB 1.09 million.

As of 31 December 2021, the Company had total liabilities of THB 706.74 million, an increase of THB 0.36 million or 0.05 percent from 31 December 2020 which was THB 706.38 million. The increase in total liabilities came from the significant changes in the increase or decrease of liabilities as follows: (1) Trade payables and other payables increase by THB 27.45

million, in line with the increase in sales (2) Short-term loans from financial institutions decrease by THB 16.00 million (3) Lease liabilities decrease by THB 12.12 million.

As of 30 June 2022, the Company had total liabilities of THB 683.92 million, a decrease of THB 22.83 million or 3.23 percent from 31 December 2021 which was THB 706.74 million. The decrease in total liabilities came from the significant changes in the increase or decrease of liabilities as follows: (1) Short-term loans from financial institutions decrease by THB 4.00 million due to repayment (2) Trade payables and other payables decrease by THB 19.98 million.

Total Shareholders' Equity

As of 31 December 2020, the Company had total shareholders' equity of THB 424.90 million, a decrease of THB 9.08 million or 2.09 percent from 31 December 2019 which was THB 433.98 million. The decrease in total shareholders' equity was the result of the net loss of THB 36.56 million even though there was the issuance of 23.78 million newly issued ordinary shares to specific investor at the selling price THB 1.30 per share, with a share premium after deducting the cost of issuing shares of THB 3.70 million.

As of 31 December 2021, the Company had total shareholders' equity of THB 438.49 million, an increase of THB 13.59 million or 3.20 percent from 31 December 2020 which was THB 424.90 million. The increase was due to the net profit of the Company becoming positive again at THB 13.59 million.

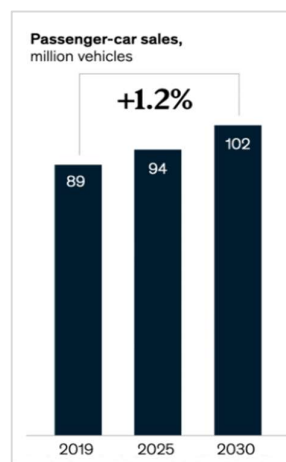
As of 30 June 2022, the Company had total shareholders' equity of THB 452.83 million, an increase of THB 14.34 million or 3.27 percent from 31 December 2021 which was THB 438.49 million. The increase was due to the net profit of the first half of the Company standing at THB 14.33 million.

2.2.9. Industry overview and business outlook

At present, the industry of manufacturing plastic injection molded parts for commercial use is a rapidly growing industry due to the increase in demand for plastic parts with flexible properties that can also withstand torsion, impact and are light weight to be used to replace metal parts. This, coupled with the expansion of the downstream industry that

requires plastic parts – which is the main component in the production of products such as the automotive industry, electronic Industry, and packaging industry, especially flexible packaging that has been well received in the past 2-3 years until now due to the advancement of technology in the production of flexible packaging that can meet the needs of consumers perfectly.

For the past year, Thailand's plastics industry has been affected by the slowdown in the global economy as well as Thailand's. As a result, the overall demand for plastic products has been sluggish. However, after vaccination covers more people, things has started to have a better direction and the economy has gradually recovered – which will support the purchasing power of consumers. This will help stimulate the overall manufacturing market, with the demand for industrial plastic products to grow in the same direction, part of which was supported mainly by the recovery of the automobile industry that has bright trends and will return to the pre-epidemic levels by 2024 as the electric vehicle market is expanding by leaps and bounds, thanks to the benefit from government support measures in many countries. In addition, the demand for commercial vehicles will increase due to the expansion of the construction sector, online retail business, and logistics. According to estimates from McKinsey & Company Limited – the world's leading management consulting firm – as of 25 April 2022, the car sales is forecasted to have an average annual growth rate of 1.20 percent from 2019 – 2030.



Source: McKinsey Mobility Component Model

2.2.10. Shareholders of the Company

List of Top 10 shareholders before and after KAI exercise the right to purchase ordinary shares according to the warrant TKT-W2 and TKT-W3 is as follows:

List of the Company's Top 10 shareholders before KAI exercise warrants W2 and W3

Rank	Title	No. of shares (Shares)	Shareholding percent
1	MRS. YUPA TECHAKRAISRI	24,000,000	10.09
2	KARRIE AUTOMOTIVE INVESTMENT LIMITED	23,780,000	10.00
3	MR. SUMATE TECHAKRAISRI	23,500,000	9.88
4	MR. KAM KWAN KOON	12,750,000	5.36
5	MR. TANAWAT KRAIPISITKUL	12,682,820	5.33
6	MR. SORAPOJ TECHAKRAISRI	10,000,040	4.21
7	THAI NVDR COMAPANY LIMITED	6,928,166	2.91
8	MR. MITR TECHAKRAISRI	6,500,000	2.73
9	MR. PREECHA TECHAKRAISRI	6,138,400	2.58
10	MRS. URAIWAN SAETAE	6,000,000	2.52
11	MRS. TAETIASI SAETAE	6,000,000	2.52
12	Other shareholders	105,500,614	41.85
Total		237,780,000	100.00

Source: List of shareholders as of 14 March 2022

On 30 September 2022, KAI notified the intention to exercise the right to purchase ordinary shares according to the warrant TKT-W2 and TKT-W3 warrants for a total of 113,000,000 shares. And when combined with the existing shares, results in KAI now holding 136,780,000 shares in the business, or 38.99 percent of the total share issued and voting rights of the business.

List of the Company's Top 10 shareholders after KAI exercise warrants W2 and W3

Rank	Title	No. of shares (Shares)	Shareholding percent
1	KARRIE AUTOMOTIVE INVESTMENT LIMITED	136,780,000	38.99
2	MRS. YUPA TECHAKRAISRI	24,000,000	6.84
3	MR. SUMATE TECHAKRAISRI	23,500,000	6.70
4	MR. KAM KWAN KOON	12,750,000	3.63
5	MR. TANAWAT KRAIPISITKUL	12,682,820	3.62
6	MR. SORAPOJ TECHAKRAISRI	10,000,040	2.85
7	THAI NVDR COMAPANY LIMITED	6,928,166	1.98
8	MR. MITR TECHAKRAISRI	6,500,000	1.85
9	MR. PREECHA TECHAKRAISRI	6,138,400	1.75
10	MRS. URAIWAN SAETAE	6,000,000	1.71

Rank	Title	No. of shares (Shares)	Shareholding percent
11	MRS. TAETIASI SAETAE	6,000,000	1.71
12	Other shareholders	105,500,614	28.37
Total		350,780,000	100.00

Source: Tender offeror the securities form (247-4) as of 5 October 2022

2.2.11. Directors of the Company

List of the Company's directors before the transaction

Rank	Title	Position
1	GEN. TERDSAK MARROME	CHAIRMAN OF THE BOARD / INDEPENDENT DIRECTOR
2	MR. SUMATE TECHAKRAISRI	CHIEF EXECUTIVE DIRECTOR / DIRECTOR
3	MR. KOWATE LIMTRAKUL	DIRECTOR
4	MR. KUMPEE CHONGTHURAKIT	DIRECTOR
5	MR. PRASONG TECHAKAISRI	DIRECTOR
6	MRS. YUPA TECHAKRAISRI	DIRECTOR
7	MR. APICHART KASEMKULSIRI	DIRECTOR
8	MR. PHREECHA TACHAKRAISRI	DIRECTOR
9	MR. CHUMPOL TECHAKRAISRI	DIRECTOR
10	MR. PAIRUCH SAHAMETHAPAT	INDEPENDENT DIRECTOR / CHAIRMAN OF AUDIT COMMITTEE
11	MR. PAOTEP CHOTINUCHIT	INDEPENDENT DIRECTOR / AUDIT COMMITTEE
12	MR. VIRASAK SUTANTHAVIBUL	INDEPENDENT DIRECTOR / AUDIT COMMITTEE
13	MR. KOSOL SURAKOMOL	INDEPENDENT DIRECTOR

List of the Company's directors before the transaction

Rank	Title	Position
1	GEN. TERDSAK MARROME	CHAIRMAN OF THE BOARD / INDEPENDENT DIRECTOR
2	MR. SUMATE TECHAKRAISRI	CHIEF EXECUTIVE DIRECTOR / DIRECTOR
3	Mr. Chan Wah Ying	DIRECTOR (KAI representative)
4	Ms. Chan Ming Mui Silvia	DIRECTOR (KAI representative)
5	Mr. Chan Raymond	DIRECTOR (KAI representative)
6	MRS. YUPA TECHAKRAISRI	DIRECTOR
7	MR. APICHART KASEMKULSIRI	DIRECTOR
8	MR. PHREECHA TACHAKRAISRI	DIRECTOR
9	MR. CHUMPOL TECHAKRAISRI	DIRECTOR
10	MR. PAIRUCH SAHAMETHAPAT	INDEPENDENT DIRECTOR / CHAIRMAN OF AUDIT COMMITTEE
11	MR. PAOTEP CHOTINUCHIT	INDEPENDENT DIRECTOR / AUDIT COMMITTEE
12	MR. VIRASAK SUTANTHAVIBUL	INDEPENDENT DIRECTOR / AUDIT COMMITTEE
13	MR. KOSOL SURAKOMOL	INDEPENDENT DIRECTOR

3. Appropriateness of Tender Offer Price

In assessing the fair value of the Company shareholders' equity, the IFA uses information from the Company's financial statement for the past 3 years from the period ended 31 December 2019 – 31 December 2021 and quarter 2 of 2022 that are audited by Karin Audit Company Limited, as well as publicly available information. However, the IFA's opinion is based upon the assumption that such information is correct, complete, and credible under the current circumstances. If there is any change that has a significant impact on the business operation, the stock valuation as well as the shareholders' decision to determine the fair value of the equity value may alter. The IFA has evaluated the value of the Company shareholders' equity using 6 different methods, namely:

1. Book Value Approach
2. Adjusted Book Value Approach
3. Market Value Approach
4. Market Comparable Approach
 - 4.1. Price to Book Value Approach: "P/BV"
 - 4.2. Price to Earnings Approach: "P/E"
 - 4.3. Enterprise value to EBITDA: "EV/EBITDA"
5. Transaction Comparable Approach
6. Discounted Cash Flow Approach

3.1 Book Value Approach

Book Value Approach is the approach that values the net assets value or total equity value based on the book value of the Company at a moment in time. The IFA used the book value of the Company in accordance with its consolidated financial statement as of 30 June 2022.

Table summary book value approach of Company

Shareholders' Equity (financial statements) Unit: THB million	30 June 2022
Issued and paid-up share capital	237.78
Share premium on ordinary shares	147.94
Retained earnings – Appropriated reserve	21.40
Retained earnings – Unappropriated reserve	(73.79)
Other components of equity	119.50
Total equity of the Company	452.83
Number of shares (million shares)	237.78
Price per share (THB per share)	1.90

Source: Financial Statement of the Company as of 30 June 2022

From the valuation of the fair value of the Company under book value approach, the fair value of the Company's shareholders' equity as of 30 June 2022 is equal to THB 452.83 million, equivalent to share value of THB 1.90 per share, which is lower than the transaction price of THB 1.99 per share by THB 0.09 per share, or lower at the rate of 4.30 percent of the transaction price.

However, the valuation of the Company's fair value under the book value approach only shows the book value of the Company at a particular point in time without considering operating performance and future growth prospects of the Company and may not reflect the future profitability of the Company. Therefore, the IFA believes that the book value approach may not be an appropriate approach for valuing the fair value of the Company.

3.2 Adjusted Book Value Approach

This valuation is an appraisal of the book value of net assets or the value of shareholders' equity in accordance with the Company's financial statements as appeared in the financial statements as of June 30, 2022 and adjusted by items arising after the date of the financial statements and the increment from the new appraisal of assets according to the asset appraisal report.

The Company has increased its registered share capital from the issuance of ordinary shares together with the warrants to purchase newly issued shares via private placement (PP) method. The details of the Company's shareholders' equity according to adjusted book value approach are as follows:

Table summary of adjusted book value approach of Company

Shareholders' Equity (financial statements) Unit: THB million	30 June 2022
Issued and paid-up share capital	237.78
Share premium on ordinary shares	147.94
Retained earnings – Appropriated reserve	21.40
Retained earnings – Unappropriated reserve	(73.79)
Other components of equity	119.50
Total equity of the Company	452.83
More: increase in paid-up share capital	113.00
More: increase in share premium	79.10
Total equity of the Company after adjustment of book value	644.93
Number of shares (million shares)	350.78
Price per share (THB per share)	1.84

Source: Financial Statement of the Company as of 30 June 2022

From the valuation of the fair value of the Company under adjusted book value approach, the fair value of the Company's shareholders' equity as of 30 June 2022 is equal to THB 644.93 million, equivalent to share value of THB 1.84 per share, which is lower than the transaction price of THB 1.99 per share by THB 0.15 per share, or lower at the rate of 7.61 percent of the transaction price.

The adjusted book value method is a method that reflects a net asset value that is closer to present than the book value method and takes into account significant events that occur after the date of the underlying financial statements. However, this method does not

take into account ability to generate profits in the future and does not take into account the trends of the relevant industrial economy as well as other external factors that may affect future business operations. Therefore, the IFA is of the opinion that the adjusted book value approach may not be an appropriate method for valuing the fair value of the Company's ordinary shares

3.3 Market Value Approach

The Market Value Approach is a valuation based on the assumption that the market price reflects the supply and demand of the Company's shares.

Chart showing the Company's market price for the past 360 business days from 18 October 2022



Source: SETSMART as of 18 October 2022

Note: The intraday average price is based on the daily value of the shares traded to the volume of shares traded that day

In this regard, the IFA has considered the average value of the Company's shares weighted by the trading volume of each securities (Volume Weighted Average Price – “VWAP”) for the past 7 business days, 15 business days, 30 business days, 60 business days, 90 business days, 120 business days, 180 business days, 270 business days, and 360 business days from 18 October 2022. In this regard, the valuation of shares by the market value method is as follows

Table of the Company's market price

Duration	VWAP (THB per share)
7 business days from 18 October 2022	3.42
15 business days from 18 October 2022	3.19
30 business days from 18 October 2022	3.16
60 business days from 18 October 2022	3.11
90 business days from 18 October 2022	2.98
120 business days from 18 October 2022	2.70
180 business days from 18 October 2022	2.68
270 business days from 18 October 2022	2.65
360 business days from 18 October 2022	2.48

Source: SETSMART as of 18 October 2022

Note: The intraday average price is based on the daily value of the shares traded to the volume of shares traded that day

From the valuation of the fair value of the ordinary shares of the Company using the market price comparison method. The fair value of the Company's ordinary shares is in the range of THB 2.48 – 3.42 per share, which is higher than the transaction price of THB 1.99 per share by THB 0.49 – 1.43 per share, or higher at the rate of 24.40 – 72.08 percent of the transaction price.

However, the valuation using the market value approach only shows the value of the Company's shares at a moment in time according to the demand and supply of investors, without considering other factors that affect the share price at that time, such as economic conditions, capital market conditions, interest or other short-term factors, and etc. – which may cause the share price to be inconsistent with the intrinsic value (Fair price) since it doesn't consider performance and the growth trend of the Company in the future as well as the profitability of the Company in the future. Therefore, the share price method according to the market price may not be an appropriate method for evaluating the fair value of the Company's ordinary shares.

3.4 Market Comparable Approach

The Market Comparable Approach is a valuation of the securities of a business based on the assumption that companies operating in the same business or similar business should have similar market capitalization ratios. The comparable company selected to evaluate the value of the Company may have some differences such as accounting policy, investment

policy, size of the company, revenue structure, source of non-core revenue, quality of the business, etc. Therefore, the comparable companies with similar business nature might not cover all the similarities, which might have some differences as mentioned above.

Nonetheless, since the Company operate the business as a producer of plastic parts for automobile manufacturer or businesses within the automotive industry, the IFA has considered and selected the comparable companies in plastic for automotive industry and listed in the stock exchange of Asia Pacific region to make a reasonable comparison. The lists and details of comparable companies are as follows:

Table of comparable companies' information

Company	Business Description	Country	TTM revenue from 30 June 2022	Profit TTM from 30 June 2022	Market Capitalization (Unit: THB million)
Panjawattana Plastic PCL	Manufactures plastic packaging products such as containers and bottles as well as automotive parts.	Thailand	467.71	133.13	3,074.33
Thai Mitsuwa PCL	Develops, manufactures, assembles, silk-screens and sprays plastics parts for electric, electronic, and automotive products for sale to OEMs (Original Equipment Manufacturers).	Thailand	390.76	97.84	1,316.70
Union Plastic PCL	Manufactures plastic products for automobile, motorcycle, electrical, and other related appliances.	Thailand	10.48	17.92	535.00
Machino Plastic Limited	Manufactures plastic moldings and molds components for automotive industry such as bumpers, instrument panels, and radiator grills.	India	72.50	(10.87)	367.49

Source: Bloomberg Terminal as of 18 October 2022

To assess the value of AS's shareholders' equity by using the market ratio method, the IFA has assessed the valuation by using the market ratio as follows:

1. Price to Book Value Ratio: P/BV
2. Price to Earnings Ratio: P/E
3. EV/EBITDA

3.4.1. Price to Book Value Approach: "P/BV"

Valuation by Market Price to Book Value Ratio Method represents the sum between the book value of the Company as of 30 June 2022 and items arising after the date

of the financial statements, which is equal to THB 644.93 million multiplied by the median of the P/BV ratio of the comparable companies for the past 7 - 360 working days.

Table of the Company's P/BV

Company	P/BV Ratio (time)								
	7 Days	15 Days	30 Days	60 Days	90 Days	120 Days	180 Days	270 Days	360 Days
Panjawattana Plastic PCL	2.45	2.36	2.36	2.24	2.10	2.07	2.13	2.08	2.14
Thai Mitsuwa PCL	0.51	0.51	0.51	0.51	0.52	0.52	0.54	0.56	0.56
Union Plastic PCL	0.99	0.98	1.04	1.07	1.05	1.05	1.05	1.08	1.05
Machino Plastic Limited	1.74	1.71	1.68	1.58	1.50	1.48	1.49	1.51	1.54
Median P/BV	1.36	1.35	1.36	1.32	1.28	1.26	1.27	1.29	1.29
Book value of the Company (THB million)	644.93	644.93	644.93	644.93	644.93	644.93	644.93	644.93	644.93
Shareholders' equity of the Company (THB Million)	879.48	867.92	878.02	853.78	823.60	815.02	819.58	834.29	834.58
Price per share (THB per share)	2.51	2.47	2.50	2.43	2.35	2.32	2.34	2.38	2.38

Source: Bloomberg Terminal as of 18 October 2022

The median of P/BV ratio of comparable companies over the past 12 months equals 1.26 – 1.36 times, resulting in the value of equity by market price to book value ratio in the range of THB 815.02 – 879.48 million or equivalent to a share value of THB 2.32 – 2.51 per share, which is higher than the transaction price of THB 1.99 per share by THB 0.33 – 0.52 per share, or higher at the rate of 16.76 – 25.99 percent of the transaction price.

However, the valuation of the Company's fair value under the Price to Book value approach does not consider differences among companies, such as revenue structure, cost structure, capital, and future profitability of the Company. Therefore, the IFA believes that the Price to Book value approach may not be an appropriate approach for valuing the fair value of the Company

3.4.2. Price to Earnings Approach: “P/E”

Valuation by Market Price to Net Profit Ratio Method represents the net profit of the Company as of 30 June 2022, which is equal to THB 17.30 million, multiplied by the median of the P/E ratio of the comparable companies for the past 7 - 360 working days.

Table of the Company’s P/E

Company	P/E Ratio (time)								
	7 Days	15 Days	7 Days	60 Days	7 Days	120 Days	7 Days	270 Days	7 Days
Panjawattana Plastic PCL	22.12	21.27	21.25	20.22	18.90	18.64	19.21	18.74	19.29
Thai Mitsuwa PCL	13.46	13.42	13.40	13.46	13.68	13.80	14.18	14.64	14.66
Union Plastic PCL	29.84	29.69	31.34	32.15	31.80	31.56	31.81	32.52	31.68
Machino Plastic Limited ^{1/}	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Median P/E	22.12	21.27	21.25	20.22	18.90	18.64	19.21	18.74	19.29
Net profit of the Company (THB million)	17.30	17.30	17.30	17.30	17.30	17.30	17.30	17.30	17.30
Shareholders’ equity of the Company (THB Million)	382.72	368.03	367.62	349.90	327.03	322.48	332.42	324.30	333.78
Price per share (THB per share)	1.09	1.05	1.05	1.00	0.93	0.92	0.95	0.92	0.95

Source: Bloomberg Terminal as of 18 October 2022

Note: Since Machino Plastic Limited net profit is a loss of THB (10.86) million, the P/E ratio can’t be calculated

The median of P/E ratio of comparable companies over the past 12 months equals 18.64 – 22.12 times, resulting in the value of equity by market price to earning ratio in the range of THB 322.48 – 382.72 million or equivalent to a share value of THB 0.92 – 1.09 per share, which is lower than the transaction price of THB 1.99 per share by THB 0.90 – 1.02 per share, or lower at the rate of 45.17 – 53.80 percent of the transaction price.

However, the valuation of the Company’s fair value under the Price to Earnings approach does not consider differences among companies, such as revenue structure, cost structure, capital, and future profitability of the Company. Therefore, the IFA believes that the Price to Earnings approach may not be an appropriate approach for valuing the fair value of the Company

3.4.3. Enterprise value to EBITDA: “EV/EBITDA”

Valuation under Enterprise Value to Earnings Before Interest, Taxes, Depreciation and Amortization Approach is based on the EBITDA of the Company as calculated from the financial statements as of 30 June 2022, which is equal to THB 98.02 million, multiplied by the median of the EV/EBITDA ratio of comparable companies for the past 7 - 360 working days.

Table of the Company’s EV/EBITDA

Company	EV/EBITDA Ratio (time)								
	7 Days	15 Days	7 Days	60 Days	7 Days	120 Days	7 Days	270 Days	7 Days
Panjawattana Plastic PCL	10.78	10.53	10.53	10.24	9.86	9.79	9.95	9.82	9.97
Thai Mitsuwa PCL	4.01	4.00	4.00	4.01	4.07	4.10	4.19	4.31	4.31
Union Plastic PCL	56.33	56.08	58.90	60.29	59.68	59.27	59.71	60.91	59.47
Machino Plastic Limited	12.47	12.38	12.31	12.00	11.76	11.71	11.72	11.79	11.87
Median EV/EBITDA	11.62	11.46	11.42	11.12	10.81	10.75	10.84	10.80	10.92
EBITDA of the Company (THB million)	98.02	98.02	98.02	98.02	98.02	98.02	98.02	98.02	98.02
Enterprise value (THB million)	1,139.23	1,122.88	1,119.16	1,090.02	1,059.69	1,053.28	1,062.13	1,058.84	1,070.65
Add: Cash and Cash Equivalent (THB million)	54.31	54.31	54.31	54.31	54.31	54.31	54.31	54.31	54.31
Less: Interest bearing debt (THB million)	(479.79)	(479.79)	(479.79)	(479.79)	(479.79)	(479.79)	(479.79)	(479.79)	(479.79)
Less: Minority Interest (THB million)	-	-	-	-	-	-	-	-	-
Shareholders’ equity of the Company (THB Million)	713.75	697.40	693.69	664.55	634.21	627.80	636.65	633.36	645.18
Price per share (THB per share)	2.03	1.99	1.98	1.89	1.81	1.79	1.81	1.81	1.84

Source: Bloomberg Terminal as of 18 October 2022

The median of P/E ratio of comparable companies over the past 12 months equals 10.75 – 11.62 times, resulting in the value of equity by the valuation approach to earnings before interest corporate tax depreciation and amortization in the range of THB 627.80 – 713.75 million or equivalent to a share value of THB 1.79 – 2.03 per share, which is lower than the transaction price of THB 1.99 per share by THB 0.20 or at the rate of 10.06 percent and higher than the transaction price of THB 1.99 per share by THB 0.04 or at the rate of 2.25 percent of the transaction price.

However, the valuation of the Company's fair value under the EV/EBITDA approach does not consider differences among companies, such as revenue structure, cost structure, capital, and future profitability of the Company. Therefore, the IFA believes that the EV/EBITDA approach may not be an appropriate approach for valuing the fair value of the Company.

3.5 Transaction Comparable Approach

Transaction Comparable Approach is the valuation of the Company's fair value using the median enterprise value to earnings ratio before interest expense, income tax expense, depreciation. and amortization expense (Enterprise Value/Earnings before interest, tax, depreciation and amortization – EV/EBITDA) over the past 12 months of comparable companies in historically traded plastic parts for automotive and electrical appliance industry, multiplied by EBITDA for the past 12 months of the Company as of 30 June 2022, which is equal to THB 98.02 million. The valuation by this method will be different for each transaction from the business transaction, such as transaction size and duration of occurrence.

The information of comparable transactions can be summarized as follows:

Table of transaction comparable companies' information

Date	Target Company	Business Description	Country	Percent sought (percent)	Transaction value (THB million)	EV/EBITDA ratio (Time)
19 November 2018	Yusei Holdings Ltd.	Designs, develops, and fabricates precision plastic injection molds and plastic components	China	5.46	244.03	4.91
7 December 2017	LCTH Corporation Berhad	Manufactures and assembles precision plastic parts and components	Malaysia	29.36	490.56	11.27
11 August 2015	Ge-Shen Corporation Berhad	Manufactures plastic molded products and components as well as plastic mold, tools, and die	Malaysia	38.36	112.68	4.53
15 June 2013	Mahindra Composites Ltd.	Manufactures and exports molded components used by OEM as well as offers a wide range of products used by the automotive, electrical, and defense industries	India	26.39	46.16	7.46
25 March 2010	Summitplast PT	Manufactures plastic parts for computers, electronics, electrical switches, and automotives as well as plastic packaging products	Indonesia	100.00	173.26	4.57
Median						4.91

Source: Bloomberg Terminal as of 18 October 2022

Median of EV/EBITDA ratio of historical comparable transaction is 4.91 times.

Table of Calculation of Equity Value from Similar Transactions

Unit: THB million	For the past 12 months
Median EV/EBITDA	4.91
EBITDA of the Company (THB million)	98.02
Enterprise value (THB million)	481.27
Add: Cash and Cash Equivalent (THB million)	54.31
Less: Interest bearing debt (THB million)	(479.79)
Less: Minority Interest (THB million)	-
Shareholders' equity of the Company (THB Million)	55.79
Price per share (THB per share)	0.16

Source: Financial Statement of the Company as of 30 June 2022

The valuation of the fair value of the Company's shareholders' equity under transaction comparable approach as of 30 June 2022 is equal to THB 55.79 million, or equivalent to a share value of THB 0.16 per share, which is lower than the transaction price of THB 1.99 per share by THB 1.83 or lower at the rate of 92.01 percent of the transaction price.

However, this valuation differs from a number of factors, such as the size of the transaction, duration of occurrence, and factors of each comparable transaction, and may result in discrepancies of the valuation. As a result, the valuation by this method may not reflect the true value of the Company.

3.6 Discounted Cash Flow Approach

In assessing the present value of the Company's Discounted Cash Flow Approach, the IFA estimates net free cash flow to firm ("FCFF") that the Company is expected to receive from the projected operation. FCFF is obtained from the Company's future cash flow projection for the period of 5 years from 1 January 2022 – 31 December 2026 under the assumptions that the Company will continue its operation under the current economic situation, and will use Terminal value to reflect the long term cash flow. The IFA uses assumptions which are based on public information, publicly available news as well as information provided by the Company's management. The details can be shown as follows:

1. Revenue Assumption

The IFA has estimated the Company's revenue with assumptions set according to the nature of each type of revenue, which consists of 1) Revenue from sales of plastic parts 2) revenue from molding service 3) other revenue with the details as follows:

1.1 Revenue from sales of plastic parts

Revenue from sales of plastic parts can be divided into 3 industries 1) automobile industry 2) electrical appliance industry 3) other industries

1) Automobile consists of plastic parts for used for the interior such as dashboard components/trims, panel, and door panels as well as for the exterior part such as radiator Grilles, wheel Cap, and mud guards; and for the engine room such as engine cover. The Company's main customer are world-leading automobile manufacturing firms (1st tier) and other manufacturers of plastic parts for automobile (2nd tier). The IFA estimates the revenue from sales of plastic parts for automobile from the product between "average revenue per plastic parts for automobile" and the "number of plastic parts sold," which are detailed as follows:

Average revenue per plastic parts for automobile

The IFA calculates the average revenue per plastic parts for automobile from the revenue from sales of plastic parts divided by the number of plastic parts sold between the year 2019 – 2021, which was 24.92 million units, 17.87 million units, and 22.29 million units respectively. As for the year 2021, the average revenue per plastic parts for automobile was equal to THB 40.57 per unit.

Then in 2022 – 2026, the IFA predicts that the situation will return to normal after COVID-19 lessen. Therefore, the IFA sets the growth rate of average revenue per plastic parts for automobile to equal to 2.00 percent per year based on to the median of inflation rate, which sits in the range of 1.00 - 3.00 percent per year, to be a conservative estimate.

Number of plastic parts sold

Between 2019 – 2021, the Company's number of plastic parts sold was 24.92 million units, 17.87 million units, and 22.29 million units respectively, with a decrease in number of plastic parts sold in 2020 of 7.12 million units. This was due to the COVID-19 situation, which affected the automobile sales significantly and caused the customers to slow

down their production. However, in 2021 the sales rise notably – reflecting the economic situation that is moving towards normality. Nevertheless from 2022 – 2026, it is estimated that the annual growth rate of global car sales will increase by 1.20 percent according to McKinsey & Company estimation – indicting the industry cycle that is already saturated. Moreover, the plastic parts for automobile industry is highly competitive even though the entry barrier is high since the business model require a lot of trust – of which takes time.

However, the IFA sets the number of plastic parts sold for the year 2022 to have a growth rate of 12.40 percent considering the Company’s backlog compared to the sales of previous year. As for 2023, the growth rate is based on the product between the CAGR from 2022 – 2024 and the growth rate for the year 2022, resulting in a growth rate of 3.86 percent to be a conservative estimate. This, however, is supported by the 2023’s backlog with the growth rate of 9.23 percent.

As for the year 2024 – 2026, the IFA sets the growth rate at 1.20 percent per year, to be a conservative estimate.

Table of revenue from sales of plastic parts for automobile industry from 2019 – 2021

Unit: THB million	2019A	2020A	2021A
Average revenue per plastic parts for automobile (THB)	39.77	40.87	40.57
Number of plastic parts sold (million unit)	24.92	17.87	22.29
Growth rate (percent)	-	(28.30)	24.75
Revenue from sales of plastic parts for automobile industry	991.08	730.34	904.27

Table of estimated revenue from sales of plastic parts for automobile industry from 2022 – 2026

Unit: THB million	2022F	2023F	2024F	2025F	2026F
Average revenue per plastic parts for automobile (THB)	41.38	41.21	43.05	43.91	44.79
Number of plastic parts sold (million unit)	25.06	26.02	26.33	26.65	26.97
Growth rate (percent)	12.40	3.86	1.20	1.20	1.20
Revenue from sales of plastic parts for automobile industry	109.15	127.23	146.00	182.02	219.41

2) Electrical Appliance consists of plastic parts for refrigerators such as door handle, base, top plate and other parts inside the refrigerator as well as for air conditioner such as air condition mask; and for washing machine such as washing machine base. The IFA

sets the growth rate of revenue from sales of plastic parts for electrical appliance to equal to 2.00 percent per year based on to the median of inflation rate, which sits in the range of 1.00 - 3.00 percent per year, to be a conservative estimate.

Table of revenue from sales of plastic parts for electrical appliance industry from 2019 – 2021

Unit: THB million	2019A	2020A	2021A
Revenue from sales of plastic parts for electrical appliance industry	111.34	133.57	132.52
Growth rate (percent)	18.07	19.97	(0.79)

Table of estimated revenue from sales of plastic parts for electrical appliance industry from 2022 – 2026

Unit: THB million	2022F	2023F	2024F	2025F	2026F
Revenue from sales of plastic parts for electrical appliance industry	135.17	137.87	140.63	143.44	146.31
Growth rate (percent)	2.00	2.00	2.00	2.00	2.00

3) Other industries consist of plastic parts that are components of packaging for consumer products such as can covers, etc. The IFA sets the growth rate of revenue from sales of plastic parts for other industries to equal to 2.00 percent per year based on to the median of inflation rate, which sits in the range of 1.00 - 3.00 percent per year, to be a conservative estimate.

Table of revenue from sales of plastic parts for other industries from 2019 – 2021

Unit: THB million	2019A	2020A	2021A
Revenue from sales of plastic parts for other industries	30.07	18.7	25.37
Growth rate (percent)	43.12	(37.81)	35.67

Table of estimated revenue from sales of plastic parts for other industries from 2022 – 2026

Unit: THB million	2022F	2023F	2024F	2025F	2026F
Revenue from sales of plastic parts for other industries	25.88	26.39	26.92	27.46	28.01
Growth rate (percent)	2.00	2.00	2.00	2.00	2.00

1.2 Revenue from molding service

Revenue from molding service comes from the services on mold design and mold repair as well as manufacture of plastic injection molds, with the help of computers

designing process such as CAE (Mold Flow) which is used to analyze the design of plastic parts and mold as well as Computer Aid Design (CAD) and Computer Aid Manufacturing (CAM), which enable the Company to produce good quality molds that are accurate as designed. The IFA sees that revenue from molding service correlates with the number of plastic parts for automobile sold since in each production of plastic parts, there needs to be a design and manufacturing of molds first – of which the Company happens to be responsible as well. Therefore, the IFA estimates the revenue from molding service from the proportion of average revenue from molding service to revenue from sales of plastic parts for automobile from the year 2019 – 2021, which is equal to 16.60 percent and projects the revenue from molding service for the year 2022 - 2026 to use the same ratio of 16.60 percent.

Table of revenue from molding service from 2019 – 2021

Unit: THB million	2019A	2020A	2021A
Revenue from molding service	154.73	129.02	149.34
Proportion of avg. revenue from molding service to revenue from sales of plastic parts for automobile (percent)	15.61	17.67	16.51

Table of estimated revenue from molding service from 2022 – 2026

Unit: THB million	2022F	2023F	2024F	2025F	2026F
Revenue from molding service	172.08	182.29	188.17	194.23	200.50
Proportion of avg. revenue from molding service to revenue from sales of plastic parts for automobile (percent)	16.60	16.60	16.60	16.60	16.60

1.3 Other revenue

Other revenue of the Company consists of sales of other materials, scrap and revenue from investment. The IFA sees that a big part of other revenue, which is the sales of other materials and scrap correlate with the revenue from sales and services; therefore, the IFA estimates other revenue from the proportion of average other revenue to revenue from sales and services from the year 2019 – 2021, which is equal to 1.18 percent and projects other revenue for the year 2022 - 2026 to use the same ratio of 1.18 percent.

Table of other revenue from 2019 – 2021 and estimation for 2022 – 2026

Unit: THB million	2019A	2020A	2021A	2022F	2023F	2024F	2025F	2026F
Other revenue	14.51	7.21	20.43	16.10	16.98	17.50	18.04	18.60
Proportion of avg. other revenue to revenue from sales and service (percent)	1.13	0.71	1.69	1.18	1.18	1.18	1.18	1.18

Source: Financial statement of TKT from 2019 – 2021 and IFA's estimation

Summary of revenue

Based on the IFA's revenue estimation mentioned above, the revenue projection between 2022 – 2026 can be summarized as follows:

Table of total revenue from 2019 - 2021

Unit: THB million	2019A	2020A	2021A
Revenue from sales of plastic parts	1,132.49	882.61	1,062.16
Revenue from molding service	154.73	129.02	149.34
Other revenue	14.51	7.21	20.43
Total revenue	1,301.73	1,018.84	1,231.93
Growth rate (percent)	-	(21.73)	20.91

Table of the estimated total revenue from 2022 - 2026

Unit: THB million	2022F	2023F	2024F	2025F	2026F
Revenue from sales of plastic parts	1,197.81	1,262.56	1,301.26	1,341.16	1,382.30
Revenue from molding service	172.08	182.29	188.17	194.23	200.50
Other revenue	16.10	16.98	17.50	18.04	18.60
Total revenue	1,385.98	1,461.83	1,506.93	1,553.43	1,601.40
Growth rate (percent)	12.51	5.47	3.08	3.09	3.09

Source: Financial statement of TKT from 2019 – 2021 and IFA's estimation

2. Cost and expense assumption

The IFA estimates the Company's cost and operating expenses, which consists of 1) cost of sales and services 2) selling and administration expenses, both of which are detailed as follows:

2.1 Cost of sales and services

Cost of sales and services can be divided into 3 industries for plastic parts 1) automobile industry 2) electrical appliance industry 3) other industries and another group 4) molding service

1) Cost of sales and services for automobile industry is the cost arising from the sales of plastic parts for automobile. The IFA estimates the cost of sales and services for the year 2022 – 2026 from the sum between cost of goods, labor cost, and overhead cost for the sales of plastic parts for automobile.

- Cost of goods is calculated from the proportion of average cost of goods related to the sales of plastic parts for automobile to revenue from sales of plastic parts for automobile between 2019 – 2021, which is equal to 55.77 percent.
- Labor cost is calculated from the sum between variable labor cost and fixed labor cost. The variable labor cost is calculated from the proportion of average variable labor cost to revenue from sales of plastic parts for automobile between 2019 – 2021, which is equal to 3.93 percent, while fixed labor cost is set to growth at the rate of 5.00 percent based on the overview of projected final allocation for salary increase for Thailand, conducted by Mercer – a leading human resources firm specialized in employee management.
- Overhead cost is calculated from the proportion of average overhead cost related to the sales of plastic parts for automobile to revenue from sales of plastic parts for automobile between 2019 – 2021, which is equal to 20.78 percent.

The details can be summarized as follows:

Table of cost of sales for automobile industry from 2019 – 2021 and estimation for 2022 – 2026

Unit: THB million	2019A	2020A	2021A	2022F	2023F	2024F	2025F	2026F
Cost of goods	667.77	356.37	462.42	578.20	612.52	632.27	652.65	673.69
proportion of average cost of goods related to the sales of plastic parts for automobile to revenue from sales of plastic parts for automobile (percent)	67.38	48.80	51.14	55.77	55.77	55.77	55.77	55.77
Labor cost	43.21	41.34	59.50	59.04	62.37	64.73	67.17	69.71
Variable labor cost	31.36	29.01	42.07	40.74	43.16	44.55	45.98	47.47
proportion of average variable labor cost to revenue from sales of plastic parts for automobile (percent)	3.16	3.97	4.65	3.93	3.93	3.93	3.93	3.93
Fixed labor cost ^{1/}	11.85	12.33	17.43	18.30	19.22	20.18	21.19	22.25
Overhead cost	116.04	199.94	210.33	215.45	228.24	235.60	243.19	251.03
proportion of average overhead cost related to the sales of plastic parts for automobile to revenue from sales of plastic parts for automobile (percent)	11.71	27.38	23.26	20.78	20.78	20.78	20.78	20.78
Cost of sales and services	827.02	597.65	732.25	852.70	903.13	932.59	963.02	994.44

Source: Financial statement of TKT from 2019 – 2021, information from management, and IFA's estimation

Note: 1/ Fixed labor cost growth at 5.00 percent

2) Cost of sales and services for electrical appliance industry is cost of goods, labor cost, and overhead cost for the sales of plastic parts for electrical appliance. The IFA estimates the cost of sales and services from the proportion of average cost of sales and services for electrical appliance to revenue from sales of plastic parts for electrical appliance between 2019 – 2021, which is equal to 83.29 percent and projects the cost of sales and services for electrical appliance for the year 2022 - 2026 to use the same ratio of 83.29 percent.

Table of cost of sales for electrical appliance industry from 2019 – 2021 and estimation for 2022 – 2026

Unit: THB million	2019A	2020A	2021A	2022F	2023F	2024F	2025F	2026F
Cost of sales and services for electrical appliance	92.95	113.68	107.73	112.59	114.84	117.14	119.48	121.87
Proportion to revenue from sales of plastic parts for electrical appliance (percent)	83.48	85.11	81.29	83.29	83.29	83.29	83.29	83.29

Source: Financial statement of TKT from 2019 – 2021 and IFA's estimation

3) Cost of sales and services for other industries is cost of goods, labor cost, and overhead cost for the sales of plastic parts for electrical appliance. The IFA estimates the cost of sales and services from the proportion of average cost of sales and services for other industries to revenue from sales of plastic parts for other industries between 2019 – 2021, which is equal to 79.84 percent and projects the cost of sales and services for other industries for the year 2022 - 2026 to use the same ratio of 79.84 percent.

Table of cost of sales for other industries from 2019 – 2021 and estimation for 2022 – 2026

Unit: THB million	2019A	2020A	2021A	2022F	2023F	2024F	2025F	2026F
Cost of sales and services for other industries	23.07	15.30	20.54	20.66	21.07	21.50	21.93	22.36
Proportion to revenue from sales of plastic parts for other industries (percent)	76.72	81.83	80.97	79.84	79.84	79.84	79.84	79.84

Source: Financial statement of TKT from 2019 – 2021 and IFA’s estimation

4) Cost of sales and services for molding service is cost of goods, labor cost, and overhead cost for the molding service. The IFA estimates the cost of sales and services from the proportion of average cost of sales and services for molding service to revenue from molding service between 2019 – 2021, which is equal to 72.85 percent and projects the cost of sales and services for molding service for the year 2022 - 2026 to use the same ratio of 72.85 percent

Table of cost of sales for molding service from 2019 – 2021 and estimation for 2022 – 2026

Unit: THB million	2019A	2020A	2021A	2022F	2023F	2024F	2025F	2026F
Cost of sales and services from molding service	105.15	93.91	108.79	125.36	132.80	137.08	141.50	146.06
Proportion to revenue from molding service (percent)	67.96	72.79	72.85	72.85	72.85	72.85	72.85	72.85

Source: Financial statement of TKT from 2019 – 2021 and IFA’s estimation

2.2 Selling and administrative expenses

Selling and administrative expenses is salary, bonuses and benefits for selling and administrative employees as well as transportation expense and other related expenses. The IFA estimates the cost of sales and services from the proportion of average cost of sales and services for molding service to revenue from molding service between 2019 – 2021, which is equal to 72.85 percent and projects the cost of sales and services for molding service for the year 2022 - 2026 to use the same ratio of 72.85 percent

The IFA sets the growth rate of selling and administrative expenses to equal to 2.00 percent per year based on to the median of inflation rate, which sits in the range of 1.00 - 3.00 percent per year, to be a conservative estimate. This, coupled with the fact that most transportation is taken care of by the customers' firm via the process called milk run, where organizing trucks run make an appointment to pick up supply from each supplier along the route provided.

Table of selling and administrative expenses from 2019 – 2021 and estimation for 2022 – 2026

Unit: THB million	2019A	2020A	2021A	2022F	2023F	2024F	2025F	2026F
Selling and administrative expenses	159.35	146.90	165.50	168.81	172.19	175.63	179.14	182.72
Proportion to total revenue (percent)	12.38	14.52	13.66	12.32	11.92	11.79	11.67	11.54
Growth rate (percent)	-	(7.81)	12.66	2.00	2.00	2.00	2.00	2.00

Source: Financial statement of TKT from 2019 – 2021 and IFA's estimation

Summary of cost and operating expenses

Based on the IFA's cost and operating expenses estimation mentioned above, the projection between 2022 – 2026 can be summarized as follows:

Table of the Company's cost and operating expenses from 2019 – 2021 and estimation for 2022 – 2026

Unit: THB million	2019A	2020A	2021A	2022F	2023F	2024F	2025F	2026F
Cost of sales and services	1,048.19	820.54	969.31	1,111.30	1,171.84	1,208.30	1,245.92	1,284.73
Selling and administrative expenses	159.35	146.90	165.50	168.81	172.19	175.63	179.14	182.72
Total cost and expenses	1,207.54	967.44	1,134.81	1,280.11	1,344.03	1,383.93	1,425.06	1,467.46

Source: Financial statement of TKT from 2019 – 2021 and IFA's estimation

3. Depreciation and Amortization

The IFA determines that the depreciation and amortization of the Company's assets be calculated as a fixed rate on a straight-line basis, with the useful life each particular asset being calculated differently according to the accounting policy.

Table of depreciation and amortization

Asset	Average residual life period (year)
Machinery and equipment ^{1/}	20
Intangible asset (Computer program) ^{2/}	10

Source: IFA's estimation

Note: 1/ Useful life of machinery and equipment is based on the useful life according to accounting policy since it's an asset that is expected to be invested in

2/ Useful life of computer program is based on the useful life according to accounting policy since it's an asset that is expected to be invested in

The details of the depreciation and amortization of each type of assets according to the accounting policy are as follows:

Table of depreciation and amortization according to the Company's accounting policy

Asset	Average residual life period (year)
Machinery and equipment	10 – 25
Intangible asset (Computer program)	1 – 10

Source: Notes to financial statement as of 2021

4. Corporate Income Tax

The IFA estimates corporate income tax of the Company based on the corporate income tax rate of 20.00 percent as it reflects the corporate income tax rate announced by the Revenue Department.

However, the Company has received investment promotion under the Investment Promotion Act B.E. according to the promotion certificate number 1241(1)/2554, which will result in the company receiving a tax deduction from the profit before tax (EBT) arising from the said transaction at the rate of 50.00 percent, which will be effective until 2024. Therefore, the IFA has calculated a separate tax between the part of the business that has been promoted for investment and businesses that are not promoted for investment. In addition, the tax loss is carried forward for tax calculation in the following years for a period of 5 years (Tax Loss Carry Forward), resulting in the Company's projection from 2022 - 2024 having no income tax.

5. Working capital

The IFA projects the assumptions of working capital based on the historical average of Days Sales Outstanding (“DSO”), Days Contract Asset, Days Payables Outstanding (“DPO”), and Days Inventories Outstanding (“DIO”) for the past 3 years between 2019 – 2021. The IFA has projected DSO, Days Contract Asset, DPO, and DIO of the Company during the year 2022 – 2026 to equal to 78.88 days, 182.72 days, 41.45 days, and 34.88 days respectively, with the following details:

Table of working capital

Unit: THB million	2019A	2020A	2021A	2022F	2023F	2024F	2025F	2026F
Account receivable days	66.03	86.19	84.42	78.88	78.88	78.88	78.88	78.88
Account receivable	204.88	208.43	245.68	258.87	272.87	281.23	289.85	298.75
Contract asset days	135.71	229.40	183.04	182.72	182.72	182.72	182.72	182.72
Contract asset	57.53	81.09	74.89	86.14	92.76	96.98	101.39	106.00
Account payable days	35.21	45.39	43.75	41.45	41.45	41.45	41.45	41.45
Account payable	101.11	102.04	116.20	126.21	133.08	137.22	141.49	145.90
Inventory days	31.58	36.15	36.89	34.88	34.88	34.88	34.88	34.88
Inventory	90.69	81.28	97.97	104.46	111.76	116.59	121.63	126.89

Source: Financial statement of TKT from 2019 – 2021 and IFA’s estimation

6. Capital expenditure

The IFA estimates the Company's investment in the years 2022 – 2026. The analysis is based on the Company's investment plan obtained from interviews with executives, which is a new investment (Additional Capital Expenditures) to expand the business current operations and to increase operational efficiency in order to reduce production costs in various fields by introducing additional machines and automation systems in the production process. This allows for more efficient and speedy production operations, which will result in the company producing high quality products and opening up more trade opportunities. The average investment expenses per year from 2023 - 2026 is THB 45.00 million – with the year 2022 being THB 22.50 million for half-year investment.

Table of capital expenditure

Unit: THB million	2022F	2023F	2024F	2025F	2026F
Machinery and equipment	20.00	40.00	40.00	40.00	40.00
Intangible asset (Computer program)	2.50	5.00	5.00	5.00	5.00
Total Capital expenditure	22.50	45.00	45.00	45.00	45.00

Source: IFA's estimation and information from management

7. Discount rate

To determine the discount rate used in calculating the present value of net cash flows, the IFA uses the Weighted Average Cost of Capital (WACC) ratio of the Company, which is the average between the cost of equity (Cost of Equity – “Ke”) and the interest rate from borrowing (Cost of Debt – “Kd”) that is adjusted with tax benefits from interest payments at the proportion of shareholders' equity (“We”) and debt (“Wd”). The following formula is as follows:

WACC Calculation

$$\text{WACC} = \text{Ke} \times \text{We} + \text{Kd} \times (1 - t) \times \text{Wd}$$

Whereas

- Ke = Return on equity equals to 10.22 percent
- Kd = The interest rate between 2019 – 2021 equals to 3.49 percent
- T = Corporate income tax, which is set to be equal to 20.00 percent
- We = Equity proportion equal to 48.55 percent
- Wd = Interest-bearing debt equal to 51.45 percent

Ke Calculation

The IFA therefore calculates the rate of return on equity (Ke) based on

$$\text{Ke} = \text{Rf} + \beta \times (\text{Rm} - \text{Rf})$$

Whereas

- Risk Free Rate (Rf) Based on the 15-year long-term government bond interest rate as of 18 October 2022, which is equal to 3.82.
- Market Return (Rm) Based on data from the return on investment in the Stock Exchange of Thailand (SET Total Return Index: TRI Index) for the past 15 years (from October 2007 – October 2022) equal to 7.82 and add additional domestic risk premium (country risk

premium) from the economic situation and the overall volatility of the country's capital market. Despite the cancellation of COVID-19 from severe epidemics category and the transition to endemic disease, the IFA still considers that the domestic auto industry remains uncertain from the policies involved in the automobile industry business operations. The IFA references domestic risk premiums from NYU Stern, which is NYU Stern, a business school under New York University, a leading and prestigious school in the world for finance. which invented a method to calculate the risk rate which was equal to 1.58 percent, resulting in the return on investment in the SET to 9.40 percent. The addition of country risk premium is a long-term improvement. Since country risk premium is calculated from the country's fundamentals, the adjustment is consistent with the return on investment in the stock market. The IFA therefore chooses to add country risk premium.

Levered Beta (β)

Leveraged Beta of companies that operate the same business or similar to the Company or have income from the production of plastic parts for automobile and electrical appliance, and are listed on the stock exchange of that country on average for the past 15 years (data from Bloomberg Terminal) for use in the calculation of the return on equity (K_e), which is equal to 1.15 percent according to Panjawattana Plastic PCL, Thai Mitsuwa PCL, Union Plastic PCL, and Machino Plastic Limited. The IFA chooses companies that operate the same business in order to reduce the impact of different financial structures and the Company's share price. It takes into account the leveraged beta and the financial structure of each company by improving it to be unlevered Beta, of which formula is calculated as follows:
$$\text{Unlevered Beta} = \beta_L / (1 + (1 - t)(D/E))$$
. After calculating unlevered

beta, the IFA has adjusted it to Adjusted Beta calculated as:
Adjusted Beta = unlevered Beta x (2/3) + (1/3). Details of Adjusted Beta taken from nearby businesses are calculated as follows:

	15Y Beta (Time)	D/E (Percent)	Tax (Percent)	Unlevered Beta ^{1/} (Time)	Adjusted Beta ^{2/} (Time)
Panjawattana Plastic PCL	0.84	114.42	18.17	0.43	0.62
Thai Mitsuwa PCL	0.65	0.72	20.54	0.65	0.77
Union Plastic PCL	0.43	0.00	-	0.43	0.62
Machino Plastic Limited	0.66	192.01	-	0.23	0.48
Median					0.62

Note: 1/ Unlevered Beta is calculated to reduce the impact of different capital structure of each company.

2/ However, the IFA has adjusted unlevered beta to adjusted beta because adjusted beta aims to improve beta values of companies in the group that have nature of the business is related to the consumers, consumption behavior or technology because companies in such groups will have high beta volatility according to business cycle theory to have less volatility to reflect the beta value according to the beta of the market saturated condition that will have a beta value of 1.00.

The median of the comparable companies' Adjusted Beta is equal to 0.62. And since the Company has debt, the IFA has calculated the Adjusted Beta to Levered Beta to reflect the financial structure of the Company (The formula is as follows: Levered Beta = 0.62 X (1+(1 - 20.00%)(105.95%)) equals to 1.15

Therefore

$$K_e = 3.82 + [1.15 \times (9.40 - 3.82)] = 10.22\%$$

The IFA calculates the Weighted Average Cost of Capital (WACC) based on the Company's capital structure, which is equal to 6.40 percent, with details as follows:

$$\begin{aligned} \text{WACC} &= (10.22\% \times 48.55\%) + [3.49\% \times (1.00 - 20.00\%) \times 51.45\%] \\ &= 6.40\% \end{aligned}$$

8. Shareholders' Equity by DCF approach

The IFA has summarized the financial projection of the Company. The details are as follows:

Table of the Company's financial projection

Unit: THB Million	2022F	2023F	2024F	2025F	2026F
EBIT x (1-Tax rate ^{1/})	6.36	46.08	50.90	60.102/	68.643/
Changes in working capital	(11.33)	(18.02)	(10.65)	(10.98)	(11.33)
Depreciation and amortization	37.85	71.73	72.09	60.13	51.22
Net operating cash flow	32.89	99.79	112.35	109.25	108.54
Investment	(22.50)	(45.00)	(45.00)	(45.00)	(45.00)
Net investment cash flow	(22.50)	(45.00)	(45.00)	(45.00)	(45.00)
Net free cash flow	10.39	54.79	67.35	64.25	63.54
Discount Rate (Discount Factor)	0.97	0.88	0.83	0.78	0.73
Present value of net cash flows	10.07	48.40	55.92	50.14	46.61
Terminal Value					1,474.60
Present value of terminal value					1,128.20

Note: 1/ For the calculation of FCF from 2022 – 2024, the tax rate is 0.00 percent

2/ For the calculation of FCF, tax rate of 14.75 percent is used

3/ For the calculation of FCF, tax rate of 20.00 percent is used

The IFA estimates the terminal value because it believes that the business will continue to operate after the projection period. The projection after 5 years may be difficult because the business operation may change according to the situation, with a growing economy and a business plan that changes with technology trends, the IFA uses the present value to calculate the present value of each year's cash flows to reflect the ongoing business value after the estimate period. The terminal value is the cash flow value after the projection period. The formula for calculating is as follows:

Table of Terminal value

Terminal Value	=	$FCFF \times (1 + G) / (WACC - G) = \text{THB } 1,474.60 \text{ million}$
Normalized FCFF	=	The cash flow value in 2026 is equal to THB 63.54 million
G – Terminal Growth Rate	=	The rate of increase in cash flow per year Going Concern Basis is set to equal 2.00 ^{1/} percent per annum, based on average headline inflation in the range of 1.00 - 3.00 percent based on the Bank's medium-term 2022 monetary policy target of Thailand
WACC	=	Weighted average cost rate of investment equal to 6.40 percent

Note: 1/ The IFA considers that the use of inflation rate as a terminal growth rate is reasonable because it reflects the growth of revenue and expenses of the population. Moreover, the inflation rate also reflects cost-push Pricing and Transfer Pricing

Table of the Company's value calculation

Unit: THB Million	As of 30 June 2022
Present value of the Company's net cash flows from 2022 6MF ^{1/} – 2026	1,292.73
Enterprise Value	1,292.73
Plus: Cash and Bank Deposit ^{2/}	54.31
Less: Interest-bearing liabilities ^{3/}	(479.79)
Less: Minority Interest	-
More: Increase in paid-up share capital and share premium	192.10
Equity Value	1,059.35
Number of shares (million shares)	350.78
Price per share (THB per share)	3.02

หมายเหตุ: 1/ Calculated cash flow from 1 July 2022 onwards

2/ Cash and Cash Equivalent consists of deposits at financial institutions and fixed deposits with maturity of less than one year as of 30 June 2022

3/ Interest bearing debt consists of short-term loan from financial institutions and lease as of 30 June 2022

4/ Increase in paid-up share capital and share premium from the exercise of warrants TKT-W2 and TKT-W3 after the financial statement day

The fair value valuation of the Company's shareholders' equity under discount free cash flow approach as of 30 June 2022 is equal to THB 1,059.35 million or THB 3.02 per share.

9. Sensitivity analysis of share price

The IFA has conducted a sensitivity analysis on (1) the discount rate and (2) the terminal growth rate by increasing and decreasing both of these factors by 3.0 percent because it is an important factor that directly affects the valuation of the business. The change interval of +/- 3.0 percent reflects the sensitivity of the key factors of the assumptions determined by the IFA. This transition period is a period of sensitivity that is possible such as change in interest

rates, inflation, Thailand economy, and other factors. The results can be summarized as the following assumptions:

Table of Sensitivity Analysis

Changing factors	Changing range
Weighted Average Cost of capital (WACC)	+/- 3.0% (WACC is 6.20% – 6.59%)
Long-term growth rate (Terminal Growth)	+/- 3.0% (Terminal Growth is 1.94% – 2.06%)

Based on the aforementioned sensitivity analysis. The results of the analysis of the sensitivity of the value of Shareholders' equity of the Company as summarized below:

Table of the value of shareholders' equity that the Company will acquire

Changing factors		WACC				
		-3.0%	-3.0%	-3.0%	-3.0%	-3.0%
Terminal Growth	-3.0%	3.15	3.06	2.98	2.90	2.82
	-1.5%	3.17	3.08	3.00	2.92	2.84
	Base	3.19	3.10	3.02	2.94	2.86
	+1.5%	3.22	3.13	3.04	2.96	2.88
	+3.0%	3.24	3.15	3.06	2.98	2.90

Source: The IFA's estimation

From the table above, it can be seen that, after running a sensitivity analysis, the share value of the Company is in the range of THB 2.82 – 3.24 per share, which is higher than the transaction price of THB 1.99 per share by THB 0.83 – 1.25 per share, or higher at the rate of 41.78 – 62.95 percent of the transaction price.

The present value of net cash flows is a method that reflects the business plan, profitability, and growth trends as well as future returns for shareholders. This is an estimate based on the Company's income and expenses, which sits on the assumptions that the IFA deems reasonable. Thus, the valuation by this method reflects the appropriate value of the Company.

1. Summary of the fair valuation of the acquired assets

The IFA has evaluated the Company's shareholders' equity value using the aforementioned methods which can be summarized as follows:

Summary table of the Company's valuation results

Valuation approach	Share value of the Company (THB million)	Details
1. Book value approach	1.90	The Book Value is the approach that reflect the financial position at one point in time without taking into account the market value of certain assets and significant events after the date of financial statements. Moreover, it will not be able to reflect the ability of asset to generate profit from the Company's business in the future. Hence, the IFA does not select this valuation approach.
2. Adjusted book value approach	1.84	The adjusted book value approach is an approach that reflects a net asset value that is closer to present than the book value approach and takes into account significant events that occur after the date of the underlying financial statements. However, this approach does not take into account the ability to generate profits in the future and trends of the relevant industrial economy including other external factors that may affect future business operations. Therefore, the IFA does not choose this approach because the Company does not appraise assets from independent asset appraisers.
3. Market value approach	2.48 – 3.42	The market value approach only shows the value of the Company's shares at a moment in time according to the demand and supply of investors, without considering other factors that affect the share price at that time, such as economic conditions, capital market conditions, interest or other short-term factors, and etc. – which may cause the share price to be inconsistent with the intrinsic value (Fair price) since it doesn't consider performance and the growth trend of the Company in the future as well as the profitability of the Company in the future Hence, the IFA does not select this valuation approach.
4.1 P/BV approach	2.32 – 2.51	The Price to Book Value Ratio reflects financial position at a point of time, from comparing with the average ratio of comparable companies. The IFA concludes that the P/BV ratio is not the appropriate approach for the valuation, since it does not reflect the market value of certain assets and significant events after the date of referred financial statements as well as the ability to make profits from the assets for the Company's business in the future. Therefore, it is not an appropriate approach. Hence, the IFA does not select this valuation approach.
4.2 P/E approach	0.92 – 1.09	The Price to Earnings Ratio is an appraisal based on earnings per share multiplied by price to earnings (P/E) ratio of the market. The IFA concludes that this approach does not taking into account of the difference of business structure, such as revenue structure and cost structure; therefore, this approach might not fully reflect the actual value of the Company. Hence, the IFA does not select this valuation approach.

Valuation approach	Share value of the Company (THB million)	Details
4.3 EV/EBITDA approach	1.79 – 2.03	The EV to EBITDA ratio is an appraisal based on EBITDA multiplied by the EV to EBITDA ratio of the market. The IFA concludes that this approach does not taking into account of the difference of business structure, such as revenue structure and cost structure; therefore, this approach might not fully reflect the actual value of the Company. Hence, the IFA does not select this valuation approach.
5. Transaction comparable approach	0.16	The Transaction Comparable Approach reflects the ability to generate cash flow from operation deducted by the effects of capital structure in different enterprise. The IFA views that this valuation approach contains uncertainty of various factors such as transaction size and time of transaction, which might indicate the misleading value from the valuation. Hence, the IFA does not select this valuation approach.
6. Discounted cash flow approach (DCF)	2.82 – 3.24	The DCF method is a method that reflects the business plan, profitability and growth trends, including future returns for shareholders. It is an estimate based on the Company's income and expenses according to the criteria based on assumptions that the IFA deems reasonable. Therefore, the IFA is of the opinion that this approach is an appropriate method for valuation of the business.

4. Reasons to accept and/or reject the Tender Offer

From the Tender Offer (form 247-4), the IFA's recommendation is that the shareholders **should reject the Tender Offer**. The reasons are as follows:

4.1. Reasons to reject the Tender Offer

4.1.1 The Tender Offer Price is not appropriate

The IFA has evaluated the appropriateness of Tender Offer Price of THB 1.99 per share in which the IFA considered many factors and conducted many company valuation methods which are widely accepted. It has been found that the Tender Offer Price is not appropriate in comparison with the price ranged appraised by the Discounted Cash Flow Approach (DCF) which is the appropriate valuation method, in the IFA's opinion. The fair value of the price ranging between THB 2.82 – 3.24 (the details of the Company valuation approaches are in part 3. Appropriateness of Tender Offer Price in the IFA Opinion Report), which the Tender Offer Price is lower than the fair value of the Company. Therefore, the IFA is of the opinion that the shareholders should reject the Tender Offer based on the above reason.

4.1.2 Change in shareholders may affect the change in the Company's management structure

Under the current management team, the Company has plans to expand its product line in the automotive parts business unit as well as the increase in the quantity and the efficiency of plastic injection molding. At the present, the Company has backlog with a global automotive manufacturer, which the Company has a good relationship with the automotive manufacture for a long time. Therefore, the current management team has the ability to develop the business in a sustainable way, in the future. Hence, the acquisition from the Offeror may affect the Company's business plan and its relationship with the global automotive manufacturer. Nonetheless, as presented in Form 247-4, the Offeror has no plans or policies to significantly change the Company's core business objectives in the following 12 months after the end of the Tender Offer

Period. Additionally, the Offeror still intends to focus on the manufacturing and distributing plastic parts business and the molds for plastic injection business as before.

Nevertheless, the valuation may have some limitations regarding the information from the Company and external factors, as well as business growth that depends on risks and uncertainties where the shareholders should exercise thorough consideration and reasonable analysis. Changes due to the condition of the stock market or other external factors may affect the Company's share price; therefore, the opinion of the Company's Board of Directors is merely one component from many for the shareholders to consider. In deciding whether to accept or reject the Tender Offer, the shareholders should consider related information, the Independent Financial Advisor's opinion, and other relevant resources. The decision to accept or reject the Tender offer shall be based on the shareholder's own discretion.

5. Benefits of impacts from the plans and policies indicated in the Tender Offer and viability of such plans and policies

The Independent Financial Advisor considered the plans and policies after take over stated in the Tender Offer (Form 247-4) dated October 18, 2022, as well as the information of the Company and other relevant information. The opinions of the Independent Financial Advisor are stated below:

5.1. The Business Status

As stated in Form 247-4, the Offeror has no intention to delist the Business from the SET within 12 months after the end of the Offer Period, excepting for the case that the Offeror has to comply with the related rules, guidelines, and regulations which are enacted during the period.

Opinion of the Independent Financial Advisor

The Independent Financial Advisor opined that the Company will remain a status of listed company in the SET, which the Company and the Shareholders will not affect from the risk of delisted. In this regard, shareholders will continue their roles and receive benefits as shareholders of companies listed on the Stock Exchange of Thailand.

5.2. Policies and Plans of Business Operations

5.2.1. Business Objectives

As stated in Form 247-4, the Offeror does not have a plan or policy to materially change the Business's objectives and operations within 12 months after the Offer Period and is still determined for the Company to be a manufacturer and distributor of plastic injection molding and mold production for plastic injection production as before.

Opinion of the Independent Financial Advisor

The Independent Financial Advisor opined that the Company's shareholders will not have any significant impact on the Company's business operations since

the Offeror has no plan to change the Company's core business objectives significantly during the period of 12 months following the end of the Tender Offer Period.

In the event that the Offeror changes any action in the important part, such changes must be approved by the Board of Directors' meeting and/or the shareholders' meeting in accordance with the Company's policies and guidelines and related laws.

5.2.2. Investment Plan

As stated in Form 247-4, the Offeror may expand the investment beyond the normal investment of the Business within 12 months from the end of the Offer Period depending on the appropriateness in operating business. However, the Offeror may suggest the Company to consider expanding its investment when having business opportunity or investment opportunity. In this case, the Offeror will proceed in accordance with the relating rules and regulation as well as the having resolutions from board of directors' meeting and/or shareholders' meeting.

Opinion of the Independent Financial Advisor

The Independent Financial Advisor opined that the Offeror may not make any material additional investment except for normal operation. However, if the Offeror makes any material changes on investment plan, the changes are subject to gain approvals from the Company's Board of Director and/or the shareholders and in compliance with relevant laws and regulations, which will reduce the risks and negative impacts that will occur. If there is an amendment to the investment expansion plan by the Offeror in the future.

5.2.3. Plan on changing corporate structure, management, and recruitment

As stated in Form 247-4, the Offeror does not intend to change the Business's managements and organization structure during the period of 12 months after the Offer Period. However, the Offeror may consider increasing/decreasing the

number of directors of the Company to increase efficiency and flexibility in management. Moreover, to reflect the Offeror's increased shareholding, the Offeror may consider adjusting the number of directors who represent the Offeror on the Board of Directors of the Company. After acquiring shares by the Offeror, 3 directors i.e., Mr. Kumpee Chongthurakit, Mr. Prasong Techakaisri and Mr. Kowate Limtrakul will resign from being a director and Ms. Chan Ming Mui Silvia, Mr. Chan Raymond and Mr. Chan Wah Ying will be appointed to be a director in replacement of the resigned directors (more details appear in Part 3 Case 1.5.2 above).

In addition, there may be change as deemed appropriate, such as the appointment of new directors or replacement of existing directors who resign or retire from office by rotation or for any other reasons whereby the Offeror will seek for resolutions from board of directors' meeting and/or shareholders' meeting of the Business to be in accordance with the Articles of Association of the Business, and relevant rules and regulations.

Opinion of the Independent Financial Advisor

The independent financial advisor opined that the Offeror may nominate persons as an executive as appropriate. Whereby, the Company has rules and procedures for recruiting and appointing executives, namely the Nomination and Corporate Governance Committee (the “NGC”). The NGC is responsible for recruiting, selecting qualified persons based on diversity in gender, age, and experience as well as legal offense history, elements of independence, the Company’s direction and the overall composition of the company. Then, the nominations will be proposed to the Company’s directors to consider appointing or proposing for approval to appoint to the shareholders’ meeting in accordance with the Company’s Articles of Association. From the abovementioned, the Board of Directors is of opinion that this will help to recruit competent executives and reduce the risk of negative impacts on the overall management of the business. In addition, it deems appropriateness that the Offeror receives 3 directors out of 8 directors since the proportion is equal to 37.50 percent, compared to the ownership stakes of 38.99 percent, making the Offeror has less control over the votes of the Company’s resolutions. Nevertheless, if the Offeror has the ownership stake of more than 49.00 percent after the Tender Offer, the excess amount will be converted to NVDR (Non-Voting Depository Receipt), which does not have any voting rights, therefore the Offeror may not receive any additional directors.

5.2.4. Plan on disposal of existing core assets

As stated in Form 247-4, during the period of 12 months after the Offer Period, the Offeror has no plan to make any disposal of the core assets of the Business or its subsidiaries, except in the case of disposal in the normal course of business which will be duly approved in accordance with the policy of the Business and shall be in compliance with relevant rules and regulations.

Opinion of the Independent Financial Advisor

The Independent Financial Advisor opined that the Offeror shall not make any significant disposal of the core assets of the Company during the period of 12 months after the end of the Offer Period. Any material disposal of investment must be approved followed the Company's authorization matrix, transaction size, including relevant rules and regulations. However, if the Offeror makes any material changes, the changes are subject to gain approvals from the Company's Board of Directors' meeting and/or the shareholders' meeting and in compliance with relevant laws and regulations. The Independent Financial Advisor believes that it will create fairness to shareholders.

5.2.5. Plan on changing financial structure

As stated in Form 247-4, within 12 months after the end of the Offer Period, the Offeror does not have a plan to significantly change the financial structure of the Business except in the case that the change in financial structure will enhance the efficiency in managing the Business or avoid any adverse effect on the Business. The Offeror and the Business will mutually consider the financial structure for the best benefit of the Business.

In case that the Offeror decides to make any significant material changes from what has been stated in the Tender Offer documents, the Offeror shall obtain relevant approvals by the Board of Directors' meeting and/or shareholders' meeting according to the Articles of Association, and laws and regulations of the SEC and the SET.

Opinion of the Independent Financial Advisor

The Independent Financial Advisor opined that the Offeror has no plan to make a significant change on the Company's financial structure during the period of 12 months after the end of the Offer Period. However, if the Offeror makes any material changes, the changes are subject to gain approvals from the

Company's Board of Director and/or the shareholders and in compliance with relevant laws and regulations.

5.2.6. Dividend payment policy

As stated in Form 247-4, During the period of 12 months after the Offer Period, the Offeror has no plan to change the current dividend policy as the Business has a dividend payment policy at not less than 40 percent of the payable amount after the deduction of corporate income tax and legal reserve. However, the Board of Directors may decide to pay dividend differently from such policy as deem appropriate and necessary, for example, in case the Company needs money for investment or business expansion, changes in economic or market conditions, or any other events that affect the financial liquidity of the Business.

However, if the Offeror takes any action that may lead to a material change in the Business's financial or economic conditions or other necessary changes; other than those specified in Clause 2.1. Business Status and Clause 2.2. Policies and plans of Business's operations, the Offeror must comply with the Notification No. TorChor. 12/2554, Clause 48 (2). The Offeror is prohibited from doing any material matters that is different from the statements in the Tender Offer for a period of 12 months from the end of the purchase period, unless the shareholders' meeting of the business resolves otherwise, with a vote of not less than three-fourths of the total number of votes of the shareholders attending the meeting and having the right to vote and has notified the SEC.

Opinion of the Independent Financial Advisor

The Independent Financial Advisor opined that the Offeror may not change the dividend payment policy during the period of 12 months after the Offer Period. According to dividend policy, the Company aims to pay dividend approximately 40.00 percent of its operating net profit from separate financial statement after the deduction of retained loss (if any), which the dividend payment amount shall be approved by shareholders' meeting. In all cases, dividend payment

shall be depending in cash flow, investment plan including any other future obligations of the Company and/or subsidiaries. The dividend payment shall not exceed the retained earnings shown in the Company's separate financial statements and/or have a material impact on the Company's normal operations, which will help to increase efficiency in cash flow management to consistent with the overall investment plan in the Company's business operations. The Independent Financial Advisor believes that it will reduce the impact that will occur from the operation of the company.

Any amendment or change of dividend payment policy of the Company has been reserved as authorization of the Board of Directors so as to protect the highest interests of the Company and its shareholders. The Executive Committee is responsible for reviewing and making recommendations to the Board of Directors regarding the Company's dividend policy.

5.3. Related Party Transaction

As stated in Form 247-4, currently, the Company has specified policies and procedures regarding approving of related transactions to comply with the rules and regulations of the SET and the SEC to prevent any conflict of interests between the Company and its associate companies and/or any persons who may have conflicts.

Prior to the Tender Offer, the Offeror, and persons under section 258 of the Securities and Exchange Act B.E. 2535 (include the amendment) (the "Securities and Exchange Act") of the Offeror have 1 related transaction with the Company and associate companies pursuant to the policies and procedures regarding approving of related transactions of the Company and in compliance with the rules and regulations of the SET and the SEC. Moreover, the transaction has already been completed with the details as shown in the following table;

Name	Type of Transaction	For Year 2020 (THB)	For Year 2021 (THB)	For Six-Month Period Ended 30 June 2022 (THB)	Total (THB)	Reasonableness of Related Party Transactions
Karrie Industrial Company Limited ¹	Trading/Service	546,093.60	50,480.14	1,263,426.89	1,860,000.63	It is a transaction 1 item for which the Company pays the operating expenses in installments, which is the expenses operation normal business.

Remarks: /1 The same major shareholder is Karrie.

Source: TKT

However, in the future, if the Offeror has connected transactions with the Company, the Offeror will ensure that the Business complies with the regulations of the SEC and the SET including laws, announcements, regulations or protocols of relevant organization, as well as setting various conditions to be in accordance with normal business transactions and/or market price which can be referenced or compared with the price incurred to a third party at an arm's length basis. The Audit Committee will have a meeting to consider and give opinions on the necessity and appropriateness of such related transactions in accordance with Good Corporate Governance principle in order to enhance transparency and efficiency of the Business operations.

Opinion of the Independent Financial Advisor

The Independent Financial Advisor opined that the Offeror, and persons under section 258 of the Securities and Exchange Act B.E. 2535 (include the amendment) (the "Securities and Exchange Act") of the Offeror have 1 related transaction with the Company and associate companies as stated above. Which was set various conditions to be in accordance with normal business transactions and/or market price which can be referenced or compared with the price incurred to a third party at an arm's length basis. The Audit Committee has examined, considered and gave opinions on the necessity of the transactions as appropriate and fair in terms of price and the terms of the transaction.

However, the Offeror has no objective to do connected transactions with the Company in the future and the Company will consider carefully to ensure that the Business complies with the regulations of the SEC and the SET including laws, announcements, regulations or protocols of relevant organization, as well as setting various conditions to be in accordance with normal business transactions and/or market price which can be referenced or compared with the price incurred to a third party at an arm's length basis. The Audit Committee will have a meeting to consider and give opinions on the necessity and appropriateness of such related transactions in accordance with Good Corporate Governance principle in order to enhance transparency and efficiency of the Business operations which the Independent Financial Advisor believes it will cause fairness to shareholders.

6. Summary of the opinion of the IFA

The IFA has analyzed and evaluated information, under the scope, conditions and certain limitations as discussed in previous sections of this Opinion. The IFA has the opinion that **the shareholders could consider rejecting the Tender Offer** by the Offeror since the valuation of the Company with Discounted Cash Flow Approach (DCF) is the appropriate method. The assumptions used are based on the information provided by the Company, which are considered reasonable. However, there may be some limitations on the assessment of potential business collaboration between the Company and the Offeror due to lack of information and other external factors. The Independent Financial Advisor has evaluated the fair value of the Company, ranging between THB 2.82 – 3.24 per share (the details of the Company valuation approaches are in part 3. Appropriateness of Tender Offer Price in the IFA Opinion Report), which Tender Offer Price, THB 1.99 per share, is lower than the range of the Company's fair value. Hence, the Tender Offer Price is not appropriate. And the Takeover from the Offeror may affect the business plans and relationships with leading automotive manufacturers because the present management has current plans to expand the production capacity as well as the backlog with the world's leading automotive manufacturers who have a long-standing relationship. Also, the present management has ability and potential to develop sustainable business in the future.

Nevertheless, the shareholders should study the relevant information including the Tender Offer, the Opinion of the Company on the Tender Offer, and details of the Opinion, particularly on the scope, methodologies, assumptions used in the financial projection, information from management of the Company, and publicly available information. However, the consideration to accept or reject the Tender offer depends on the shareholders' final decision. This Opinion is complete only as a whole. The IFA shall not be held responsible from the disclosure, reference or dissemination of the Opinion in part without approval from the IFA.

The Independent Financial Advisor certified that provided financial opinion is carefully considered and duty is performed in accordance with the professional standard by taking into account the interest of shareholders mainly.

Respectfully Yours,
Avantgarde Capital Co., Ltd.

- Signed -

(Worawas Wassanont)
Supervisor

- Signed -

(Worawas Wassanont)
Managing Director