

**Opinion of the Independent Financial Advisor
Concerning the Asset Acquisitions and
Connected Transactions**

(Supporting Document for Agenda 1, 2, and a part of 3 of
the Extraordinary General Meeting of Shareholders No. 1/2022)

of



**Nation International Edutainment Public
Company Limited**

The Independent Financial Advisor



Capital Advantage Company Limited

April 20, 2022

- TRANSLATION -

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

No. 054/2022

April 20, 2022

Subject: Opinion of the Independent Financial Advisor concerning the Asset Acquisition and Connected Transactions of Nation International Edutainment Public Company Limited

Attention: Shareholders
Nation International Edutainment Public Company Limited

Attachments: 1) Information of Groupwork Co., Ltd., which is the asset to be acquired
2) Industry Outlook for Retail Space in Bangkok and Vicinity
3) Information of Point of View (POV) Media Group Co., Ltd.

Business overview and operating performance of Nation International Edutainment Public Company Limited is shown in Clause 5 of Information Memorandum on the Asset Acquisitions and Connected Transactions under Schedule 2 (Enclosure No. 4) of the Company, which are enclosed with the Notification of this Extraordinary General Meeting of Shareholders.

Business overview and operating performance of VGI Public Company Limited are available on www.set.or.th and www.vgi.co.th

References: 1) Resolutions of the Board of Directors' Meeting No. 2/2022 of Nation International Edutainment Public Company Limited held on March 2, 2022 and the amendments;
2) Information Memorandum on the Asset Acquisition and Connected Transactions of Nation International Edutainment Public Company Limited dated March 2, 2022 and the amendments;
3) Information Memorandum on the Issuance and Offering of Newly Issued Ordinary Shares and Connected Transaction of Nation International Edutainment Public Company Limited dated March 2, 2022 and the amendments;
4) Capital Increase Form of Nation International Edutainment Public Company Limited dated March 2, 2022;
5) Annual Registration Statement (Form 56-1) of Nation International Edutainment Public Company Limited for the year ended December 31, 2019 – 2020 and Annual Registration Statement/Annual Report 2021 (Form 56-1 One Report) for the year ended December 31, 2021;
6) Resolutions of the Board of Directors' Meeting No. 4/2022 of VGI Public Company Limited held on March 2, 2022 and Information Memorandum on the Asset Acquisition and Disposition Transactions of VGI Public Company Limited dated March 2, 2022 and the amendments;
7) Annual Registration Statement (Form 56-1) of VGI Public Company Limited for the year ended March 31, 2019 – 2021;
8) Audited financial statements of Nation International Edutainment Public Company Limited for the 12-month period ended December 31, 2019 – 2021;
9) Audited financial statements of VGI Public Company Limited for the 12-month period ended March 31, 2019 – 2021 and reviewed financial statements for the 9-month period ended December 31, 2021;
10) Audited financial statements of Groupwork Co., Ltd. for the 12-month period ended December 31, 2018 – 2021;
11) Legal Due Diligence Report of Groupwork Co., Ltd. dated February 22, 2022 by SRPP Ltd.;
12) Draft Share Sale and Purchase Agreement of Groupwork Co., Ltd.;

- 13) Draft License to Manage and Operate Merchandising Space Agreement with VGI Public Company Limited;
- 14) Draft Share Subscription Agreement for newly issued ordinary shares of Point of View (POV) Media Group Co., Ltd., a subsidiary of VGI Public Company Limited, through a private placement;
- 15) Letters of invitation to subscribe to newly issued ordinary shares via private placement, dated March 7, 2022 issued by the Company to a group of investors and signed by Werk X Co., Ltd. and Sliver Reward Holdings Ltd. as expressions of interest in subscribing to the newly issued shares;
- 16) Company Affidavit, Memorandum of Association, and other information and documents, as well as interviews with the management and relevant staff of Nation International Edutainment Public Company Limited and Groupwork Co., Ltd.

- Disclaimers:
- 1) Results of the study conducted by Capital Advantage Co., Ltd. (the "Independent Financial Advisor" or "IFA" or "CapAd") in this report are based on information and assumptions provided by management of Nation International Edutainment Public Company Limited and Groupwork Co., Ltd., as well as information disclosed to the public on the websites of the Securities and Exchange Commission (www.sec.or.th) and the Stock Exchange of Thailand (www.set.or.th).
 - 2) The Independent Financial Advisor shall not be responsible for profits or losses and any impacts resulting from the transactions.
 - 3) The Independent Financial Advisor conducted the study with knowledge, skills, and cautiousness in accordance with the professional ethics.
 - 4) The Independent Financial Advisor considered and provided its opinions based on the situation and information at the present time. If such situation and information change significantly, the study results in this report may be affected.

The Board of Directors' Meeting of Nation International Edutainment PCL. ("the Company" or "NINE") No. 2/2022, held on March 2, 2022, resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2022, to be convened on May 10, 2022 via an electronic means, to consider and approve the significant agenda relating to the asset acquisition and connected transactions and the interrelated agenda as follows (*Referring to the agenda of the Extraordinary General Meeting of Shareholders No. 1/2022 of the Company*):

- Agenda 1 To consider and approve the acquisition of ordinary shares of Groupwork Co., Ltd., which is considered as the asset acquisition transaction, whereby the acquisition of shares from VGI PCL. is considered as the connected transaction

To consider and approve the acquisition of all ordinary shares of Groupwork Co., Ltd. ("GW") in the amount of 62,500 shares (in whole but not in part) with a par value of Baht 100 per share, representing 100% of total issued and paid-up shares of GW, at the purchase price not exceeding Baht 110 million from 3 existing shareholders of GW, namely (1) VGI PCL. ("VGI"), (2) Werk X Co., Ltd. ("WX"), and (3) Sliver Reward Holdings Ltd. ("Sliver") in the proportion of 20%, 31%, and 49% of total issued and paid-up shares of GW respectively (collectively referred to as the "Sellers of GW Shares"), which is deemed as an acquisition of assets and will constitute a connected transaction in case of the said acquisition of shares from VGI ("GW Shares Acquisition Transaction" or "Transaction 2")

GW is a limited company incorporated under the law of Thailand, engaged in the business of management and operation of partial merchandising spaces located on 5 BTS Skytrain stations under the name of "WERK" and management of merchandising spaces located at three piers along Saen Saep Canal, which is in the process of project development.

- Agenda 2 To consider and approve the entering into the License to Manage and Operate Merchandising Space Agreement with VGI PCL. and the construction and renovation of merchandising spaces on the contracted BTS Skytrain stations, which is considered as the asset acquisition and connected transaction of the Company.

To consider and approve the entering into the License to Manage and Operate Merchandising Space Agreement with VGI in order to obtain the right to manage and

operate the merchandising spaces and the right to manage and operate the Company's shops under the "Turtle" brand located on 31 BTS Skytrain stations (including the spaces located on the BTS Skytrain stations which GW currently obtains the right to manage and operate as mentioned in Agenda 1 above and the spaces that the Company currently obtains the right to manage and operate). The agreement term is approximately 7 years and 5 months, expiring on December 4, 2029 whereby the parties may renew the agreement under the conditions set forth therein. The expected total consideration of such agreement is approximately Baht 2,665.93 million,¹ which constitutes asset acquisition and connected transactions of the Company ("Licensing Agreement Transaction" or "Transaction 1")

VGI obtains the exclusive right to manage and operate the advertising spaces and merchandising spaces on the BTS Skytrain stations from Bangkok Mass Transit System PCL. ("BTSC") for the agreement term that will expire on December 4, 2029, whereby the parties may renew the agreement under the conditions set forth therein.

The Company plans to make additional investment under Transaction 1 for (a) the expansion of its retail business by constructing 28 new branches of its Turtle Shop in the amount not exceeding Baht 1,120 million (inclusive of VAT), and (b) the renovation of existing shops, including landscape modification and new construction, as deem appropriate for merchandising spaces on BTS Skytrain stations under the Licensing Agreement at the amount not exceeding Baht 200 million² (inclusive of VAT), thus bringing the total investment value payable by the Company to approximately Baht 3,985.93 million (inclusive of VAT).

- Agenda 3 To consider and approve the issuance and offering of up to 984,000,000 newly issued ordinary shares with par value of Baht 1 per share via private placement to Point of View (POV) Media Group Co., Ltd., Werk X Co., Ltd., and Sliver Reward Holdings Ltd., of which the offering and issuance of new ordinary shares to Point of View (POV) Media Group Co., Ltd. is considered as the connected transaction of the Company
To consider and approve the issuance and offering of up to 984,000,000 newly issued ordinary shares of the Company with par value of Baht 1 per share via private placement (PP) to (1) Point of View (POV) Media Group Co., Ltd. ("POV")³ in the amount of 953,500,000 shares, (2) Werk X Co., Ltd. in the amount of 15,350,000 shares, and (3) Sliver Reward Holdings Ltd. in the amount of 15,150,000 shares (collectively referred to as the "Investors"), at the offering price of Baht 3.30 per share,⁴ totaling Baht 3,247,200,000 ("PP Shares Issuance and Offering Transaction"), whereby the issuance and offering of shares to POV constitutes a connected transaction of the Company ("PP Shares Issuance and Offering to POV Transaction" or "Transaction 3")
- Agenda 4 To consider and approve the issuance and offering of up to 240,000,000 newly issued ordinary shares of the Company with par value of Baht 1 per share via the rights offering (RO) at the allocation ratio of 1.5232 existing shares to 1 newly issued ordinary share at

¹ The actual value depends on the remaining agreement term as of the date of entering into the transaction as well as the actual ridership of the train system. The formula for calculation of license fee is "Baht 0.7516 x quarterly ridership number on the contracted BTS Skytrain stations by counting both boarding passengers and alighting passengers (Eyeballs)". The Company based the calculation of Baht 2,665.93 million license fee on the highest daily average eyeballs of 31 contracted BTS Skytrain stations in 2019 (by considering the highest daily average eyeballs in the past 7 years (annualized) from 2015 to 2021 which is equal to 1,295,710 * 365 days * term of the Licensing Agreement (7 years and 5 months)). Please refer to more details in Transaction 1 – Part 1, Clause 1.6.3 of this report and Clause 6 (b) of the Information Memorandum on Asset Acquisition and Connected Transactions of the Company (Enclosure No. 1) enclosed with the notification of this shareholders' meeting.

² Maximum estimated amount of the Company, of which (a) the Company expected that actual construction cost in the future should be at approximately Baht 30.50 million per station, and (b) the Company expected that cost of development and renovation of existing shops (excluding construction cost of new shops) shall be at approximately Baht 2 million per station, according to details specified in Clause 4.2.1 of the Information Memorandum on the Issuance and Offering of Newly Issued Ordinary Shares and Connected Transactions (Enclosure No. 2) of the Company, which are enclosed with the notification of this shareholders' meeting.

³ POV is a subsidiary of VGI which holds 100% of shares in POV.

⁴ This is not considered as the offering of newly issued shares to specific persons at a low price.

- the offering price of Baht 3.30 per share, totaling Baht 792,000,000 ("RO Shares Issuance and Offering Transaction")⁵
- Agenda 5 To consider and approve the decrease of the Company's registered capital by Baht 25,000,000, from the existing registered capital of Baht 390,549,286 to Baht 365,549,286, by deducting 25,000,000 authorized but unissued shares of the Company with par value of Baht 1 per share
- Agenda 6 To consider and approve the amendment to Clause 4 of the Company's Memorandum of Association to be in line with the decrease of the Company's registered capital
- Agenda 7 To consider and approve the increase of the Company's registered capital by Baht 1,224,000,000, from the existing registered capital of Baht 365,549,286 to Baht 1,589,549,286, by issuing 1,224,000,000 newly issued ordinary shares with par value of Baht 1 per share
- Agenda 8 To consider and approve the amendment to Clause 4 of the Company's Memorandum of Association to be in line with the increase of the Company's registered capital
- Agenda 9 To consider and approve the allocation of the newly issued ordinary shares of the Company to accommodate the offering of newly issued ordinary shares via private placement and rights offering as follows:
- Agenda 9.1 To consider and approve the allocation of 953,500,000 newly issued ordinary shares of the Company with par value of Baht 1 per share, for offering to Point of View (POV) Media Group Co., Ltd., a connected person of the Company
- Agenda 9.2 To consider and approve the allocation of 15,350,000 newly issued ordinary shares of the Company with par value of Baht 1 per share, for offering to Werk X Co., Ltd.
- Agenda 9.3 To consider and approve the allocation of 15,150,000 newly issued ordinary shares of the Company with par value of Baht 1 per share, for offering to Sliver Reward Holdings Ltd.
- Agenda 9.4 To consider and approve the allocation of 240,000,000 newly issued ordinary shares of the Company with par value of Baht 1 per share, to the existing shareholders on a pro rata basis (Rights Offering)

Since Agendas 1 - 9 are interrelated, the consideration and approval of these agenda are accordingly contingent upon each other and, in the case where any agenda is disapproved by the shareholders' meeting, all other agenda that have been approved by the shareholders' meeting shall be canceled and no further consideration shall be made on the remaining related agenda.⁶

The GW Shares Acquisition Transaction (Agenda 1) and the Licensing Agreement Transaction (Agenda 2) constitute the acquisition of assets pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547, as its amendments, ("Notifications on Acquisition or Disposition of Assets"). The highest transaction size of the GW Shares Acquisition Transaction is equivalent to 21.92% and the highest transaction size of the Licensing Agreement Transaction (including the investment in Turtle Shop) is equivalent to 794.37%, according to the total value of consideration criteria based on the Company's audited consolidated financial statements for the year ended December 31, 2021, thus making up the combined highest transaction size of both transactions of 816.29%. Therefore, they are considered as Class-1 Transactions pursuant to the Notifications on Acquisition or Disposition of Assets, as defined by the transaction size equal to or higher than 50% (the Company did not enter into any other assets acquisition transactions during the past 6 months prior to the date on which the Board of Directors' meeting resolved to propose to the shareholders' meeting to consider and approve the aforementioned transactions).

⁵ Please refer to more details in Enclosure 2 of the Notification of the Shareholders' Meeting. In the event that the PP Shares Issuance and Offering Transaction is not successful as set forth in the share subscription agreement, the Company shall cancel the issuance and offering of its newly issued ordinary shares under the RO Shares Issuance and Offering Transaction. **The Investors in the PP Shares Issuance and Offering Transaction are not entitled to subscribe for the newly issued ordinary shares under the RO Shares Issuance and Offering Transaction.**

⁶ Please refer to the conditions pertaining to the entering into Transaction 1 – Transaction 3 of this report.

Moreover, Transaction 1: Licensing Agreement Transaction, Transaction 2: GW Shares Acquisition Transaction (for the acquisition of GW shares from VGI only), and Transaction 3: PP Shares Issuance and Offering to POV Transaction are considered as the connected transactions pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 ("Notifications on Connected Transactions"). This is because POV, which is a subsidiary of VGI, will acquire the Company's newly issued ordinary shares to be offered under a private placement as in Agenda 3 in the amount of 953,500,000 shares with par value of Baht 1 per share, representing 70.65% of total issued and paid-up shares after the issuance and offering of PP shares (in case that existing shareholders of the Company do not exercise their right to subscribe for newly issued ordinary shares under the RO Shares Issuance and Offering Transaction).⁷ Therefore, subsequent to such acquisition of PP shares, VGI and POV will become controlling persons of the Company and result in VGI being considered as the connected person of the Company pursuant to the Notifications on Connected Transactions. The connected transaction size (total of the 3 transactions) is equivalent to 2,545.64% of the net tangible assets of the Company and its subsidiaries as of December 31, 2021, which is higher than 3% of the net tangible assets of the Company and its subsidiaries (*the Company did not enter into any other connected transactions with VGI that have not yet been proposed for approval from the shareholders' meeting in the previous six months*).

Therefore, the Company is required to disclose information on the entering into the asset acquisition and connected transactions to the Stock Exchange of Thailand and appoint an independent financial advisor to render an opinion to the shareholders of the Company. It also has to seek for approval from shareholders' meeting with affirmative votes of at least three-fourths of the total votes of the shareholders who attend the meeting and are eligible to vote, excluding shareholders with conflict of interest.

Besides, the GW Shares Acquisition Transaction also constitutes an acquisition or acceptance of transfer of other company's business of the Company pursuant to Section 107 (2)(Khor) of the Public Limited Companies Act B.E. 2535 (and its amendments), which requires the Company to hold a shareholders' meeting to consider and approve the GW Shares Acquisition Transaction with required affirmative votes of not less than three-fourths of the total votes of the shareholders who attend the meeting and are eligible to vote. As for the PP Shares Issuance and Offering Transaction, the Company must apply for the approval from the Office of the Securities and Exchange Commission ("SEC") for the offering of newly issued shares through private placement.

The Company has appointed Capital Advantage Co., Ltd. as the independent financial advisor ("Independent Financial Advisor" or "IFA" or "CapAd") to render an opinion to shareholders concerning the reasonableness and appropriateness of price and conditions of the asset acquisition and connected transactions.

CapAd has studied details of the Information Memorandum on the Asset Acquisition Transactions and Connected Transactions of the Company, Information Memorandum on the Issuance and Offering of Newly Issued Ordinary Shares and Connected Transaction of the Company, Capital Increase Form, Annual Registration Statement/Annual Report (Form 56-1 One Report), and information from interviews with management and executives of the Company as well as documents received from the Company such as financial statements, business plan, financial projection, feasibility study of the projects, property appraisal report, legal due diligence report, agreements and relevant documents, draft License to Manage and Operate Merchandising Space Agreement, draft GW Share Sale and Purchase Agreement, draft PP Share Subscription Agreement, information disclosed to the public,

⁷ POV will hold shares in the Company in the proportion of 59.99% of total issued and paid-up shares after the issuance and offering of PP and RO shares (assuming that the Company's existing shareholders fully subscribe for the newly issued shares under the RO Shares Issuance and Offering Transaction).

Thus, after acquiring the Company's shares in the proportion mentioned above, POV has a duty to make a tender offer for all remaining securities of the Company pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (and its amendments) ("Notification No. TorChor. 12/2554"). VGI expects that POV will conduct the tender offer by Q3/2022 at the tender offer price of Baht 3.30 per share, which is not lower than the highest price at which the offeror and the related person(s) under Section 258 of the offeror, including their concert party, have acquired the Company's shares during the period of 90 days before the date of submission of the tender offer, i.e., the tender offer price shall not be lower than the offering price for the newly issued ordinary shares offered via the private placement at this time.

information disclosed on websites of the Stock Exchange of Thailand ("SET") and the SEC, and financial information available on various websites as a basis for rendering our opinion on such transactions.

The opinion of CapAd in this report is based on the assumption that all information and documents received from the Company's management are accurate and complete. CapAd is unable to assure or guarantee any accuracy or completeness of such information. In deriving its opinion, CapAd takes into account current operating environment and most up-to-date information at the time of issuance of this report. Any change or future incident may have a material impact on business operation and financial projection of the projects and assessment and analysis of Independent Financial Advisor, as well as decision of shareholders on the above asset acquisition transactions and the connected transactions.

In providing the opinion to shareholders, CapAd has studied and analyzed information stated above by considering the reasonableness of the asset acquisition and connected transactions and all relevant factors. CapAd has considered such information thoroughly and reasonably according to the professional standards for the best interests of shareholders.

The attachments to this report of Independent Financial Advisor's opinion are deemed as part of this opinion report and are information that shareholders should consider in conjunction with this report.

After considering and studying all information on the asset acquisitions and connected transactions, CapAd would like to summarize the study results as follows:

Abbreviation

"Company" or "NINE"	Nation International Edutainment PCL.
"VGI"	VGI PCL.
"BTSG"	BTS Group Holdings PCL.
"BTSC"	Bangkok Mass Transit System PCL.
"BTSGIF"	BTS Rail Mass Transit Growth Infrastructure Fund
"BTS Skytrain System"	The Green Line Core Network Project, serving 24 stations, and the Green Line Extension Project, serving 7 stations, according to the License to Manage and Operate Merchandising Space Agreement
"Green Line Core Network Project"	Bangkok's first electric mass transit railway system serving 24 stations, consisting of (a) Silom Line with 8 stations (including Siam Station) and (b) Sukhumvit Line with 17 stations (including Siam Station which is the interchange station), with the concession term ended December 4, 2029
"Green Line Extension Project"	Extensions of the Green Line Core Network Project, comprising of (a) Silom Line Extension and (b) Sukhumvit Line Extension with total of 7 stations, namely Krung Thon Buri Station, Wongwian Yai Station, Bang Chak Station, Punnaewithi Station, Udom Suk Station, Bang Na Station, and Bearing Station, with the 30-year concession term (2012 – 2042) (which is a part of the Green Line Extension 1 Project on which VGI obtains the exclusive right from BTSC to manage the advertising spaces and merchandising spaces until December 4, 2029)
"Green Line Extension 1 Project"	Extensions to the core Bangkok Mass Rapid Transit system, comprising of (a) the Silom Line Extension (Saphan Taksin Station - Bang Wa Station, covering 6 stations), and (b) the Sukhumvit Line Extension (On Nut Station - Bearing Station, covering 5 stations), under the 30-year concession period (2012 – 2042)
"Green Line Extension 2 Project"	Extensions of the Green Line Core Network Project and the Green Line Extension Project with a concession term of 25 years (2017 – 2042), consisting of 2 extensions: (a) Green Line Southern Extension (Bearing Station – Kheha Station) covering 9 stations, opened for full service on December 6, 2018, and (b) Green Line Northern Extension (Mo Chit Station – Khu Khot Station) covering 16 stations, opened for full service on December 16, 2020
"Newly Issued Ordinary Shares of the Company"	The issuance and offering of up to 1,224,000,000 newly issued ordinary shares of the Company with par value of Baht 1 per share, comprising of the offering of up to 984,000,000 shares via private placement and the offering of up to 240,000,000 shares via rights offering
"Private Placement" or "PP"	The issuance and offering of newly issued ordinary shares of the Company to specific persons
"Rights Offering" or "RO"	The issuance and offering of newly issued ordinary shares of the Company to existing shareholders on a pro rata basis
"RO Shares Issuance and Offering Transaction"	The issuance and offering of up to 240,000,000 newly issued ordinary shares of the Company, with par value of Baht 1 per share, to the existing shareholders of the Company on a pro rata basis at the allocation ratio of 1.5232 existing shares to 1 newly issued ordinary share at the offering price of Baht 3.30 per share
Transaction 1:	
"Transaction 1" or "Licensing Agreement Transaction"	The entering into the licensing agreement to manage and operate merchandising spaces located on 31 BTS Skytrain stations with VGI PCL. This includes 24 stations of the Green Line Core Network Project and 7 stations of the extension project.
"Licensing Agreement"	The License to Manage and Operate Merchandising Space Agreement on 31 BTS Skytrain stations between the Company and VGI PCL.
Transaction 2:	
"Transaction 2" or "GW Shares Acquisition Transaction"	The acquisition of all ordinary shares in Groupwork Co., Ltd. in the amount of 62,500 shares with par value of Baht 100 per share, representing 100% of total issued and paid-up shares of GW
"GW"	Groupwork Co., Ltd., which is the assets to be acquired under Transaction 2
"Sellers of GW Shares"	Consisting of (1) VGI PCL., (2) Werk X Co., Ltd., and (3) Sliver Reward Holdings Ltd.
"WX"	Werk X Co., Ltd.
"Sliver"	Sliver Reward Holdings Ltd.
Transaction 3:	
"PP Shares Issuance and Offering Transaction"	The issuance and offering of up to 984,000,000 newly issued ordinary shares of the Company, with par value of Baht 1 per share, via private placement at the offering price of Baht 3.30 per share
"Transaction 3" or "PP Shares Issuance and Offering to POV Transaction"	The issuance and offering of newly issued ordinary shares of the Company via private placement by offering 953,500,000 shares, with par value of Baht 1 per share, to Point of View (POV) Media Group Co., Ltd., representing 70.65% of total issued and paid-up shares after the issuance and offering of PP shares of the Company (which is part of the "PP Shares Issuance and Offering Transaction")
"POV"	Point of View (POV) Media Group Co., Ltd., a wholly-owned subsidiary of VGI
"Investors"	(1) Point of View (POV) Media Group Co., Ltd., (2) Werk X Co., Ltd., and (3) Sliver Reward Holdings Ltd.

Others

"Independent Financial Advisor" or "IFA" or "CapAd"	Capital Advantage Company Limited
"SEC"	The Securities and Exchange Commission
"SET"	The Stock Exchange of Thailand
"Notifications on Acquisition or Disposition of Assets"	The Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547, and its amendments
"Notifications on Connected Transactions"	The Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning Connected Transactions B.E. 2546, and its amendments
"Notification on Approval of PP Shares Offering"	The Notification of the Capital Market Supervisory Board No. TorChor. 72/2558 Re: Approval for Listed Companies to Offer Newly Issued Shares through Private Placement, and its amendments
"Notification No. TorChor. 12/2554"	The Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers, and its amendments
"IRR"	Internal Rate of Return
"NPV"	Net Present Value
"NTA"	Net Tangible Assets
"Payback Period"	the length of time it takes to recover the cost of an investment
"WACC"	Weighted Average Cost of Capital

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Attachment 3: Information of Point of View (POV) Media Group Company Limited	

Executive Summary

The Board of Directors' Meeting of Nation International Edutainment PCL. ("the Company" or "NINE") No. 2/2022, held on March 2, 2022, resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2022, to be convened on May 10, 2022 via an electronic means, to consider and approve the significant agenda relating to the asset acquisition and connected transactions and the interrelated agenda as follows:

Background and Overview of the Transactions

Nation International Edutainment PCL. has, since 2002, operated the core business of publishing and distribution of pocket books and printed materials for youth (comic and novel), which currently are available in both printed book and e-book format, offered through various offline and online media. Publishing business has been significantly impacted by technology disruption and digital disruption among readers, along with behavioral changes of Thai consumers whose preferences have been increasingly shifted to digital media as well as movie watching and online media. Thus, the Company has been affected in various aspects as follows:

- Over the past 3 - 4 years, bookstores and publishing houses have gradually and continuously been shut down due to technology disruption, which has an effect on the Company's conventional form of offline distribution channel.

- The COVID-19 pandemic, which has persisted from 2020 to present and is beyond expectation of all sectors, has had dramatic repercussions on the economy and society. In particular, the measures introduced in 2020 for travel restrictions or limitations, social distancing, and lockdown of public areas have prompted businesses to urgently adapt themselves and increasingly switch to online platforms. Publishing business in Thailand has likewise been hit by this situation as bookshops located in department stores and other retail shops had to close down, leading to a faster change in readers' behaviors towards online media.

- In an effort to hastily adjust itself to this situation, the Company has launched promotion campaigns to stimulate its sales via online channels continuously since 2019 and could then boost sales through e-Commerce which, however, are still not ample to generate favorable operating results for the Company. Anyway, the Company still publishes and distributes pocket books and youth publications (comic and novel).

- Overview of the Company's past performance is as follows:

NINE's Revenue Structure and Performance (Baht million)	2017		2018		2019		2020		2021	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Publishing business	87.73	55.43	53.14	56.07	56.32	85.41	74.16	94.01	96.26	82.58
Pocket books	22.93	14.49	18.13	19.13	19.27	29.22	16.54	20.97	23.02	19.75
Youth publications										
- Offline	61.96	39.15	33.07	34.90	26.92	40.82	39.18	49.67	60.24	51.68
- Online (e-commerce)	2.84	1.79	1.94	2.05	10.13	15.36	18.44	23.37	13.00	11.15
Foreign publication agent business and related services	49.55	31.31	27.27	28.77	-	-	-	-	-	-
Office space rental business	-	-	-	-	-	-	1.68	2.13	1.27	1.09
Retail business ^{1/}	-	-	-	-	-	-	-	-	0.04	0.03
Revenue from operation	137.28	86.74	80.41	84.85	56.32	85.41	75.84	96.14	97.57	83.70
Other income ^{2/}	20.99	13.26	14.36	15.15	9.62	14.59	3.05	3.86	19.00	16.30
Total revenue	158.27	100.00	94.77	100.00	65.94	100.00	78.89	100.00	116.57	100.00
EBIT	12.07		(91.09)		6.75		(30.60)		(1.47)	
Net profit (loss) from normal operation	7.18		(99.72)		6.71		(26.96)		3.43	

Remark:

1/ Recognizing revenue from opening of the first Turtle Shop on Saint Louis Station on December 28, 2021.

2/ Consisting of dividend income, interest income, sales of scraps, and others.

Therefore, deeming it necessary to diversify into other promising and lucrative businesses, the Company, in 2021, entered into the License to Manage and Operate Merchandising Space Agreement in order to obtain the right to manage and operate the merchandising spaces and for the management and operation of the Company's retail shops (which sell consumer products, including ready-to-eat food and beverages) under the name of "Turtle Shop" located on 3 BTS Skytrain stations, namely Saint Louis Station, Phloen Chit Station, and Victory Monument Station. Its first Turtle Shop was opened on Saint Louis Station on December 28, 2021 and has received satisfactory response. The other 2 branches are under construction and scheduled for opening around Q2/2022.

Based on the above reasons, the Company is seeking to further develop its retail business for solid growth and also expand into the merchandising space lease on the BTS Skytrain stations so as to create more added value to the business. This led to the Company's decision to enter into Transaction

1 and Transaction 2, as well as the issuance and offering of its PP shares to POV (Transaction 3). In entering into the Licensing Agreement Transaction (Transaction 1), the Company sees the opportunity of and plans for such business expansion in order to create more added value to the Company. By obtaining the right to manage and operate the merchandising spaces on the BTS Skytrain stations from VGI, including such right for partial spaces on 5 stations to be obtained from GW through the GW Shares Acquisition Transaction, will enable the Company to obtain the right for the merchandising spaces on as many as 31 BTS Skytrain stations. The Company expects that such expanded business will be secure and stable with potential for further expansion in the future, considering that the Company will be granted the right of first refusal for extension of such right and will obtain the right to manage and operate the merchandising spaces on the BTS Skytrain stations in respect of the additional right to be granted to VGI by BTSC or its subsidiary in the future.

Details of the Transactions can be summarized as follows:

Asset Acquisition and Connected Transactions

Transaction 1: Licensing Agreement Transaction

The Company will enter into the License to Manage and Operate Merchandising Space Agreement with VGI PCL. (VGI) in order to obtain the right to manage and operate the merchandising spaces and for the management and operation of the Company's shops under the "Turtle" brand located on 31 BTS Skytrain stations (including the spaces located on the BTS Skytrain stations, which GW currently obtains the right to manage and operate under Transaction 2, and spaces that the Company currently obtains the right to manage and operate), consisting of 24 stations of the Green Line Core Network and 7 stations of the Green Line Extensions. The term of the Licensing Agreement is approximately 7 years and 5 months, expiring on December 4, 2029, whereby the parties may renew the agreement under the conditions set forth therein. The expected total consideration of such agreement is approximately Baht 2,665.93 million.

VGI obtains the exclusive right to manage and operate the advertising spaces and merchandising spaces on the BTS Skytrain stations from Bangkok Mass Transit System PCL. ("BTSC"), for the agreement term that will expire on December 4, 2029, whereby the parties may renew the agreement under the conditions set forth therein.⁸

The Company also plans to make additional investment under Transaction 1 for (a) the expansion of its retail business by constructing 28 new branches of its Turtle Shop in the amount not exceeding Baht 1,120 million (inclusive of VAT), and (b) the renovation of existing shops, including landscape modification and new construction, as deem appropriate for the merchandising spaces on BTS Skytrain stations under the Licensing Agreement, in the amount not exceeding Baht 200 million (inclusive of VAT), thus bringing the total investment value payable by the Company to Baht 3,985.93 million (inclusive of VAT).

Transaction 2: GW Shares Acquisition Transaction

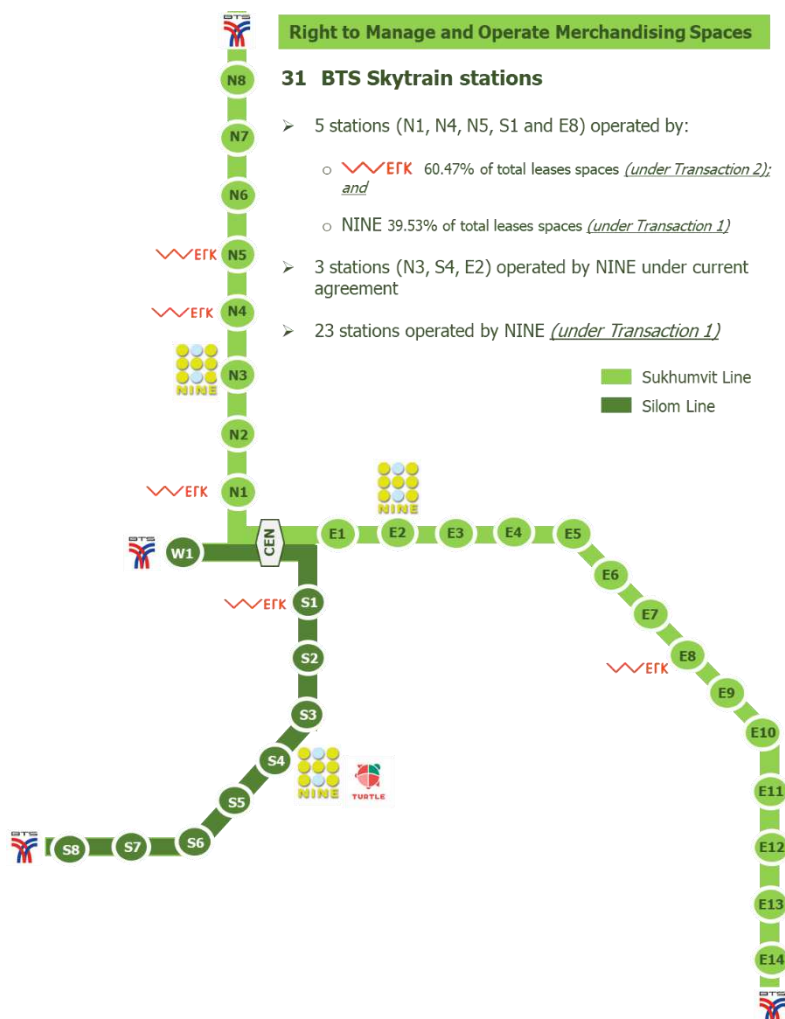
The Company will acquire all 62,500 ordinary shares of Groupwork Co., Ltd. ("GW") (in whole but not in part) with par value of Baht 100 per share, representing 100% of total issued and paid-up shares of GW, at the purchase price not exceeding Baht 110.00 million from 3 existing shareholders of GW, namely (1) VGI PCL. ("VGI"), (2) Werk X Co., Ltd. ("WX"), and (3) Sliver Reward Holdings Ltd. ("Sliver") in the proportion of 20%, 31%, and 49% of total issued and paid-up shares in GW respectively (collectively referred to as the "Sellers of GW Shares"), which is considered as a connected transaction only in case of the acquisition of GW shares from VGI in the proportion of 20% of total issued and paid-up shares of GW.

⁸ According to the License to Manage and Operate the Advertising Space and Merchandising Space Agreement between VGI and BTSC, if BTSC receives any rights from the government, government agencies, organizations, and/or any private sector to operate any other type of electric train and/or vehicles and/or any other project, BTSC agrees to grant VGI the first right to negotiate to obtain the right to manage advertising spaces and/or merchandising spaces under the appropriate conditions (Source: VGI's Annual Report 2020/2021). Thus, any consideration shall depend on the determination of such entities.

GW's Merchandising Space Lease Business for Partial Spaces on 5 BTS SkyTrain Stations and Management of the Merchandising Spaces at 3 Piers along the Saen Saep Canal



Overview after the Entering into Transaction 1 and Transaction 2



GW is a limited company incorporated under the law of Thailand. It has mainly engaged in the business of management, operation, and rent of partial merchandising spaces on 5 BTS Skytrain stations,⁹ namely Ratchathewi Station (N1), Sanam Pao Station (N4), Ari Station (N5), Ratchadamri Station (S1), and Phra Khanong Station (E8), under the name of "WERK". It also has a lease agreement for management of merchandising spaces located at 3 piers along Saen Saep Canal, comprising of Pratunam Pier, Ramkhamhaeng University Pier, and Asok Pier. This project is still under development phase under "HIW HUB" Project with focuses on utilization of such spaces for the store's brand presentation to consumers and as it is the distribution channel suitable for behaviors of consumers who travel through the BTS Skytrain stations and the piers with potential growth during the previous period.

After completion of Transaction 1 and Transaction 2, the NINE Group will acquire the exclusive right to manage and operate the entire merchandising spaces of the BTS Skytrain System, serving a total of 31 stations (consisting of 5 stations currently operated by GW (under Transaction 2), 3 stations operated by the Company under the existing agreement, and 23 stations to be additionally acquired by the Company at this time, plus the remaining spaces on the 5 stations of GW).

Connected Transactions

Transaction 3: PP Shares Issuance and Offering to POV Transaction

The Company will issue and offer up to 984,000,000 newly issued ordinary shares, with par value of Baht 1 per share, through private placement ("PP") at the offering price of Baht 3.30 per share to 3 specific persons as follows:

No.	Name	Number of Offered Shares not Exceeding	Offering Value (Baht million)	% Shareholding prior to the Transaction	% Shareholding after PP Shares Issuance	% Shareholding after PP + RO Shares Issuance
1	POV ^{1/} (<u>PP Shares Issuance and Offering to POV Transaction</u>)	953,500,000	3,146.55	None	70.65	59.99
2	WX ^{2/}	15,350,000	50.66	None	1.14	0.97
3	Sliver ^{3/}	15,150,000	49.99	None	1.12	0.95
		984,000,000	3,247.20		72.91	61.90

Remark:

1/ POV is a subsidiary of VGI which is a seller of GW shares in GW in the amount of Baht 22.00 million.

2/ WX is a seller of GW shares in the amount of Baht 34.10 million.

3/ Silver is a seller of GW shares in the amount of Baht 53.90 million.

Since the offering of PP shares to POV constitutes a connected transaction of the Company, the opinion provided by the IFA in this report is focused on the issuance and offering of PP shares to POV only ("PP Shares Issuance and Offering to POV Transaction").

Summary of key conditions of the PP Shares Issuance and Offering Transaction and the PP Shares Issuance and Offering to POV Transaction

The subscription for the Company's newly issued ordinary shares by the Investors under the PP Shares Issuance and Offering Transaction shall be subjected to the conditions as set out in the respective Share Subscription Agreements and the agreements to be executed by the Company with the respective Investors (please refer to details in Transaction 3 - Part 1, Clause 1.4.3 of this report), which include (1) and (2) as follows:

(1) In the case of unsuccessful GW Shares Acquisition Transaction (Transaction 2), the Company shall not issue its PP shares to 2 of the Sellers of GW Shares, namely WX and Sliver, in the amount of 15,350,000 shares and 15,150,000 shares respectively (such 2 Sellers of GW Shares shall invest in PP shares of the Company only after the Company has successfully entered into all transactions with VGI and POV). However, the Company will continue to issue and offer newly issued ordinary shares via private placement to POV under the conditions of the relevant Share Subscription Agreement.

(2) The issuance and offering of PP shares to POV and the receipt of payment for such shares from POV under the PP Shares Issuance and Offering Transaction¹⁰ shall be deemed as the conditions

⁹ Comprising 60 units of around 837.50 square meters, accounting for about 63.14% of the total leasable spaces on 5 stations of VGI.

¹⁰ The Company expects that the PP Shares Issuance and Offering Transaction will be completed by June 2022. It will set the exact date for share subscription and payment under the PP Shares Issuance and Offering Transaction after obtaining approval from the shareholders' meeting for the issuance and offering of newly issued ordinary shares of the Company, the GW Shares Acquisition Transaction, and the Licensing Agreement Transaction.

precedent to the Licensing Agreement Transaction (Transaction 1) and the GW Shares Acquisition Transaction (Transaction 2) as set forth in the agreements relating to Transaction 1 and Transaction 2:

Conditions precedent to the Licensing Agreement Transaction (Transaction 1)

- The Agreement shall be effective on the completion date of the issuance and offering of newly issued ordinary shares of the Company to POV under the issuance and offering of newly issued ordinary shares through a private placement and after the Company has received subscription price for such shares from POV.

Conditions precedent to the GW Shares Acquisition Transaction (Transaction 2)

- The Company has issued and offered 953,500,000 newly issued ordinary shares with par value of Baht 1 per share to POV via private placement and POV has subscribed and paid for such newly issued shares.
- The Company shall have obtained the approval from its shareholders' meeting for the issuance and offering of newly issued ordinary shares with par value of Baht 1 per share via private placement to WX and Silver in the amount of 15,350,000 shares and 15,150,000 shares, respectively .
- The Company has obtained approval from the Board of Directors' meeting and the shareholders' meeting for the entering into the GW Shares Acquisition Transaction and GW Share Sale and Purchase Agreement, as well as performed its obligations under the GW Share Sale and Purchase Agreement.
- There shall be no material adverse events or changes or expected material adverse events or changes to GW prior to the completion of the GW Shares Acquisition Transaction.

In conclusion, if the Company does not acquire all ordinary shares of GW, VGI and POV will carry out Transaction 1 (Licensing Agreement Transaction) and Transaction 3 (PP Shares Issuance and Offering to POV Transaction). The Company, however, will not enter into Transaction 2 only in the case that WX and Silver decide not to sell GW shares. (The conditions precedent to the entering into 3 transactions at this time shall be completed after the Company obtains the approval in every agenda from this shareholders' meeting. Since Agenda 1 – 9 are interrelated, the consideration in and approval of each agenda is conditional upon each other. If the shareholders' meeting does not approve any of the agenda, the other approved agenda shall be cancelled and there shall be no further consideration on the remaining agenda.)

The acquisition of assets under Transaction 1 and Transaction 2 (including the investment in Turtle Shop) has the highest transaction size equivalent to 816.29% according to the total value of consideration criteria based on the Company's audited consolidated financial statements for the year ended December 31, 2021. Therefore, they are considered as Class-1 transactions pursuant to the Notifications on Acquisition or Disposition of Assets, as defined by the transaction size equal to or higher than 50% (the Company did not enter into any other assets acquisition transactions during the past 6 months prior to the date on which the Board of Directors' meeting resolved to propose to the shareholders' meeting to consider and approve the aforementioned transactions).

Moreover, Transaction 1: Licensing Agreement Transaction, Transaction 2: GW Shares Acquisition Transaction (for the acquisition of GW shares from VGI only), and Transaction 3: PP Shares Issuance and Offering to POV Transaction is considered as the connected transactions because POV, which is a subsidiary of VGI, will acquire the Company's PP shares and will thereby become the major shareholder holding more than 10% of total issued and paid-up shares after the issuance and offering of PP and RO shares of the Company, and VGI will nominate its representatives to serve as directors in the Company in the future. The connected transaction size (total of the 3 transactions) is equivalent to 2,545.64% of net tangible assets of the Company and its subsidiaries as of December 31, 2021, which is higher than 3% of net tangible assets of the Company and its subsidiaries (*the Company did not enter into any other connected transactions with VGI that have not yet been proposed for approval from the shareholders' meeting in the previous 6 months*).

Therefore, the Company is required to disclose information on the entering into the asset acquisition and connected transactions to the Stock Exchange of Thailand and appoint an independent financial advisor to render an opinion to the shareholders of the Company. It also has to seek for approval from shareholders' meeting with affirmative votes of at least three-fourths of the total votes of the shareholders who attend the meeting and are eligible to vote, excluding shareholders with conflict of interest. As for the PP Shares Issuance and Offering Transaction, the Company must apply for the

SEC's approval for the offering of newly issued shares through private placement and must obtain the SEC's approval before making such shares offering.

Capital Advantage Co., Ltd. ("Independent Financial Advisor" or "IFA" or "CapAd") has been appointed by the Company as the independent financial advisor to provide opinion to the shareholders regarding reasonableness and appropriateness of prices and conditions for the asset acquisition and connected transactions, comprising:

- (a) Asset acquisition transactions: Licensing Agreement Transaction (Transaction 1) and GW Shares Acquisition Transaction (Transaction 2); and
- (b) Connected transactions: Licensing Agreement Transaction, GW Shares Acquisition Transaction (for the acquisition of GW shares from VGI only), and PP Shares Issuance and Offering to POV Transaction (Transaction 3)

CapAd has considered the objectives and necessity of the transactions, including the advantages, disadvantages, benefits and risks, as follows:

Transaction 1: Licensing Agreement Transaction

The Company has, since 2002, operated the core business of publishing and distribution of pocket books and printed materials for youth (comic and novel), which currently are available in both printed book and E-book format offered through various offline and online media. Publishing business has been significantly impacted by technology disruption and digital disruption among readers, along with behavioral changes of Thai consumers whose preferences have been increasingly shifted to digital media as well as movie watching and online media. In view of this, coupled with the COVID-19 pandemic, publishing business in Thailand has likewise been hit as bookshops located in department stores and other retail shops had to close down, leading to a faster change in readers' behaviors towards online media. In an effort to hastily adjust itself to this situation, the Company has launched promotion campaigns to stimulate its sales via online channels continuously since 2019 and could then boost sales through e-Commerce which, however, are still not ample to generate favorable operating results for the Company.

Therefore, deeming it necessary to diversify into other promising and lucrative businesses, the Company, in 2021, entered into the License to Manage and Operate Merchandising Space Agreement in order to obtain the right to manage and operate the merchandising spaces and for the management and operation of the Company's retail shops under the name of "Turtle Shop" located on 3 BTS Skytrain stations, namely Saint Louis Station, Phloen Chit Station, and Victory Monument Station. Its first Turtle Shop was opened on Saint Louis Station on December 28, 2021 and has received satisfactory response. The other 2 branches are under construction and scheduled for opening around Q2/2022.

Based on the above reasons, the Company is seeking to further develop its retail business for solid growth and to expand into the merchandising space lease business on the BTS Skytrain stations so as to create more added value to the business. This led to the Company's decision to enter into Transaction 1 and Transaction 2 (including the offering of its PP shares to POV).

For the entering into Transaction 1 and Transaction 2, the Company will have to raise funds for the payments to VGI and the Sellers of GW Shares, while VGI wishes to become a shareholder and a controlling person in the Company. As a consequence, the Company will enter into the PP Shares Issuance and Offering Transaction, which includes the PP Shares Issuance and Offering to POV Transaction (Transaction 3), on the same occasion as Transaction 1 and Transaction 2. Therefore, the entering into these 3 transactions, which have interrelated conditions, will increase the overall capability in expansion to the merchandising space management business and the retail business on BTS Skytrain stations on a comprehensive basis, which will ensure continuous growth of the Company.

By entering into the Licensing Agreement Transaction (Transaction 1) and the PP Shares Issuance and Offering to POV Transaction (Transaction 3), the Company will obtain the exclusive right to manage and operate the merchandising spaces on 24 stations of the Green Line Core Network and 7 stations of the Extensions, or a total of 31 stations (including partial spaces on 5 stations of GW under Transaction 2 and 3 stations under the existing agreement of the Company) throughout the term of the concession for the BTS Skytrain. The Company will also be granted the right of first refusal for extension of such right and will obtain the right to manage and operate the merchandising spaces on the BTS Skytrain stations in respect of the additional right to be granted to VGI by BTSC or its subsidiary in the future.

At the same time, the entering into the GW Shares Acquisition Transaction (Transaction 2) will enable the Company to undertake the comprehensive management and operation of merchandising spaces on all 31 stations and enhance its capability in the merchandising space management business.

The advantages and benefits of Transaction 1 (Licensing Agreement Transaction) are as follows:

- (1) The transaction aligns with the overall business plan of the Company. It will enable the Company to receive a stream of stable cash flow, EBITDA, and income for the Company in the long term, as well as return from such investment throughout the term of the Licensing Agreement, thus leading to continuous growth, enhancement of long-term business potential (for at least approximately 7 years and 5 months according to the term of the Licensing Agreement (if the investment is completed by June 2022), which could be a foundation for future business expansion of the Company), and creation of value added to the Company. Moreover, it will help to reduce the Company's retained loss.
- (2) The Company can build upon and expand investment in the retail business and the merchandising space management business from only 3 stations at present to 31 stations. The Company will also leverage economies of scale from management of investment budget for all Turtle Shops with similar design, joint management of inventory of Turtle Shop, use of the same product management system, and the same management team and supporting team. Moreover, potential risk from sole reliance on revenue from the publishing business will be mitigated.
- (3) This is an investment in the business that will instantly generate income and the Company will benefit from taking over the existing tenants on the BTS Skytrain stations from VGI without having to incur any debt.
- (4) The Company will obtain the right to manage and operate the entire merchandising spaces on a total of 31 stations of the Green Line Core Network and the Green Line Extensions for the remaining term of the concession of BTSC, which is the right not easily acquired.
- (5) This will propel growth in the retail business in locations with business potential on 31 BTS Skytrain stations, which are in the inner area of Bangkok and can therefore access/offer products to a large number of boarding-alighting passengers (eyeballs).
- (6) It is the investment in the business that will not incur any interest expense/financial cost from fund raising since the Company will use proceeds from capital increase via private placement and cash flow from its operation.

However, the disadvantages and risks of Transaction 1 (Licensing Agreement Transaction) are as follows:

- (1) The Company's shareholders will be affected by control dilution and price dilution because the source of fund for the transaction will come from proceeds from the capital increase via private placement and cash flow from its operation, whereas

Dilution Effects	Under the PP Shares Issuance and Offering Transaction		Under the RO Shares Issuance and Offering Transaction (Please refer to Remark 1/)
	Full Subscription of RO Shares	No Subscription of RO Shares	
Price Dilution	7.65%	7.10%	
Control Dilution	61.90%	72.91%	
Earnings Dilution	61.90%	72.91%	

Remark: 1/ In the case of unsuccessful PP Shares Issuance and Offering Transaction, the Company shall not issue its RO shares. Thus, there shall be no price dilution only in the case of no RO shares.

- (2) The unclear in-depth information on the expansion of Turtle Shop may affect the expected return on investment as the Company has not yet analyzed the investment worthiness of each shop by considering the variation in number of eyeballs of each station and the difference in shop size. Some stations may not be worthwhile for investment, for example, Taksin Station which is a small station with limitations of usable area, Sanam Pao Station and Ratchadamri Station which have a small number of eyeballs, etc.
- (3) If the concession between BTSC and BMA expires and is not renewed, the Company will generate income from the Licensing Agreement for the remaining period of 7 years and 5 months only and must acquire a new business to compensate for revenue from the advertising space management and merchandising space lease business.
- (4) The Company has no experience in the management and operation of merchandising spaces on the BTS Skytrain stations. However, to mitigate the potential impact, (a) the Company has negotiated with the executives of GW to assist in the management and operation of merchandising spaces on

31 BTS Skytrain stations and will invest in GW in order to attain the latter's executives and team as part of the NINE Group and have a team of staff ready to further drive the Company's business. Silver and WX shall arrange for the key executive, Mr. Kant Sombatsiri, to serve as the executive and director of GW for the Company without resigning or breaching the employment contract in a way that results in termination of the employment contract with GW throughout the period from the date of signing this Agreement to the date of completion of 2 years from the closing date of the transaction; and (b) for its retail business, the Company has hired executives and team of staff with experience in leading retail business to work with the Company. The main executives comprise of Chief Executive Officer (started on May 5, 2021), Chief Commercial Officer (started on October 18, 2021), and Chief Operating Office (started on February 1, 2022). Such 3 executives have direct and extensive knowledge and experience in their respective line of retail business and shall be able to drive the retail business and merchandising space management business of the Company. However, if there is any change in the future, the Company can also appoint additional staffs to support the operation.

- (5) The Company will lose the opportunity in around 2022 – 2024 to reap the benefit from the number of passengers returning to the pre-COVID-19 level. It is expected that several businesses will pick up to the pre-COVID-19 pandemic level by 2024 - 2025 onwards (analysis based on a report dated June 1, 2021 from the Business Research Department, Export-Import Bank of Thailand's noting that the Chinese tourist industry tends to recover slowly...putting pressure on global tourism. As a consequence, the IFA believes that all business sectors in the tourist industry, including hotels, restaurants, both land and air transportation, and practically all types of service enterprises, are part of the same supply chain and have been negatively and directly impacted since the start of 2020. As a result, they tend to recover around the same time).
- (6) The Licensing Agreement shall cover every and all 31 stations along the BTS Skytrain routes whereby the Company has no right to choose to operate only on any specific stations while it has to pay the license fee to VGI which will vary with the number of eyeballs of all 31 stations. As such, the Company needs to achieve the average revenue per person that surpasses the license fee plus selling and administrative expenses and other expenses under its cost structure.
- (7) The Company may lose the benefit due to the unclear condition regarding the integration of GW's agreement with 5 stations (Ratchathewi Station (N1), Sanam Pao Station (N4), Ari Station (N5), Ratchadamri Station (S1), and Phra Khanong Station (E8)) into the Licensing Agreement with 31 stations. The licensed spaces on 5 stations under GW's MOA are not clearly specified and separated in the Licensing Agreement, causing the Company to be unable to perform an impairment test for the investment in GW in the future since it cannot separate the actual licensed spaces, revenue, and cost of GW.
- (8) There are risks involved with business operation which may cause the project to fail to achieve the expected performance.
 - (8.1) Risk from limitations of retail shop location. For example, food and beverages, which are among the products sold at Turtle Shop, are not allowed in the passenger zone and on board and, hence, can only be taken home or eaten in-store.
 - (8.2) Risk from the intense competition in retail business.
 - (8.3) Risk potentially arising from self-adjustment amid the COVID-19 situation and changes in work model from traditionally working in office to working from home, e-meeting or working from anywhere, along with workation, thereby directly impacting the ridership of BTS Skytrain.

For Transaction 1 (Licensing Agreement Transaction), the advantages and benefits between entering into the transaction with connected person and the transaction with the third party are as follows:

- (1) VGI Group obtains the exclusive right to manage and operate merchandising spaces on those 31 BTS Skytrain stations.
- (2) This helps to enhance the Company's advantages and competitiveness in the retail business (the Company shall have no direct competitor who has similar model and size of shops to Turtle Shop) and merchandising space lease business in the BTS Skytrain systems. In addition, it will limit the opportunity of other operators to engage in the management and operation of merchandising spaces on the BTS Skytrain stations. The Company will accordingly face no competition, which is deemed as one of its key strengths.

- (3) The Company will obtain an agreement condition that is beneficial to its long-term business operation. The Company shall be granted the right of first refusal as follows: in the case where VGI has been granted the rights from BTSC to (a) extend the main concession agreement from BTSC; (b) manage marketing services of the new BTS stations on the Sukhumvit Line and the Silom Line other than the contracted stations determined under the Licensing Agreement; and/or (c) manage marketing services of the BTS stations on the new BTS line (other than Sukhumvit Line and Silom Line), VGI agrees to grant the Company the right of first refusal if the commercial proposal which the Company has submitted to VGI is the most favorable to VGI compared with the proposal of third party.
- (4) The Company will have the opportunity to study in-depth information relating to the entering into Transaction 1 as a basis for performing a detailed feasibility study before making an investment decision and will also have flexibility in coordination.
- (5) The Company will indirectly leverage the business networks of VGI Group and BTSG Group such as Master Ad PCL. (MACO), Plan B Media PCL. (PLANB), After You PCL. (AU), U City PCL. (U), Kerry Express (Thailand) PCL. (Kerry), etc. The Company will benefit from such broad network of VGI by using Rabbit Card and Rabbit LINE Pay as the exclusive e-payment channels at its Turtle Shops. The Company will also likely receive support from the business network of the whole BTSG Group, including VGI Group, with respect to leasing of merchandising spaces from the Company and joint marketing promotion campaigns in various forms, etc.

Meanwhile, Transaction 1 (Licensing Agreement Transaction) has the disadvantages and risks between entering into the transaction with connected person and the transaction with the third party are as follows:

- (1) The Company will have to rely on its connected persons (VGI and major shareholders of VGI) in the business operation on the BTS Skytrain stations.
- (2) The Turtle Shop business may create a conflict of interest with Lawson 108 convenience store located on BTS Skytrain stations, which is a joint venture company of VGI. The IFA has been informed by the Company that VGI agrees and acknowledges that the Company can operate Turtle Shop on BTS Skytrain stations in accordance with key terms of the Licensing Agreement between VGI and the Company. Thus, the IFA is of the opinion that after the completion of the Licensing Agreement Transaction, if there is any incident causing business interruption of Turtle Shop, the Board of Directors of the Company at that time shall claim for indemnification from VGI in accordance with the Licensing Agreement.
- (3) The Company has no opportunity to compare the proposal of POV and VGI, which is in form of station takeover and/or the entire route, with that of other rail transit operators.
- (4) The entering into the 3 transactions is considered as a large-sized transaction under the Notifications on Connected Transactions, whereby the Company is required to seek for approval for connected transactions and appoint an independent financial advisor to provide opinion to its shareholders, thus necessitating disclosure of operation and financial projection of the relevant business and incurring extra cost for holding a shareholders' meeting.

However, by entering into the 3 transactions with its connected persons i.e., VGI and POV, the Company will obtain the exclusive right from VGI to manage and operate merchandising spaces on 31 BTS Skytrain stations. Such spaces on the BTS Skytrain stations are the specific areas for which BTSC has obtained the sole concession from BMA, and BTSC has granted the exclusive right to VGI to manage advertising spaces and merchandising spaces thereon. After all, the Company has not received any proposal from the concessionaires of other mass transit systems and, hence, cannot compare such connected transactions with the transaction entered into with the third party.

Having considered the objective and necessity of the transaction, together with the advantages, disadvantages, benefits and risks involved, the IFA is of the opinion that the entering into the asset acquisition and connected transaction under Transaction 1 will be beneficial to the Company's business operation and the disadvantages and risks are manageable. Therefore, **the entering into the asset acquisition and connected transaction under Transaction 1 (Licensing Agreement Transaction) is considered reasonable.**

In considering the appropriateness of price and conditions of Transaction 1, the Independent Financial Advisor has the following opinions:

Appropriateness of the Consideration for the Licensing Agreement

The Independent Financial Advisor viewed that the license fee of Baht 0.7516 per boarding – alighting passenger is at the rate lower than current rental and service fee that VGI charges to other tenants. License fee shall increase in relation to the increasing number of boarding – alighting passengers (Eyeballs). Meanwhile, the increasing eyeballs shall lead to an opportunity for the Company to rent additional spaces and raise the rent rate. On the opposite, the lower number of passengers also leads to lower license fee as well as rental and service fee. Therefore, **the Independent Financial Advisor is of the opinion that the license fee stipulated in the Licensing Agreement is appropriate.** The company's future profit of the merchandising space management business on BTS Skytrain stations in the future shall depend on (a) profit generating capability of the Turtle Shop, and (b) capability to increase revenue from rent of licensed spaces, when the license fee increases from the increasing number of passengers in the future.

Feasibility Study of the Investment under the Licensing Agreement for 31 BTS Skytrain Stations and Investment in the Additional 28 branches of Turtle Shop

Transaction 1	
Present value of cash flows from the right to manage merchandising spaces on 31 stations and investment in Turtle Shops ^{1/}	Baht 54.46 – 65.92 million ^{3/}
Internal rate of return (IRR)	12.79% p.a.
Payback period from July 1, 2022 ^{2/} (from commercial operation date)	4.10 years

Remark:

1/ Cash flows from merchandising spaces management of 23 stations and 28 branches of Turtle Shop (excluding cash flows from merchandising spaces management and Turtle Shops on 3 BTS Skytrain stations, which the Company currently obtains the right to manage and operate, and excluding cash flows from merchandising space management on 5 BTS Skytrain stations, which GW currently obtains the right to manage and operate partial spaces. Though GW obtains the right to manage and operate partial spaces on 5 BTS Skytrain stations, the IFA decided to exclude cash flows from merchandising spaces management of the whole areas of the 5 BTS Skytrain stations in the determination of the project's feasibility based on conservative basis).

However, the IFA has included license fee of such 8 BTS Skytrain stations according to the new Licensing Agreement, resulting in the licensing fee of the Company for total 31 BTS Skytrain stations,

2/ It is assumed that the Company will start recognizing revenue from rent of merchandising spaces on July 1, 2022.

3/ Discount rate is equal to 7.70% - 8.51% p.a.

From the feasibility study of the Project, the Independent Financial Advisor views that net present value (NPV) of the project is in the range of Baht 54.46 – 65.92 million (Baht 60.14 million in the base case), IRR is in the range of 12.79% p.a. which is higher than the discount rate (WACC) of 7.70% - 8.51% p.a. (8.10% p.a. in the base case), and payback period is 4.10 years from the first date of revenue recognition from the rent of merchandising spaces on 23 stations (July 1, 2022). **Therefore, the Independent Financial Advisor is of the opinion that the entering into the Licensing Agreement, the investment in 28 new branches of Turtle Shop (at the amount not exceeding Baht 36.20 million per station), and renovation cost of the merchandising spaces on 31 stations (at the amount not exceeding Baht 2 million per station) are feasible and appropriate.** However, the Company should make an investment analysis before construction of each Turtle Shop as investment in some BTS Skytrain stations may not be feasible, and the Company should cautiously control investment budgets.

Transaction 2: GW Shares Acquisition Transaction

With respect to the GW Shares Acquisition Transaction, GW obtained the right from VGI to manage, operate, and lease partial merchandising spaces on 5 BTS Skytrain stations, namely Ratchathewi Station (N1), Sanam Pao Station (N4), Ari Station (N5), Ratchadamri Station (S1), and Phra Khanong Station (E8) (totaling 60 units with 837.50 square meters, accounting for approximately 63.14% of the total leasable spaces of VGI). When combined with Transaction 1, the Company will obtain the exclusive right to manage and operate the merchandising spaces on all 5 stations and its right will cover as many as 31 BTS Skytrain stations. The Company expects that such expanded business will be secure and stable with potential for further expansion in the future.

The advantages and benefits of Transaction 2 (GW Shares Acquisition Transaction) are as follows:

(1) The transaction aligns with the overall business plan of the Company, which will lead to continuous growth, enhance long-term business potential, and create value added to the Company. The

entering into the GW Shares Acquisition Transaction will help complete the whole picture of all transactions (Transactions 1 - Transaction 3).

- (2) The Company will have more flexibility in sole and comprehensive management of the merchandising spaces on 31 stations (Transaction 1 + Transaction 2).
- (3) GW's marketing strategy could help enhance the attractiveness of the merchandising spaces. For example, GW has initiated the HIW HUB Project, which has received positive response from operators to rent the spaces. GW plans to expand HIW HUB Project to other BTS Skytrain stations, including the piers along Saen Saep Canal.
In addition, the company will also obtain GW's key executives and working team who have experience in the merchandising space lease business on BTS Skytrain stations to be a part of the Company's group. As a consequence, the Company will have the working team of the merchandising space lease business ready to further drive the business.
- (4) This is an investment in the entity that will likely generate recurring income for the Company in the long term (at least until 2029) without incurring any debts.
- (5) The Company can expand GW's merchandising space lease business to other locations, apart from the BTS Skytrain stations, such as piers.
- (6) This will add to the Company's product categories by introducing the interactive vending machine to new target groups.
- (7) This will enlarge the Company's business size and grow its income-generating assets in the long term.
- (8) The receipt of payment for its PP shares from the Sellers of GW Shares will result in the Company not incurring any debts and interest expenses for the payment of GW shares.

However, the disadvantages and risks of Transaction 2 (GW Shares Acquisition Transaction) are as follows:

- (1) The Company's shareholders will be affected by control dilution and price dilution (same as Transaction 1).
- (2) The business of sales and marketing promotion via electronic devices such as interactive vending machine of GW may be deemed as the advertising media management business, which may overlap with the core business of VGI who will become the Company's major shareholder indirectly through POV following the offering of PP shares. VGI should accordingly have a policy to clearly segregate the advertising media management business between VGI and GW (and the Company) so as to prevent a conflict of interest.
- (3) The Company may risk failing to receive the indemnity for damage caused by a breach of the agreement or the representations by the Sellers of GW Shares (if any) since 2 of the Sellers are newly established entities with a small amount of paid-up capital. In this regard, the ultimate shareholders of Silver and WX, namely Mr. Kant Sombatsiri, Mr. Thanakorn Juangphanit, and Mr. Phawin Singhalachat, shall guarantee the indemnification of Silver and WX in the amount of Baht 74,798,240, Baht 9,900,000, and Baht 3,300,000 respectively (totaling Baht 87,998,240) within 2 years (for non-tax issue) or 5 years (for tax issue) from the closing date of the Transactions.
- (4) If the concession between BTSC and BMA expires and is not renewed, GW will generate income from merchandising space management on the BTS Skytrain stations for the remaining period of approximately 7 years and 5 months only and must acquire a new business to compensate for revenue from the merchandising space management business.
- (5) GW will lose the opportunity in around 2022 - 2024 to reap the benefit from the number of passengers returning to the pre-COVID-19 level (same as Transaction 1).
- (6) With the unclear condition regarding the integration of GW's agreement with 5 stations into the Licensing Agreement with 31 stations, if the licensed spaces on 5 stations under the MOA of GW are not clearly identified and separated in the Licensing Agreement, the Company may have a problem in performing an impairment test of the investment in GW in the future since it cannot separate the actual licensed spaces, revenue, and cost of GW.
- (7) There are risks involved with business operation of GW which may cause GW to fail to achieve the expected performance.
 - (7.1) Risk of GW failing to acquire new tenants to replace former tenants or to rent the vacant spaces.
 - (7.2) Risk from reliance on the executives and personnel specializing in this business.

- (7.3) Risk involved with the persistent COVID-19 pandemic and the rising shift to working from home.
- (8) There is risk of GW failing to benefit from the merchandising space management at the piers along Saen Saep Canal, considering that GW entered into the memorandum of agreement with Ads Chaophraya Co., Ltd., not directly with Family Transport (2002) Co., Ltd. who is the boat service provider on Saen Saep Canal.

The advantages and benefits from entering into the transaction with connected person compared with the transaction with the third party are as follows:

The GW Shares Acquisition Transaction is divided into 2 portions:

- 1) The acquisition of GW shares from WX and Sliver in the proportion of 31% and 49% of total issued and paid-up shares of GW respectively (totaling 80%) is not considered as a connected transaction; and
- 2) The acquisition of GW shares from VGI in the proportion of 20% of total issued and paid-up shares of GW is considered as a connected transaction.

The Company will enter into the GW Shares Acquisition Transaction only upon acquisition of all ordinary shares in GW.

The GW Shares Acquisition Transaction with the connected person (VGI) and the third parties (WX and Sliver) shall be executed under the same GW Share Sale and Purchase Agreement and subjected to the same material conditions. Hence, there is no difference between the entering into Transaction 2 with the connected person and the entering into such transaction with the third parties.

Therefore, it is unable to compare the advantages/benefits and disadvantages/risks between entering into the transaction with connected person and the transaction with the third party.

Having considered the objective and necessity of the transaction, together with the advantages, disadvantages, benefits and risks involved, the IFA is of the opinion that the entering into the asset acquisition and connected transaction under Transaction 2 will be beneficial to the Company's business operation and the disadvantages and risks are manageable. Therefore, **the entering into the asset acquisition and connected transaction under Transaction 2 (GW Shares Acquisition Transaction) is considered reasonable.**

In considering the appropriateness of price and conditions of the Transaction 2, the Independent Financial Advisor has the following opinions:

Value of GW shares derived from various valuation approaches can be summarized in the table below:

GW	Value of GW Shares ^{1/}	Firm Value of GW	Purchasing Price of GW Shares ^{2/}	Higher (Lower) than Purchasing Price of GW Shares	
	(Baht/share)	(Baht million)	(Baht million)	(Baht million)	(%)
		(1)	(2)	(3) = (2) - (1)	(3) / (2)
Book Value Approach	344.69	21.54	110.00	88.46	80.42
Adjusted Book Value Approach	179.34	11.21	110.00	98.79	89.81
Market Value Approach	n.a.	n.a.	110.00	n.a.	n.a.
Price to Book Value Ratio Approach	406.75 – 538.55	25.42 – 33.66	110.00	76.34 - 84.58	69.40 - 76.89
Price to Earnings Ratio Approach	1,542.82 – 2,132.38	96.43 – 133.27	110.00	(23.27) – 13.57	(21.16) - 12.34
Discounted Cash Flow Approach	1,390.26 – 1,411.02	86.89 – 88.19	110.00	21.81 - 23.11	19.83 - 21.01

Remark: 1/ Par value of Baht 100.00 per share.

2/ The Company will acquire 62,500 GW shares, representing 100% of registered and paid-up capital of GW, totaling of Baht 110.00 million or equivalent to Baht 1,760.00 per share.

CapAd is of the opinion that the Discounted Cash Flow Approach is the appropriate approach for valuing GW shares because it can reflect GW's future profitability. Under this approach, fair value of GW's ordinary shares is in a range of Baht 1,390.26 – 1,411.02 per share, or equivalent to the firm value of Baht 86.89 – 88.19 million, which is lower than the purchasing price of GW shares by Baht 21.81 – 23.11 million (or lower by Baht 348.98 – 369.74 per share) or by 19.83% - 21.01% of the purchasing price.

Therefore, the IFA is of the opinion that the purchasing price of GW shares of Baht 110.00 million or Baht 1,760.00 per share is considered inappropriate since it is higher than fair value of GW shares.

Transaction 3: PP Shares Issuance and Offering to POV Transaction

The Company will receive proceeds from the PP Shares Issuance and Offering to POV Transaction in the amount of approximately Baht 3,146.55 million, which is adequate for financing the GW Shares Acquisition Transaction and supporting the retail business and merchandising space management business on the BTS Skytrain stations. This will be of great benefit and create growth for the Company according to its business plan. In addition, it will enable the Company to team up with a strategic partner/ally who has the capability to help support its business operation and enhance its competitiveness in the future.

The benefits to the Company from the entering into the connected transaction under Transaction 3 (PP Shares Issuance and Offering to POV Transaction) are as follows:

- (1) The Company will have sufficient source of fund to use for new business development and as working capital, which will lead to continuous growth, the increase in its income-generating assets in the long term, and creation of value added to the Company in the future.
- (2) The Company will acquire a large source of fund without incurring interest expenses from fund raising, thus strengthening its capital structure and financial position.
- (3) The Company will have a strategic partner with capability to assist in driving its business operation.

However, the entering into Transaction 3 (PP Shares Issuance and Offering to POV Transaction) will result in the following disadvantages and risks:

- (1) The Company's shareholders will be affected by control dilution and price dilution (same as Transaction 1).
- (2) POV will have the right to veto against the resolution of the shareholders' meeting on significant agenda and/or special agenda. As POV shall become major shareholder holding 59.99% of the Company's total paid-up shares after the capital increase (PP and RO) or 70.65% of the Company's total paid-up shares after the capital increase via PP, the Company has to obtain votes from POV in the approval of the agenda that requires more than half of total voting rights, such as the agenda on allocation of newly issued shares, appointment of directors, or agenda that requires at least three-fourths of total voting rights such as the agenda on capital increase, the issuance and offering of debenture, and the asset acquisition.

The advantages and benefits from entering into the transaction with connected person compared with the transaction with the third party are as follows:

- (1) The Company will have a strategic ally/partner with capability and experience in business operation that can enhance its competitiveness and growth potential.

Nonetheless, the disadvantages and risks from the entering into the transaction with connected person compared with the transaction with the third party are as follows:

- (1) The Company will rely heavily on VGI Group in fund raising.
- (2) The Company has no opportunity to compare the proposal of POV and VGI with that of other investors.
- (3) The entering into the 3 transactions is considered as the entering into large-sized transactions under the Notifications on Connected Transactions, whereby the Company is required to seek for an approval for connected transactions and appoint an independent financial advisor to provide opinion to its shareholders, thus necessitating disclosure of the operation and financial projection of the relevant business and incurring extra cost for holding a shareholders' meeting.

Having considered the objective and necessity of the transaction, together with the advantages, disadvantages, benefits, and risks involved, the IFA is of the opinion that the entering into the connected transaction under Transaction 3 will be beneficial to the Company's business operation while the disadvantages and risks pertaining to in the dilution effects only. Therefore, **the entering into the connected transaction under Transaction 3 (PP Shares Issuance and Offering to POV Transaction) is considered reasonable.**

In considering the appropriateness of price and conditions of the Transaction 3, the Independent Financial Advisor has the following opinions:

Value of NINE's ordinary shares derived from various valuation approaches can be summarized as follows:

NINE	Share Value of NINE (Baht/share)	Offering Price of NINE Shares (Baht/share)	Higher (Lower) than Offering Price of NINE Shares	
			(Baht/share)	(%)
	(1)	(2)	(3) = (2) – (1)	(3)/(2)
Book Value Approach	0.92	3.30	2.38	72.10
Adjusted Book Value Approach	0.93	3.30	2.37	71.95
Market Value Approach ^{1/}	3.66 – 3.70	3.30	(0.40) – (0.36)	(12.24) – (10.77)
Price to Book Value Ratio Approach	0.85 – 1.02	3.30	2.28 – 2.45	69.09 – 74.25
Price to Earnings Ratio Approach	1.36 – 2.78	3.30	0.52 – 1.94	15.73 – 58.72
Discounted Cash Flow Approach	0.88 – 1.02	3.30	2.28 – 2.42	69.21 – 73.30

Remark: Par value of Baht 1.00 per share.

1/ Trading volume of the Company's shares was relatively illiquid when compared with top active listed shares, in which the average trading volume of the Company's share was at approximately 96,641 shares per day or equivalent to 0.03% of total paid-up shares of the Company during the 360-business day period up to March 1, 2022 (the last business day prior to the date that the Board of Director of the Company approved to propose the shareholders' meeting to consider and approve the issuance and offering of the Company's ordinary shares through Private Placement). Thus, share valuation under the Market Value Approach might not reflect an appropriate value of the Company.

CapAd is of the opinion that the Discounted Cash Flow Approach is the appropriate approach for the valuation of NINE shares because the Discounted Cash Flow approach can reflect NINE's future profitability. Fair value of NINE shares is in a range of Baht 0.88 – 1.02 per share, or equivalent to firm value of Baht 322.10 – 371.38 million, which is lower than the offering price of the Company's ordinary shares to POV by Baht 2.28 – 2.42 per share or by 66.21% - 73.30% of the offering price of shares to the connected person at this time. **Therefore, the IFA viewed that offering price of NINE shares at Baht 3.30 per share is considered appropriate since it is higher than fair value of NINE shares.**

When considering reasonableness of the asset acquisition and connected transactions and the appropriateness of price and conditions of the asset acquisition and connected transactions, **the Independent Financial Advisor viewed that the entering into Transaction 1 (Licensing Agreement Transaction) and Transaction 3 (PP Shares Issuance and Offering to POV Transaction) is reasonable and appropriate, while the entering into Transaction 2 (GW Shares Acquisition Transaction) is reasonable but price of the transaction is inappropriate.** However, the approval of Transaction 1, Transaction 2, and Transaction 3 is conditional upon each other. If the shareholders' meeting does not approve any of the transactions, the other approved transactions shall be cancelled and there shall be no further consideration on the remaining transactions.)

In this regard, it is necessary to **consider the 3 transactions together**. The entering into Transaction 1 and Transaction 3 is beneficial the Company's business operation as well as enabling the Company to raise a huge amount of fund and have ally and business partners who help to drive and support business operation of the Company in the future. Moreover, when considering the overall appropriateness of price of Transaction 1 + Transaction 2, the Company still benefits from investment in Transaction 1 (NPV is equal to Baht 54.46 – 65.92 million) which can compensate for the difference of purchasing price of GW shares and fair value of GW shares under Transaction 2 (the difference is equal to Baht (23.11) – (21.81) million). The total benefit of Transaction 1 + Transaction 2 is still positive at Baht 31.35 – 44.11 million. **Thus, the IFA is of the opinion that the shareholders should approve the entering into Transaction 1 (Licensing Agreement Transaction), Transaction 2 (GW Shares Acquisition Transaction), and Transaction 3 (PP Shares Issuance and Offering to POV Transaction) at this time (according to Agenda 1, Agenda 2, and a part of Agenda 3 of the Extraordinary General Meeting of Shareholders No. 1/2022, respectively).**

The shareholders should study information in all documents attached to the notice to shareholders' meeting prior to making the decision. The consideration to approve the asset acquisition and connected transactions rests primarily on and is the sole discretion of the shareholders.

CapAd, as the Independent Financial Advisor, hereby certifies that the above opinion is rendered with due care in accordance with the professional standards for the benefits of shareholders.

Details of the Independent Financial Advisor's opinion are as follows:

Asset Acquisition and Connected Transactions
Transaction 1:
Licensing Agreement Transaction

Transaction 1 - Part 1: General Information of the Asset Acquisition and Connected Transaction**1. Characteristics and Details of the Transaction****1.1 Objectives and Background of the Transaction**

The Board of Directors' Meeting of Nation International Edutainment PCL. ("the Company" or "NINE") No. 2/2022, held on March 2, 2022, resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2022, which will be held on May 10, 2022, to consider and approve the entering into the License to Manage and Operate Merchandising Space Agreement with VGI PCL. in order to obtain the right to manage and operate the merchandising spaces and the right to manage and operate the Company's shops under the "Turtle" brand (which sell consumer products, including ready-to-eat food and beverages) on 31 BTS Skytrain stations (including the spaces located on the BTS Skytrain stations for which GW currently obtains the rights and the spaces that the Company currently obtains the right to manage and operate¹¹). The agreement term is approximately 7 years and 5 months, expiring on December 4, 2029 whereby the parties may renew the agreement under the conditions set forth therein. The expected total consideration of such Licensing Agreement is approximately Baht 2,665.93 million, which constitutes an acquisition of assets and connected transaction of the Company ("Licensing Agreement Transaction").

VGI obtains the exclusive right to manage and operate the advertising spaces and merchandising spaces on the BTS Skytrain stations from Bangkok Mass Transit System PCL. (BTSC) under the agreement that will expire on December 4, 2029, whereby the parties may renew the agreement under the conditions set forth therein. (Please refer to more details on Footnote 8 of this report)

The Company also plans to make additional investment under Transaction 1 for (1) the expansion of its retail business by constructing 28 new branches of its Turtle Shop in the amount not exceeding Baht 1,120 million (inclusive of VAT), and (b) the renovation of existing retail shops, including the landscape modification and new construction, as deem appropriate for the merchandising spaces on BTS Skytrain stations under the Licensing Agreement at the amount not exceeding Baht 200 million (inclusive of VAT), thus bringing the total investment value payable by the Company to Baht 3,985.93 million (inclusive of VAT).

1.2 Date of the Transaction

After the Board of Directors' Meeting of the Company No. 2/2022 resolved to approve the entering into Transaction 1 and Transaction 2, the Company expects to sign the relevant agreement, namely the License to Manage and Operate Merchandising Space Agreement between VGI (as the licensor) and the Company (as the licensee) ("Licensing Agreement") by June 2022. The Company has entered into the Memorandum of Agreement on Key Terms of the License to Manage and Operate Merchandising Space Agreement with relevant parties. If there is any material change of such key terms prior to the signing of the Licensing Agreement, the Company shall comply with the relevant rules and regulations and notify the SET and shareholders accordingly.

In this regard, the Licensing Agreement Transaction will take place after obtaining the approval from the Extraordinary General Meeting of Shareholders of the Company No. 1/2022, which will be held on May 10, 2022, and after all conditions precedent under the Licensing Agreement (*as per the details*

¹¹ Spaces on the BTS Skytrain stations that GW currently obtains the right to manage and operate: GW has entered into the memorandum of agreement (MOA) with VGI, dated February 5, 2018, under which VGI grants the right to GW to use the service areas (partial spaces on 5 stations, namely Ratchathewi Station (N1), Sanam Pao Station (N4), Ari Station (N5), Ratchadamri Station (S1), and Phra Khanong Station (E8), and spaces on other BTS Skytrain stations as designated by VGI) for the operation of space rental business with an agreement term of 11 years, 9 months and 28 days or from February 5, 2018 to December 4, 2029 (please refer to a summary of such MOA in Attachment 1 of this report).

After the execution of the Licensing Agreement between the Company and VGI under Transaction 1, the aforementioned MOA between GW and VGI shall remain valid (but the Company will take over the operation as the licensee under the Licensing Agreement between the Company and VGI under Transaction 1).

Spaces on the BTS Skytrain stations that the Company currently obtains the right to manage and operate: The Company has entered into the License to Manage and Operate Merchandising Space Agreement with VGI dated November 1, 2021, whereby the Company obtains the right to manage and operate the merchandising spaces and the right to manage and operate the Company's shops on 3 BTS Skytrain stations, comprising Victory Monument Station (N3), Saint Louis Station (S4), and Phloen Chit Station (E2), with the agreement expiring on December 4, 2029.

After the execution of the Licensing Agreement between the Company and VGI under Transaction 1, the aforementioned licensing agreement dated November 1, 2021 shall be repealed and replaced with the Licensing Agreement between the Company and VGI under Transaction 1.

in Transaction 1 - Part 1, Clause 1.4 of this report) have been fulfilled or waived by the relevant parties. The Company expects that the Licensing Agreement Transaction will be completed by June 2022.

Conditions precedent of the Licensing Agreement Transaction (Transaction 1)

- The agreement shall be effective on the completion date of the issuance and offering of newly issued ordinary shares of the Company to POV via private placement and the Company receives payment for the subscription of such newly issued ordinary shares from POV.

1.3 Relevant Parties and Relationship with the Company

Licensee	:	Nation International Edutainment PCL. (the Company)
Licensor	:	VGI PCL. (VGI)
Relationship between licensee and licensor	:	<p><u>Before the entering into the transaction</u> VGI does not have any relationship with the Company.</p> <p><u>After the entering into the transaction</u> Point of View (POV) Media Group Co., Ltd. (POV), a wholly owned subsidiary of VGI, will acquire the Company's PP shares in the amount of 953,500,000 shares with par value of Baht 1 per share, representing 70.65% of total issued and paid-up shares after the issuance and offering of PP shares (in case that existing shareholders of the Company do not exercise their rights to subscribe for newly issued ordinary shares under the RO Shares Issuance and Offering Transaction) (which will be proposed for approval from the shareholders' meeting on the same occasion). Therefore, subsequent to such acquisition of PP shares, VGI will become a controlling person¹ of the Company and will consequently be considered as the connected person¹ of the Company pursuant to the Notifications on Connected Transactions.</p>

Remark: 1/ In addition, POV shall nominate its representative to serve as the director of the Company according to its shareholding. (Please refer to more details in Transaction 3 – Part 1, Clause 1.4.3 of this report) It is expected that names of the representative who will become directors and executives, and policies shall be disclosed in details in Tender Offer Form (Form 247-4), which is the process after the completion of the PP Shares Issuance and Offering to POV Transaction.

1.4 General Description of the Transaction

The Company will enter into the License to Manage and Operate Merchandising Space Agreement in order to obtain the right from VGI to manage and operate the merchandising spaces located on 31 BTS Skytrain stations for (1) the management and operation of the Company's shops under the "Turtle" brand which sell consumer products, particularly ready-to-eat foods and beverages (Turtle Shop) and (2) the management and operation of merchandising spaces for rent to other tenants for their business operation.

Such 31 BTS Skytrain stations include the spaces on the following stations:

- All spaces located on 3 BTS Skytrain stations which the Company currently obtains the right to manage and operate from VGI. For the flexibility of the Company's future operation and the flexibility of setting out the terms and conditions of the agreement, VGI and the Company will terminate the granting and the acceptance of such right, and VGI will consequently grant the right in relation to such spaces to the Company solely under the Licensing Agreement (please refer to details of the conditions of the Licensing Agreement in the following table); and
- Partial spaces located on 5 BTS Skytrain stations which are the entire spaces that GW currently obtains the right to manage and operate from VGI (under Transaction 2). VGI will novate its rights and obligations under the licensing agreement between VGI and GW to the Company in order to incorporate such rights to be under the Licensing Agreement (please refer to details of the conditions of the Licensing Agreement in the following table).

The term of the Licensing Agreement is approximately 7 years and 5 months, expiring on December 4, 2029, and the parties may renew the agreement under the conditions set forth therein. The expected total consideration of such Licensing Agreement is approximately Baht 2,665,929,803.55. The Company will pay the license fee on a quarterly basis by utilizing proceeds from its capital increase through the issuance and offering of newly issued ordinary shares via private placement (PP) and cash flows from operating activities.

VGI has the exclusive right to manage and operate the advertising spaces and merchandising spaces on the BTS Skytrain stations (a total of 31 stations) from Bangkok Mass Transit System PCL. (BTSC) under the agreement that will expire on December 4, 2029, whereby the parties may renew the agreement under the conditions set forth therein. (Please refer to more details in Footnote 8 of this report)

In entering into this transaction, the Company will enter into the Licensing Agreement under the key terms and conditions as detailed in the Information Memorandum on Asset Acquisition and Connected Transactions (Enclosure No. 1) enclosed with this notification of the shareholders' meeting.

(As of the date of preparing this report, the Company and VGI have not yet signed the Licensing Agreement, and the IFA has received only draft of the key terms of the Licensing Agreement, which will be set out in Annex 6 of the Agreement on Subscription for Newly Issued Ordinary Shares Offered through Private Placement between the Company and POV and information disclosed in the Information Memorandum on Asset Acquisition and Connected Transactions of the Company. Therefore, the IFA's opinion expressed herein is based on the information and documents we have obtained. As such, any change to the terms and conditions in the duly signed Licensing Agreement may relatively affect the IFA's opinion provided herein.)

Draft Licensing Agreement	
Parties	(a) The Company (as the licensee) (b) VGI (as the licensor)
Grant of rights	VGI grants the exclusive right to the Company and the Company accepts such right to manage and operate the spaces located on the BTS Skytrain stations as agreed under the agreement for (1) the management and operation of the Company's stores ^{1/} , and (2) the management and operation of merchandising spaces for rent to other tenants, under the scope, terms, and conditions of the Licensing Agreement.
Key conditions precedent	The Agreement shall be effective on the completion date of the issuance and offering of newly issued ordinary shares of the Company to POV via private placement and the Company receives shares subscription price for such shares from POV (" Effective Date ").
Agreement term	From the Effective Date until December 4, 2029
Contracted BTS Skytrain stations	31 stations, whereby: (1) VGI and the Company agree to terminate the granting of right to manage and operate the spaces located on 3 BTS Skytrain stations for which the Company currently obtains the right from VGI and the parties will incorporate rights on such spaces into the Licensing Agreement; and (2) On the Effective Date, VGI agrees to novate its rights and obligations under all licensing agreements and service agreements with all tenants of merchandising spaces as at present, including the licensing agreement and service agreement between VGI and GW for the management and operation of partial spaces on 5 BTS Skytrain stations for which GW has been granted the rights from VGI, together with a transfer of the deposit, advance rental fee, and advance service fee that VGI has received.
Consideration and payment of consideration	The license fee is agreed to be paid on a quarterly basis and shall be calculated based on the following formula: "Baht 0.7516 x quarterly ridership number on the contracted BTS Skytrain stations by counting both boarding passengers and alighting passengers (Eyeballs)"
Right of first refusal	In the case where VGI has been granted the rights from BTSC to: (1) extend the main concession agreement from BTSC; (2) manage marketing services of the new BTS stations on the Sukhumvit Line and the Silom Line other than the contracted stations determined under the Licensing Agreement; and/or (3) manage marketing services of the BTS stations on the new BTS line (other than Sukhumvit Line and Silom Line), VGI agrees to grant the Company the right of first refusal to submit a proposal for extension of the licensed exclusive right under the Licensing Agreement and/or enter into the relevant licensing agreement (as the case may be) whereby VGI will agree to extend the licensed exclusive right and/or enter into the relevant licensing agreement (as the case may be) if such commercial proposal which the Company has submitted to VGI is in compliance with the terms and conditions under the Licensing Agreement and is the most favorable to VGI compared with the proposals from the third parties. Remark: In the event that the Company has been granted the extension right from the aforesaid right of first refusal, the Company shall proceed to seek for the approval from the Board of Directors' meeting and/or the shareholders' meeting (as the case may be) according to the Notifications on Connected Transactions and Notifications on Acquisition or Disposition of Assets prior to the entering into the said transaction.
Termination	Automatic Termination This Agreement shall be automatically terminated upon an occurrence of the following events: (a) the Parties agree in writing to terminate this Agreement; (b) expiration of the agreement term without extension; (c) termination of the main concession agreement between VGI and BTSC; or (d) an independent engineer has issued a letter confirming that there is damage occurred to the contracted station(s) which is unable to repair or restore within a reasonable period of time. ^{2/} Option to Terminate In the event that: (a) the party is in breach or default of any of its obligations under the agreement and fails to remedy such breach or default within 30 days upon receipt of the other party's request demanding the remedy of such breach of default or such breach is unable to remedy; or (b) the party is adjudged bankrupt, or an official receiver is appointed with regard to such party, or a petition is filed seeking winding-up or reorganization of such party and such petition has not been dismissed within 90 days, the other party may terminate this Agreement by serving a written notice of its intention to terminate this Agreement on the defaulting party with immediate effect. ^{3/}

- Remark: 1/ In accordance with key terms of the Licensing Agreement between VGI and the Company, VGI agrees and acknowledges that the Company can operate Turtle Shop on BTS Skytrain stations.
- 2/ In accordance with conditions on termination of the License to Operate and Manage Advertising Space Agreement between VGI and BTSC which will expire on December 4, 2029 (Source: VGI's Annual Report 2020/2021): In the event that the buildings and constructions which are the location of the skytrain stations in the Green Line Core Network (Silom Line and Sukhumvit Line with a total of 23 stations, including 7 stations of the Extensions) are damaged or destroyed, and the independent engineers who are recognized by both parties are of the opinion that the buildings and buildings cannot be repaired within the reasonable period. The Company informs that such consideration shall be conducted on each station.
- 3/ License to Operate and Manage Advertising Space Agreement between VGI and BTSC which will expire on December 4, 2029 (Source: VGI's Annual Report 2020/2021) has stipulated clause regarding the ownership of assets as follows: Upon the expiration or termination of the agreement, ownership of the facilities, installations, nameplates, display panels and commercial counters, electrical cables, electric switching panels, fences and automatic doors on the platform, and other equipment installed by VGI, including billboards, merchandising shops, only those that are attached to the premises that, if moved, will damage the premises, shall belong to the concessionaire of BTSC (as designated by BTSC). The IFA has been informed by the Company that conditions of the Licensing Agreement will be in accordance with the above conditions.

The IFA has been informed by the Company regarding the conditions on joint venture between VGI and SLV Retail Co., Ltd. which stipulated that VGI shall not operate competing convenience store on BTS Skytrain stations with Lawson 108. VGI confirms that Turtle Shop is a retail shop and is not considered as competing business with Lawson 108. Thus, it agrees to enter into the Licensing Agreement with the Company as well as Transaction 2 and Transaction 3. After the entering into the Licensing Agreement and there is an incident when other shareholders of SLV Retail Co., Ltd. protest about such agreement causing business interruption of Turtle Shop, the Board of Directors of the Company at that time shall claim for damages from VGI. However, the IFA has recommended the Board of Directors of the Company to obtain the approval from every shareholder to SLV Retail Co., Ltd. prior to the entering into the Licensing Agreement.

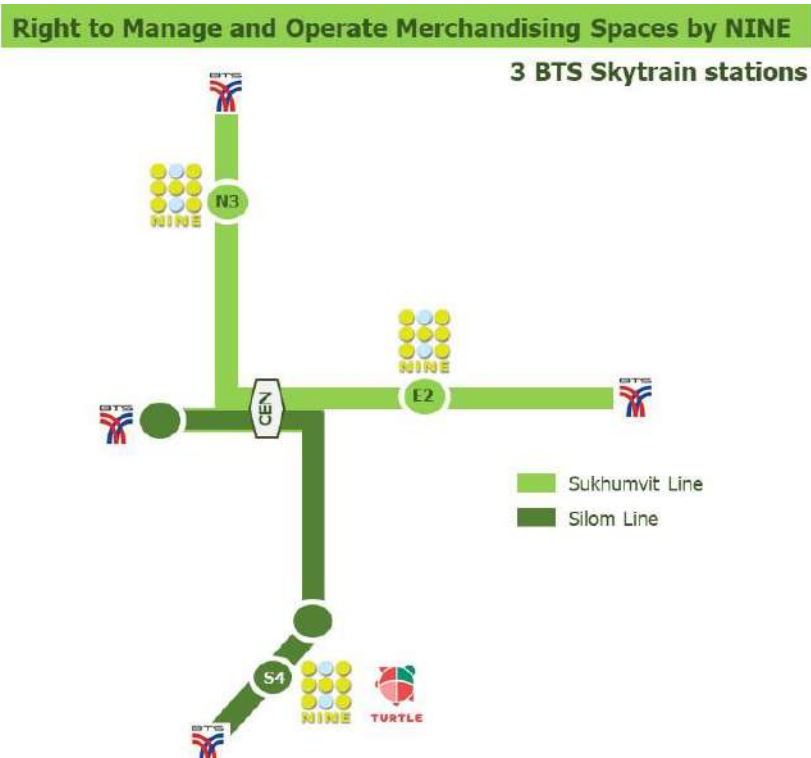
After entering into Transaction 1 and Transaction 2, the NINE Group will consequently obtain the exclusive right to manage the entire merchandising spaces on 31 BTS Skytrain stations, which consist of:

Stations	Details
(a) Partial spaces on 5 stations as follows: Ratchathewi Station (N1), Sanam Pao Station (N4), Ari Station (N5), Ratchadamri Station (S1), and Phra Khanong Station (E8)	These spaces are operated by GW under Transaction 2.
(b) 3 stations as follows: Victory Monument Station (N3), Saint Louis Station (S4), and Phloen Chit Station (E2)	These spaces are currently operated by the Company under the licensing agreement with VGI dated November 1, 2021. VGI and the Company agree to terminate such agreement and incorporate the rights on such spaces into the Licensing Agreement.
(c) Remaining spaces on 5 stations under (a) and the other 23 stations, namely Siam Station (CEN), National Stadium Station (W1), Phaya Thai Station (N2), Saphan Khwai Station (N7), Mo Chit Station (N8), Sala Daeng Station (S2), Chong Nonsi Station (S3), Surasak Station (S5), Saphan Taksin Station (S6), Krung Thon Buri Station (S7), Wongwian Yai Station (S8), Chit Lom Station (E1), Nana Station (E3), Asok Station (E4), Phrom Phong Station (E5), Thong Lo Station (E6), Ekkamai Station (E7), On Nut Station (E9), Bang Chak Station (E10), Punnawithi Station (E11), Udom Suk Station (E12), Bang Na Station (E13), and Bearing Station (E14)	These spaces will be additionally acquired under Transaction 2, whereby VGI agrees to novate its rights and obligations under all licensing agreements and service agreements with all tenants of merchandising spaces as at present (including the licensing agreement and service agreement between VGI and GW for the management and operation of partial spaces on 5 BTS Skytrain stations), together with a transfer of the deposit, advance rental fee and advance service fee that VGI has received. This will result in the Company undertaking the management and operation of the entire merchandising spaces on the total of 31 stations throughout the BTS Skytrain routes.
A total of 31 BTS Skytrain stations, comprising of (1) 24 stations of the Green Line Core Network and (2) 7 stations of the Green Line Extension	

1.5 Details of the Assets to Be Acquired

The Company will obtain the exclusive right from VGI on 31 BTS Skytrain stations for the management and operation of merchandising spaces for rent and for the management and operation of the Company's Turtle Shop, including other rights under the terms and conditions of such agreement, as per the details in Transaction 1, Part 1, Clause 1.4 of this report.

Overview of the Right to Manage and Operate Merchandising Spaces of the Company prior to the Entering into Transaction 1 and Transaction 2



1.5.1 Details of 31 BTS Skytrain stations under the Licensing Agreement

31 BTS Skytrain stations according to the Licensing Agreement comprise of (1) 24 stations along the Green Line Core Network, Silom Line and Sukhumvit Line, and (2) 7 stations along the Green Line Extension, Silom Line and Sukhumvit Line, totaling 31 stations, whereby

- Bangkok Mass Transit System PCL. (BTSC) has been granted the concession to build and operate the Main Bangkok Mass Transit System (Main BTS Skytrain) from Bangkok Metropolitan Administration (BMA) for a term of 30 years, ended December 4, 2029;
- VGI obtains the exclusive right from BTSC **to manage the advertising spaces and the merchandising spaces** on 24 stations of the core BTS Skytrain network under the agreement for the core BTS Skytrain between VGI and BTSC for the period from May 18, 2012 to December 4, 2029;
- VGI additionally obtains the exclusive right from BTSC **to manage the advertising spaces and the merchandising spaces** on 7 stations of the BTS Skytrain Extension under the agreement between VGI and BTSC and BMA for the period from May 6, 2015 to December 4, 2029 (after the conclusion of Transaction 1, VGI will continue to operate the advertising space on the 24 stations of the core BTS skytrain network as well as an additional 7 stations on the extension network, for a total of 31 stations).
- VGI grants **the right to rent out the merchandising spaces** (excluding advertising spaces) on 24 stations of the core BTS Skytrain network and 7 stations of the BTS Skytrain Extension, making 31 stations in total, to the Company under the Licensing Agreement in Transaction 1.

Overview of the Right to Manage and Operate Merchandising Spaces of the Company after the Entering into Transaction 1 and Transaction 2



Overview of Each Station of the BTS Skytrain

Stations	Leasable Spaces (sq.m.) ^{1/}	2021 Average Daily Eyeballs	Stations	Leasable Spaces (sq.m.) ^{1/}	2021 Average Daily Eyeballs
1. Siam Station (CEN)	271.0	33,988	17. Ratchadamri Station (S1)	268.3	2,742
2. National Stadium Station (W1)	374.4	6,731	18. Sala Daeng Station (S2)	205.0	16,882
3. Chit Lom Station (E1)	346.3	16,574	19. Chong Nonsi Station (S3)	269.4	14,424
4. Phloen Chit Station (E2)	236.3	12,821	20. Saint Louis Station (S4)	219.0	3,707
5. Nana Station (E3)	211.0	6,030	21. Surasak Station (S5)	213.0	6,542
6. Asok Station (E4)	197.8	30,477	22. Saphan Taksin Station (S6)	94.0	8,404
7. Phrom Phong Station (E5)	461.5	19,588	23. Krung Thon Buri Station (S7)	278.3	7,600
8. Thong Lo Station (E6)	310.5	11,152	24. Wongwian Yai Station (S8)	275.8	8,462
9. Ekkamai Station (E7)	205.0	11,111	25. Ratchathewi Station (N1)	228.3	6,531
10. Phra Khanong Station (E8)	236.3	9,816	26. Phaya Thai Station (N2)	445.8	13,672
11. On Nut Station (E9)	216.0	22,484	27. Victory Monument Station (N3)	200.0	21,685
12. Bang Chak Station (E10)	285.4	7,781	28. Sanam Pao Station (N4)	310.6	3,223
13. Punnaithi Station (E11)	273.4	8,494	29. Ari Station (N5)	283.0	11,033
14. Udom Suk Station (E12)	274.0	16,699	30. Saphan Khwai Station (N7)	310.0	7,398
15. Bang Na Station (E13)	229.5	6,680	31. Mo Chit Station (N8)	400.0	28,366
16. Bearing Station (E14)	265.2	14,924	Total of 31 stations	8,394.1	396,384

Source: Annex to the draft Licensing Agreement

Remark: 1/ Excluding the spaces where Turtle Shop will be located which is currently a pedestrian area and is not available for rent.

The areas on the BTS Skytrain stations are divided into (a) Paid Zone where passengers pay the fares to enter the platforms and the trains and (b) Unpaid Zone which is outside of the Paid Zone.

1.5.2 The Company's business and business plan

The Company plans to manage and operate the merchandising spaces on 31 BTS Skytrain stations, by dividing the spaces for operation of two business lines: (a) retail business under the "Turtle" brand or "Turtle Shop" which includes Turtle vending machines, and (b) merchandising space lease business, which includes provision of designing/decoration/construction services for the tenants' occupied spaces (stores), the details of which are as follows:

(a) Retail business

The Company will allocate part of the merchandising spaces on each station for the operation of retail business under the "Turtle" brand or "Turtle Shop", covering a standard area of 220 square meters (depending on the spaces of each station). The shop will be located in the Paid Zone of the BTS Skytrain station, aiming to provide the BTS users with rapidity and convenience in selecting and buying merchandise. The Company will operate the retail operation on all 31 stations on its own.



Turtle Shop will feature groceries zone, food and beverages zone, Turtle Coffee zone, Turtle Tea zone, and Turtle vending machines that will be placed at various spots of the station platforms.¹² The Company will procure products from retailers, wholesalers, and manufacturers that are well-known and of national standards and will also offer attractive consignment products in market demand such as After You desserts, Xiaomi gadgets, and others.

Turtle Shop will initially be opened at 3 stations. The first shop already made its debut at Saint Louis Station on December 28, 2021, while the other 2 shops (Phloen Chit Station and Victory Monument Station) are currently under the construction and scheduled for opening by Q2/2022. In addition, the Company intends to commence construction of shops on 2 stations per month starting August 2022 and expects to complete the construction on all 31 stations within 2023.

Marketing policy

At the initial stage, the Company will focus on Thai customers, users of Rabbit Card, Rabbit Application and LINE Pay, and members of Rabbit Rewards in order to promptly build brand awareness through promotion campaigns on online channels, for example, offering of product discount in Turtle Shop with Rabbit Rewards points, arrangement of promotion programs at the point of sale, offering of

¹² For example, on Saint Louis Station, there are 2 vending machines in each of 4 distinct locations on the platform, totaling 8 vending machines.

specialty-priced products based on their life cycle, and arrangement of sample taste-testing activities, which help to build good relations and increase positive buying experiences among customers.

In addition, the Company will select brands for the merchandising spaces that promote the retail ecosystem so as to provide customers with a one-stop shopping venue and a shopping experience in this new style of retail spaces.

(b) Merchandising space lease business

This consists of (a) rent of merchandising spaces on 31 BTS Skytrain stations with a total leasable area of approximately 8,394.10 square meters (as of the end of 2021) (excluding partial spaces to be used for the construction of Turtle Shop which currently are walkway and are not available for rent) and (b) designing of layout and product display, decoration, and construction services for tenants' occupied spaces (stores). The merchandising space lease business will be operated by GW on partial spaces of 5 stations (comprising Ratchathewi Station (N1), Sanam Pao Station (N4), Ari Station (N5), Ratchadamri Station (S1), and Phra Khanong Station (E8)), and will be operated by the Company on the remaining spaces of these 5 stations and the entire leasable spaces on the other 26 stations.

Form of merchandising space lease on BTS Skytrain stations

- VGI undertakes and is responsible for the investment in installation of booths and utility systems (electricity and water supply) on 31 stations for the spaces currently rent out to tenants. Meanwhile, the Company undertakes and is responsible for the investment in installation of booths and utility systems on 31 stations for the spaces that can be additionally rented out.
- The Company undertakes and is responsible for the repair and maintenance of utility systems on the licensed spaces of 31 stations.
- The Company undertakes the management and operation, acquisition of tenants, rent of the spaces, and provision of designing/decoration/construction services for the tenants' occupied spaces (stores) (as the case may be). The Company will select the tenants who have the capability and standard of delivering products and services that could respond to the lifestyles of BTS passengers and nearby communities, having a new goal of creating the Skytrain Station lifestyle.
- Tenants are responsible for interior and exterior (if any) store decoration, subject to prior approval from the Company and VGI, and also pay their public utility fees as actually used.

1.6 Total Value of Assets to be Acquired, Payment of the Consideration, Criteria for Calculation of Total Value of Assets to be Acquired and Value of Consideration

1.6.1 Total value of assets to be acquired

Total value of the Licensing Agreement Transaction is approximately Baht 3,985.93 million, comprising of (a) license fee under the Licensing Agreement of approximately Baht 2,665.93 million, (b) investment in the construction of additional 28 branches of Turtle Shop at the amount not exceeding Baht 1,120 million (inclusive of VAT), and (c) budget for renovation of existing shops as well as landscape modification and new construction as deem appropriate for the contracted BTS Skytrain stations at the amount not exceeding Baht 200 million (inclusive of VAT).

1.6.2 Payment of the consideration

The Company will pay the consideration for the Licensing Agreement Transaction of approximately Baht 2,665.93 million¹³ to VGI on a quarterly basis as set out in the Licensing Agreement, as per the details in Transaction 1 - Part 1, Clause 1.4 of this report.

Construction of additional 28 branches of Turtle Shop at the amount not exceeding Baht 1,120 million (inclusive of VAT) and budget for renovation of existing shops as well as landscape modification and new construction as deem appropriate for the contracted BTS Skytrain stations at the amount not exceeding Baht 200 million (inclusive of VAT) shall be paid on installment on the actual basis.

1.6.3 Criteria for calculation of total value of assets to be acquired and value of consideration

The total value of consideration for the Licensing Agreement Transaction has been determined through the negotiation and mutual agreement between the Company and VGI, based on the rental rate obtained by VGI from the management and operation of merchandising spaces on the BTS Skytrain

¹³ The actual value depends on the remaining term of the agreement as of the date of entering into the transaction and actual ridership, calculated with the following formula: "Baht 0.7516 x quarterly ridership number on the contracted BTS Skytrain stations by counting both boarding passengers and alighting passengers (Eyeballs)"

stations and the ridership number of boarding and alighting passengers in the BTS Skytrain stations in the past.

License fee according to the Licensing Agreement is equal to “0.7516 x quarterly ridership number on the contracted BTS Skytrain stations by counting both boarding passengers and alighting passengers (Eyeballs)”. In calculating the license fee of Baht 2,665.93 million, the Company has based on highest historical average eyeballs of 31 BTS Skytrain stations of 2019, which is the year when there were the highest eyeballs *(by considering the highest daily average eyeballs in the past 7 years (annualized) from 2015 to 2021, which was equal to 1,295,710 * 365 days * term of the Licensing Agreement (7 years and 5 months))*.

1.7 Calculation of Transaction Size

Asset acquisition transaction

Criteria for Calculation of Transaction Size	Calculation Formula	Transaction Size
1. Net tangible asset (NTA) criteria	Not applicable because the asset to be acquired is not an ordinary share	-
2. Net profit criteria	Not applicable because the asset to be acquired is not an ordinary share	-
3. Total value of consideration criteria	= Baht 3,985.93 million ^{1/} / Baht 501.77 million ^{2/}	794.37%
4. Total value of securities criteria	Not applicable because there is no issuance of new securities as consideration of assets to be acquired	-
Highest criteria: total value of consideration (Transaction 1)		794.37%
Highest transaction size of 2 transactions based on total value of consideration criteria (Transaction 2: 21.92%)		816.29%

Remark:

- 1/ The Company estimated that the consideration for the Licensing Agreement Transaction will be approximately Baht 2,665.93 million, plus investment in 28 additional branches of Turtle Shop of approximately Baht 1,120 million (inclusive of VAT), budget for the renovation of existing shops, including landscape modification and new construction, as deem appropriate for the merchandising spaces on BTS Skytrain stations under the Licensing Agreement at the amount not exceeding Baht 200 million (inclusive of VAT), totaling Baht 3,985.93 million (inclusive of VAT).
- 2/ Total assets of the Company according to the audited consolidated financial statements as of December 31, 2021.

Connected transaction

Criteria for Calculation of Transaction Size	Calculation Formula	Transaction Size
Net tangible assets (NTA) criteria	= Baht 2,665.93 million / Baht 229.19 million ^{1/}	1,163.17%
Total transaction size of 3 connected transactions (Transaction 2: 9.60% and Transaction 3: 1,327.87%)		2,545.64%

Remark:

- 1/ Net tangible assets of the Company = Total assets of Baht 501.77 million – Right to use assets of Baht 96.99 million - Net intangible assets of Baht 10.43 million - Total liabilities of Baht 165.15 million – Non-controlling interests of Baht 0.00, based on the Company's audited consolidated financial statements for the year ended December 31, 2021.

1.8 Sources of Funds for the Transaction

The Company may use its working capital which is the remaining proceeds from PP Shares Issuance and Offering Transaction and RO Shares Issuance and Offering Transaction (which is approved by the Board of Directors' meeting of the Company at this time) *(please refer to details in Transaction 3 - Part 1, Clause 1.7.2 of this report)* to pay for a part of the consideration for the Licensing Agreement. The remaining will be from cash flow from its operation, which is expected to be sufficient for the payment under the Licensing Agreement because such consideration will not be paid in one lump sum but will be paid on a quarterly basis over a period of approximately 7 years and 5 months according to the term of the Licensing Agreement.

The Company shall also use proceeds from the offering of shares under the PP Shares Issuance and Offering Transaction to pay for the construction of retail shops of the Company on the contracted BTS Skytrain stations and the renovation of existing shops, as well as the landscape modification and new construction as deem appropriate for the contracted stations *(please refer to details in Transaction 3 - Part 1, Clause 1.7.2 of this report)*.

It is noted that the use of such funds shall in no way affect the Company's business operations and its ability to pay dividends to the shareholders.

1.9 Conditions for the Transaction

The Licensing Agreement Transaction will take place after the Extraordinary General Meeting of Shareholders of the Company No. 1/2022, which will be held on May 10, 2022, has resolved to approve the entering into such asset acquisition and connected transaction with required affirmative votes of not less than three-fourths of the votes of the shareholders who attend the meeting and are eligible to vote, excluding shareholders with conflict of interest, and after all conditions precedent under the Licensing Agreement (*please refer to details in Transaction 1 - Part 1, Clause 1.4 of this report*) have been fulfilled or waived by the relevant parties. The Company expects that such transaction will be completed by June 2022.

Conditions precedent of the Licensing Agreement Transaction (Transaction 1)

- The agreement shall be effective on the completion date of the issuance and offering of newly issued ordinary shares of the Company to POV via private placement and the Company receives payment for the subscription of such newly issued ordinary shares from POV.

1.10 Agreements Relating to the Transaction

A summary of the draft License to Manage and Operate Merchandising Space Agreement is provided in Transaction 1 – Part 1, Clause 1.4 of this report and Clause 3 (2) of the Information Memorandum on Asset Acquisition and Connected Transactions of the Company (Enclosure No. 1), which is enclosed with the notification of the shareholders' meeting.

1.11 Connected Person and/or Shareholders with Conflict of Interest who are ineligible to Vote

There are no shareholders with conflict of interest who are ineligible to vote for Transaction 1 (Agenda 2 of the Extraordinary General Meeting of Shareholders No. 1/2022).

2. Potential Impacts from the Transaction

Impacts on shareholders (Dilution Effect)

Given that the Extraordinary General Meeting of Shareholders No. 1/2022 of the Company approves the issuance and offering of up to 1,224,000,000 newly issued ordinary shares with par value of Baht 1 per share by (a) allocating PP shares to the Sellers of GW Shares in the amount of up to 984,000,000 shares at the offering price of Baht 3.30 per share, totaling Baht 3,247,200,000; and (b) allocating newly issued ordinary shares to the existing shareholders on a pro rata basis (Rights Offering: RO) in the amount of up to 240,000,000 shares at the ratio of 1.5232 existing shares to 1 newly issued ordinary share at the offering price of Baht 3.30 per share, totaling Baht 792,000,000.00, and that the Sellers of GW Shares exercise the rights to subscribe for those PP shares in full and the existing shareholders of the Company exercise the rights to subscribe for those RO shares in full, the existing shareholders of the Company will then be faced with the dilution effects as follows:

Dilution Effects	Under the PP Shares Issuance and Offering Transaction		Under the RO Shares Issuance and Offering Transaction
	Full Subscription of RO Shares	No Subscription of RO Shares	
Price Dilution	7.65%	7.10%	(Please refer to Remark 1/)
Control Dilution	61.90%	72.91%	
Earnings Dilution	61.90%	72.91%	

Remark: 1/ In the case of unsuccessful PP Shares Issuance and Offering Transaction, the Company shall not issue its RO shares. Thus, there shall be no price dilution only in the case of no RO shares.

Details of the calculation are presented in Clause 5 of the Information Memorandum on the Issuance and Offering of Newly Issued Ordinary Shares and Connected Transaction (Enclosure No. 2) of the notification of the shareholders' meeting.

Transaction 1 - Part 2: Opinion of the Independent Financial Advisor on Reasonableness of the Asset Acquisition and Connected Transaction

In determining reasonableness of the entering into the transaction, the IFA has taken the following key factors into consideration:

1. Objective and Necessity of the Entering into the Transaction

Overview of the transaction (Transactions 1 – Transaction 3) (Please refer to additional details in Executive Summary on page 11 of this report)

The Company has, since 2002, operated the core business of publishing and distribution of pocket books and youth publications (comic and novel), which currently are available in both printed book and E-book format offered through various offline and online media. Publishing business has been significantly impacted by technology disruption and digital disruption among readers, along with behavioral changes of Thai consumers whose preferences have been increasingly shifted to digital media as well as movie watching and online media. In view of this, coupled with the COVID-19 pandemic, publishing business in Thailand has likewise been hit as bookshops located in department stores and other retail shops had to close down, leading to a faster change in readers' behaviors towards online media. In an effort to hastily adjust itself to this situation, the Company has launched promotion campaigns to stimulate its sales via online channels continuously since 2019 and could then boost sales through e-Commerce which are still not ample to generate favorable operating results for the Company. However, the Company still continue to operate business of publishing and distribution of pocket books and youth publications (comic and novel).

Therefore, deeming it necessary to diversify into other promising and lucrative businesses, the Company, in 2021, entered into the License to Manage and Operate Merchandising Space Agreement in order to obtain the right to manage and operate the merchandising spaces and for the management and operation of the Company's retail shops under the name of "Turtle Shop" located on 3 BTS Skytrain stations, namely Saint Louis Station, Phloen Chit Station, and Victory Monument Station. Its first Turtle Shop branch was opened on Saint Louis Station on December 28, 2021 and has received satisfactory response. The other 2 branches are under construction and scheduled for opening around Q2/2022.

Based on the above reasons, the Company is seeking to further develop its retail business for solid growth and to expand into merchandising space lease business on the BTS Skytrain stations so as to create more added value to the business. This led to the Company's decision to enter into Transaction 1 and Transaction 2 (including the offering of its PP shares to POV).

- 1) Licensing Agreement Transaction (Transaction 1) whereby the Company will enter into the License to Manage and Operate Merchandising Space Agreement in order to obtain the right from VGI to manage and operate the spaces for the Company's retail business and/or rent the merchandising spaces on 31 BTS Skytrain stations; and
- 2) GW Shares Acquisition Transaction (Transaction 2) whereby the Company will invest in all ordinary shares of GW, which operates the main business of management, operation, and rent of partial merchandising spaces located on 5 BTS Skytrain stations, including the lease agreement for management of merchandising spaces located at 3 piers along Saen Saep Canal.

For the entering into Transaction 1 and Transaction 2, the Company will have to raise funds for the payments to VGI and the Sellers of GW Shares, while VGI wishes to become a shareholder and a controlling person in the Company. As a consequence, the Company will enter into the PP Shares Issuance and Offering Transaction, which includes the PP Shares Issuance and Offering to POV Transaction (Transaction 3), on the same occasion as Transaction 1 and Transaction 2. Therefore, the entering into these 3 transactions, which are conditional upon each other, will increase the overall capability in expansion to the merchandising space management business and the retail business on BTS Skytrain stations on a comprehensive basis, which will ensure continuous growth of the Company.

By entering into the Licensing Agreement Transaction (Transaction 1) and the PP Shares Issuance and Offering to POV Transaction (Transaction 3), the Company will obtain the exclusive right to manage and operate the merchandising spaces on 24 stations of the Green Line Core Network and 7 stations of the Extensions, or a total of 31 continuous stations (including partial spaces on 5 stations of GW under Transaction 2 and 3 stations under the existing agreement of the Company) throughout the term of the concession for the BTS Skytrain. The Company will also be granted the right of first refusal for extension of such right and will obtain the right to manage and operate the merchandising spaces

on the BTS Skytrain stations in respect of the additional right to be granted to VGI by BTSC or its subsidiary in the future.

At the same time, the entering into the GW Shares Acquisition Transaction (Transaction 2) will enable the Company to undertake the comprehensive management and operation of merchandising spaces on all 31 stations and enhance its capability in the merchandising space management business.

2. Comparison of Advantages and Disadvantages of the Transaction

2.1 Advantages and Benefits of the Transaction

(1) The transaction aligns with the overall business plan of the Company, which will lead to continuous growth, enhancement of long-term business potential, and creation of added value to the Company.

According to the Company's business plan described in Transaction 1 - Part 2, Clause 1 above, the entering into the Licensing Agreement Transaction is an investment that aligns with and supports such business plan. It will enable the Company to receive a stream of stable cash flow, EBITDA, and income in the long term and return from such investment throughout the term of the Licensing Agreement (*based on historical revenue from rent that VGI received from the lease of merchandising space on 31 BTS Skytrain stations and the estimated future revenue from retail business and merchandising space lease business, by which the operating performance depends on management capability of the Company*), thus leading to continuous growth, enhancement of long-term business potential (for at least approximately 7 years and 5 months according to the term of the Licensing Agreement (if the investment is completed by June 2022), which could be a foundation for future business expansion of the Company), and creation of added value to the Company. Moreover, it will help to reduce the Company's retained loss (which amounted to Baht 381.91 million and Baht 398.59 million as of December 31, 2021 as recorded in its consolidated financial statements and separate financial statements respectively).

If BTSC's concession for the BTS Skytrain operation (which will expire on December 4, 2029) is renewed, VGI will likely obtain the right to manage the advertising spaces and rent out the merchandising spaces on those 31 stations according to the extended term of the concession of BTSC. As such, the Company can exercise the right of first refusal to extend the term under the Licensing Agreement and will thereby continue to generate recurring income during the extended term of such agreement.

However, upon the expiration of the Licensing Agreement on December 4, 2029 without agreement renewal, the Company will still have time to acquire new businesses and will have adequate capital available for further investment in other businesses.

(2) The Company can build upon and expand investment in the retail business and the merchandising space management business, which will create economies of scale and mitigate potential risk from sole reliance on revenue from the publishing business.

From its nature of business and revenue structure since 2018, the Company generates major income solely from the publishing business, which accounted for 84.85%, 85.41%, 92.04%, and 82.58% in 2018 - 2021 respectively. The publishing business inevitably requires the management of changing consumer behaviors, triggered partly by the technology disruption and partly by the COVID-19 outbreak. The attempt to stimulate sales via online channels continuously from 2019 onwards is still insufficient to generate favorable operating results for the Company.

On November 1, 2021, the Company was granted the right to manage and operate the merchandising spaces on 3 BTS Skytrain stations from VGI. The Company has allocated partial spaces for its retail business operation and will rent out the remaining spaces, which will gradually generate income for the Company. Its first Turtle Shop was opened on Saint Louis BTS Station on December 28, 2021. The other 2 branches, on Phloen Chit Station and Victory Monument Station, are scheduled for opening around Q2/2022. The shop design and layout at these 3 BTS stations will be the same.

Therefore, the Licensing Agreement Transaction will enable the Company to build upon the retail business and the merchandising space management business on the BTS Skytrain stations from the original 3 stations, whereby the Company will obtain the exclusive right to manage and operate the entire merchandising spaces on 31 continuous stations of the Green Line Core Network and the Green Line Extension (including partial spaces on 5 stations of GW under Transaction 2), which are a group of stations that start in the center and CBD areas of Bangkok, throughout the term of the concession of BTSC. As for the opening of Turtle Shop branches on the rest 28 stations under the Company's business plan, the shops will have the same design and layout as those of the first 3 branches, with

adjustment to shop size to fit with the spaces on each station. The Company will then benefit from economies of scale from management of investment budget for all Turtle Shops with similar design, joint management of inventory of Turtle Shop, use of the same product management system, and the same management team and supporting team.

In addition, the Company will generate recurring income from the said expansion of retail business and merchandising space management business, which will help to mitigate potential risk from sole reliance on revenue from the publishing business.

(3) This is an investment in the business that will instantly generate income and the Company will benefit from taking over the existing tenants on the BTS Skytrain stations from VGI without having to incur any debt.

After the entering into Transaction 1: Licensing Agreement Transaction, the Company will separate the space management on 31 stations into (a) merchandising spaces for rent and (b) spaces for operation of Turtle Shop. The Company will take over the right as lessor of the entire commercial spaces from VGI (which shall include the licensing agreement and the memorandum of agreement on granting of right to use service areas between VGI and GW in respect of partial spaces on 5 BTS Skytrain stations), together with a transfer of the deposit, advance rental fee, and advance service fee that VGI has received.

Based on the information as of January 2022, rental fee from other tenants (excluding the right to use spaces of GW on 5 stations and right of the Company on 3 stations) was approximately Baht 14.47 million per month, generating from a total area of approximately 3,878.75 square meters, accounting for roughly 46.21% of the total merchandising spaces, thereby enabling the Company to instantly recognize income from the lease of space. The major tenants include department stores with direct access to BTS Skytrain stations, commercial banks (ATM/ADM, etc.), dessert and beverage shops, and a variety of merchandise stores. However, such information is subjected to change depending on the total number of tenants as of the completion date of the Licensing Agreement Transaction.

Thus, the entering into Transaction 1 is an investment that will instantly generate income, whereby the Company will benefit from taking over the existing tenants on the BTS Skytrain stations from VGI without incurring any financial cost and will accordingly receive a favorable return from such investment.

(4) The Company will obtain the right to manage and operate the entire merchandising spaces on a total of 31 stations of the Green Line Core Network and the Green Line Extension for the remaining term of the concession of BTSC, which is the right not easily acquired.

The rights to space management in all mass transit systems are obtained under a concession granted by the concerned state agencies. Currently, the large rail transit systems already in operation are as follows:

	Rail Mass Transit System
BTSC	<ul style="list-style-type: none"> ▪ Green Line Core Network and Green Line Extension, serving a total of 60 stations with covering a total 68 kilometers <ol style="list-style-type: none"> (1) Main BTS Skytrain system, comprising of Sukhumvit Line (Mo Chit Station – On Nut Station) and Silom Line (National Stadium Station – Taksin Station) with 23 stations opened on December 5, 1999, and Silom Line, Saint Louis Station, opened on February 8, 2021, making up a total of 24 stations (2) Green Line Extension, comprising of Silom Line (Krung Thon Buri Station – Wongwian Yai Station) with 2 stations opened on May 15, 2009, and Sukhumvit Line (Bang Chak Station – Bearing Station) with 5 stations opened on August 12, 2011, making up a total of 7 stations (Transaction 1: Licensing Agreement Transaction covers only 31 stations as in (1) and (2) above.) (3) Green Line Extension 1, comprising of Silom Line (Krung Thon Buri Station – Wongwian Yai Station with 2 stations opened on May 15, 2009, and Pho Nimit Station – Bang Wa Station with 4 stations opened in 2013) with a total of 6 stations, and Sukhumvit Line (Bang Chak Station – Bearing Station) with 5 stations opened on August 12, 2011, making up a total of 11 stations (4) Green Line Extension 2, comprising of Northern Extension (Ha Yaek Lat Phrao Station - Khu Khot Station) with 16 stations opened in 2019 - 2020, and Southern Extension (Samrong Station – Kheha Station) with 9 stations opened in 2017 - 2018, making up a total of 25 stations ▪ Gold Line Phase 1 (Krung Thon Buri Station - Khlong San Station) with 3 stations opened on December 16, 2021 ▪ Pink Line Monorail (Nonthaburi Civic Center Station – Min Buri Station) and Yellow Line Monorail (Lat Phrao Station – Samrong Station) scheduled for opening in 2022
Bangkok Expressway and Metro PCL.	<ul style="list-style-type: none"> • MRT Chaloe Ratchamongkhon Line (Blue Line: Tha Phra – Thailand Cultural Center – Lak Song) with a total length of 47 kilometers, serving 38 stations, opened in 2004 and the Extension opened in 2019 • MRT Chalong Ratchatham Line (Northern Purple Line: Khlong Bang Phai – Tao Poon) with a total length of 23 kilometers, serving 16 stations, opened in 2016
Asia Erawan Co., Ltd.	<ul style="list-style-type: none"> • Airport Rail Link (Suvarnabhumi – Phayathai) with a total length of 28 kilometers, serving 8 stations, opened in 2010

Rail Mass Transit System	
S.R.T. Electrified Train Co., Ltd.	<ul style="list-style-type: none"> • SRT Dark Red Line suburban railway (Bang Sue Grand Station – Rangsit) with a total length of 22 kilometers, serving 9 stations (excluding Bang Sue Grand Station), opened in 2021 • SRT Light Red Line suburban railway (Bang Sue Grand Station – Taling Chan) with a total length of 9 kilometers, serving 3 stations (excluding Bang Sue Grand Station), opened in 2021

Source: www.wikipedia.org

Therefore, by entering into Transaction 1, the Company will obtain the exclusive right to manage and operate the entire merchandising spaces on 31 stations of the Green Line Core Network and the Green Line Extension for the remaining term of the concession of BTSC, which is the right not easily acquired and limited to only the rail transit system in operation.

(5) This will propel growth in the retail business in potential locations since it can access/offer products to a large number of boarding-alighting passengers (eyeballs).

Aside from the space management and operation on the BTS Skytrain stations by leasing the merchandising spaces to various stores, the Company will allocate partial spaces on each station for the operation of retail business under the "Turtle Shop", covering a standard area of approximately 220 square meters (depending on the spaces of each station). The shop will be located in the Paid Zone (central zone of the ticketing level at the entrance/exit to/from the platform where all boarding and alighting passengers must pass by and will be attracted by product advertising signs to visit the shop). Turtle Shop will feature groceries zone, food zone, Turtle Coffee zone, Turtle Tea zone, Turtle vending machines, particularly focusing on food and beverage service for BTS Skytrain passengers. The first shop already made its debut at Saint Louis Station on December 28, 2021, while all other branches will be gradually constructed on other respective stations and are scheduled for completion by 2023¹⁴ (the construction of each branch takes approximately 3 months).

The BTS Skytrain network is a large mass transit system constituting 41.10% of the total length of the electric train system in Bangkok and its vicinities. The network's overall ridership is as follows:

Green Line Core Network (24 Stations)	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Ridership (million passenger trips)	218.7	232.5	238.0	241.2	241.0	236.9	124.9
Growth rate (%)	1.9	6.3	2.4	1.3	(0.1)	(1.7)	(47.3)
Average ridership per working day (passenger trips)	673,162	720,155	735,081	743,681	744,513	735,385	408,341
Growth rate (%)	2.5	7.0	2.1	1.2	0.1	(1.2)	(44.5)

Source: Annual Report 2020-21 (Form 56-1 One Report) of BTSG (the period of April to March of the following year)

The eyeballs of 31 stations, according to the information obtained from the Company, is as shown below:

Eyeballs	Unit	2015	2016	2017	2018	2019	2020	2021
No. of eyeballs of 31 BTS stations ^{1/}	(Million passenger trips)	454.88	465.47	467.27	461.83	472.89	272.11	144.21

Remark: 1/ Saint Louis Station was opened in February 2021.

According to the number of eyeballs in the BTS Skytrain network, coupled with the location of each station which is close to CBD areas in inner Bangkok and surrounding areas, residential zones and office buildings in the heart of Bangkok, Turtle Shop can have easy access to end-users. Therefore, the entering into Transaction 1 will propel growth in the retail business in potential locations since it can access/offer products to a large number of boarding-alighting passengers (eyeballs).

(6) It is the investment in the business that will not incur any interest expense/financial cost from fund raising.

For the investment in retail business and merchandising space management business, the Company will use proceeds from capital increase via private placement and cash flow from its operation, thus incurring no interest expense/financial cost.

At present, the Company has no term loan from financial institution (except a guarantee line). The Company still incurs retained loss amounting to Baht 381.91 million as of the end of 2021, thus hindering it from obtaining loan approval. If it otherwise receives loans from financial institutions, it will likely be subjected to an interest rate higher than MLR. The average MLR of 4 large banks (Krungthai Bank, Bangkok Bank, Kasikornbank, and Siam Commercial Bank) as of March 15, 2022 stood at 5.305% p.a.

¹⁴ The Company may review the area/construction at some small stations such as Saphan Taksin Station.

2.2 Disadvantages and Risks of the Transaction

(1) The Company's shareholders will be affected by control dilution and price dilution.

Source of fund for the entering into Transaction 1 (Licensing Agreement Transaction), Transaction 2 (GW Shares Acquisition Transaction), and the investment relating to Transaction 1 and Transaction 2 will mainly come from proceeds from the issuance and offering of PP shares of the Company, except for payment of the license fee to VGI on a quarterly basis which will partly come from cash flow from operation of the Company. *(Please refer to more details in Transaction 3 - Part 1, Clause 1.7.2 of this report and the Information Memorandum on the Issuance and Offering of Newly Issued Ordinary Shares and Connected Transaction of the Company (Enclosure No. 2) enclosed with the notification of the shareholders' meeting)*

As such, the issuance and offering of PP shares to POV and the other 2 Sellers of GW Shares will result in an increase in number of ordinary shares, which will cause control dilution, price dilution, and earning dilution effects on the Company's shareholders.

Please refer to more details in Transaction 1 - Part 1, Clause 2 of this report. Details of such calculation are provided in the Information Memorandum on the Issuance and Offering of Newly Issued Ordinary Shares and Connected Transaction of the Company (Enclosure No. 2) enclosed with the notification of the shareholders' meeting.

(2) The unclear in-depth information on the expansion of Turtle Shop may affect the expected return on investment.

The Company will use the pattern of the first branch of Turtle Shop on Saint Louis BTS Station as a prototype (pilot branch) for the investment in Turtle Shop expansion since it was duly approved by BTSC with respect to the shop plan, location, and construction area of 220 square meters (the area differing from this size is subjected to BTSC's approval which takes approximately 2 – 4 weeks).

In making additional investment in the shops on 28 stations, the Company preliminarily has only information on the budget, the standard layout according to the plan of Turtle Shop on Saint Louis Station, and the construction plan with station names specified therein. It will construct 1 - 2 shops per month. Construction of one shop will take approximately 3 months. However, the Company has not yet considered the in-depth information or operational plan, nor analyzed investment worthiness of each shop, considering the variation in number of eyeballs of each station and the difference in shop size. Moreover, in the central area of the station where Turtle Shop will be located, a part of the spaces may currently be rented or occupied by other tenants and some spaces belong to GW while some spaces are the station's storage room and BTSC's staff room. The Company must therefore negotiate with those tenants to relocate their occupied spaces, determine new spaces for GW and/or move the storage room and staff room and must finish all these before commencing construction of its Turtle Shop.

As a result, such unclear in-depth information on the plan may affect expected return on investment. Some stations may not be worthwhile for investment, for example, Taksin Station which is a small station with limitations of usable area, Sanam Pao Station and Ratchadamri Stations which have a small number of eyeballs, etc. However, if the Company decides not to invest in some shops that are not worthwhile for investment and/or are less lucrative compared with the shops on other stations, this may more positively impact the total return of its retail business when compared with the decision to make a lump sum investment in the shops on all 31 stations. After all, the conditions in the draft of the Key Terms of the Licensing Agreement do not stipulate that the Company must open Turtle Shop on all stations.

(3) If the concession between BTSC and BMA expires and is not renewed, the Company will generate income from the Licensing Agreement for the remaining period of 7 years and 5 months only and must acquire a new business to compensate for revenue from the advertising space management and merchandising space lease business.

The Licensing Agreement will expire on December 4, 2029 together with the expiration of (a) the right to manage advertising spaces and merchandising spaces obtained by VGI from BTSC and (b) the concession to operate the main Bangkok Mass Transit System (Main BTS Skytrain) obtained by BTSC from Bangkok Metropolitan Administration (BMA).

Therefore, given that the concession between BTSC and BMA expires and is not renewed, the Company will generate income from the Licensing Agreement for the remaining period of 7 years and 5 months only and must acquire a new business to compensate for revenue from the advertising space management and merchandising space lease business.

(4) The Company has no experience in the management and operation of merchandising spaces on the BTS Skytrain stations.

The Company has engaged in the publishing business since 2002. Meanwhile, in entering into the Licensing Agreement Transaction, the Company will have to manage and operate merchandising spaces on as many as 31 BTS Skytrain stations with a total leasable area of 8,394.1 square meters during a limited term of the agreement. Since none of its executives and staff members have direct experience in this business, they will need time to adjust themselves and/or may make an erroneous or inaccurate evaluation, which could affect the Company's performance.

However, to mitigate the potential impact, (a) the Company has negotiated with the executives of GW to assist in the management and operation of merchandising spaces on 31 BTS Skytrain stations and will invest in GW in order to acquire the latter's executives and team as part of the NINE Group and have a team of staff ready to further drive the Company's business. The executives of GW have experience in developing marketing models on BTS Skytrain stations as well as creating the selling point of HIW HUB Project, which can be used to further applied to commercial space management business. Sliver and WX shall arrange for the key executive, Mr. Kant Sombatsiri, to serve as the executive and director of GW for the Company without resigning or breaching the employment contract in a way that results in termination of the employment contract with GW throughout the period from the date of signing this Agreement to the date of completion of 2 years from the closing date of the transaction; and (b) for its retail business, the Company has appointed executives and team of staff with experience in leading retail business to work with the Company. The main executives comprise of Chief Executive Officer (started on May 5, 2021), Chief Commercial Officer (started on October 18, 2021), and Chief Operating Office (started February 1, 2022). Such 3 executives have direct and extensive knowledge and experience in their respective line of retail business and shall be able to drive the retail business and merchandising space management business of the Company. However, if there is any change in the future, the Company can also appoint additional staffs to support the operation.

(5) The Company will lose the opportunity to reap the benefit from the number of passengers returning to the pre-COVID-19 level.

Based on the statistics of number of passengers of the Green Line BTS System and growth rate over the past 7 years (as per the details in Transaction 1 - Part 2, Clause 2.1 (5) of this report), the number of passengers has constantly risen to the highest level in 2019 and then dropped dramatically in 2020 - 2021 to present in the wake of the COVID-19 pandemic. Apparently, the Thai economy and number of international tourist arrivals are recovering at a gradual pace. It is expected that several businesses will pick up to the pre-COVID-19 pandemic level by 2024 - 2025 onwards.¹⁵

Therefore, by entering into the Licensing Agreement Transaction (Transaction 1) and the GW Shares Acquisition Transaction (Transaction 2), the Company will lose the opportunity to reap the benefit from the number of passengers returning to the pre-COVID-19 level for a few years, which is around 2022 - 2024.

(6) The Licensing Agreement shall cover every and all 31 stations along the BTS Skytrain routes whereby the Company has no right to choose to operate only on any specific stations.

Though there are the variations in number of eyeballs of each station, the Company is unable to select only the desired stations or the stations with a considerable number of eyeballs when entering into the Licensing Agreement that cover the whole 31 stations, which is a condition interrelating with the subscription for PP shares by POV.

Nonetheless, the license fee payable to VGI will vary with the number of eyeballs of all 31 stations and is calculated with the following formula, "Baht 0.7516 x quarterly ridership number on the contracted BTS Skytrain stations by counting both boarding passengers and alighting passengers (Eyeballs)", thus being based upon the actual number of passengers in each quarter. As such, the Company needs to achieve the average revenue per person that surpasses the license fee plus selling and administrative expenses and other expenses under its cost structure.

¹⁵ Analysis based on report from Business Research Department, the Export-Import Bank of Thailand dated June 1, 2021, noting that the Chinese tourist industry tends to recover slowly...putting pressure on global tourism. As a consequence, the IFA believes that all business sectors in the tourist industry, including hotels, restaurants, land and air transportation, and practically all types of service enterprises, are part of the same supply chain and have been negatively and directly impacted since the start of 2020. As a result, they tend to recover around the same time.

(7) The Company may lose the benefit due to the unclear condition regarding the integration of GW's agreement with 5 stations into the Licensing Agreement with 31 stations.

VGI and GW mutually entered into the memorandum of agreement (MOA) under which VGI grants the right to GW to use the service areas on 5 stations (Ratchathewi Station (N1), Sanam Pao Station (N4), Ari Station (N5), Ratchadamri Station (S1), and Phra Khanong Station (E8)) for a period ended December 4, 2029, with the total consideration to be paid upfront upon the agreement taking full force and effect, which was fully paid by GW.

Pursuant to the Key Terms of the Licensing Agreement, (a) the MOA granting the right for 5 stations between VGI and GW shall be integrated into the Licensing Agreement covering 31 stations; (b) the Company shall pay a license fee to VGI equal to "Baht 0.7516 x quarterly ridership number on the contracted BTS Skytrain stations by counting both boarding passengers and alighting passengers (Eyeballs);" and (c) the licensed spaces under GW's MOA are not specified in the Key Terms of the Licensing Agreement.

The fee calculation as in (b) does not exclude the license fee for 5 stations in proportion to the spaces under the existing right of GW, thus causing the Company to record incremental cost in its financial statements. As regards of (c), if the licensed spaces on 5 stations under the MOA of GW are not clearly specified and separated in the Licensing Agreement, the Company will be unable to perform an impairment test for the investment in GW in the future since it cannot separate the actual licensed spaces, revenue, and cost of GW. Therefore, the Company may lose the benefit due to the unclear condition regarding the integration of the MOA of GW with 5 stations into the Licensing Agreement with 31 stations.

(8) Risks involved with business operation which may cause the project to fail to achieve the expected performance

(8.1) Risk from limitations of retail shop location

The Company's Turtle Shop will be located on internal spaces of the BTS Skytrain station which is accessible only to its passengers, thus creating various limitations that may affect the decisions to buy products in Turtle Shop, as follows:

- Food and beverages, which are among the products sold at Turtle Shop, are not allowed in the passenger zone and on board, hence, can only be taken home or eaten in-store.
- The Company may not fully benefit from sale of products during rush hours - when number of passengers is greater than other periods - due to a long queue of payment, people being in a hurry, etc.
- Passengers may opt to buy similar products available from retail shops/convenience stores close to their homes.

(8.2) Risk from competition in retail business

The main target groups of Turtle Shop are passengers of the BTS Skytrain, whereas these passengers can alternatively buy products from other retail shops/convenience stores scattered across Bangkok and its vicinities, including those near their residences/workplaces.

According to Krungsri Research's Industry Outlook 2021 - 2023: Modern Trade, dated January 29, 2021, ".....competition (in modern trade) would intensify, coming from both within and outside the industry and from new Thai and foreign entrants who will be attracted to the growth potential in the Thai retail sector. In addition, e-commerce sales are surging, so this segment will also be a greater threat. The e-commerce sector is broadly successful in meeting consumer demand and customers can now purchase a wider range of household necessities online.....".

(8.3) Risk potentially arising from self-adjustment amid the COVID-19 situation

The COVID-19 pandemic, which emerged in 2020 and has spread in subsequent waves from 2021 to present, is a catalyst for changes under the "New Normal," including changes in work model from traditionally working in office to working from home, e-meeting, or working from anywhere, along with workation. This has had a direct impact on the ridership of BTS Skytrain and other electric train systems. Besides, traveling by electric trains is more costly than other travel modes.

Therefore, the Company must seek to grow its revenue per person and introduce activities that can address demand so as to stimulate both entrepreneurs to rent the spaces and passengers to use services in merchandising areas on the stations, or must manage its cost structure more efficiently.

3. **Comparison of Advantages/Benefits and Disadvantages/Risks between Entering into the Transaction with Connected Person and the Transaction with Third Party**

3.1 **Advantages/Benefits between Entering into the Transaction with Connected Person and the Transaction with Third Party**

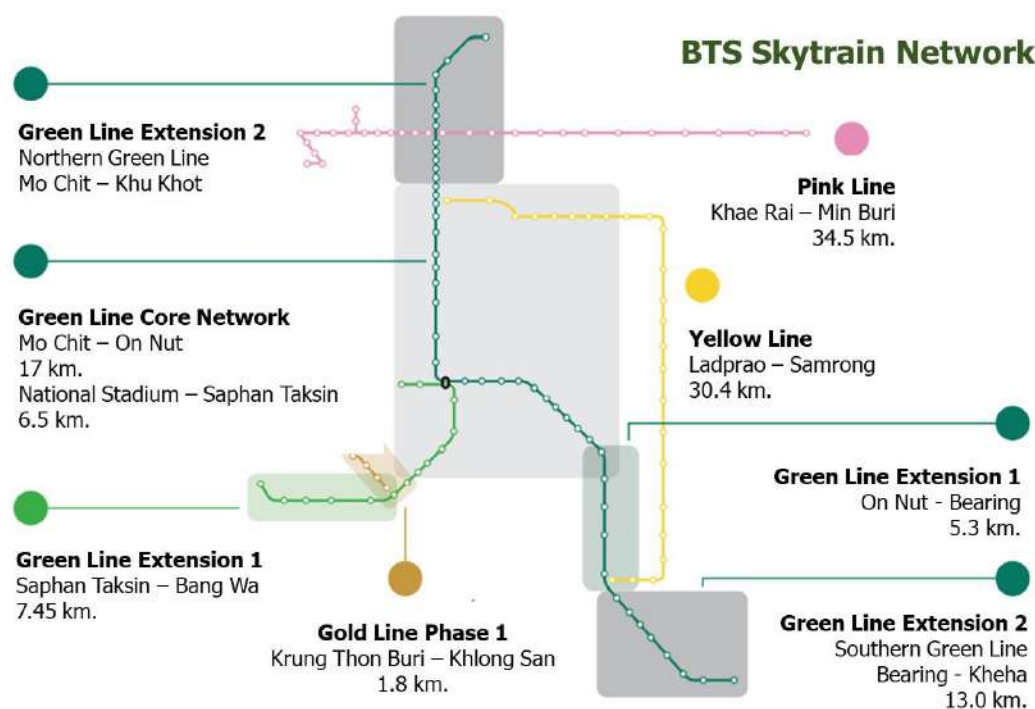
(1) VGI Group obtains the exclusive right to manage and operate merchandising spaces on 31 BTS Skytrain stations.

VGI obtains the exclusive right from BTSC to manage advertising spaces and rent out merchandising spaces on 24 stations of the BTS Skytrain Core Network and 7 stations of the Extensions, making 31 stations in total, until December 4, 2029. Thus, no other operators will have the opportunity to operate this business on such areas, unless otherwise being granted such right by VGI as in the case of the Company which has earlier obtained the exclusive right from VGI to manage and operate the merchandising spaces on 3 BTS Skytrain stations in 2021 and GW which has obtained the right from VGI to manage and operate the partial merchandising spaces on 5 stations (Transaction 2).

Therefore, with respect to the connected transactions, there are interrelated conditions between Transaction 1 and Transaction 3 that allow for the Company to obtain the exclusive right to manage and operate the merchandising spaces on those 31 BTS Skytrain stations, thus directly benefiting the Company. Besides, such right is to be specifically granted by VGI only.

(2) This helps to enhance the Company's advantages and competitiveness in the retail business and merchandising space lease business in the BTS Skytrain systems.

As described in Transaction 3 - Part 2, Clause 3.1 (1) together with the entering into Transaction 1: Licensing Agreement Transaction (which incorporate the right for 5 stations of GW into the Licensing Agreement), Transaction 2: GW Shares Acquisition Transaction (for the acquisition of GW shares from VGI only), and Transaction 3: PP Shares Issuance and Offering to POV Transaction, the Company will consequently benefit from obtaining the right from VGI to manage and operate the merchandising spaces on 31 continuous stations of the BTS Skytrain, of which the starting point is in the heart of Bangkok where ridership is the highest among all rail transit systems in Thailand at present.



Apart from the concession for the operation of the Green Line Core Network and the Extensions with a total of 31 stations, BTSC has also obtained concessions for the operation of mass transit systems on other routes, which will increase the opportunity to expand the service areas to these routes of BTSC including:

- Green Line Extension 1 (Krung Thon Buri Station – Bang Wa Station) with 4 stations and Green Line Extension 2 (Ha Yaek Lat Phrao Station – Khu Khot Station with 16 stations and Samrong Station – Kheha Station with 9 stations), making 29 stations in total, leading BTSC to undertake the operation

- and maintenance of the entire Green Line routes with a total of 60 stations (31 stations under Transaction 1 + additional 29 stations);
- Gold Line Phase 1 with 3 stations (interchanging with Green Line Extension at Krung Thon Buri Station (S7)); and
 - Pink Line and Yellow Line Monorail systems, which is currently under construction and scheduled for opening in 2022.

Therefore, the entering into the transactions with VGI and POV will help to enhance the Company's advantages and competitiveness in the merchandising space lease business in the BTS Skytrain systems as well as the retail business in which the Company shall have no direct competitor that has similar model and size to Turtle Shop. In addition, it will limit the opportunity of other operators to engage in the management and operation of merchandising spaces on the BTS Skytrain stations. The Company will accordingly face no competition in such areas, which is deemed as one of its key strengths.

(3) The Company will obtain an agreement condition that is beneficial to its long-term business operation.

According to the condition set out in the Licensing Agreement (Transaction 1), the Company shall be granted the right of first refusal as follows: in the case where VGI has been granted the rights from BTSC to (a) extend the main concession agreement from BTSC; (b) manage marketing services of the new BTS stations on the Sukhumvit Line and the Silom Line other than the contracted stations determined under the Licensing Agreement; and/or (c) manage marketing services of the BTS stations on the new BTS line (other than Sukhumvit Line and Silom Line), VGI agrees to grant the Company the right of first refusal to submit a proposal for extension of the licensed exclusive right under the Licensing Agreement and/or enter into the relevant licensing agreement (as the case may be) whereby VGI will agree to extend the licensed exclusive right and/or enter into the relevant licensing agreement (as the case may be) if such commercial proposal which the Company has submitted to VGI is in compliance with the terms and conditions under the Licensing Agreement and is the most favorable to VGI compared with the proposal of the third party.

The above condition is beneficial to the Company's long-term business operation, including the extension of the Licensing Agreement by VGI under Transaction 1 and the opportunity of business expansion to other routes of BTSC. However, the Company must carry out an investment feasibility study before making any additional investment decision.

For business opportunity, it is found that upon the expiration of the concession for the Green Line Core Network with 24 stations and the Extensions with 7 stations on December 4, 2029 and if the government sector, as the concession owner, still focus on the importance of the through operation of the whole electric train network, it is likely that the said concession of BTSC will be further renewed since BTSC also obtains the concession for operation of the Green Line Extension 2 (Northern Extension which is linked with the Green Line Extension 1 at Mo Chit Station and Southern Extension which is linked at Bearing Station) which will expire in 2042.

Therefore, by entering into the transaction with its connected persons who value the companies in the group, the Company will obtain an agreement condition that is beneficial to its long-term business operation in the same manner as that obtained by VGI from BTSC, which can be deemed as the condition exclusively offered within BTSG Group.

(4) The Company will have the opportunity to study in-depth information relating to the entering into Transaction 1 as a basis for performing a detailed feasibility analysis before making an investment decision and will also have flexibility in coordination.

The entering into the Licensing Agreement, together with the issuance and offering of its PP shares to VGI Group in a significant proportion, will enable the Company to obtain information crucial for decision-making on the entering into the Licensing Agreement Transaction as requested by the Company for performing a detailed feasibility study on the business.

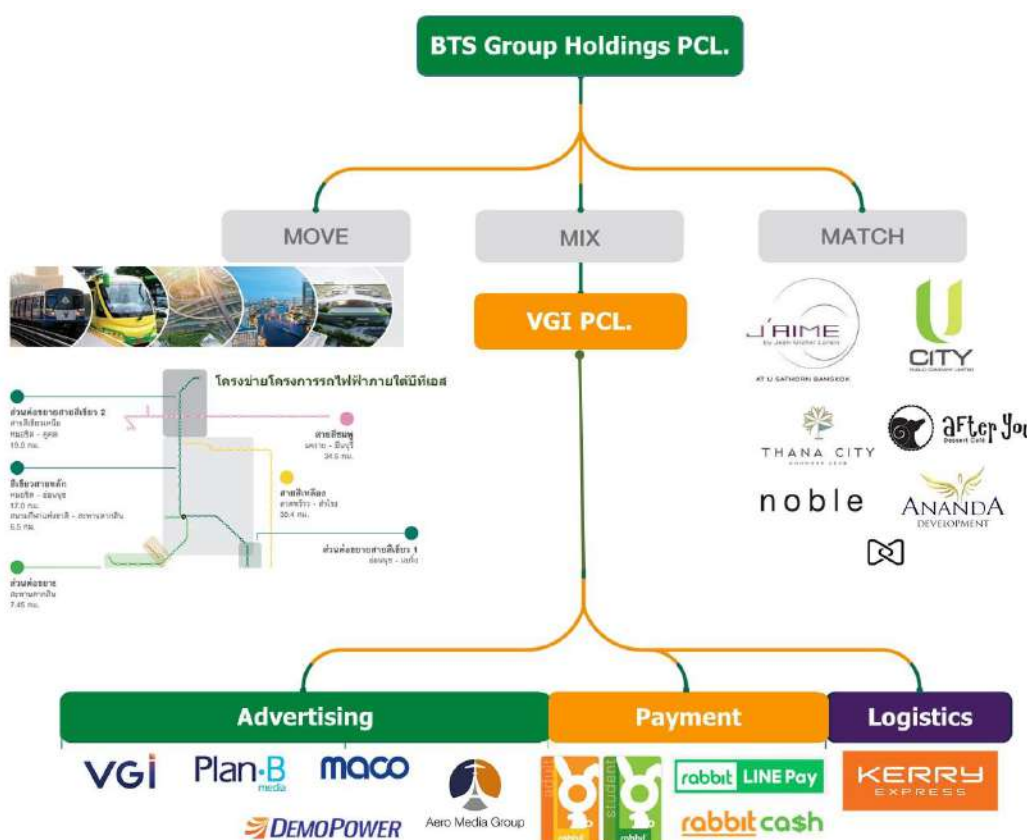
Therefore, by entering into all transactions at this time, Company will have the opportunity to study information relating to the entering into Transaction 1 as a basis for performing a detailed feasibility analysis before making an investment decision and will also have flexibility in coordination.

(5) The Company will indirectly benefit from business networks of VGI Group and BTSG Group.

Under their extensive business networks, BTSG Group and VGI Group have invested in a diverse range of businesses, including rail mass transit services, all types of advertising media, food and beverages, payment services, logistics, real estate, golf course, and others.

Therefore, the Company will benefit from such broad network of VGI by using Rabbit Card and Rabbit LINE Pay as the exclusive e-payment channels at its Turtle Shop. The Company will also likely

receive support from the business network of the whole BTSG Group, including VGI Group, with respect to leasing of merchandising spaces from the Company, joint marketing promotion campaigns in various forms, etc. In so doing, they can provide business support within the group by capitalizing on the strengths of each other in order to promote and grow together.



3.2 Disadvantages/Risks between the Entering into the Transaction with Connected Persons and the Transaction with the Third Party

(1) The Company will have to rely on its connected persons (VGI and major shareholders of VGI) in business operation on the BTS Skytrain stations.

The operation of the merchandising space management business and the retail business on the BTS Skytrain stations will be dependent on the Licensing Agreement with VGI and also on the group of major shareholders of VGI (BTSG and BTSC). However, the entering into the Licensing Agreement will enable the Company to benefit from gaining access to the areas with business potential and to a large number of consumers, which is beneficial to both the retail business and the merchandising space lease business in terms of attracting operators/stores to lease the spaces. Moreover, the Company may use Turtle Shop as a point of product selling/pick-up for its publishing business. Accordingly, such reliance on its connected persons (VGI and major shareholders of VGI) in the operation of business on the BTS Skytrain stations will be an advantage to the Company.

(2) The Turtle Shop business may create a conflict of interest with Lawson 108 convenience store on BTS Skytrain stations which is a joint venture company of VGI.

In August 2019, VGI founded "SLV Retail Co., Ltd." through a joint venture with Saha Lawson Co., Ltd. and Saha Pathana Inter-Holding PCL., with VGI's investment proportion of 30%, to operate Lawson 108 convenience stores on the BTS Skytrain stations and the exclusive areas in other mass transit systems as well as offer Rabbit Card and Rabbit LINE Pay as an option for exclusive e-payment. As of March 21, 2022, SLV Retail Co., Ltd. operates Lawson 108 convenience stores in the Unpaid Zone of 23 BTS Skytrain stations, focusing on beverages and snack food as follows:

No.	Location of Lawson 108 Convenience Stores	Shop Size	No.	Location of Lawson 108 Convenience Stores ^{1/}	Shop Size
1	National Stadium Station (W1)	24.00 sq.m.	13	Krung Thon Buri Station (S7) - 2	n.a.
2	Ratchathewi Station (N1)	15.00 sq.m.	14	Wongwian Yai Station (S8)	7.00 sq.m.
3	Phaya Thai Station (N2)	15.00 sq.m.	15	Chit Lom Station (E1)	21.00 sq.m.
4	Victory Monument Station (N3)	14.00 sq.m.	16	Phloen Chit Station (E2)	15.00 sq.m.
5	Ari Station (N5)	24.00 sq.m.	17	Nana Station (E3)	22.50 sq.m.
6	Saphan Khwai Station (N7)	22.40 sq.m.	18	Thong Lo Station (E6)	37.00 sq.m.
7	Mo Chit Station (N8)	15.00 sq.m.	19	Phra Khanong Station (E8)	24.00 sq.m.
8	Sala Daeng Station (S2) - 1	13.60 sq.m.	20	Bang Chak Station (E10)	18.00 sq.m.
9	Sala Daeng Station (S2) - 2	22.50 sq.m.	21	Punnawithi Station (E11)	n.a.
10	Chong Nonsi Station (S3)	24.20 sq.m.	22	Udom Suk Station (E12)	10.00 sq.m.
11	Surasak Station (S5)	24.00 sq.m.	23	Bearing Station (E14)	9.00 sq.m.
12	Krung Thon Buri Station (S7) - 1	47.50 sq.m.			

Remark: 1/ The stations to which the Company has been granted the right by VGI under Transaction 1.

As for the entering into the Licensing Agreement, VGI is already aware of the operation of Turtle Shop and viewed that Turtle Shop is a retail shop to be located in the Paid Zone and covering a standard area of approximately 220 square meters and will specifically cater to passengers of the BTS Skytrain only.

The IFA has been informed by the Company that VGI agrees and acknowledges that the Company can operate Turtle Shop on BTS Skytrain stations in accordance with key terms of the Licensing Agreement between VGI and the Company. The IFA is of the opinion that after the completion of the Licensing Agreement Transaction, if there is any incident causing business interruption of Turtle Shop, the Board of Directors of the Company at that time shall claim for indemnification from VGI according to the Licensing Agreement.

Nonetheless, the merchandising spaces on each station will be rented out to a variety of tenants selling beverages, desserts and foods under well-known brands such as S&P, Amazon Café, ChaTraMue, Cha Payom, Yamazaki, Dutch Mill, and others, all of which could be either competitors or business partners of Turtle Shop. Based on such factors, this may be beneficial to the Company rather than creating a conflict of interest.

After entering into Transaction 1 and Transaction 3, which are contingent upon each other, the Company (with POV who will become the major shareholder holding approximately 59.99% of paid-up capital after the capital increase (PP and RO) and will nominate its representatives to serve as directors in proportion to its shareholding) will undertake the space management in place of VGI, including the acquisition of tenants, the renewal of lease agreements, the operation of Turtle Shop, etc. In taking any action, VGI, which holds a stake of 59.99% with control power in the Company which is more than its shareholding of only 30% in SLV Retail Co., Ltd., should therefore focus more on the interests of and the impacts on the Company.

(3) The Company has no opportunity to compare the proposal of POV and VGI with those of other rail transit operators.

For the rail transit network currently in operation in Thailand, there are only 2 major private operators that have obtained the concession to manage and operate the electric train services (including the procurement or production of advertising media and the rent of retail spaces), namely (a) BTSC which operates the Green Line Core Network and all Extensions on the basis of through operation; and (b) Bangkok Expressway and Metro PCL. (BEM) which operates MRT Chaloem Ratchamongkhon Line (Blue Line) with 38 stations covering a total length of 48 kilometers and MRT Chalong Ratchatham Line (Southern Purple Line) with 16 stations covering a total length of 23 kilometers.

All these 3 transactions are comprehensively agreed upon with VGI Group, whereby the Company will acquire both the business and the proceeds from capital increase via PP shares issuance. Meanwhile, the Company has not received any proposal, either in form of station takeover and/or the entire route, from other major rail transit operators as an alternative for its investment decision.

(4) The entering into the 3 transactions is considered as a large-sized transaction under the Notifications on Connected Transactions, whereby the Company is required to seek for approval for connected transactions and appoint an independent financial advisor to provide opinion to its shareholders, thus necessitating disclosure of the project details and incurring extra cost for holding a shareholders' meeting.

The entering into Transaction 1 – Transaction 3 on the same occasion is considered as the entering into material connected transactions, which requires that the Company must hold a shareholders' meeting to approve the transactions and appoint an independent financial advisor to

provide opinion regarding to such connected transactions, as well as disclose detailed information on its business operation and financial forecasts of the related businesses to provide sufficient information for shareholders' decision-making. As such, its competitors would acknowledge the Company's business plan and may adjust their strategies to compete with the Company. Moreover, the Company will bear extra cost for holding the shareholders' meeting to consider and approve the connected transactions, compared with entering into the transactions with the third party which will not be deemed as a connected transaction.

However, by entering into the 3 transactions with its connected persons, i.e. VGI and POV, the Company will obtain the exclusive right from VGI to manage and operate merchandising spaces on 31 BTS Skytrain stations. Such spaces on the BTS Skytrain stations are the specific areas for which BTSC has obtained the sole concession from BMA, and BTSC has granted the exclusive right to VGI to manage advertising spaces and merchandising spaces thereon. After all, the Company has not received any proposal from the concessionaires of other mass transit systems and, hence, cannot compare such connected transactions with the transactions entered into with the third party.

4. Other Analyses

Appropriateness of key conditions in the draft Licensing Agreement

The IFA determines the appropriateness of key conditions in the draft Licensing Agreement (Transaction 1) based on the draft of the Key Terms, which is in Annex 6 of the Agreement on Subscription for Newly Issued Ordinary Shares Offered through Private Placement between the Company and POV. In our opinion, those conditions are appropriate and consistent with the normal course of business and the condition that is beneficial to the Company is as follows:

- Right of first refusal: It includes the extension of the Licensing Agreement by VGI under Transaction 1 and the opportunity of business expansion to other routes of BTSC. However, the Company must carry out an investment feasibility study before making any additional investment decision. This will give the Company the opportunity to generate recurring income which is beneficial to its long-term business operation.

Please consider other advices as per details in Footnote 8 of this report.

(Please refer to summary of the draft Licensing Agreement (Transaction 1) in Transaction 1 – Part 1, Clause 1.4 of this report and Clause 3 (2) of the Information Memorandum on Asset Acquisition and Connected Transactions of the Company (Enclosure No. 1) enclosed with the notification of the shareholders' meeting.)

5. Conclusion of Opinion of the Independent Financial Advisor on Reasonableness of the Asset Acquisition and Connected Transaction (Transaction 1)

The Company has, since 2002, operated the core business of publishing and distribution of pocket books and printed materials for youth (comic and novel), which currently are available in both printed book and E-book format offered through various offline and online media. Publishing business has been significantly impacted by technology disruption and digital disruption among readers, along with behavioral changes of Thai consumers whose preferences have been increasingly shifted to digital media as well as movie watching and online media. In view of this, coupled with the COVID-19 pandemic, publishing business in Thailand has likewise been hit as bookshops located in department stores and other retail shops had to close down, leading to a faster change in readers' behaviors towards online media. In an effort to hastily adjust itself to this situation, the Company has launched promotion campaigns to stimulate its sales via online channels continuously since 2019 and could then boost sales through e-Commerce which, however, are still not ample to generate favorable operating results for the Company.

Therefore, deeming it necessary to diversify into other promising and lucrative businesses, the Company, in 2021, entered into the License to Manage and Operate Merchandising Space Agreement in order to obtain the right to manage and operate the merchandising spaces and for the management and operation of the Company's retail shops in the name of "Turtle Shop", located on 3 BTS Skytrain stations, namely Saint Louis Station, Phloen Chit Station, and Victory Monument Station. Its first Turtle Shop branch was opened on Saint Louis Station on December 28, 2021 and has received satisfactory response. The other 2 branches are under construction and scheduled for opening around the second quarter of 2022.

Based on the above reasons, the Company is seeking to further develop its retail business for solid growth and to expand into merchandising space lease business on the BTS Skytrain stations so as to create more value to the business. This led to the Company's decision to enter into Transaction 1 and Transaction 2 (including the offering of its PP shares to POV).

For the entering into Transaction 1 and Transaction 2, the Company will have to raise funds for the payments to VGI and the Sellers of GW Shares, while VGI wishes to become a shareholder and a controlling person in the Company. As a consequence, the Company will enter into the PP Shares Issuance and Offering Transaction, which includes the PP Shares Issuance and Offering to POV Transaction (Transaction 3), on the same occasion as Transaction 1 and Transaction 2. Therefore, the entering into these 3 transactions, which have interrelated conditions, will increase the overall capability in expansion to the merchandising space management business and the retail business on BTS Skytrain stations on a comprehensive basis, which will ensure continuous growth of the Company.

By entering into the Licensing Agreement Transaction (Transaction 1) and the PP Shares Issuance and Offering to POV Transaction (Transaction 3), the Company will obtain the exclusive right to manage and operate the merchandising spaces on 24 stations of the Green Line Core Network and 7 stations of the Extensions, or a total of 31 continuous stations along the entire routes (including partial spaces on 5 stations of GW under Transaction 2 and 3 stations under the existing agreement of the Company) throughout the term of the concession for the BTS Skytrain. The Company will also be granted the right of first refusal for extension of such right and will obtain the right to manage and operate the merchandising spaces on the BTS Skytrain stations in respect of the additional right to be granted to VGI by BTSC or its subsidiary in the future.

At the same time, the entering into the GW Shares Acquisition Transaction (Transaction 2) will enable the Company to undertake the comprehensive management and operation of merchandising spaces on all 31 stations and enhance its capability in the merchandising space management business.

The advantages and benefits of Transaction 1 (Licensing Agreement Transaction) are as follows:

- (1) The transaction aligns with the overall business plan of the Company. It will enable the Company to receive a stream of stable cash flow, EBITDA, and income for the Company in the long term, as well as return from such investment throughout the term of the Licensing Agreement, thus leading to continuous growth, enhancement of long-term business potential (for at least approximately 7 years and 5 months according to the term of the Licensing Agreement (if the investment is completed by June 2022) which could be a foundation for future business expansion of the Company), and creation of added value to the Company. Moreover, it will help to reduce the Company's retained loss.

- (2) The Company can build upon and expand investment in the retail business and the merchandising space management business from only 3 stations at present to 31 stations. The Company will also create economies of scale from management of investment budget for all Turtle Shops with similar design, joint management of inventory of Turtle Shop, use of the same product management system, and the same management team and supporting team. Moreover, potential risk from sole reliance on revenue from the publishing business will be mitigated.
- (3) This is an investment in the business that will instantly generate income and the Company will benefit from taking over the existing tenants on the BTS Skytrain stations from VGI without having to incur any debt.
- (4) The Company will obtain the right to manage and operate the entire merchandising spaces on a total of 31 stations of the Green Line Core Network and the Green Line Extensions for the remaining term of the concession of BTSC, which is the right not easily acquired.
- (5) This will propel growth in the retail business in locations with business potential on 31 BTS Skytrain stations, which are in the inner area of Bangkok and can therefore access/offer products to a large number of boarding-alighting passengers (eyeballs).
- (6) It is the investment in the business that will not incur any interest expense/financial cost from fund raising since the Company will use proceeds from capital increase via private placement and cash flow from its operation.

However, the disadvantages and risks of Transaction 1 (Licensing Agreement Transaction) are as follows:

- (1) The Company's shareholders will be affected by control dilution and price dilution because the source of fund for the transaction will come from proceeds from the capital increase via private placement and cash flow from its operation, where as

Dilution Effects	Under the PP Shares Issuance and Offering Transaction		Under the RO Shares Issuance and Offering Transaction
	Full Subscription of RO Shares	No Subscription of RO Shares	
Price Dilution	7.65%	7.10%	(Please refer to Remark 1/)
Control Dilution	61.90%	72.91%	
Earnings Dilution	61.90%	72.91%	

Remark: 1/ In the case of unsuccessful PP Shares Issuance and Offering Transaction, the Company shall not issue its RO shares. Thus, there shall be no price dilution only in the case of no RO shares.

- (2) The unclear in-depth information on the expansion of Turtle Shop may affect the expected return on investment as the Company has not yet analyzed the investment worthiness of each shop by considering the variation in number of eyeballs of each station and the difference in shop size. Some stations may not be worthwhile for investment, for example, Taksin Station which is a small station with limitations of usable area, Sanam Pao Station and Ratchadamri Station which have a small number of eyeballs, etc.
- (3) If the concession between BTSC and BMA expires and is not renewed, the Company will generate income from the Licensing Agreement for the remaining period of 7 years and 5 months only and must acquire a new business to compensate for revenue from the advertising space management and merchandising space lease business.
- (4) The Company has no experience in the management and operation of merchandising spaces on the BTS Skytrain stations. However, to mitigate the potential impact, (a) the Company has negotiated with the executives of GW to assist in the management and operation of merchandising spaces on 31 BTS Skytrain stations and will invest in GW in order to acquire the latter's executives and team as part of the NINE Group and have a team of staff ready to further drive the Company's business. Silver and WX shall arrange for the key executive, Mr. Kant Sombatsiri, to serve as the executive and director of GW for the Company without resigning or breaching the employment contract in a way that results in termination of the employment contract with GW throughout the period from the date of signing this Agreement to the date of completion of 2 years from the closing date of the transaction; and (b) for its retail business, the Company has hired executives and team of staff with experience in leading retail business to work with the Company. The main executives comprise of Chief Executive Officer (started on May 5, 2021), Chief Commercial Officer (started on October 18, 2021), and Chief Operating Office (started on February 1, 2022). Such 3 executives have direct and extensive knowledge and experience in their respective line of retail business and shall be able to drive the retail business and merchandising space management business of the Company. However,

if there is any change in the future, the Company can also appoint additional staffs to support the operation.

- (5) The Company will lose the opportunity in around 2022 - 2024 to reap the benefit from the number of passengers returning to the pre-COVID-19 level. It is expected that several businesses will pick up to the pre-COVID-19 pandemic level by 2024 - 2025 onwards (analysis based on a report dated June 1, 2021 from the Business Research Department, Export-Import Bank of Thailand's, noting that the Chinese tourist industry tends to recover slowly...putting pressure on global tourism. As a consequence, the IFA believes that all business sectors in the tourist industry, including hotels, restaurants, land and air transportation, and practically all types of service enterprises, are part of the same supply chain and have been negatively and directly impacted since the start of 2020. As a result, they tend to recover around the same time).
- (6) The Licensing Agreement shall cover every and all 31 stations along the BTS Skytrain routes whereby the Company has no right to choose to operate only on any specific stations while it has to pay the license fee to VGI which will vary with the number of eyeballs of all 31 stations. As such, the Company needs to achieve the average revenue per person that surpasses the license fee plus selling and administrative expenses and other expenses under its cost structure.
- (7) The Company may lose the benefit due to the unclear condition regarding the integration of GW's agreement with 5 stations (Ratchathewi Station (N1), Sanam Pao Station (N4), Ari Station (N5), Ratchadamri Station (S1), and Phra Khanong Station (E8)) into the Licensing Agreement with 31 stations. The licensed spaces on 5 stations under GW's MOA are not clearly specified and separated in the Licensing Agreement, causing the Company to be unable to perform an impairment test for the investment in GW in the future since it cannot separate the actual licensed spaces, revenue, and cost of GW.
- (8) There are risks involved with business operation which may cause the project to fail to achieve the expected performance.
 - (8.1) Risk from limitations of retail shop location. For example, food and beverages, which are among the products sold at Turtle Shop, are not allowed in the passenger zone and on board and, hence, can only be taken home or eaten in-store.
 - (8.2) Risk from the intense competition in retail business.
 - (8.3) Risk potentially arising from self-adjustment amid the COVID-19 situation and changes in work model from traditionally working in office to working from home, e-meeting, or working from anywhere, along with workation, thereby directly impacting the ridership of BTS Skytrain.

For Transaction 1 (Licensing Agreement Transaction), the advantages and benefits between entering into the transaction with connected person and the transaction with the third party are as follows:

- (1) VGI Group obtains the exclusive right to manage and operate merchandising spaces on those 31 BTS Skytrain stations.
- (2) This helps to enhance the Company's advantages and competitiveness in the retail business (the Company shall have no direct competitor who has similar model and size of shops to Turtle Shop) and merchandising space lease business on the BTS Skytrain systems. In addition, it will limit the opportunity of other operators to engage in the management and operation of merchandising spaces on the BTS Skytrain stations. The Company will accordingly face no competition, which is deemed as one of its key strengths.
- (3) The Company will obtain an agreement condition that is beneficial to its long-term business operation. The Company shall be granted the right of first refusal as follows: in the case where VGI has been granted the rights from BTSC to (a) extend the main concession agreement from BTSC; (b) manage marketing services of the new BTS stations on the Sukhumvit Line and the Silom Line other than the contracted stations determined under the Licensing Agreement; and/or (c) manage marketing services of the BTS stations on the new BTS line (other than Sukhumvit Line and Silom Line), VGI agrees to grant the Company the right of first refusal if the commercial proposal which the Company has submitted to VGI is the most favorable to VGI compared with the proposal of the third party.
- (4) The Company will have the opportunity to study in-depth information relating to the entering into Transaction 1 as a basis for performing a detailed feasibility study before making an investment decision and will also have flexibility in coordination.

- (5) The Company will indirectly benefit from the business networks of VGI Group and BTSG Group such as Master Ad PCL. (MACO), Plan B Media PCL. (PLANB), After You PCL. (AU), U City PCL. (U), Kerry Express (Thailand) PCL. (Kerry), etc. The Company will benefit from such broad network of VGI by using Rabbit Card and Rabbit LINE Pay as the exclusive e-payment channels at its Turtle Shops. The Company will also likely receive support from the business network of the whole BTSG Group, including VGI Group, with respect to leasing of merchandising spaces from the Company and joint marketing promotion campaigns in various forms, etc.

Meanwhile, Transaction 1 (Licensing Agreement Transaction) has the disadvantages and risks between entering into the transaction with connected person and the transaction with third party are as follows:

- (1) The Company will have to rely on its connected persons (VGI and major shareholders of VGI) in the business operation on the BTS Skytrain stations.
- (2) The Turtle Shop business may create a conflict of interest with Lawson 108 convenience store located on BTS Skytrain stations, which is a joint venture company of VGI. The IFA has been informed by the Company that VGI agrees and acknowledges that the Company can operate Turtle Shop on BTS Skytrain stations in accordance with key terms of the Licensing Agreement between VGI and the Company. Thus, the IFA is of the opinion that after the completion of the Licensing Agreement Transaction, if there is any incident causing business interruption of Turtle Shop, the Board of Directors of the Company at that time shall claim for indemnification from VGI according to the Licensing Agreement.
- (3) The Company has no opportunity to compare the proposal of POV and VGI, which is in form of station takeover and/or the entire route, with that of other rail transit operators.
- (4) The entering into the 3 transactions is considered as a large-sized transaction under the Notifications on Connected Transactions, whereby the Company is required to seek for approval for connected transactions and appoint an independent financial advisor to provide opinion to its shareholders, thus necessitating disclosure of operation and financial projection of the relevant business and incurring extra cost for holding a shareholders' meeting.

However, by entering into the 3 transactions with its connected persons, i.e. VGI and POV, the Company will obtain the exclusive right from VGI to manage and operate merchandising spaces on 31 BTS Skytrain stations. Such spaces on the BTS Skytrain stations are the specific areas for which BTSC has obtained the sole concession from BMA, and BTSC has granted the exclusive right to VGI to manage advertising spaces and merchandising spaces thereon. After all, the Company has not received any proposal from the concessionaires of other mass transit systems and, hence, cannot compare such connected transaction with the transaction entered into with the third party.

Having considered the objective and necessity of the transaction, together with the advantages, disadvantages, benefits, and risks involved, the IFA is of the opinion that the entering into the asset acquisition and connected transaction under Transaction 1 will be beneficial to the Company's business operation and the disadvantages and risks are manageable. Therefore, **the entering into the asset acquisition and connected transaction under Transaction 1 (Licensing Agreement Transaction) is considered reasonable.**

Transaction 1 - Part 3: Opinion of the Independent Financial Advisor on Appropriateness of Price and Conditions of Asset Acquisition and Connected Transaction (Licensing Agreement Transaction)

The Company will enter into the License to Manage and Operate Merchandising Space Agreement with VGI in order to obtain the right to manage and operate the merchandising spaces on 31 BTS Skytrain stations for (1) the management and operation of the Company's shops under the "Turtle" brand ("Turtle Shop"), and (2) the management and operation of merchandising spaces for rent to other tenants.

Licensed spaces under the agreement are located on 31 BTS Skytrain stations (including the spaces located on 5 BTS Skytrain stations which GW currently obtains the right to manage and operate under Transaction 2 and 3 BTS Skytrain stations which the Company currently obtains the right to manage and operate). The term of the Licensing Agreement is approximately 7 years and 5 months, expiring on December 4, 2029, whereby the parties may renew the agreement under the conditions set forth therein. The expected total consideration of such agreement is approximately Baht 2,665.93 million.

The Company also plans to investment in the expansion of its retail business by opening 28 new branches of its Turtle Shop in the amount of approximately Baht 854 million (inclusive of VAT). It estimates that investment per shop at Baht 30.5 million.

Construction cost of Turtle Shop on 2 stations which are under construction (Phloen Chit Station and Victory Monument Station) is approximately Baht 36.20 million per station. However, the Company confirmed that construction cost of the remaining 28 stations shall be approximately Baht 30.50 million per station, consisting of construction and construction control cost of Baht 19.2 million, cost of interior decoration of Baht 1.9 million, cost of air conditioning and cooling system of Baht 2.9 million, cost of kitchen counter of Baht 1.4 million, and cost of equipment of Baht 5.1 million. The Company informed that such reduction in cost is due to the shorter construction period and reduction of cost of some items from the construction of several stations.

The higher construction cost of a Turtle Shop than that of a typical convenience store is due to fact that the period of time that contractors can enter the area for construction in each day is only 5 hours (12:00 a.m. – 5:00 a.m.), making construction take longer than usual. In addition, the construction can only be done at night, leading to high labor cost (Overtime: OT) of the contractor. Equipment and materials used on the skytrain station must also meet the high standards specified by BTSC, such as the thickness of the glass will be thicker than the normal store (the surrounding walls are glass), and the Company must incur an additional construction burden on the relocation of the original back-office rooms of each station (construction and control costs of back-office rooms relocation is approximately Baht 3 – 3.5 million per station).

Therefore, the IFA viewed that construction cost of Turtle Shop at approximately Baht 30.50 – 36.20 million per station is feasible based on actual construction cost of 2 stations which are under construction. It is possible that construction cost may be lower if the Company can manage the construction to be within 3-month period and efficiently control the cost.

In order to determine fair value of the assets to be acquired and investment in 28 new branches of Turtle Shop, the Independent Financial Advisor has assessed the following concerns:

- 1) The appropriateness of the license fee
- 2) In determining the appropriateness of investment under the License to Manage and Operate Merchandising Space Agreement in order to obtain the right to manage and operate the merchandising spaces located on 31 BTS Skytrain stations and the investment in 28 new branches of Turtle Shop, the Independent Financial Advisor has determined future free cash flow (FCF) of the Project to calculate:
 - Internal rate of return ("IRR") of the Project
 - Net present value ("NPV") of the Project by using the weighted average cost of capital ("WACC") of the Project as a discount rate, and
 - Payback Period ("PB") of the Project.

Investment in GW and revenue and cost of GW are not included in the calculation since GW is under Transaction 2.

The IFA's opinion expressed herein is under the assumption that the aforementioned information and documents are complete and correct, and is based on the circumstances and information perceivable as of the date of preparing this report. Any change or incident arising in the

future may have material impacts on the Company and/or assets to be acquired at this time as well as the valuation and analysis conducted by the IFA and the shareholders' decision regarding the entering into this transaction.

Summary of the valuation are as follows:

1. Appropriateness of the License Fee

The Company will enter into the License to Manage and Operate Merchandising Space Agreement in order to obtain the right to manage and operate the merchandising spaces on 31 BTS Skytrain stations.

Term of the Licensing Agreement for the right to manage and operate the merchandising spaces on 31 BTS Skytrain stations (including the spaces on 5 BTS Skytrain stations which GW currently obtains the right to manage and operate under Transaction 2 and 3 BTS Skytrain stations which the Company currently obtains the right to manage and operate) is approximately 7 years and 5 months, expiring on December 4, 2029, whereby the parties may renew the agreement under the conditions set forth therein. The license fee shall be calculated based on the following formula:

License fee = Baht 0.7516 x quarterly ridership number on the contracted BTS Skytrain stations by counting both boarding passengers and alighting passengers (Eyeballs)

Summary of the licensed spaces is as follows:

	Stations	Station Code	Licensed Spaces (sq.m.) ^{1/}
1	Mo Chit Station	N8	400.00
2	Saphan Khwai Station	N7	310.00
3	Ari Station	N5	283.00
4	Sanam Pao Station	N4	310.60
5	Victory Monument Station	N3	200.00
6	Phaya Thai Station	N2	445.80
7	Ratchathewi Station	N1	228.30
8	Siam Station	CEN	271.00
9	Chit Lom Station	E1	346.30
10	Phloen Chit Station	E2	236.30
11	Nana Station	E3	211.00
12	Asok Station	E4	197.80
13	Phrom Phong Station	E5	461.50
14	Thong Lo Station	E6	310.50
15	Ekkamai Station	E7	205.00
16	Phra Khanong Station	E8	236.30
17	On Nut Station	E9	216.00
18	Bang Chak Station	E10	285.40
19	Punnawithi Station	E11	273.40
20	Udom Suk Station	E12	274.00
21	Bang Na Station	E13	229.50
22	Bearing Station	E14	265.20
23	National Stadium Station	W1	374.40
24	Ratchadamri Station	S1	268.30
25	Sala Daeng Station	S2	205.00
26	Chong Nonsi Station	S3	269.40
27	Saint Louis Station	S4	219.00
28	Surasak Station	S5	213.00
29	Saphan Taksin Station	S6	94.00
30	Krung Thon Buri Station	S7	278.30
31	Wongwian Yai Station	S8	275.80
Total 31 stations			8,394.10

Remark: 1/ Licensed spaces in the table consist of leasable spaces and partial spaces for construction of Turtle Shop.

Spaces for construction Turtle Shop consist of walkway spaces and partial leasable spaces (walkway spaces are not included in the Licensing Agreement but VGI acknowledged that it shall allocate spaces for construction of Turtle Shop at approximately 220 sq.m. per branch).

• **Estimated license fee based on the historical number of passengers boarding - alighting contracted stations**

Based on the number of passengers boarding - alighting (Eyeballs) BTS Green Line Core Network and Green Line Extensions in the past 7 years (2015 – 2021), license fee could be calculated as follows:

	Unit	2015	2016	2017	2018	2019	2020	2021
Eyeballs to 31 BTS Skytrain stations ^{1/}	(million passenger trips)	454.88	465.47	467.27	461.83	472.89	272.11	144.21
License fee ^{2/}	(Baht million/year)	341.89	349.85	351.20	347.11	355.42	204.51	108.39
License fee per licensed space ^{3/}	(Baht/sq.m./month)	3,394.13	3,473.16	3,486.56	3,445.97	3,528.50	2,030.34	1,076.04

Remark: 1/ Saint Louis Station was opened for service in February 2021.

2/ License fee is calculated at Baht 0.7516 per eyeball.

3/ Based on the total licensed spaces on 31 BTS Skytrain stations of 8,394.10 sq.m.

From above table, license fee is in the range of Baht 1,076.04 – 3,528.50 per sq.m. per month.

• **Comparison with rental and service fees of other tenants/other licensees**

The IFA compared the license fee with rental and service fees that VGI charged to other tenants or other licensees, who obtained right to manage and operate merchandising spaces on BTS Skytrain stations. Based on rent roll for January 2022 derived from VGI, average rental and service fees can be summarized as follows:

	Occupied Spaces/Licensed Spaces (sq.m.)	Monthly Rental Fee (Baht million/month)	Average Monthly Rental Fee (Baht/sq.m./month)
License fee for 31 BTS Skytrain stations that the Company has to pay based on No. of passengers boarding - alighting the contracted BTS Skytrain stations (Eyeballs) in 2015 - 2021 ^{1/}	8,394.10	9.03 – 29.62	1,076.04 – 3,528.50
Comparison with rental and service fees of other tenants/other licensees ^{2/}			
1 Other tenants on 30 BTS Skytrain stations ^{3/}	3,188.42 ^{4/}	15.436	4,841.23
2 Licensed spaces operated by GW on 5 stations ^{5/}	837.50	0.08	9.81
3 Licensed spaces operated by NINE on Victory Monument Station ^{6/}	351.85	0.50 – 0.55	1,421.06 – 1,566.72
4 Licensed spaces operated by NINE on Phloen Chit Station ^{7/}	397.35	0.65 – 0.72	1,635.84 – 1,803.51

Remark: 1/ From the previous table.

2/ Excluding Saint Louis Station that was opened for service in February 2021 according to the Licensing Agreement between the Company and VGI dated November 1, 2021, which set the license fee at 5.00% of revenue.

3/ Excluding Saint Louis Station, that was opened for service in February 2021, which the Company has obtained the right to manage and operate the whole merchandising spaces since November 2021, and excluding 5 BTS Skytrain stations which GW has obtained the right to manage and operate with total areas of approximately 837.50 sq.m.

4/ Occupancy rate of approximately 43.45% of licensed spaces (calculated from total licensed spaces of 8,394.10 sq.m. – spaces of Saint Louis Station of 219 sq.m. – spaces of GW of 837.50 sq.m. = 7,337.60 sq.m.)

5/ Based on the MOA between GW and VGI for the right to manage and operate partial spaces on 5 BTS Skytrain stations (almost 63.14% of merchandising spaces), namely Ari Station, Sanam Pao Station, Ratchathewi Station, Ratchadamri Station, and Phra Khanong Station, the license fee was low at Baht 1.25 million and was a one-time payment (since 2019). Therefore, the average rental fee of 5 BTS Skytrain stations was relatively low.

6/ Based on the License Agreement between the Company and VGI dated November 1, 2021, minimum license fee for Victory Monument Station for July 1, 2022 – December 31, 2024 is equal to Baht 6.00 million per annum (Baht 0.50 million per month), minimum license fee for January 1, 2025 – December 31, 2027 is equal to Baht 6.30 million per annum (Baht 0.525 million per month), and minimum license fee for January 1, 2028 – December 31, 2029 is equal to Baht 6.615 million per annum (Baht 0.55 million per month).

7/ Based on the License Agreement between the Company and VGI dated November 1, 2021, minimum license fee for Phloen Chit Station for July 1, 2022 – December 31, 2024 is equal to Baht 7.80 million per annum (Baht 0.65 million per month), minimum license fee for January 1, 2025 – December 31, 2027 is equal to Baht 8.19 million per annum (Baht 0.68 million per month), and minimum license fee for January 1, 2028 – December 31, 2029 is equal to Baht 8.60 million per annum (Baht 0.72 million per month).

From the above table, license fee for 31 BTS Skytrain stations, which is in the range of Baht 1,076.04 – 3,528.50 per sq.m. per month (calculated from No. of eyeballs in 2015 – 2021), is lower than rental and services fees that VGI charged to other tenants (No. 1 in the above table) but higher than the license fee that VGI charged to the Company and GW based on current agreements (No. 2 – 4 in the above table).

License fee for 31 BTS Skytrain stations in the future is expected to be higher than Baht 1,076.04 per sq.m. per month because such license fee was estimated from eyeballs of 2021 where ridership was

at the lowest due to the impact of COVID-19 pandemic. However, ridership in 2022 is expected to be higher than those of 2021 when people are vaccinated and there are relief of the government's measures against COVID-19.

However, the analysis in this clause could not conclude whether the license fee under the Licensing Agreement is appropriate. Please refer to further analysis in next clause.

- **Revenue from rent and services at the present is higher (lower) than the license fee**

The IFA compared revenue from rent and services that VGI received in the past and present (January 2022) with the license fee in the same period as follows:

Monthly	Unit		December 2019	December 2020	December 2021	January 2022
<u>Revenue</u> Revenue from rent and services ^{1/}	(Baht million/month)	(1)	24.99	26.02	13.82 ^{2/}	15.44 ^{3/}
<u>Expenses</u> Eyeballs	(million passenger trips/month)	(2)	39.23	22.62	17.28	13.80
License fee ^{4/}	(Baht million/month)	(3) = (2) * 0.7516	29.48	17.00	12.99	10.37
<u>Gross profit (loss)</u> Revenue higher (lower) than license fee	(Baht million/month)	(4) = (1) – (3)	(4.50)	9.02	0.83	5.06

Remark: 1/ Actual revenue from rent and services in December 2019, December 2020, December 2021, and January 2022 from rent roll derived from VGI, excluding license fee of 5 stations paid to GW.
 2/ Revenue from rent and services in December 2021 decreased by 47% compared with the same period of prior year due to the lower occupancy rate and rent rate.
 3/ Revenue from rent and services in January 2022 increased by 11.70% compared with December 2022 due mainly to higher rent rate while occupancy rate slightly dropped.
 4/ The IFA has tested the calculation of monthly license fee that the Company has to pay based on the present and historical eyeballs of contracted stations.

Revenue from rent and services in the past 2 years was affected from the decreasing number of passengers due to COVID-19 pandemic. Revenue from rent and services in December 2020 was higher than that of December 2019 due to higher occupancy rate but lower average rent rate. Revenue from rent and services in 2021 was lower than that of 2020 due to the lower occupancy rate and average rent rate.

From the above table, the actual revenue from rent and services at the present (January 2022) was higher than estimated license fee (calculated based on number of boarding – alighting passengers (Eyeballs) at the present). As a result, the Company can instantly realize gross profit from existing tenants after entering into the Licensing Agreement, while current occupancy rate is around 48.85% only. If the Company can profitably manage the shops after the opening of Turtle Shops, it can increase revenue in the future and maximizing the licensing space utilization.

(Please refer to the feasibility study of the investment under the License to Manage and Operate Merchandising Space Agreement in order to obtain the right to manage and operate the merchandising spaces on 31 BTS Skytrain stations and the investment in 28 new branches of Turtle Shop in Transaction 1 - Part 3, Clause 2 of this report)

The IFA viewed that the license fee at Baht 0.7156 of number of passengers boarding - alighting contracted stations (Eyeballs) is lower than the rental and services fee that VGI charged to other tenants at the present, while the license fee shall increase in accordance to number of passengers boarding - alighting the contracted stations. If number of passengers increase, the Company will have a chance to increase occupancy rate and rental rate accordingly. On the contrary, if number of passengers decrease, the license fee will decline and the rental and service fee may also drop. **Therefore, the IFA is of the opinion that the license fee according to the Licensing Agreement is appropriate.** However, the Company's future profit from management and operation of the merchandising spaces on the BTS Skytrain stations depends on (a) profit generating capability of the Turtle Shop and (b) capability to increase revenue from rent of licensed spaces, when the license fee increase from the increasing number of passengers in the future.

In addition, license fee shall be paid on quarterly basis while tenants pay rental fee on a monthly basis as well as deposit of 3 months. Thus, such payment term of the license fee is beneficial to the Company in term of rental fee and license fee management.

2. The Feasibility of Investment under the Licensing Agreement for 31 BTS Skytrain Stations and the Investment in 28 New Branches of Turtle Shop

In determining the appropriateness of the entering into the transaction, the Independent Financial Advisor has prepared financial projection for merchandising space lease business and the retail business under the "Turtle" brand on 31 BTS Skytrain stations. The Independent Financial Advisor has prepared an 8-year financial projection (2022 – 2029) in accordance with term of the Licensing Agreement (expiring on December 4, 2029) under current economic conditions and without significant changes.

The IFA constructed financial projection of the Company based on information and assumptions obtained from NINE and from interviews with the management and relevant officers. The objective of the financial projection is to evaluate feasibility of the project under the Licensing Agreement on 31 stations and the investment in additional 28 branches of Turtle Shop (Project). If there is any material change in the overall economic condition and other internal and external factors that affect NINE's business operation from the assumptions used herein, fair value derived from the valuation may change accordingly.

In determining the appropriateness of the license fee for 31 BTS Skytrain stations and the investment in additional 28 branches of Turtle Shop, the IFA has considered additional cash flows from existing licensing agreement of the Company and VGI for 3 stations (Victory Monument Station, Phloen Chit Station, and Saint Louis Station). Therefore, the IFA estimated cash flows from (1) 28 branches of Turtle Shop (excluding 3 branches operated under the existing licensing agreement between VGI and the Company at the present, which the Company has already invested in or are under construction), and (2) merchandising space management on 23 BTS Skytrain stations (excluding 3 BTS Skytrain stations, which the Company currently obtains the right to manage and operate, and 5 BTS Skytrain stations, which GW currently obtains the right to manage and operate). However, the IFA has taken into consideration the license fee of such 8 BTS Skytrain Stations based on terms and conditions of the new Licensing Agreement. For 5 BTS Skytrain stations which GW currently obtains the right to manage and operate partial spaces, there are remaining merchandising spaces of approximately 36.86% of total licensed spaces of 5 stations. The Company can rent out such spaces which are not under the licensing agreement of GW. However, base on conservative basis, the IFA did not take revenue from management of such remaining spaces on 5 BTS Skytrain stations into the calculation of revenue for the preparation of financial projection at this time since part of the construction of Turtle Shop on such 5 stations may be on licensed spaces of GW and the Company may have to allocate other merchandising spaces to GW to replace such spaces. Moreover, the IFA did not include cash flows from the entering into GW Shares Acquisition Transaction (Transaction 2) in the calculation of cash flows from the Licensing Agreement on 31 stations and investment in additional 28 branches of Turtle Shop as it is the analysis on additional cash flows from existing licensing agreement of the Company and VGI on 3 stations (Victory Monument Station, Phloen Chit Station, and Saint Louis Station) only.

Key assumptions of the financial forecast are as follows:

Number of boarding – alighting passengers

The IFA has estimated number of boarding - alighting passengers of each contracted stations by considering historical information and growth rate of ridership of the BTS Skytrain System (BTS Green Line Core Network and Green Line Extensions, from Mo Chit Station – Bearing Station and National Stadium Station – Wongwian Yai Station, totaling 31 stations) which is estimated by BTS Rail Mass Transit Growth Infrastructure Fund ("BTSGIF"). The IFA assumed that number of boarding - alighting passengers (Eyeballs) in 2H/2022 is equivalent to the average number of passengers in July – December 2020, which was the period after the first wave of COVID-19 outbreak in Thailand when there was more travelling but still no foreign tourist visiting Thailand in such period. (Please refer to the following table) However, such number of passengers was higher than those of 2021, when the 2nd – 4th wave of COVID-19 outbreak in Thailand was ongoing throughout the year. In addition, the IFA viewed that COVID-19 pandemic will be continued but people are vaccinated and there are the more opening of places and activities than in 2021. However, number of passengers of BTS Skytrain in 2H/2022 shall not return to pre-COVID-19 pandemic level.

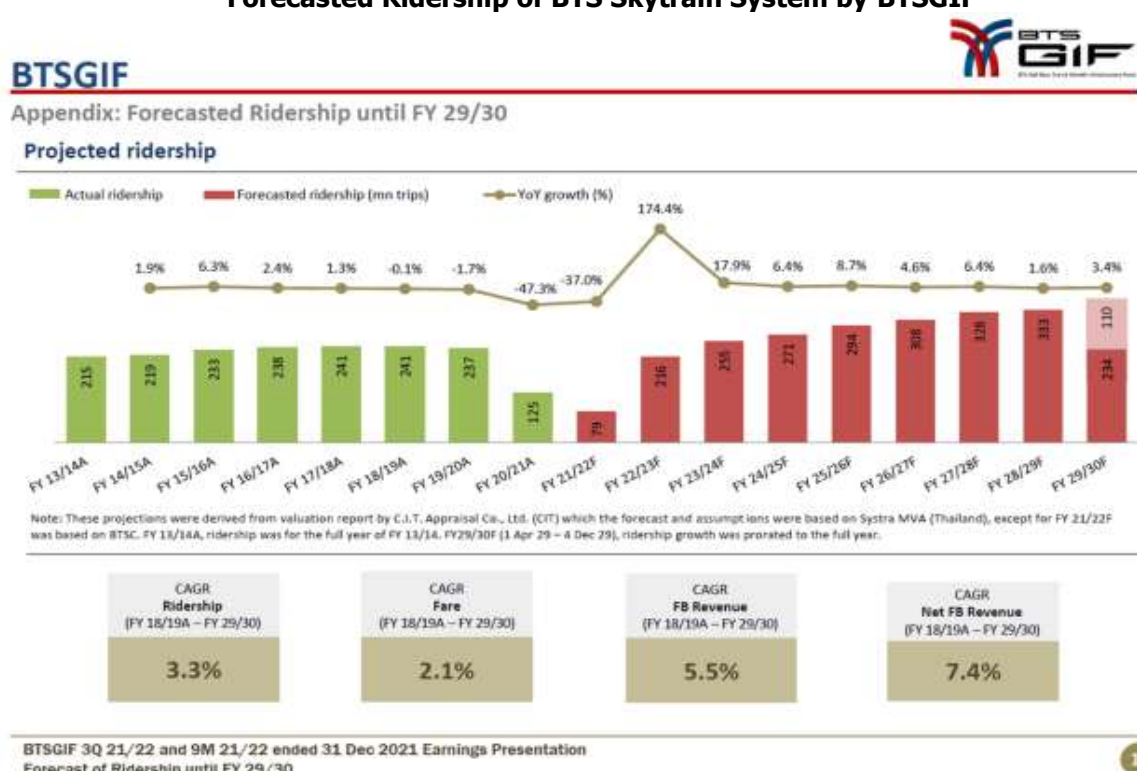
Average number of passengers boarding - alighting BTS Skytrain System in 2019 – 2021 (BTS Green Line Core Network and Green Line Extensions, from Mo Chit Station – Bearing Station and National Stadium Station – Wongwian Yai Station, totaling 31 stations) is summarized as follows:

(Unit: passenger trips/day)

Eyeballs	2019	2020	2021
January	1,289,695	1,261,681	412,451
February	1,306,284	1,152,887	584,352
March	1,318,957	703,046	736,787
April	1,207,708	218,698	407,815
May	1,244,885	334,364	248,816
June	1,323,022	582,537	326,403
July	1,307,112	705,438	203,962
August	1,349,646	786,016	162,739
September	1,314,370	830,668	273,995
October	1,269,795	786,923	358,516
November	1,351,652	839,832	483,278
December	1,265,395	729,619	557,488
Average	1,295,585	743,458	395,096

Source: BTSC and VGI

Remark: COVID-19 pandemic in Thailand and the government's measures has started since March 2020 – present.

Forecasted Ridership of BTS Skytrain System by BTSGIF

Source: Earnings Presentation of BTSGIF 3Q 2021/22 and 9M 2021/22 ended December 31, 2021 (Presentation dated February 22, 2022).

In 2023, number of passengers boarding - alighting BTS Skytrain System (Eyeballs) is assumed at 68.65% higher than that of 2022, or equivalent to 90% of eyeballs in 2019, according to the estimation by BTSGIF who expects that ridership in 2022/2023 will be close to ridership in 2019/2020 (Please refer to the above figure). However, the IFA assumed ridership to increase close to that of 2019 in one year later than BTSGIF's estimation based on conservative basis and the ongoing situation of COVID-19 pandemic in Thailand and limited number of foreign tourists visiting Thailand.

In 2024 – 2029, ridership is estimated to increase by 3.30% p.a., based on the CAGR of ridership in 2018/2019 – 2029/2030 from BTSGIF's estimation (Please refer to the above figure).

From the above assumptions, summary of number of passengers boarding - alighting BTS Skytrain System in 2H/2022 - 2029 (BTS Green Line Core Network and Green Line Extensions, from Mo Chit Station – Bearing Station and National Stadium Station – Wongwian Yai Station, totaling 31 stations) is as follows:

Eyeballs	Unit	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F
No. of passengers boarding - alighting 31 BTS Skytrain stations ^{2/}	Million passenger trips/day	0.69	1.17	1.20	1.24	1.29	1.33	1.37	1.42
Total No. of passengers boarding - alighting 31 BTS Skytrain stations ^{2/}	Million passenger trips/year	252.36	425.60	439.64	454.15	469.14	484.62	500.61	478.88 ^{1/}
% growth	%	74.99%	68.65%	3.30%	3.30%	3.30%	3.30%	3.30%	3.30%

Remark: 1/ Expiring on December 4, 2029

2/ No. of passengers boarding - alighting 24 stations of BTS Green Line Core Network and 7 stations of BTS Green Line Extensions.

2.1 Retail Business

The IFA has categorized 28 branches of Turtle Shop (excluding 3 branches at Saint Louis Station, Victory Monument Station, and Phloen Chit Station, which operate under the existing licensing agreement) into 3 groups by number of passengers boarding - alighting the station in 2019, as follows:

1. **Group A Station:** Comprised of 6 stations, namely Mo Chit Station, Siam Station, Chit Lom Station, Asok Station, Phrom Phong Station, and Sala Daeng Station (number of passengers boarding - alighting each station exceeds 60,000 passenger trips per day)
2. **Group B Station:** Comprised of 12 stations, namely Ari Station, Phaya Thai Station, Nana Station, Thonglor Station, Ekkamai Station, Phra Khanong Station, On Nut Station, Udom Suk Station, Bearing Station, National Stadium Station, Chong Nonsi Station, and Wongwian Yai Station (number of passengers boarding - alighting each station around 25,000 - 60,000 passenger trips per day)
3. **Group C Station:** Comprised of 10 stations, namely Saphan Khwai Station, Sanam Pao Station, Ratchathewi Station, Bang Chak Station, Punna Withi Station, Bang Na Station, Ratchadamri Station, Surasak Station, Saphan Taksin Station, and Krung Thon Buri Station (number of passengers boarding - alighting each station less than 25,000 passenger trips per day).

The Company has planned to start the construction in August 2022 by constructing 2 branches per month (construction period of 3 months for each store), by which 4 branches will be opened in 2022 and 24 branches will be opened in 2023. (The construction plan shall be based on potential and readiness of the area. Initially, the construction in August – September 2022 is expected to be on some of Group B Station. Due to the high occupancy rate of Group A Station, it shall take some period of time to clear the spaces for the construction of Turtle Shop, which is scheduled to start in the end of 2022. However, the construction plan of the Company may change after considering details of each station.)

▪ Revenue from sales

(a) No. of customers of Turtle Shop

- No. of boarding – alighting passengers (Eyeballs)

The IFA assumed number of passengers boarding – alighting the contracted stations in 2022 – 2029 based on the assumptions mentioned earlier. Summary of average daily number of passengers boarding – alighting Group A Station – Group C Station is as follows:

(Unit: passenger trips/day)

Average Daily Eyeballs per Station	2019A	2020A	2021A	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F
Group A Station	87,562	46,015	24,235	42,735	72,071	74,246	76,907	79,445	82,066	84,543	87,572
Group B Station	37,632	22,892	12,201	21,010	35,433	36,502	37,810	39,058	40,347	41,565	43,054
Group C Station	20,627	12,632	6,518	11,665	19,674	20,267	20,994	21,686	22,402	23,078	23,905
Average of 28 stations	42,258	24,183	12,750	22,328	37,656	38,792	40,182	41,508	42,878	44,172	45,755

- Capture rate of customers

The IFA assumed capture rate of customer in the first year at 4% of eyeballs of each station based on the capture rate of Turtle Shop at Saint Louis Station in January 2022 which was at 4.3% of eyeballs. For the second year onwards, capture rate is assumed at 5% of eyeballs of each station. However, the IFA limited number of customers for each store to 3,240 customers per day due to limitation of operating hours, size of store, and number of employees. The IFA viewed that the capture rate of 4% - 5% is feasible since the capture rate of Turtle Shop at Saint Louis Station, which is opened

for service for only 1 month and is at the newly-open station with relatively low ridership, could reach 4.3% of eyeballs.

Turtle Shop at Saphan Taksin Station will be smaller than other branches due to limited construction area of approximately 94 sq.m. Therefore, the IFA assumed capture rate of customer at Saphan Taksin Station in the first year at 2% of eyeballs and 2.5% of eyeballs for the second year onwards.

(b) Average sales per bill

The IFA assumed average sales per bill in 2022 at Baht 130 based on the average sales per bill of Turtle Shop at Saint Louis Station in January 2022 and February 2022 of Baht 138.95 and Baht 144.56, respectively.

In 2023 – 2029, the average sales per bill is assumed to increase by 2.06% p.a. based on the average 20-year historical growth rate of CPI (2003 – 2M/2022).

▪ **Cost of sales**

The IFA assumed ratio of cost of sales to revenue from sales at 75%, based on the average ratio of 23 convenient stores (Franchise shops of 7-11) which is at 74% - 75% of revenue from sales.¹⁶ However, such assumption is lower than the ratio of cost of sales to revenue from sales for Turtle Shop at Saint Louis Station in January 2022 which was at 81.86% of revenue from sales (comprising of cost of goods sold of approximately 61.5%, discount of approximately 5.5%, and cost of damaged and expired products of approximately 14.86% of revenue from sales). The high ratio of cost of sales in January 2022 was due to the cost of damaged and expired products which may be from the inefficiency of fresh product management of the new store, as well as the provision of discount to attract customers to the new store. However, the Company expects to be more efficient in fresh product and inventory management after a period of operation and determination of customers' demand.

▪ **Stores' employee expenses**

The Company estimated that there shall be 18 – 22 employees per store with the average employee expenses of Baht 25,000 per person based on information of Turtle Shop at Saint Louis Station. In addition, employee expenses are assumed to increase by 5% p.a.

▪ **Utility expenses**

The utility expenses in 2022 are assumed at Baht 0.06 million per month per store, higher than utility expenses of Turtle Shop at Saint Louis Station in January 2022 which was at Baht 0.03 million per month, based on conservative basis. In 2023 – 2029, utility expenses are assumed to increase by 2.06% p.a. based on average 20-year historical growth rate of CPI (2003 – 2M/2022).

▪ **Insurance premium**

Insurance premium is assumed at 0.60% of revenue from sales, which is equivalent to the ratio of insurance premium to revenue from sales of Turtle Shop at Saint Louis Station in January 2022. For 2023 – 2029, insurance premium is expected to grow by 2.06% p.a. based on the average 20-year historical growth rate of CPI (2003 – 2M/2022).

▪ **Land and building tax**

Land and building tax is estimated at Baht 800 per sq.m. per year, based on the current tax rate that VGI charged to its tenants. In 2024 – 2029, land and building tax is assumed to increase by 2.06% p.a.

▪ **Other operating expenses (excluding depreciation and amortization expenses)**

Other operating expenses, such as cost of supply, bank fee, repair and maintenance expenses, and miscellaneous expenses, are assumed at 2.50% of revenue from sales, based on ratio of other operating expenses to revenue from sales of 23 convenient stores from the IFA's database.

Summary of revenue from sales and cost of sales for 28 branches of Turtle Shop is as follows:

¹⁶ Cost of sales for a franchise store is higher than ratio of cost of sales of 7-11 store owned by CPALL which had the average cost of sales in 2016 – 2020 of 72% of revenue from sales (Source: Form 56-1, Year 2017 – 2020, CP ALL PCL.) as CPALL manages its own inventory, distribution, and warehouse.

28 Branches of Turtle Shop	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F ^{1/}
Operating period (months)	-	9.00 – 11.00	12.00	12.00	12.00	12.00	12.00	11.00
- Group A Station: 6 branches	1.00 – 2.00	6.00 – 12.00	12.00	12.00	12.00	12.00	12.00	11.00
- Group B Station: 12 branches ^{1/}	-	1.00 – 6.00	12.00	12.00	12.00	12.00	12.00	11.00
- Group C Station: 10 branches	-	-	-	-	-	-	-	-
No. of customers (persons/year)	-	5,275,629	7,115,040	7,095,600	7,095,600	7,095,600	7,115,040	6,570,720
- Group A Station: 6 branches	174,818	5,326,415	7,685,048	8,280,460	8,553,715	8,835,988	9,127,576	8,731,314
- Group B Station: 12 branches	-	762,577	2,873,667	3,572,546	3,690,440	3,812,224	3,938,028	3,767,063
- Group C Station: 10 branches	-	-	-	-	-	-	-	-
Total 28 branches	174,818	11,364,622	17,673,756	18,948,606	19,339,755	19,743,812	20,180,643	19,069,097

Remark: 1/ To open 4 branches in 2022 and another 8 branches in 2023.

(Unit: Baht million)

28 Branches of Turtle Shop	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F ^{1/}
Revenue from sales	23.19	1,538.90	2,442.52	2,672.65	2,784.02	2,900.73	3,025.99	2,918.22
Cost of sales	(17.40)	(1,154.17)	(1,831.89)	(2,004.49)	(2,088.01)	(2,175.55)	(2,269.49)	(2,188.66)
Gross profit	5.80	384.72	610.63	668.16	696.00	725.18	756.50	729.55
Employee expenses	(2.70)	(102.45)	(171.66)	(180.24)	(189.25)	(198.72)	(208.65)	(201.15)
Utility expenses	(0.37)	(12.92)	(21.72)	(22.16)	(22.62)	(23.09)	(23.56)	(22.04)
Insurance premium	(0.14)	(9.23)	(14.66)	(16.04)	(16.37)	(16.70)	(17.05)	(17.40)
Land and building tax	(2.49)	(5.08)	(5.18)	(5.29)	(5.40)	(5.51)	(5.62)	(5.26)
Other operating expenses	(0.58)	(38.47)	(61.06)	(66.82)	(69.60)	(72.52)	(75.65)	(72.96)
Operating profit	(0.48)	216.57	336.36	377.62	392.77	408.65	425.96	410.75
Operating profit margin	-2.07%	14.07%	13.77%	14.13%	14.11%	14.09%	14.08%	14.08%

Remark: 1/ According to the Licensing Agreement between the Company and VGI which will expire on December 4, 2029. (Excluding the depreciation and amortization expenses in this table)

2.2 Merchandising Space Lease Business

The IFA has considered revenue from rent and services of 23 BTS Skytrain stations (excluding 3 BTS Skytrain stations, which the Company currently obtains the right to manage and operate, and excluding 5 BTS Skytrain stations, which GW currently obtains the right to manage and operate. Though GW obtains the right to manage and operate partial spaces on 5 BTS Skytrain stations, the IFA decided to exclude cash flows from the rent of merchandising spaces of the whole areas of the 5 BTS Skytrain stations in the determination of the project's feasibility based on conservative basis).

Summary of licensed spaces of 23 BTS Skytrain stations after allocating partial spaces to Turtle Shops is as follows:

	Stations	Station Group ^{3/}	Licensed Spaces (sq.m.)	Leasable Spaces ^{1/} (sq.m.)
1	Mo Chit Station	A	400.00	317.50
2	Saphan Khwai Station	C	310.00	227.50
3	Phaya Thai Station	B	445.80	387.80
4	Siam Station	A	271.00	213.00
5	Chit Lom Station	A	346.30	263.80
6	Nana Station	B	211.00	128.50
7	Asok Station	A	197.80	115.30
8	Phrom Phong Station	A	461.50	379.00
9	Thong Lo Station	B	310.50	228.00
10	Ekkamai Station	B	205.00	122.50
11	On Nut Station	B	216.00	133.50
12	Bang Chak Station	C	285.40	205.40
13	Punnawithi Station	C	273.40	193.40
14	Udom Suk Station	B	274.00	194.00
15	Bang Na Station	C	229.50	149.50
16	Bearing Station	B	265.20	185.20
17	National Stadium Station	B	374.40	291.90
18	Sala Daeng Station	A	205.00	122.50
19	Chong Nonsi Station	B	269.40	186.90
20	Surasak Station	C	213.00	130.50
21	Saphan Taksin Station	C	94.00	-
32	Krung Thon Buri Station	C	278.30	198.30
23	Wongwian Yai Station	B	275.80	195.80
	Total 23 stations^{2/}		6,412.30	4,569.80

Remark: 1/ Leasable spaces = Licensed spaces net of spaces of Turtle Shop
 Leasable spaces may increase or decrease in the future depending on the construction of a Turtle Shop and actual allocation of licensed spaces.

Spaces for construction of Turtle Shop consist of walkway and part of leasable spaces. (Walkway area is not included in the agreement but VGI acknowledged that it shall assign area for construction of Turtle Shop at approximately 220 sq.m. per branch.)

- 2/ Excluding 3 BTS Skytrain stations, which the Company currently obtains the right to manage and operate, and 5 BTS Skytrain stations, which GW currently obtains the right to manage and operate partial spaces. Though GW obtains the right to manage and operate partial spaces on 5 BTS Skytrain stations, the IFA decided to exclude cash flows from the rent of merchandising spaces on the whole area of the 5 BTS Skytrain stations in the determination of the project's feasibility based on conservative basis since part of the construction of Turtle Shop on such 5 stations may be on licensed spaces of GW and the Company may have to allocate other merchandising spaces to GW to replace such spaces.
- 3/ The IFA has categorized BTS Skytrain stations into 3 groups according to number of passenger boarding – alighting the station in 2019, as follows:
 - **Group A Station:** Comprised of 6 stations, namely Mo Chit Station, Siam Station, Chit Lom Station, Asok Station, Phrom Phong Station, and Sala Daeng Station (number of passenger boarding - alighting each station exceeds 60,000 passenger trips per day)
 - **Group B Station:** Comprised of 10 stations, namely Phaya Thai Station, Nana Station, Thonglor Station, Ekkamai Station, On Nut Station, Udom Suk Station, Bearing Station, National Stadium Station, Chong Nonsi Station, and Wongwian Yai Station (number of passenger boarding - alighting each station around 25,000 - 60,000 passenger trips per day)
 - **Group C Station:** Comprised of 7 stations, namely Saphan Khwai Station, Bang Chak Station, Punnawithi Station, Bang Na Station, Surasak Station, Saphan Taksin Station, and Krung Thon Buri Station (number of passenger boarding - alighting each station less than 25,000 passenger trips per day)

The IFA assumed that the Company will start recognizing revenue from rent of leasable spaces from the acceptance of the transfer of right from VGI in July 2022.

- Revenue from rent and services

Occupancy rate

Occupied spaces in 2022 is assumed at 1,312.99 sq.m. for Group A Station, 1,061.29 sq.m. for Group B Station, and 386.79 sq.m. for Group C Station, or equivalent to the average occupancy rate of 60.42% of leasable spaces after allocating partial spaces to Turtle Shop (comprising of the occupancy rate of 93.05%, 51.67%, and 35.02% of leasable spaces after allocating partial spaces to Turtle Shop of Group A Station, Group B Station, and Group C Station, respectively), based on total occupied spaces of 23 stations in January 2022.

In 2023 - 2025, total leasable spaces of each group are assumed to increase by 11.44%, 7.70%, and 4.77% p.a., respectively in order to adjust the leasable spaces to gradually reach the level of 2019 – 2020. On the other hand, the occupied spaces are assumed to remain constant in 2026 – 2029. The leasable spaces can be summarized as follows:

	Leasable Spaces	Dec. 2019	Dec. 2020	Dec. 2021	2022F ^{2/}	2023F	2024F	2025F	2026F - 2029F
Occupied spaces									
Group A Station ^{4/}	1,411.10	1,628.87	1,779.19	1,327.52	1,312.99	1,312.99	1,312.99	1,312.99	1,312.99
Group B Station	2,054.10	1,384.37	1,444.31	1,155.74	1,061.29	1,266.70	1,420.76	1,523.46	1,523.46
Group C Station	1,104.60	253.82	509.38	374.35	386.79	497.25	580.10	635.33	635.33
Total occupied spaces	4,569.80	3,267.06	3,732.88	2,857.61	2,761.07	3,076.94	3,313.84	3,471.78	3,471.78
Occupancy rate^{1/}									
Group A Station		115.43%	126.09%	94.08%	93.05%	93.05%	93.05%	93.05%	93.05%
Group B Station		67.40%	70.31%	56.27%	51.67%	61.67% ^{3/}	69.17% ^{3/}	74.17% ^{3/}	74.17%
Group C Station		22.98%	46.11%	33.89%	35.02%	45.02% ^{3/}	52.52% ^{3/}	57.52% ^{3/}	57.52%
Average occupancy rate		71.49%	81.69%	62.53%	60.42%	67.33%	72.52%	75.97%	75.97%

Remark:

1/ Based on leasable spaces after allocating spaces to Turtle Shop. (Please refer to details in the previous table)

2/ Based on occupied spaces in January 2022.

3/ Assumed the increase in occupancy rate of Group B Station of 10%, 7.5%, and 5% p.a. in 2023, 2024, and 2025 respectively.

4/ Leasable spaces of Group A Station in 2022 – 2025 are lower than those of 2019 – 2020 since the leasable spaces after allocation spaces to Turtle Shop are limited to 1,411.10 sq.m.

Average rent rate

The average rent rate in 2022 is assumed at Baht 6,402.28 per sq.m. per month for Group A Station, Baht 3,945.00 per sq.m. per month for Group B Station, and Baht 2,534.57 per sq.m. per month for Group C Station, which is equivalent to the average rent rate in January 2022.

The average rent rate in 2020 – 2021 decreased as a result of COVID-19 pandemic, especially in 2021 when there was rent rate discount for tenants. However, in January 2022, rent rate was adjusted upward from that of December 2021 after the end of the discount period. The average rent

rate in January 2022 was lower than that of December 2019 by approximately 26.5%, whereby rent rate of Group A Station – Group C Station dropped by 24.4%, 22.7%, and 35.0% respectively.

Therefore, in preparing this financial forecast, the IFA assumed average rent rate to gradually increase by 11.90%, 8.36%, and 9.28% p.a. in 2023 – 2025, respectively. Such growth in average rent rate is assumed in order to adjust the rate to be close to the rate of 2019 by taking rent rate adjustment capability of each group into consideration. Summary of the average rent rate is as follows:

(Unit: Baht/sq.m.)

	Dec. 2019	Dec. 2020	Dec. 2021	2022 ^{1/}	2023F	2024F	2025F
Rent rate							
Group A Station ^{4/}	8,470.97	7,809.05	5,830.11	6,402.28	7,362.62	8,098.88	8,908.77 ^{2/}
Group B Station	5,100.92	4,862.28	3,315.64	3,945.00	4,536.75	4,990.43	5,489.47 ^{2/}
Group C Station	3,900.81	3,925.01	2,010.50	2,534.57	3,041.49	3,497.71	4,022.37
Average rent rate	6,687.90	6,138.89	4,312.78	4,915.94	5,500.96	5,960.74	6,514.14
Growth of rent rate							
Group A Station	n.a.	-7.81%	-25.34%	9.81%	15.00% ^{2/}	10.00% ^{2/}	10.00% ^{2/}
Group B Station	n.a.	-4.68%	-31.81%	18.98%	15.00% ^{2/}	10.00% ^{2/}	10.00% ^{2/}
Group C Station	n.a.	0.62%	-48.78%	26.07%	20.00% ^{3/}	15.00% ^{3/}	15.00% ^{3/}
Growth of average rent rate	n.a.	-8.21%	-29.75%	13.99%	11.90%	8.36%	9.28%

Remark:

1/ Based on average rent rate in January 2022.

2/ Assumed that occupancy rate of Group A Station and Group B Station increase by 15% in 2023 and 10% in 2024 – 2025 in order to gradually adjust the rate to be close to that of 2019.

Rent rate of Group A Station and Group B Station in 2025 is higher than that of December 2019 by 5% and 8%, respectively.

3/ Assumed that occupancy rate of Group C Station increases by 20% in 2023 and 15% in 2024 – 2025 in order to gradually adjust the rate to be close to that of 2019.

Rent rate of Group C Station in 2025 is higher than that of December 2019 by 3%.

In 2026 – 2029, rent rate is assumed to increase by 5% p.a. based on standard rental fee adjustment of VGI and the Company.

- **Utility Income**

Utility income is assumed at 2.50% of revenue from rent and services based on the average ratio of utility income to revenue from rent and services in 2020 – 2021 of GW. *(Please refer to financial projection of GW in Transaction 2 - Part 3, Clause 5 of this report)*

- **Revenue from rent of space for installation of vending machine**

The Company estimated that there should be 4 vending machines per station. Occupancy rate is assumed at approximately 32.61% or around 30 vending machines in 2022 based on rent roll in January 2022 and additional tenants in March 2022.

It is assumed that occupancy rate shall increase by 10% p.a. in 2023 – 2025, and remain constant at 62.61% in 2026 – 2029.

Average rent rate is approximately Baht 20,000 per vending machine based on the average rent rate in January 2022 which was approximately Baht 12,000 – Baht 40,000 per vending machine. In 2023 – 2029, average rent rate is assumed to increase by 5.00% p.a. based on standard rental fee adjustment of VGI and the Company.

▪ **Cost of services of merchandising space lease on BTS Skytrain stations (excluding depreciation and amortization expenses)**

Cost of services comprised of employee expenses, utility expenses, land and building tax, and other expenses, assumptions of which are as follows:

- Employee expenses/wages are assumed at 5% of revenue from rent and services, based on the average ratio of wage to revenue from rent and services of GW in 2020 – 2021 (which was 4%).
- Utility expenses are assumed at 100% of utility income, as tenants shall responsible for their utility expenses.
- Electricity expenses for vending machine are assumed at Baht 2,670 per month per vending machine, based on the electricity expenses of Saint Louis Station in January 2022. Electricity expenses are assumed to increase by 2.06% p.a.
- Land and building tax is estimated at Baht 800 per sq.m. per year, based on the current tax rate that VGI charged to the Company, and increase by 2.06% p.a. However, land and building tax is calculated on vacant space only as the tenants shall responsible for land and building tax on occupied space.

- Other expenses, such as insurance premium, repair and maintenance expenses, and other expenses, are estimated at 5.00% of revenue from rent and services.

Summary of revenue from rent and services and cost of services for merchandising space rental on 23 BTS Skytrain stations are as follows:

(Unit: Baht million)

Merchandising Space Lease Business	2022F^{1/}	2023F	2024F	2025F	2026F	2027F	2028F	2029F^{2/}
Service period (months)	6.00	12.00	12.00	12.00	12.00	12.00	12.00	11.00
Leasable spaces (sq.m.) ^{3/}	6,412.30	4,569.80	4,569.80	4,569.80	4,569.80	4,569.80	4,569.80	4,569.80
Occupied spaces (sq.m.)	2,761.07	3,076.94	3,313.84	3,471.78	3,471.78	3,471.78	3,471.78	3,471.78
Occupancy rate (%)	43.06%	67.33%	72.52%	75.97%	75.97%	75.97%	75.97%	75.97%
Average monthly rent rate (Baht/sq.m.)	4,915.94	5,500.96	5,960.74	6,514.14	6,839.85	7,181.84	7,540.93	7,917.98
Revenue from merchandising space lease								
Revenue from rent and services	81.44	203.11	237.04	271.39	284.96	299.20	314.17	302.38
Utility income	2.04	5.08	5.93	6.78	7.12	7.48	7.85	7.56
Revenue from rent of space for installation of vending machine	3.60	9.41	11.62	13.82	13.82	13.82	13.82	12.67
Total revenue from space lease on 23 BTS Skytrain stations	87.08	217.60	254.58	292.00	305.90	320.51	335.84	322.62
Cost of services								
Employee expenses	(4.35)	(10.88)	(12.73)	(14.60)	(15.30)	(16.03)	(16.79)	(16.13)
Utility expenses	(2.52)	(6.36)	(7.54)	(8.75)	(9.13)	(9.52)	(9.94)	(9.51)
Land and building tax	(1.46)	(1.22)	(1.05)	(0.93)	(0.95)	(0.97)	(0.99)	(0.93)
Other expenses	(4.35)	(10.88)	(12.73)	(14.60)	(15.30)	(16.03)	(16.79)	(16.13)
Operating profit^{4/} (excluding depreciation and amortization)	74.39	188.26	220.53	253.12	265.24	277.96	291.33	279.91
Operating profit margin ^{4/}	85.43%	86.52%	86.63%	86.68%	86.71%	86.73%	86.74%	86.76%

Remark: 1/ Scheduled commercial operation date is on July 1, 2022 based on the Licensing Agreement between the Company and VGI.

2/ Projection period for 2029 = 11 months based on term of concession agreement for the BTS Green Line Core Network.

3/ Leasable spaces in 2022 is equivalent to licensed spaces, after that the leasable spaces will be decreased due to allocation of spaces for construction of Turtle Shops.

4/ Excluding license fee paid to VGI based on the Licensing Agreement

▪ **Selling and administrative expenses: retail business and merchandising space lease business**

Selling and administrative expenses: retail business and merchandising space lease business are additional expenses from existing selling and administrative expenses of the Company. The selling and administrative expenses include additional employee expenses to support the new business, marketing expenses, research and development expenses, and other expenses.

Key assumptions are as follows:

- The Company and VGI have planned to appoint 2 – 3 executives who have an experience in retail business. Management expenses are estimated at approximately Baht 2.00 million per month in 2023. In 2024 – 2029, management expenses are assumed to increase by 5.00% p.a.
- Marketing expenses for retail business are estimated at 1.00% of revenue from sales while marketing expenses for merchandising space rental business are assumed at 3.00% of revenue from rent and services, based on the Company's estimation.
- Additional office expenses for executives are assumed at approximately Baht 0.12 million per month and increase by 2.06% p.a.
- Research and development expenses are assumed at approximately Baht 1.50 million per year and increase by 2.06% p.a.
- Other expenses are assumed at 1.00% of revenue from sales and revenue from rent and services.
- Demolition cost of Turtle Shop at the expiration of the Licensing Agreement in 2029 is assumed at Baht 0.11 million per branch (Baht 0.06 million for Turtle Shop and Saphan Taksin

Station), totaling Baht 3.03 million. The Company estimated the demolition cost at Baht 500 per sq.m. (based on the demolition cost from <https://steelexpert.lekkla.com/price-reno-vate-home/>). The IFA considered such demolition cost as selling and administrative expenses in 2029.

- License fee is based on the Licensing Agreement between the Company and VGI, which is proposed for approval under Transaction 1. The license fee shall be calculated based on the following formula:

License fee = Baht 0.7516 x quarterly ridership number on the contracted BTS Skytrain stations by counting both boarding passengers and alighting passengers (Eyeballs)

Please refer to estimated eyeballs of the contracted BTS Skytrain stations (31 stations) in 2022 – 2029 in the table on page 58 of this report.

However, the IFA has adjusted the license fee based on the new Licensing Agreement for 31 BTS Skytrain Station (Transaction 1) net of the license fee based on the existing licensing agreement for 3 BTS Skytrain stations (namely Saint Louis Station, Victory Monument Station, and Phloen Chit Station). Summary of net license fee is as follows:

(Unit: Baht million)

License Fee	2H2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F ^{1/}
License fee based on the new Licensing Agreement for 31 stations	54.24	319.88	330.44	341.34	352.61	364.24	376.26	356.29
License fee based on the current licensing agreement for 3 stations	7.30	15.14	15.27	16.04	16.12	16.21	17.02	15.70
Additional license fee - net	46.94	304.75	315.17	325.30	336.48	348.03	359.25	340.58

Remark:

- 1/ License fee based on the License to Manage and Operate Merchandising Space Agreement on 3 BTS Skytrain stations between the Company and VGI (effective date from November 1, 2021 – December 4, 2029) is as follows:

- o Saint Louis Station: License fee is at 5.00% of revenue.
- o Victory Monument Station: Minimum license fee is in the range of Baht 6.00 – 6.615 million, and the revenue sharing is equal to 5.00% of excess revenue as agreed in the licensing agreement.
- o Phloen Chit Station: Minimum license fee is in the range of Baht 7.80 – 8.60 million, and the revenue sharing is equal to 5.00% of excess revenue as agreed in the licensing agreement.

The existing licensing agreement for 3 BTS Skytrain stations will be terminated and replaced with the Licensing Agreement for 31 BTS Skytrain stations after the entering into Transaction 1.

(Please refer to the calculation of license fee for 3 BTS Skytrain stations based on the existing licensing agreement in Transaction 3 - Part 3 of this report)

Summary of financial projection on selling and administrative expenses for retail business and merchandising space lease business is as follows:

(Unit: Baht million)

SG&A: Retail Business and Merchandising Space Lease Business	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F
Employee expenses	12.00	25.20	26.46	27.78	29.17	30.63	32.16	30.96
Selling expenses	2.68	21.48	31.54	34.87	36.39	37.98	39.68	38.25
Office and other expenses	3.33	20.48	29.95	32.69	34.00	35.38	36.85	35.71
Demolition cost of Turtle Shop	-	-	-	-	-	-	-	3.03
License fee to VGI	46.94	304.75	315.17	325.30	336.48	348.03	359.25	340.58
Total SG&A	64.94	371.91	403.11	420.63	436.04	452.03	467.94	448.52

▪ Financial cost

Source of fund for investment in 28 branches of Turtle Shop is expected to be from the offering of newly issued ordinary shares of the Company through private placement.

▪ Corporate income tax

The IFA assumed a corporate income tax rate of 20%.

▪ **Capital expenditure¹⁷**

Retail business

Investment costs for 27 Turtle Shops (size of each store at approximately 220 sq.m.) are approximately Baht 36.20 million per store,¹⁸ based on budget approved by the Board of Directors of the Company, actual investment of the first Turtle Shop adjusted with one-time expenses such as design fee and R&D expenses, and the quotation for construction of Turtle Shop at Victory Monument Station and Phloen Chit Station. The Company has planned to start the construction of Turtle Shop in August 2022 by constructing 2 branches in every month (construction period of approximately 3 months per store). Additional 4 branches of Turtle Shop are scheduled to open in 2022 and 24 branches in 2023. Total capital expenditure in 2022 – 2023 is estimated at Baht 289.60 million and Baht 705.90 million, respectively.

(Investment in Turtle Shop at Saphan Taksin Station with total area of 94 sq.m. is estimated at 18.10 million, or approximately 50% of normal size store.)

In addition, repair and maintenance expenses are estimated at 1.00% p.a. of capital expenditure of each store. *(The demolition cost of Turtle Shop is included in selling and administrative expenses of retail business and merchandising space lease business in 2029. Please refer to the financial projection on page 64 of this report.)*

Merchandising space lease business

The Company estimated renovation cost, which include renovation cost of tenants' stores and decoration cost of some shops to match the theme of Turtle Shop, of approximately Baht 2.00 million per station, or equivalent to total capital expenditure of Baht 62 million. The investment shall be gradually paid during 2022 – 2024.

▪ **Current assets and current liabilities turnover**

Trade and account receivables	1 – 15 days on average
Inventory	15 days on average
Trade and account payables	60 days on average
Account payables – VGI	90 days on average
Rental deposit	3 months

▪ **Terminal value**

The IFA assumed that terminal value shall equal to zero and there is no renewal of the Licensing Agreement after December 4, 2029.

▪ **Discount rate**

The IFA has adopted the Weighted Average Cost of Capital (WACC), derived from a weighted average of cost of debt (K_d) and cost of equity (K_e), as a discount rate for the determination of present value of net cash flow of the Company, as follows:

WACC	=	$K_e * E / (D + E) + K_d * (1 - T) * D / (D + E)$
K_e	=	Cost of equity or required rate of return (R_e)
K_d	=	Cost of debt or loan interest rate of the Project
T	=	Corporate income tax
E	=	Total shareholders' equity
D	=	Interest-bearing debt

¹⁷ Capital expenditure in this financial forecast includes (a) renovation cost of existing shops in merchandising spaces of approximately Baht 62 million (approximately Baht 2 million * 31 stations = Baht 62 million), but excludes (b) investment in retail business in the amount not exceeding Baht 800 million, and (c) construction cost of warehouse in the amount not exceeding Baht 200 million, which are mentioned in Clause 4.2 (4) – (6) of the Information Memorandum on the Issuance and Offering of Newly Issued Ordinary Shares and Connected Transactions of the Company (Enclosure No. 1 of the notification of this shareholders' meeting), respectively.

The Company will perform feasibility study and evaluate return on investment in (b) and (c) above before making an investment.

¹⁸ Construction cost of Turtle Shop on 2 stations which are under construction (Phloen Chit Station and Victory Monument Station) is approximately Baht 36.20 million per station. However, the Company confirmed that construction cost of the remaining 28 stations shall be approximately Baht 30.50 million per station. The Company informed that such reduction in cost is due to the shorter construction period and reduction of cost of some items from the construction of several stations.

Cost of equity (K_e) or required rate of return (R_e) is calculated by using the Capital Asset Pricing Model (CAPM) as follows:

$K_e \text{ (or } R_e) = R_f + \beta (R_m - R_f)$

Where:

Risk Free Rate (R_f) = 1.98% p.a., based on 8-year government bond yield (information as of March 1, 2022), which is the rate of return from bond with maturity period close to the projection period

Beta (β) = 0.6265 times, based on the average unlevered beta of SET-listed companies in 2 sectors¹⁹, which are (1) 5 comparable companies in Property Development Sector, and (2) 5 comparable companies in Commerce Sector (1-year historical average up to March 1, 2022), and adjusted by the interest-bearing debt to equity ratio of the Project

Market Risk (R_m) = 11.74% p.a., which is the average annual rate of return on investment in the SET over the past 30 years from 1992 to 2021 (period of the enforcement of Securities and Exchange Act B.E. 2535) as it is the most suitable period to reflect average return from the SET

K_d = There is no borrowing of the Project

D/E Ratio = D/E Ratio of the Project is equal to zero since to source of fund of the Project is from PP and RO

T = The assumed corporate income tax rate of 20% p.a.

From the aforementioned assumptions, discount rate or WACC is equal to 8.10% p.a.

Based on the above information and assumptions, financial projection of the Company during 2022 – 2029 concerning the management of merchandising spaces on 23 BTS Skytrain stations and investment in 28 Turtle Shops can be summarized as follows:

(Unit: Baht million)

Transaction 1	2H2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F
Income Statement								
Revenue from sales – retail business	23.19	1,538.90	2,442.52	2,672.65	2,784.02	2,900.73	3,025.99	2,918.22
Revenue from rent and services	87.08	217.60	254.58	292.00	305.90	320.51	335.84	322.62
Total revenue	110.27	1,756.50	2,697.10	2,964.65	3,089.92	3,221.24	3,361.83	3,240.84
Cost of sales	(17.40)	(1,154.17)	(1,831.89)	(2,004.49)	(2,088.01)	(2,175.55)	(2,269.49)	(2,188.66)
Operating expenses – retail business	(6.28)	(168.15)	(274.27)	(290.55)	(303.24)	(316.53)	(330.53)	(318.80)
Operating expenses – merchandising space lease business	(12.68)	(29.34)	(34.05)	(38.88)	(40.67)	(42.55)	(44.52)	(42.70)
Operating profit	73.91	404.83	556.89	630.73	658.00	686.61	717.29	690.67
License fee	(46.94)	(304.75)	(315.17)	(325.30)	(336.48)	(348.03)	(359.25)	(340.58)
Selling and administrative expenses	(18.00)	(67.16)	(87.94)	(95.34)	(99.56)	(103.99)	(108.70)	(107.94)
EBITDA	8.97	32.92	153.77	210.10	221.96	234.59	249.35	242.14
EBIT	1.39	(81.95)	(6.31)	47.99	57.30	66.52	76.09	83.32
Net profit	1.11	(81.95)	(6.31)	47.99	53.90	53.22	60.87	66.66

Free Cash Flow to the Project can be summarized as follows:

¹⁹ SET-listed companies in 2 sectors are as follows:

- Property Development Sector: Central Pattana PCL., JAS Asset PCL., MBK PCL., The Platinum Group PCL. and Siam Future Development PCL.
- Commerce Sector: Berli Jucker PCL., CP All PCL., Central Retail Corporation PCL., Siam Makro PCL., and Thanapiriya PCL.

(Unit: Baht million)

Transaction 1	2H2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F
EBITDA	8.97	32.92	153.77	210.10	221.96	234.59	249.35	242.14
Corporate income taxes	(0.28)	0.00	0.00	0.00	(3.41)	(13.30)	(15.22)	(16.66)
Working capital	40.99	306.67	137.03	42.99	22.21	23.24	24.50	(597.64) ^{1/}
Capital expenditures	(305.10)	(740.16)	(24.37)	(9.96)	(9.96)	(9.96)	(9.96)	0.00
Free Cash Flow to the Project	(255.42)	(400.57)	266.44	243.14	230.81	234.57	248.68	(372.16)
PV of FCFF	(245.66)	(356.40)	219.30	185.12	162.57	152.84	149.89	(207.51)

Remark: 1/ Working capital decreases due to the assumption that the Company does not renew the Licensing Agreement after December 4, 2029. The decrease in working capital is mainly due to the payment of trade payables, payment to VGI, and refund of rental deposit.

Transaction 1	Base Case
Present value of cash flows from the right to manage merchandising spaces on 31 stations and investment in Turtle Shops (NPV of Project) ^{1/}	Baht 60.14 million
Internal rate of return (IRR)	12.79% p.a.
Payback period from July 1, 2022 ^{2/} (from commercial operation date)	4.10 years

Remark:

- 1/ Cash flows from rent of merchandising spaces on 23 BTS Skytrain stations and 28 Turtle Shops, excluding cash flows from rent of merchandising spaces and Turtle Shops on 3 BTS Skytrain stations which the Company currently obtains the right to manage and operate, and excluding cash flows from rent of merchandising spaces on 5 BTS Skytrain stations which GW currently obtains the right to manage and operate. (Though GW obtains right to manage and operate partial spaces on 5 BTS Skytrain stations, the IFA did not include cash flows from merchandising spaces on the whole areas of 5 BTS Skytrain stations in the determination of project's feasibility based on conservative basis.) However, the IFA has included license fee of such 8 BTS Skytrain stations according to the new Licensing Agreement, resulting in the license fee of total 31 BTS Skytrain stations.
- 2/ It is assumed that the Company will start recognizing revenue from rent of merchandising spaces on July 1, 2022.

According to the projection of cash flow from the right to manage merchandising spaces and retail shops on 31 BTS Skytrain stations as well as the investment in Turtle Shops in the base case with the discount rate of 8.10% p.a., net present value (NPV) of free cash flow of the Project is equal to Baht 60.14 million, internal rate of return (IRR) is 12.79% p.a., and payback period is 4.10 years from the first date of revenue recognition from the Project (July 1, 2022).

Sensitivity analysis

The IFA has conducted a sensitivity analysis of the Project by adjusting the discount rate or WACC upward and downward by 5.00% from the base case. The outcome of the sensitivity analysis is as follows:

Sensitivity Analysis	Unit	Discount Rate (% p.a.)		
		8.51%	8.10% (Base Case)	7.70%
NPV of cash flows	(Baht million)	54.46	60.14	65.92
Internal rate of return (IRR)	(% p.a.)	12.79%		
Payback period from July 1, 2022	(years)	4.10		

From the sensitivity analysis, net present value (NPV) of free cash flow of the Project is in the range of Baht 54.46 – 65.92 million, internal rate of return (IRR) is equal to 12.79% p.a., and payback period is equal to 4.10 years from the first date of revenue recognition from the Project (July 1, 2022).

In addition, the IFA has carried on scenario analysis for information to the shareholders only by adjusting the following variables:

- Scenario 1: Adjust number of Turtle Shop to invest to only 25 branches by excluding Sanam Pao Station and Ratchadamri Station which had number of boarding – alighting passengers in 2019 less than 10,000 passenger trips per day, and excluding Saphan Taksin Station which has limited construction area
- Scenario 2: Adjust number of passengers boarding - alighting contracted stations (Eyeballs) upward/downward by 10.00% from the base case. (The IFA has adjusted eyeballs to determine the effect on revenue from retail shops and license fee paid to VGI only.)
- Scenario 3: Adjust an investment cost of 28 Turtle Shops upward/downward by 10% from the base case (investment cost per store from Baht 36.20 million to Baht 39.82 million and Baht 32.58 million).

The outcome of the scenario analysis is as follows:

Scenario Analysis	NPV (Baht million)	Project IRR (% p.a.)	Payback period (years) ^{1/}
Base case – Investment in 28 Turtle Shops	60.14	12.79%	4.10
Scenario 1: Investment in 25 Turtle Shops	83.07	15.47%	3.89
Scenario 2.1: Eyeballs +10%	63.74	13.35%	4.02
Scenario 2.2: Eyeballs -10%	55.34	12.18%	4.19
Scenario 3.1: Investment cost of Turtle Shop +10%	(20.81)	6.63%	4.56
Scenario 3.2: Investment cost of Turtle Shop -10%	140.67	20.32%	3.68

Remark: 1/ From the first date of revenue recognition from the rent of merchandising spaces on 23 BTS Skytrain stations (July 1, 2022).

In order to earn preferable investment returns, the Company should consider to invest in Turtle Shop on the BTS Skytrain station that has substantial number of boarding – alighting passengers (as in Scenario 1 above), and control and lower investment cost of Turtle Shop (as in Scenario 3.2 above).

The evaluation of NPV of cash flow and IRR of the Project is based on the assumptions provided by the Company under the current economic condition and circumstances. The Independent Financial Advisor based its assessment on industry information or historical performance of the Company including information provided by VGI. If there is any change in the Company's business plan and policy including government policy or economic change or unusual event that may cause material variation from the current business plan of the Project or from the forecast and variables used herein, the projection constructed under the above assumptions may change significantly, leading to a relative change in net present value of cash flow and IRR of the Project accordingly.

2.3 Summary of the IFA's Opinion on the Appropriateness of Investment under the License to Manage and Operate Merchandising Space Agreement in order to Obtain the Right to Manage and Operate the Merchandising Spaces on 31 BTS Skytrain Stations and the Investment in 28 New Branches of Turtle Shop

From the feasibility study of the Project, the Independent Financial Advisor found that net present value (NPV) of the project is in the range of Baht 54.46 – 65.92 million (Baht 60.14 million in the base case), IRR is in the range of 12.79% p.a. which is higher than the discount rate (WACC) of 7.70% - 8.51% p.a. (8.10% p.a. in the base case), and payback period is 4.10 years from the first date of revenue recognition from the rent of merchandising spaces on 23 stations (July 1, 2022). **Therefore, the Independent Financial Advisor is of the opinion that the entering into the Licensing Agreement, the investment in 28 new branches of Turtle Shop (at the amount not exceeding Baht 36.20 million per station), and renovation cost of 31 stations (at the amount not exceeding Baht 2 million per station) are feasible and appropriate.** However, the Company should conduct an investment analysis before construction of each Turtle Shop as investment in some BTS Skytrain stations may not be feasible, and the Company should cautiously control investment budgets.

Asset Acquisition and Connected Transactions
Transaction 2:
GW Shares Acquisition Transaction

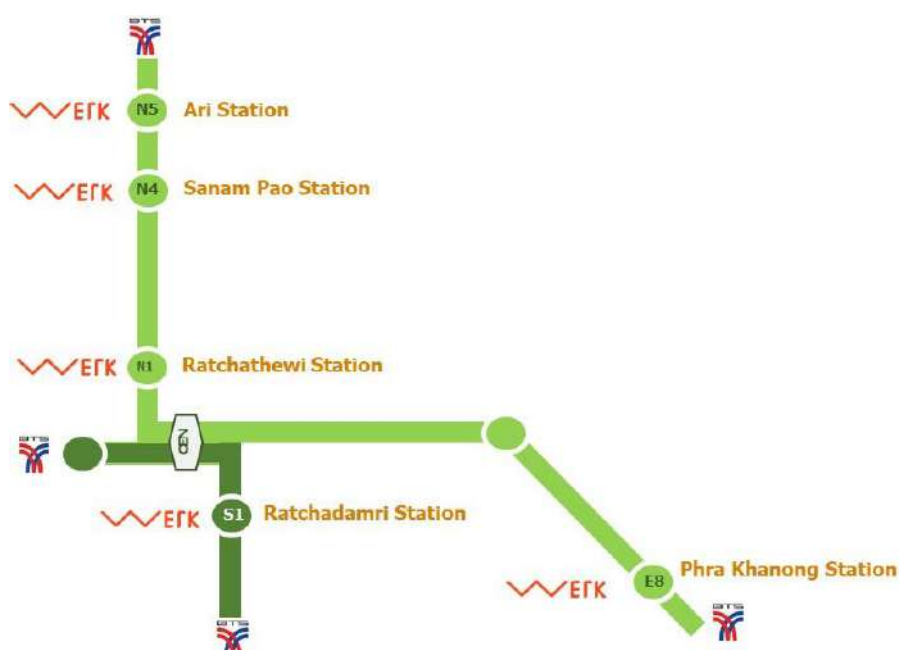
Transaction 2 - Part 1: General Information of the Asset Acquisition and Connected Transactions

1. Characteristics and Details of the Transaction

1.1 Objectives and Background of the Transaction

The Board of Directors' Meeting of the Company No. 2/2022, held on March 2, 2022, resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2022, which will be held on May 10, 2022, to consider and approve the entering into the acquisition of all ordinary shares in Groupwork Co., Ltd. ("GW") in the amount of 62,500 shares (in whole but not in part) with par value of Baht 100 per share, representing 100% of total issued and paid-up shares of GW, at the purchase price not exceeding Baht 110.00 million from 3 existing shareholders of GW, namely (1) VGI PCL. ("VGI"), (2) Werk X Co., Ltd. ("WX"), and (3) Sliver Reward Holdings Ltd. ("Sliver") in the proportion of 20%, 31%, and 49% of total issued and paid-up shares of GW respectively (collectively referred to as the "Sellers of GW Shares"), which constitutes a connected transaction only in case of the acquisition of GW shares from VGI in the proportion of 20% of total issued and paid-up shares of GW ("GW Shares Acquisition Transaction").

GW is a limited company incorporated under the law of Thailand. It has mainly engaged in the business of management, operation, and rent of partial merchandising spaces on 5 BTS Skytrain stations,²⁰ comprising of Ratchathewi Station (N1), Sanam Pao Station (N4), Ari Station (N5), Ratchadamri Station (S1), and Phra Khanong Station (E8), under the name of "WERK". It also has lease agreement for 1 unit in the pier area at the end of Wang Lang Road (Prannok) and lease agreement for management of merchandising spaces at 3 piers along Saen Saep Canal, comprising of Pratunam Pier, Ramkhamhaeng University Pier, and Asok Pier which are in the development phase under the "HIW HUB" Project with focuses on utilization of such spaces for the store's brand presentation to consumers and as its channels for trading goods suitable for a growing numbers of consumers who travel through the BTS Skytrain stations and the piers.



1.2 Date of the Transaction

After the Board of Directors' Meeting of the Company No. 2/2022 resolved to approve the entering into the Transaction 1 and Transaction 2, the Company expects to sign the relevant agreements, namely the Share Sale and Purchase Agreement with respect to GW shares between the Company (as the purchaser) and the Sellers of GW Shares (as the sellers) ("GW Share Sale and Purchase Agreement") by June 2022.

²⁰ Comprising of 60 units with approximately 837.50 square meters, accounting for approximately 63.14% of the total leasable spaces on 5 stations.

In this regard, the GW Shares Acquisition Transaction will take place after obtaining the approval from the Extraordinary General Meeting of Shareholders of the Company No. 1/2022, which will be held on May 10, 2022, and after all conditions precedent under the GW Share Sale and Purchase Agreement as well as the consideration of necessary key terms (*as per the details in Transaction 2 - Part 1, Clause 1.4, of this report*) have been fulfilled or waived by the relevant parties, including conditions precedent under which POV subscribed to and paid in full for the newly issued ordinary shares of the Company via private placement (*as per the details in Transaction 3 - Part 1, Clause 1.4.3, of this report*).

The Company expects that the GW Shares Acquisition Transaction will be completed by June 2022.

Conditions precedent of the GW Share Acquisition Transaction (Transaction 2)

- The Company has issued and offered 953,500,000 newly issued ordinary shares with par value of Baht 1 per share to POV under the PP Shares Issuance and Offering to POV Transaction at the offering price of Baht 3.30 per share and POV has subscribed and paid for such newly issued ordinary shares.
- The Company has obtained an approval from the shareholders' meeting for the issuance and offering of newly issued ordinary shares with par value of Baht 1 per share to WX and Silver under the PP Shares Issuance and Offering Transaction at the offering price of Baht 3.30 per share at the amount of 15,350,000 shares and 15,150,000 shares, respectively.
- The Company has obtained an approval from the shareholders' meeting for the entering into GW Share Acquisition Transaction as well as the entering into GW Share Subscription Agreement and the compliance with GW Share Subscription Agreement.
- There shall be no material adverse events or changes or expected material adverse events or changes to GW prior to the closing date of the GW Shares Acquisition Transaction.

1.3 Relevant Parties and Relationship with the Company

1.5 Relevant Parties and Relationship with the Company

Assets to be acquired	:	62,500 ordinary shares of Groupwork Co., Ltd. (GW) with par value of Baht 100 per share, representing 100% of total issued and paid-up shares of GW																								
Purchaser	:	Nation International Edutainment PCL. (the Company)																								
Sellers	:	VGI Public Company Limited: 12,501 shares, representing 20%; Werk X Company Limited ^{1/} : 19,374 shares, representing 31%; and Sliver Reward Holdings Limited ^{2/} : 30,625 shares, representing 49%.																								
Relationship between purchaser and sellers	:	<p><u>Prior to the entering into the transaction</u> The aforementioned parties (Sellers) do not have any relationship with the Company.</p> <p><u>After the entering into the transaction</u> Point of View (POV) Media Group Co., Ltd. (POV), a wholly-owned subsidiary of VGI, will acquire 953,500,000 PP shares of the Company with par value of Baht 1 per share, representing 70.65% of total issued and paid-up shares after the issuance and offering of PP shares^{3/} (which will be proposed for approval from the shareholders' meeting on the same occasion). Therefore, subsequent to such acquisition of PP shares, VGI will become a controlling person of the Company and will consequently be considered as the connected person of the Company pursuant to the Notifications on Connected Transactions.</p> <p>However, other Sellers of GW shares, namely WX and Sliver, are not the connected persons of the Company.</p> <p>The Sellers of GW Shares have the intention to subscribe for the Company's PP shares as follows:</p> <table><tr><th></th><th><u>No. of PP Shares</u></th><th colspan="2"><u>Percentage of Shareholding in the Company</u></th></tr><tr><th></th><th></th><th><u>After PP Shares Issuance</u></th><th><u>After PP and RO Shares Issuance</u></th></tr><tr><td>POV</td><td>953,500,000</td><td>70.65%</td><td>59.99%</td></tr><tr><td>WX</td><td>15,350,000</td><td>1.14%</td><td>0.97%</td></tr><tr><td>Sliver</td><td><u>15,150,000</u></td><td><u>1.12%</u></td><td><u>0.95%</u></td></tr><tr><td></td><td>984,000,000</td><td>72.91%</td><td>61.90%</td></tr></table>		<u>No. of PP Shares</u>	<u>Percentage of Shareholding in the Company</u>				<u>After PP Shares Issuance</u>	<u>After PP and RO Shares Issuance</u>	POV	953,500,000	70.65%	59.99%	WX	15,350,000	1.14%	0.97%	Sliver	<u>15,150,000</u>	<u>1.12%</u>	<u>0.95%</u>		984,000,000	72.91%	61.90%
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Sliver	<u>15,150,000</u>	<u>1.12%</u>	<u>0.95%</u>																							
	984,000,000	72.91%	61.90%																							

Remark:

- 1/ Werk X Co., Ltd. (WX) is a limited company incorporated under the law of Thailand with the registered capital of Baht 1 million, having 3 individuals as its shareholders, namely Mr. Kant Sombatsiri, Mr. Thanakorn Juangphanit, and Mr. Phawin Singhalachat in the proportion of 75.80%, 14.52%, and 9.68% respectively, whereby such individuals are not the Company's connected persons. Directors of the Company are Mr. Kant Sombatsiri and Mr. Phawin Singhalachat.
- 2/ Sliver Reward Holdings Ltd. (Sliver) is a limited company incorporated under the law of Hong Kong, having 2 individuals as its shareholders, namely Mr. Kant Sombatsiri and Mr. Thanakorn Juangphanit in the proportion of 91.00% and 9.00% respectively, whereby such individuals are not the Company's connected persons.
- 3/ POV will hold shares in the Company in the proportion of 59.99% of total issued and paid-up shares after the issuance and offering of PP and RO shares (assuming that the Company's existing shareholders fully subscribe for the newly issued shares under the RO Shares Issuance and Offering Transaction). Thus, after acquiring the Company's shares in the proportion mentioned above, POV has a duty to make a tender offer for all remaining securities of the Company pursuant to the

Notification of the Capital Market Supervisory Board No. TorChor. 12/2554. VGI expects that POV will conduct the tender offer by Q3/2022 at the tender offer price of Baht 3.30 per share. In addition, POV shall nominate its representative to serve as directors of the Company according to its shareholding (please refer to additional details in Transaction 3 – Part 1, Clause 1.4.3 of this report). It is expected that name of directors, executives, and policies shall be disclosed in details in the Tender Offer From (Form 247-4), which is the process after the completion of the PP Shares Issuance and Offering to POV Transaction.

1.4 General Description of the Transaction

The Company will acquire all ordinary shares of GW in the amount of 62,500 shares with par value of Baht 100 per share, representing 100% of total issued and paid-up shares of GW, from the existing shareholders of GW at the purchase price not exceeding Baht 110.00 million in total or approximately Baht 1,760 per share. The Company will pay for such purchase price wholly in cash, using proceeds from the capital increase from private placement under Agenda 3 of the Extraordinary General Meeting of Shareholders.

In entering into such transaction, the Company will enter into the GW Share Sale and Purchase Agreement, of which the key terms and conditions are prescribed in the Information Memorandum on Asset Acquisition and Connected Transactions of the Company (Enclosure No. 1) enclosed with this notice to the shareholders' meeting.

(As of the date of preparing this report, the Company have not yet signed the GW Share Sale and Purchase Agreement and the IFA has received only draft GW Share Sale and Purchase Agreement and information disclosed in the Information Memorandum on Asset Acquisition and Connected Transactions of the Company. Therefore, the IFA's opinion expressed herein is based on the information and documents we have obtained. As such, any change to the terms and conditions in the duly signed GW Share Sale and Purchase Agreement may relatively affect the IFA's opinion provided herein.)

Draft GW Share Sale and Purchase Agreement																																																											
Parties	(a) The Company (as the purchaser) (b) VGI, WX, and Sliver (as the sellers)																																																										
No. of shares agreed to sell and purchase	All 62,500 ordinary shares of GW with par value of Baht 100 per share, of which 12,201 shares are from VGI, 19,374 shares are from WX, and 30,625 shares are from Sliver																																																										
Closing date	After the conditions precedent are completely fulfilled (or the purchaser has waived and/or relinquish any of the condition precedent, as the case maybe) in accordance with details in Transaction 2 – Part 1, Clause 1.2.																																																										
Sale and purchase price	<p>A total of Baht 110 million or equivalent to Baht 1,760 per share under the following terms of payment:</p> <p>(1) VGI shall transfer all of its GW shares to the Company and the Company shall fully pay for GW shares purchased from VGI on the closing date in order to complete the GW Share Acquisition Transaction.</p> <p>(2) WX and Silver shall transfer all of their GW shares to the Company and the Company shall pay Tranche 1 of the purchase price to WX and Silver on the closing date in order to complete the transaction. Then, the Company shall pay the remaining amount to WX and Silver in installment within 10 business days after the end of 1 year, 2 years, and 3 years from the closing date. The amount of payment in each tranche shall be in accordance with the Share Sale and Purchase Agreement.</p> <p>Summary of 4 tranches of purchase price payment is as follows:</p> <table> <tr> <th>(Baht)</th><th>VGI</th><th>WX</th><th>Sliver</th><th>Total</th></tr> <tr> <td>Sale and purchase price</td><td>22,001,760.00</td><td>34,098,239.99</td><td>53,900,000.01</td><td>110,000,000.00</td></tr> <tr> <td colspan="5">Divided into:</td></tr> <tr> <td>Tranche 1</td><td>22,001,760.00</td><td>33,517,008.38</td><td>52,981,231.62</td><td>108,500,000.00</td></tr> <tr> <td></td><td colspan="4">Payable as of the closing date of the transaction and the Company shall accept the transfer of all GW shares from the Sellers of GW Shares</td></tr> <tr> <td>Tranche 2</td><td>-</td><td>193,743.87</td><td>306,256.13</td><td>500,000.00</td></tr> <tr> <td></td><td colspan="4">Payable within 10 business days after 1 year from the closing date</td></tr> <tr> <td>Tranche 3</td><td>-</td><td>193,743.87</td><td>306,256.13</td><td>500,000.00</td></tr> <tr> <td></td><td colspan="4">Payable within 10 business days after 2 years from the closing date</td></tr> <tr> <td>Tranche 4</td><td>-</td><td>193,743.87</td><td>306,256.13</td><td>500,000.00</td></tr> <tr> <td></td><td colspan="4">Payable within 10 business days after 3 years from the closing date</td></tr> </table>				(Baht)	VGI	WX	Sliver	Total	Sale and purchase price	22,001,760.00	34,098,239.99	53,900,000.01	110,000,000.00	Divided into:					Tranche 1	22,001,760.00	33,517,008.38	52,981,231.62	108,500,000.00		Payable as of the closing date of the transaction and the Company shall accept the transfer of all GW shares from the Sellers of GW Shares				Tranche 2	-	193,743.87	306,256.13	500,000.00		Payable within 10 business days after 1 year from the closing date				Tranche 3	-	193,743.87	306,256.13	500,000.00		Payable within 10 business days after 2 years from the closing date				Tranche 4	-	193,743.87	306,256.13	500,000.00		Payable within 10 business days after 3 years from the closing date			
(Baht)	VGI	WX	Sliver	Total																																																							
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Tranche 4	-	193,743.87	306,256.13	500,000.00																																																							
	Payable within 10 business days after 3 years from the closing date																																																										
Key conditions precedent	<p>(1) The Company shall have issued and offered 953,500,000 newly issued ordinary shares with par value of Baht 1 per share to POV under the PP Shares Issuance and Offering Transaction at the offering price of Baht 3.30 per share and POV shall have purchased and paid for the price of such shares.</p> <p>(2) The Company shall have obtained the approval from its shareholders' meeting for the issuance and offering of newly issued ordinary shares with par value of Baht 1 per share under the PP Shares Issuance and Offering Transaction to WX and Silver at the offering price of Baht 3.30 per share in the amount of 15,350,000 shares and 15,150,000 shares, respectively.</p> <p>(3) The Company shall have obtained approval from the shareholders' meeting to enter into the GW Shares Acquisition Transaction and GW Share Sale and Purchase Agreement, as well as performed its obligations under the GW Share Sale and Purchase Agreement.</p>																																																										

	(4) There shall be no material adverse events or changes or expected material adverse events or changes to GW prior to the completion of the GW Shares Acquisition Transaction.
Other key conditions	<p>(1) As at the closing date, the Company shall issue and offer 15,150,000 newly issued ordinary shares with par value of Baht 1 per share via private placement at the offering price of Baht 3.30 per share to Silver and Sliver shall purchase and pay for the price of such shares after Silver receives purchase price of GW shares under the GW Share Acquisition Transaction on the same day.</p> <p>(2) As at the closing date, the Company shall issue and offer 15,350,000 newly issued ordinary shares with par value of Baht 1 per share via private placement at the offering price of Baht 3.30 per share to WX and WX shall purchase and pay for the price of such shares after WX receives purchase price of GW shares under the GW Share Acquisition Transaction on the same day.</p> <p>(3) Silver and WX shall arrange for the key executive, Mr. Kant Sombatsiri, to serve as the executive and director of GW for the Company without resigning or breaching the employment contract in a way that results in termination of the employment contract with GW throughout the period from the date of signing this Agreement to the date of completion of 2 years from the closing date of the transaction.</p> <p>(4) Silver and WX shall not perform any act that is deemed to compete with GW, whether directly or indirectly and whether for their or other person's benefit, unless otherwise consented to in writing by the purchaser, from the closing date of the transaction until completion of 3 years from the date on which Mr. Kant Sombatsiri and Mr. Phawin Singhalachat cease to act as the executives and directors of GW.</p> <p>(5) Silver and WX shall arrange that Mr. Kant Sombatsiri, Mr. Thanakorn Juangphanit, and Mr. Phawin Singhalachat (as the case may be) shall not perform any act that is deemed to compete with GW, whether directly or indirectly and whether for their or other person's benefit, unless otherwise consented to in writing by the purchaser, from the closing date of the transaction until completion of 3 years from the date on which Mr. Kant Sombatsiri and Mr. Phawin Singhalachat (as the case may be) cease to act as the executives and directors of GW. As of the closing date of the transaction, Silver and WX agree to submit the letter of confirmation of non-competition from Mr. Kant Sombatsiri, Mr. Thanakorn Juangphanit, and Mr. Phawin Singhalachat to the purchaser.</p> <p>(6) Each of the sellers agrees to indemnify the purchaser for any damage caused by a breach of this Agreement by any such seller or a breach of the representations by such seller or a failure by such seller to comply with any of the conditions, obligations or requirements set out in this Agreement, whereby the purchaser shall notify the claim for such damage in writing within 2 years (for non-tax related issue) and within 5 years (for tax-related issue) from the closing date of the transaction.</p> <p>(7) Silver and WX agree to indemnify the purchaser for any damage caused by GW making an incorrect and incomplete tax payment and/or an incorrect and incomplete tax remittance and/or an incorrect and incomplete tax filing during the period prior to the closing date of the transaction, whereby the purchaser shall notify the claim for such damage in writing within 5 years (for tax-related issue) from the closing date of the transaction.</p> <p>(8) Mr. Kant Sombatsiri, Mr. Thanakorn Juangphanit, and Mr. Phawin Singhalachat, shall issue the letter of guarantee for the indemnification of Silver and WX to the purchaser in the amount of Baht 74,798,240, Baht 9,900,000, and Baht 3,300,000 respectively (totaling Baht 87,998,240) for the period as specified in (6) and (7) above.</p> <p>(9) The liability of each seller for the purchaser's claim for damage caused by the seller's representations being untrue or incorrect or leading to material misunderstanding shall not exceed the sale and purchase price of the shares only for the portion received by each seller under this Agreement.</p>

1.5 Details of the Assets to be Acquired

1.5.1 Groupwork Co., Ltd. (GW)

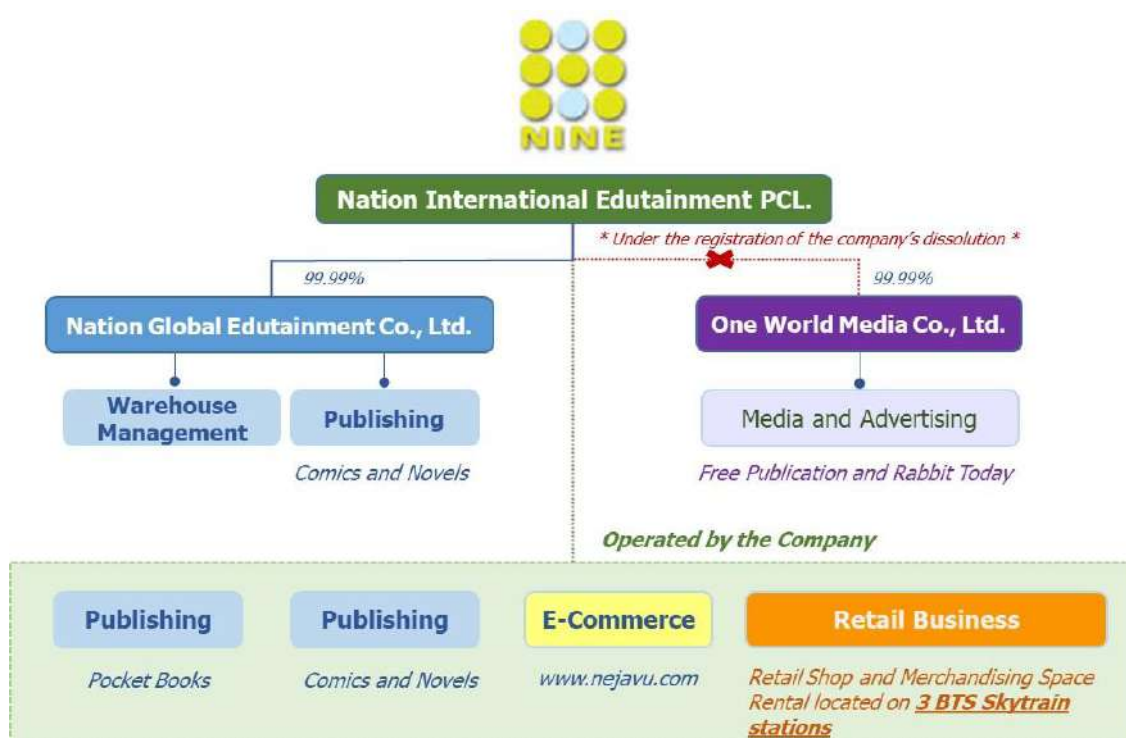
Groupwork Co., Ltd. (GW) was incorporated on August 18, 2016 with an initial registered capital of Baht 1,000,000. Its objective is to engage property rental business for office space and/or co-working space on the merchandising spaces on BTS Skytrain System and/or other places. Its current core business is management, operation, and rent of partial merchandising spaces on 5 BTS Skytrain stations. It also has a lease agreement for management of merchandising spaces located at 3 piers along Saen Saep Canal and lease agreement for 1 unit in the pier area at the end of Wang Lang Road (Prannok).

As of March 21, 2022, GW has registered and paid-up capital of Baht 6,250,000, divided into 62,500 ordinary shares with par value of Baht 100 per share. *(Please refer to additional details of GW in Attachment 1 of this report)*

Current GW's services are as follows:

- Management, operation, and rent of partial merchandising spaces on 5 BTS Skytrain main stations and other supplemental stations, as well as designing, decoration, and construction services for tenants' occupied spaces (stores);
- Lease of commercial space in other areas, such as 1 unit in the pier area at the end of Wang Lang Road (Prannok) of Chao Phraya Express Boat and merchandising spaces at 3 piers along the Saen Sab Canal Route, including Pratunam Pier, Ramkhamhaeng Pier, and Asok Pier.
- Sales and marketing promotion via electronic devices such as interactive vending machines, etc.

The Company's Shareholding Structure prior to the Entering into the Transaction



The Company's Shareholding Structure after the Entering into the Transaction



Details of each service are as follows:

(a) Management, operation, and rent of merchandising spaces on BTS Skytrain stations

This consists of (a) rent of merchandising spaces on 5 BTS Skytrain main stations and other supplemental stations and (b) designing of layout and product display, decoration, and construction services for tenants' occupied spaces (stores) which previously are totally undertaken by GW for its tenants.

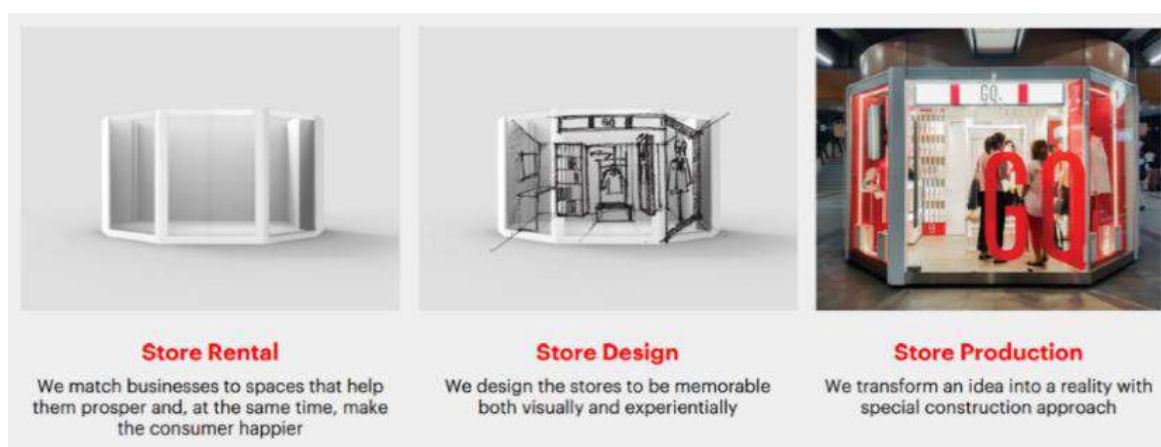
GW obtains the right to manage, operate, and rent partial merchandising spaces on 5 BTS Skytrain stations, comprising of Ratchathewi Station (N1), Sanam Pao Station (N4), Ari Station (N5),

Ratchadamri Station (S1), and Phra Khanong Station (E8) (totaling 60 units with 837.50 square meters, accounting for approximately 63.14% of the total leasable spaces), under the licensing agreement and the service agreement signed with VGI for a term of 11 years 9 months and 28 days, from February 5, 2018 to December 4, 2029. In this respect, VGI shall neither compete in this business nor allow other persons to utilize or lease the said areas to offer the co-working space service or any other services of the same type as or in competition with those of GW. *(Please refer to summary of MOA between GW and VGI in Attachment 1 of this report)*

Furthermore, it is stipulated in the aforementioned licensing agreement and service agreement that, as from February 5, 2021 onwards, GW shall obtain the right from VGI to manage and operate the additional retail spaces on other stations (supplemental stations) in the BTS Skytrain System that have remained vacant for a period of more than 6 months. In this regard, GW has additionally provided its services on the supplemental stations such as Sala Daeng Station (S2), Chong Nonsi Station (S3), Chit Lom Station (E1), Mo Chit Station (N8).

Form of merchandising space lease on 5 BTS Skytrain stations

- VGI undertakes and is responsible for investment and installation of service and product booth as well as utility system (electricity and water) that were already in place at the date of the Memorandum on Investment between VGI and GW (February 5, 2018). In addition, it is in charge of the repair and maintenance of utility system in 5 BTS Skytrain stations (as specified in the MOA between VGI and GW).
- GW has made no additional investments in product/service booths or utility systems (electricity and water) after the date of the MOA between VGI and GW (February 5, 2018).
- GW undertakes the management and operation, acquisition of tenants, rent of the spaces, and provision of designing/decoration/construction services for the tenants' occupied spaces (stores) on 5 main stations and other supplemental stations on a case-by-case basis.
- Tenants are responsible for interior and exterior (if any) store decoration, subject to prior approval from GW and VGI, and also pay their public utility fees as actually used.



Overview of each station

Stations	Leasable Spaces of GW ^{1/}	% Occupancy in 2021	2021 Average Daily Eyeballs
Main stations (60 units with 837.50 sq.m.)			
1. Ratchathewi Station (N1)	141 sq.m. (11 units)	-	6,531
2. Sanam Pao Station (N4)	265.5 sq.m. (16 units)	-	3,223
3. Ari Station (N5)	104.5 sq.m. (8 units)	53.32%	11,033
4. Ratchadamri Station (S1)	197 sq.m. (15 units)	-	2,742
5. Phra Khanong Station (E8)	129.5 sq.m. (10 units)	39.12%	9,816
Supplemental stations (11 units of 125.50 sq.m.)			
1. Sala Daeng Station (S2)	78 sq.m. (7 units)	100.00%	
2. Chong Nonsi Station (S3)	12.5 sq.m. (1 units)	100.00%	
3. Chit Lom Station (E1)	12 sq.m. (1 units)	100.00%	
4. Udom Suk Station (E12)	11 sq.m. (1 units)	100.00%	
5. Mo Chit Station (N8)	12 sq.m. (1 units)	100.00%	

Remark: 1/ According to the MOA between GW and VGI, GW's spaces will be smaller than the total spaces available for rent at each station.

- 2/ Please refer to additional information for each station in Transaction 1 – Part 1, Clauses 1.5.1 and Transaction 1 - Part 3, Clause 1 of this report.

Example of tenants of GW



GW has created "HIW HUB" brand to signify a center of famous restaurants, desserts and beverages, as a selling point to attract both operators and consumers. Since April 2021, HIW HUB is located at Sala Daeng Station (a supplemental station of GW) on the skywalk between Sala Daeng BTS Station and Silom MRT Station.



(b) Rent of spaces in other areas

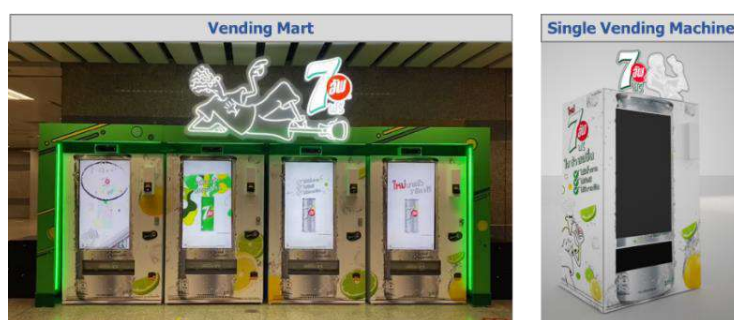
This includes a unit in the pier area at the end of Wang Lang Road (Prannok) of Chao Phraya Express Boat. GW has also entered into a lease agreement to manage the merchandising spaces located at 3 piers along Saen Saep Canal. (Please refer to the details in Transaction 2 – Part 1, Clause 1.5.1 of this report)

(c) Sales and marketing promotion via electronic devices

GW provides sales and marketing promotion services to customers via electronic devices such as interactive vending machines. This method of sales promotion helps to create brand awareness for its customers, along with big data analytics. GW first launched this service for 7-Up brand, using both vending mart and single vending machine.

The interactive vending machine (the IFA views that the term "Interactive Sample-Product Distribution Machine" better matches the machine's function) is not intended simply for selling products like the vending machine in general, but for sales and marketing promotion for GW's customers. It might

be used as a sample-product distribution machine and/or an arcade cabinet in which end-users can play games or perform other activities, with a system for big data analytics to collect end-users' information such as age, gender, physical characteristics, personal interest, time of machine usage, etc. for further marketing analysis.



1.5.2 GW's business plan (management, operation, and rent of merchandising spaces at piers along Saen Saep Canal)

Apart from the businesses and services described above, GW has expanded the lease spaces from the BTS Skytrain stations to the piers along Saen Saep Canal. GW has entered into an Memorandum of Understanding regarding the management of the merchandising spaces at 3 piers along Saen Saep Canal for a 3-year term, from February 17, 2022 to February 16, 2025, which is extendable for subsequent terms of 3 years each, as follows:

(a) Pratunam Pier (Pier Code: CEN)

- This pier is the interchange station (boat changing) for boat travel along Saen Saep Canal, which is divided into two sections, Wat Si Bunruang – Pratunam Section and Pratunam – Phan Fa Lilat Section.
- It is where passengers can change to BTS Skytrain at Chit Lom BTS Station and to the MRT Orange Line at Pratunam MRT Station (future project).

(b) Asok Pier (Pier Code: E5) is where passengers can change to the MRT Chaloem Ratchamongkhon Line (Blue Line) at Phetchaburi MRT Station, the Erawan Electric Train, City Line, and the SRT Light Red Line at Makkasan Station.

(c) Ramkhamhaeng University Pier (Pier Code: E17) is where passengers can change to the Orange Line at Ramkhamhaeng University Station (under construction).

GW shall firstly develop the "HIW HUB Rim Nam" Project in the Pratunam Pier area at Saen Saep Canal, which accommodates more than 16,000 passengers per day.



HIW HUB Rim Nam Project at Pratunam Pier

- Location: Pratunam Pier which accommodates more than 16,000 users of Saen Saep Canal boat service per day
- Target groups: People aged 15 - 40 years, workers, school and college students who use public transport services and prefer to stop for shopping on the way, eat snack food, stroll over a market to enjoy the atmosphere, and others
- Shops shall be in small size and located along the walkway of the pier without obstructing the passage of passengers, in compliance with the Harbor Department's safety standards and regulations
- Service areas: Approximately 12 booths with approximately 3 square meters per booth (Asok Pier: approximately 10 booths and Ramkhamhaeng University Pier: approximately 4 booths)
- Expected opening date: Q3/2022 (As of the beginning of April 2022, GW was under the process of selecting contractors to renovate the area and applying for permission to enter the area from the Marine Department through the concession owner, Family Transport (2002) Co., Ltd. It is expected to take approximately 2 weeks to obtain permission.)

1.6 Total Value of Assets to be Acquired, Payment of the Consideration, Criteria for Calculation of Total Value of Assets to be Acquired and Value of Consideration

1.6.1 Total value of assets to be acquired

Total value of the assets to be acquired is approximately Baht 110 million, comprising of all 62,500 ordinary shares of GW with par value of Baht 100 per share. The book value of GW shares as of December 31, 2020 and 2021 was equal to Baht 17.72 million and Baht 21.54 million, respectively.

1.6.2 Payment of the consideration

The Company will fully pay the consideration for the GW Shares Acquisition Transaction of not exceeding Baht 110 million in cash to the Sellers of GW Shares and will accept the transfer of GW shares on the same day as the payment of the first tranche to the Sellers of GW Shares (please refer to details of payment in Transaction 2 – Part 1, Clause 1.4 of this report).

1.6.3 Criteria for calculation of total value of assets to be acquired and value of consideration

The total value of consideration for the GW Shares Acquisition Transaction has been determined through the negotiation and mutual agreement between the Company and the Sellers of GW Shares. The Company has determined the purchase price for GW shares based on fair value as appraised by the Discounted Cash Flow Approach, under which the fair value is in the range of Baht 1,702.15 – 2,098.73 per share, or equivalent to Baht 106.38 – 131.71 million. Such fair value of shares is calculated by the Company's financial advisor for the consideration of the Board of Directors of the Company.

1.7 Calculation of Transaction Size

Asset acquisition transaction

Criteria for Calculation of Transaction Size	Calculation Formula	Transaction Size
1. Net tangible asset (NTA) criteria	= (Baht 17.72 million ^{1/} x 100%) / Baht 229.19 million ^{2/}	7.73% ^{5/}
2. Net profit criteria	= (Baht 3.61 million x 100%) / Baht 43.12 million ^{3/}	8.37% ^{5/}
3. Total value of consideration criteria	= Baht 110.00 million ^{4/} / Baht 501.77 million ^{3/}	21.92%
4. Total value of securities criteria	Not applicable because there is no issuance of new securities as consideration of assets to be acquired ^{4/}	-
Highest criteria: total value of consideration (Transaction 2)		21.92%
Highest transaction size of 2 transactions based on total value of consideration criteria (Transaction 1: 794.37%)		816.29%

Remark:

- 1/ Net tangible assets of GW = Total assets of Baht 34.51 million - Total liabilities of Baht 16.79 million, based on GW's audited consolidated financial statements for the year ended December 31, 2020.
- 2/ Net tangible assets of the Company = Total assets of Baht 501.77 million – Right-of-use assets of Baht 96.99 million - Net intangible assets of Baht 10.43 million - Total liabilities of Baht 165.15 million – Non-controlling interest of Baht 0.00, based on the Company's audited consolidated financial statements for the year ended December 31, 2021.
- 3/ Total assets of the Company according to the audited consolidated financial statements as of December 31, 2021.
- 4/ Since the Company will issue and offer its newly issued shares to the Sellers of GW Shares; therefore, when calculating as if the Company will pay for the purchase price for GW shares of Baht 110 million with the Company's shares, it is considered as the payment of the purchase price to the Sellers of GW Shares with 30,054,645 shares of the Company at the market price, which is equivalent to Baht 3.66 per share, totaling Baht 110 million. When calculating the transaction size under the total value of securities criteria, the transaction size is equal to 8.22% (30,054,645 / 365,549,286 x 100%).

- 5/ As of the date of the Board of Directors Meeting No. 2/2565 on March 2, 2022, there were no audited financial statements of GW for the year ended December 31, 2021. Therefore, when calculating based on GW's 2021 financial statements available at the time of calculation, the transaction size according to the NTA criteria is equal to 9.40% and the transaction size according to the net profit criteria is equal to 8.88%.

Connected transaction

Criteria for Calculation of Transaction Size	Calculation Formula	Transaction Size
Net tangible assets (NTA) criteria	= (Baht 110.00 million x 20% ^{1/}) / Baht 229.19 million ^{2/}	9.60%
Connected transaction size: Transaction 2		9.60%
Total transaction size of 3 connected transactions (Transaction 2: 1,163.17% and Transaction 3: 1,372.87%)		2,545.64%

Remark:

- 1/ Only 20% of GW shares purchased from VGI by the Company is deemed as a connected transaction.
 2/ Same as Remark 2/ of the above table.

1.8 Sources of Funds for the Transaction

The Company's sources of funds for the GW Shares Acquisition Transaction in the amount not exceeding Baht 110 million will be from the proceeds of capital increase via private placement (which shall be proposed for approvals in this shareholders' meeting). It is noted that the use of such funds shall in no way affect the Company's business operations and its ability to pay dividends to the shareholders.

1.9 Conditions for the Transaction

The GW Shares Acquisition Transaction will take place after the Extraordinary General Meeting of Shareholders of the Company No. 1/2022, which will be held on May 10, 2022, approves the entering into such asset acquisition and connected transaction with required affirmative votes of not less than three-fourths of the votes of the shareholders who attend the meeting and are eligible to vote, excluding shareholders with conflict of interest, and after all conditions precedent under the GW Share Sale and Purchase Agreement (*Please refer to details in Transaction 2 - Part 1, Clause 1.4 of this report*) have been fulfilled or waived by the relevant parties. The Company expects that such transaction will be completed by June 2022.

Conditions precedent of the GW Share Acquisition Transaction (Transaction 2)

- The Company has issued and offered 953,500,000 newly issued ordinary shares with par value of Baht 1 per share to POV under PP Shares Issuance and Offering to POV Transaction at the offering price of Baht 3.30 per share, and POV has subscribed and paid for such newly issued ordinary shares.
- The Company has obtained an approval from the shareholders' meeting for the issuance and offering of newly issued ordinary shares with par value of Baht 1 per share to WX and Silver under PP Shares Issuance and Offering Transaction at the offering price of Baht 3.30 per share, at the amount of 15,350,000 shares and 15,150,000 shares, respectively.
- The Company has obtained an approval from the shareholders' meeting for the entering into GW Share Acquisition Transaction as well as the entering into GW Share Subscription Agreement and the compliance with GW Share Subscription Agreement.
- There shall be no material adverse events or changes or expected material adverse events or changes to GW prior to the closing date of the GW Shares Acquisition Transaction.

1.10 Agreements Relating to the Transaction

A summary of the draft GW Share Sale and Purchase Agreement is provided in Transaction 2 – Part 1, Clause 1.4 of this report and Clause 3 (1) of the Information Memorandum on Asset Acquisition and Connected Transactions of the Company (Enclosure No. 1), which is enclosed with the notification of the shareholders' meeting.

1.11 Connected Persons and/or Shareholders with Conflict of Interest who are ineligible to Vote

There are no shareholders with conflict of interests who are ineligible to vote for Transaction 2 (Agenda 1 of the Extraordinary General Shareholders' Meeting No. 1/2022).

2. Information of Groupwork Co., Ltd. which is the asset to be acquired under Transaction 2

Please refer to Attachment 1 of this report

Transaction 2 - Part 2: Opinion of the Independent Financial Advisor on Reasonableness of the Asset Acquisition and Connected Transaction

In determining the reasonableness of the entering into the transaction, the IFA has taken the following key factors into consideration:

1. Objective and Necessity of the Entering into the Transaction

- Overview of the transaction is the same as that in Transaction 1 - Part 2, Clause 1 of this report. -

With respect to the GW Shares Acquisition Transaction, GW obtains the right from VGI to manage, operate, and rent out the partial merchandising spaces on 5 BTS Skytrain stations, comprising of Ratchathewi Station (N1), Sanam Pao Station (N4), Ari Station (N5), Ratchadamri Station (S1), and Phra Khanong Station (E8) (totaling 60 units with 837.50 square meters, accounting for approximately 63.14% of the total leasable spaces). When combined with Transaction 1, the Company will obtain the exclusive right to manage and operate the merchandising spaces on such 5 stations and its right will cover as many as 31 BTS Skytrain stations. The Company expects that such expanded business will be secure and stable with potential for further expansion in the future.

2. Comparison of Advantages and Disadvantages of the Transaction**2.1 Advantages and Benefits of the Transaction**

(1) The transaction aligns with the overall business plan of the Company, which will lead to continuous growth, enhancement of long-term business potential, and creation of added value to the Company.

- The details are the same as those in Transaction 1 - Part 2, Clause 2.1 (1). -

The entering into the GW Shares Acquisition Transaction will help complete the whole picture of all transactions (Transactions 1 - 3) and is accordingly deemed as an investment that aligns with and supports the Company's business plan. This will enable the Company to receive a stream of stable cash flow and return on investment throughout the term of the licensing agreement between GW and VGI, thus leading to continuous growth, enhancement of long-term business potential (for at least approximately 7 years and 5 months according to the term of the Licensing Agreement which could be a foundation for future business expansion of the Company), and creation of added value to the Company.

(2) The Company will have more flexibility in sole and comprehensive management of the merchandising spaces on 31 stations.

GW is a commercial space rental service provider that has obtained the right from VGI to manage and operate partial merchandising spaces located on 5 BTS Skytrain stations, accounting for approximately 63.14% of the total leasable spaces, since February 5, 2018, with the average eyeballs (5 stations) of 33,345 passengers per day (information of 2021). GW plans to rent out the spaces on a station takeover basis and designs each station's concept that suits its location, while shop style must be attractive and differentiated from the traditional pattern. Tenants who could match this concept will be selected.

Moreover, under the Licensing Agreement in Transaction 1, the Company will accept a transfer of rights and obligations of all other tenants at present (including the memorandum of agreement granting the right to use service areas between GW and VGI) from VGI. The licensed spaces of GW exceed half of the total licensed spaces of those 5 stations. Besides, since the Company will use part of the spaces for construction of its Turtle Shop, which will affect the leasable spaces of GW, it will therefore have to reallocate the spaces on such 5 stations.

As such, the entering into the GW Shares Acquisition Transaction (Transaction 2) will create flexibility in the management and operation of spaces for Turtle Shop business and also be beneficial to the overall space management in terms of, for instance, ability to control overall concept of the merchandising space management on the stations to be in the same direction and to take advantage of GW's idea. This will increase flexibility for the Company in sole and comprehensive management of the merchandising spaces on 31 stations throughout the term of the Licensing Agreement.

(3) GW's marketing strategy could help enhance the attractiveness of the merchandising spaces. In addition, the company will also obtain GW's key executives and working team who have experience to be a part of the Company's group, as a consequence, the Company will have the working team ready to further drive the business.

Aside from development of the leasable spaces on its 5 main stations and seeing the potential and business opportunity of other stations where there have not yet been any tenants, GW has initiated the HIW HUB Project to create a selling point and stimulate sales for tenants' stores, which will help attract operators to rent the spaces.

In April 2021, GW launched the first HIW HUB as a prototype project at Sala Daeng Station on the skywalk from Sala Daeng BTS Station to MRT Station (Blue Line) and King Chulalongkorn Memorial Hospital, which is a crowded area with an average ridership of 16,882 passengers per day. HIW HUB Project has received favorable response from tenants. GW plans to open HIW HUB at other stations where there are a great number of commuters such as Chong Nonsi Station, which is in the area lined with office buildings, and Ari Station, which is in the area full of food shops, including other spaces at the piers along Saen Saep Canal, which is a project under development.

Therefore, the investment in GW will enable the Company to use the HIW HUB Project concept as a sales strategy in each area or as part of its future merchandising space development. The location suitable for HIW HUB is in the Unpaid Zone and the skywalk areas.

In addition, the company will also obtain GW's key executives and working team who have experience in the merchandising space lease business on BTS Skytrain stations to be a part of the Company's group. As a consequence, the Company will have the working team of the merchandising space lease business ready to further drive the business.

(4) It is an investment in the entity that will likely generate recurring income for the Company in the long term.

GW engages in the core business of merchandising space lease under the Licensing Agreement for a definite period until December 4, 2029. It started to generate service revenue in 2018 and has consecutively earned net profit. Thus, the Company will likely bring in recurring income in the long term (at least until 2029) and will instantly grow its profit after entering into this transaction.

GW's Performance (Unit: Baht Thousand)	2018 (Audited)	2019 (Audited)	2020 (Audited)	2021 (Audited)
Revenue from rent and services	4,822.19	17,227.78	17,779.57	16,552.58
Other revenues	28.69	4,615.70	2,813.08	6,289.68
Total revenue	4,850.88	21,843.48	20,592.65	22,842.26
Profit (loss) before income tax	2,347.76	8,196.19	5,207.62	4,817.60
Net profit (loss)	1,989.49	6,533.55	3,608.29	3,827.22
Net profit margin ^{1/} (%)	41.01	29.91	17.52	16.75

Remark: 1/ The decrease of net profit margin in 2019 was due to an increase fixed administrative expense from 2018, which is the initial stage of business operation. The decrease of net profit margin in 2020 and 2021 was the direct impact of COVID-19 pandemic.

Furthermore, in view of its liabilities structure according to the audited financial statements for the year ended December 31, 2021, GW does not have any loans and its liabilities are mainly comprised of trade accounts payable and other payables. Therefore, this is an investment in the entity not burdened with any loans.

(5) The Company can expand GW's merchandising space lease business to other locations apart from the BTS Skytrain stations.

The merchandising spaces for rent of GW consist of (a) partial spaces on 5 BTS Skytrain stations; (b) spaces located at 3 piers along Saen Saep Canal, which are among the top-ranking piers in terms of ridership with the average number of boat passengers (of all 3 piers) of 39,452 persons per day (information in 2020); and (c) spaces located at Prannok Pier of Chao Phraya Express Boat, rented from Ads Chaophraya Co., Ltd.

GW has entered into the memorandum of agreement with Ads Chaophraya Co., Ltd.²¹ and thereby obtains the right to manage merchandising spaces located at 3 piers along Saen Saep Canal, which are among the top-ranking piers in terms of ridership. Hence, there is a potential for development of merchandising space for rent in other locations apart from the BTS Skytrain stations.

²¹ The agreement term is 3 years, from February 17, 2022 to February 16, 2025, and is renewable for subsequent three-year terms.

Ads Chaophraya Co., Ltd. is a sole provider of advertising service in passenger boats, river-crossing express boats, and tourist boats cruising along the Chao Phraya River and a provider of large billboard service at riverside piers. VGI is its shareholder holding 25% of the registered and paid-up capital of Ads Chaophraya Co., Ltd. The remaining shares are held by Mrs. Supapan Pichaironnarongsongkram, Mr. Piriya Vachajitpan, Miss Nattapree Pichaironnarongsongkram, and Mr. Farn Sritrairatana at 37.50%, 33.75%, 1.875%, and 1.875% respectively. (Source: <https://corpusxweb.bol.co.th/corpus/home>)

Ridership of the 3 Piers along Saen Saep Canal

Piers along Saen Saep Canal	Pratunam Pier	Asok Pier	Ramkhamhaeng University Pier
Total ridership (persons)			
- 2020	2,212,148 (No. 1)	1,534,562 (No. 3)	1,436,019 (No. 5)
- 2019	6,065,148 (No. 1)	3,454,925 (No. 4)	3,031,530 (No. 5)
- 2018	5,091,559 (No. 1)	2,899,760 (No. 3)	2,295,987 (No. 6)
Average daily ridership (boarding-alighting passengers) (during academic period: week days)			
- 2020	16,150 (11.23%, No. 1)	12,469 (8.67%, No. 3)	10,833 (7.53%, No. 5)
- 2019	17,869 (12.77%, No. 1)	11,341 (8.10%, No. 3)	9,463 (6.76%, No. 5)
- 2018	15,792 (12.68%, No. 1)	10,021 (8.05%, No. 3)	7,209 (5.79%, No. 6)
Average daily ridership (boarding-alighting passengers) (during academic period: public holidays)			
- 2020	11,142 (14.01%, No. 2)	4,489 (5.64%, No. 7)	6,294 (7.91%, No. 3)
- 2019	11,962 (15.63%, No. 1)	3,785 (4.95%, No. 7)	5,750 (7.51%, No. 4)
- 2018	10,882 (17.01%, No. 1)	3,276 (5.12%, No. 7)	4,068 (6.36%, No. 4)

Total Ridership of the Entire Saen Saep Canal Route	2016	2017	2018	2019	2020
Average daily ridership (persons)	51,178	51,597	52,892	62,016	25,925
Annual ridership (persons)	18,628,905	18,781,518	19,252,256	22,573,874	9,436,563

Source: Report on Saen Saep Canal boat ridership survey for fiscal 2018 - 2020 by Analytical Statistics Division, Planning Office, Marine Department

Currently, GW is in the process of developing HIW HUB Project at Pratunam Pier to serve users of Saen Saep Canal boat service, and will expand this business to Asok Pier and Ramkhamhaeng University Pier, considering that traveling by boat is one of the popular transport modes because it is fast and inexpensive. However, the business opportunity is not limited to only these 3 piers since GW and/or the Company may seek to expand this business to other piers along Saen Saep Canal, which totally recorded the highest ridership in 2019 of around 22.57 million passengers, and also to boat piers on other routes such as Chao Phraya Express Boat (48 piers), Phadung Krung Kasem Canal Boat (11 piers), Phasi Charoen Canal Boat (15 piers), and Bangkok Yai Canal Boat (11 piers).

(6) It is an addition to the Company's product categories by introducing the interactive vending machine to new target groups.

GW has launched sale and marketing promotion services to its customers via electronic devices such as interactive vending machine. It initially offered this service to 7-Up brand, using both vending mart and single vending machine. The interactive vending machine is a method of sales promotion that helps to create brand awareness for GW's customers, as well as provide big data analytics of end-users of the interactive vending machine for its customers.

The interactive vending machine is an interesting product with growth potential since it will likely respond to modern marketing that aims to access the target audiences and leverage their data base.

Therefore, the entering into the GW Shares Acquisition Transaction (Transaction 2) will increase new product categories for the Company by enabling it to introduce the interactive vending machine to the new target groups. The Company can also offer this service through VGI Group's business network.

(7) This will enlarge the Company's business size and grow its income-generating assets in the long term.

By entering into Transaction 2, the Company will acquire income-generating assets and increase its total assets from the investment in GW shares of approximately Baht 110 million. According to its consolidated financial statements as of December 31, 2021, the Company recorded total assets of Baht 501.77 million. After the investment in GW shares, which will be funded with proceeds from the capital increase, and taking into account only Transaction 3, the Company's total assets will grow to approximately Baht 3,758.32 million (an increase of Baht 110 million + Baht 3,146.55 million), excluding the additional assets acquired from other investments. Moreover, after the investment in GW, the Company will also earn greater income from operation (*please refer to more details in Transaction 2 - Part 2, Clause 2.1 (4) of this report*), which will help to increase its business size in the future.

Therefore, the entering into the GW Shares Acquisition Transaction (Transaction 2) will enlarge the Company's business size and grow its income-generating assets in the long term, which will partly help to reduce its retained loss in the future.

(8) The receipt of payment for its PP shares from the Sellers of GW Shares will result in the Company not incurring any debts and interest expenses for the payment of GW shares.

- The details are the same as those in Transaction 1 - Part 2, Clause 2.1 (6). -

In entering into Transaction 2: GW Shares Acquisition Transaction, the Company will make payment to the Sellers of GW Shares in the amount of not exceeding Baht 110 million by using proceeds from the allocation of its shares to the Sellers of GW Shares under the PP Shares Issuance and Offering Transaction. Thus, the Company will not incur any debts and interest expenses for the payment of GW shares.

2.2 Disadvantages and Risks of the Transaction

(1) The Company's shareholders will be affected by control dilution and price dilution.

- Please refer to details in Transaction 1 - Part 2, Clause 2.2 (1) -

(2) The business of sales and marketing promotion via electronic devices such as interactive vending machine of GW may be deemed as the advertising media management business, which may overlap with the core business of VGI.

The interactive vending machine is not intended simply for selling products like the vending machine in general, but for sales and marketing promotion for GW's customers. As such, it may be deemed as the advertising media management business and, hence, may overlap with the core business of VGI which will become the Company's major shareholder indirectly through POV following the offering of PP shares. VGI should accordingly have a policy to clearly segregate the advertising media management business between VGI and GW (and the Company) so as to prevent a conflict of interest.

(3) The Company may risk failing to receive the indemnity for damage caused by a breach of the agreement or the representations by the Sellers of GW Shares (if any) since two of the Sellers are newly established entities with a small amount of paid-up capital.

In the draft of the GW Share Sale and Purchase Agreement, it is stipulated that each of the Sellers agrees to indemnify the Company for any damage caused by a breach of this Agreement or a breach of the representations or a failure to comply with any of the conditions, obligations or requirements by any such Seller, and that the liability of each Seller for the Company's claim for damage caused by the Seller's representations being untrue or incorrect or leading to material misunderstanding shall not exceed the sale and purchase price of the shares only for the portion received by each Seller. However, since 2 of the Sellers, namely (a) Silver has just been established on November 5, 2021 with a paid-up capital of only HKD 10,000 and (b) WX has just been established on December 24, 2021 with a paid-up capital of only Baht 1 million, they may be unable to indemnify the Company for the damage (if any). In this regard, the ultimate shareholders of Silver and WX, namely Mr. Kant Sombatsiri, Mr. Thanakorn Juangphanit, and Mr. Phawin Singhalachat, shall guarantee the indemnification of Silver and WX in the amount of Baht 74,798,240, Baht 9,900,000, and Baht 3,300,000 respectively (totaling Baht 87,998,240) within 2 years (for non-tax issue) or 5 years (for tax issue) from the closing date of the transaction.

Although it has already carried out a legal due diligence on GW, the Company should also conduct a financial and tax due diligence on GW soonest possible and notify the claim for damage (if any) in writing to the Sellers of GW Shares with respect to the damage caused by the Seller's representations being untrue or incorrect or leading to material misunderstanding within 2 years (for non-tax issue) or 5 years (for tax issue) from the closing date of the transaction in order to mitigate risk of the Company.

(4) If the concession between BTSC and BMA expires and is not renewed, GW will generate income from merchandising space management on the BTS Skytrain stations for the remaining period of approximately 7 years and 5 months only and must acquire a new business to compensate for revenue from the merchandising space management business.

- Please refer to details in Transaction 1 - Part 2, Clause 2.2 (3) -

(5) GW will lose the opportunity in around 2022 - 2024 to reap the benefit from the number of passengers returning to the pre-COVID-19 level.

- Please refer to details in Transaction 1 - Part 2, Clause 2.2 (5) -

(6) The unclear condition regarding the integration of GW's agreement with 5 stations into the Licensing Agreement with 31 stations may cause a problem in performing an impairment test of the investment in GW in the future.

According to the draft of the Key Terms of the Licensing Agreement, it is stipulated that (a) the memorandum of agreement (MOA) between VGI and GW granting the right to use the service areas on 5 stations shall be integrated into the Licensing Agreement with 31 stations, and (b) the licensed spaces under the MOA of GW are not identified in the draft of the Key Terms of the Licensing Agreement.

If the licensed spaces on 5 stations under the MOA of GW are not clearly identified and separated in the Licensing Agreement, the Company will be unable to perform an impairment test of the investment in GW in the future since it cannot separate the actual licensed spaces, revenue, and cost of GW.

(7) Risks involved with business operation of GW which may cause GW to fail to achieve the expected performance

(7.1) Risk of GW failing to acquire new tenants to replace former tenants or to rent the vacant spaces

The merchandising spaces on the 5 main stations recorded an occupancy rate of 21%, 23%, and 13% of the total leasable spaces of GW in 2019 - 2021 respectively (2019 was the initial stage of business operation of GW whereas 2020 and 2021 witnessed impacts of the COVID-19 pandemic).

Station	Occupancy Rate		
	2019	2020	2021
Ratchadamri Station (S1)	69.25%	39.21%	0%
Ratchathewi Station (N1)	0%	6.38%	0%
Sanam Pao Station (N4)	Spaces not yet been rented		
Ari Station (N5)	37.52%	69.44%	53.32%
Phra Khanong Station (E8)	0%	23.13%	39.12%

Source: GW

For the spaces on some stations, for example, 11 units at Ratchadamri Station had earlier been wholly rented by Wuttisak Cosmetic Inter Co., Ltd. to offer a range of beauty services as its Beauty Station. Currently, however, such rent was terminated and a lawsuit is being underway (*please refer to details in Transaction 2 - Part 2, Clause 4.1 of this report*), thus prompting GW to acquire new tenants for such spaces. As regards to the spaces on other stations, GW has been unavoidably hit by the COVID-19 situation and has not made headway with the acquisition of new tenants to replace the former tenants and/or rent the vacant spaces.

Since the spaces of GW on the supplemental stations are deemed more attractive areas to the tenants due to a large number of commuters, they do not have any adverse impact on GW's performance accordingly.

Therefore, if the existing tenants do not renew the lease agreement and/or GW is still unable to acquire new tenants to replace the former ones, coupled with the fact that the Licensing Agreement with VGI will expire in December 2029, this will lead to a decline in GW's performance and a relative decline in the return on investment in GW.

(7.2) Risk from reliance on the executives and personnel specializing in this business

Regarding to its merchandising space lease service on the BTS Skytrain stations, GW has since 2018 provided comprehensive services to its tenants, including rent of the spaces on the 5 main stations, which have expanded to 5 supplemental stations, and designing of layout and product display, decoration and construction services for tenants' occupied spaces (stores). GW has a working team, comprising of executives and staff members for business development and sales & marketing who responsible for graphic design. They are considered the key drivers of growth for GW even amid the COVID-19 pandemic which has caused a significant drop in the BTS Skytrain's ridership.

Therefore, in entering into Transaction 2, the Company will have to rely on GW's key executives and working team who have more experience in the merchandising space lease business than the Company's team. Since the Sellers of GW Shares (which have GW's key executives as their shareholders) will subscribe for the PP shares offered by the Company, this will likely ensure that GW's executives will continue to play a part in creating growth for GW and the Company to a certain extent. Besides, it is set out in the draft GW Share Sale and Purchase Agreement that Sliver and WX shall arrange for the key executive, Mr. Kant Sombatsiri, to serve as the executive and director of GW for the Company without resigning or breaching the employment contract in a way that results in termination of the employment contract with GW throughout the period from the date of signing this Agreement to the date of completion of 2 years from the closing date of the transaction.

(7.3) Risk involved with the persistent COVID-19 pandemic and the rising shift to working from home

As a consequence of the COVID-19 pandemic from 2020 onwards (which has emerged in subsequent waves until early 2022 and its ending is still unpredictable), international travels have been restricted, business sectors and organizations have shifted their work model to working from home both for full time and on alternate days, and people have become heedful/avoided using the mass transit services to mitigate the risk of infection. This has triggered a crucial decrease in ridership of all types of mass transit systems, including the BTS Skytrain and boat services, as evident from the ridership of the Green Line Core Network plunging from 236.9 million passenger trips in 2019/2020 (April 2019 – March 2020) to 124.9 million passenger trips in 2020/2021 (April 2020 – March 2021) or by 47.3%.

Therefore, given the persistent COVID-19 pandemic and the rise in business sector's shift to working from home, the ridership of the BTS Skytrain will be affected, which will inevitably hurt the performance of both GW and the Company.

(8) Risk of GW failing to benefit from the merchandising space management at the piers along Saen Saep Canal

The memorandum of agreement on the merchandising space management at 3 piers along Saen Saep Canal (for a term of 3 years from February 17, 2022 to February 16, 2025 which is extendable for subsequent three-year terms) was entered into by GW with Ads Chaophraya Co., Ltd., not directly with Family Transport (2002) Co., Ltd. which is the boat service provider on Saen Saep Canal. (Shareholders of Ads Chaophraya Co., Ltd. and Family Transport (2002) Co., Ltd. are not the same group.)

The IFA has not received any written confirmation from Family Transport (2002) Co., Ltd. to grant the right to sub-lease the spaces to Ads Chaophraya Co., Ltd. As such, if the true holder of such right (Family Transport (2002) Co., Ltd.) does not give consent to GW to operate such business, GW may not benefit from the merchandising space management at the piers on Saen Saep Canal.

Nonetheless, GW is currently in the process of developing HIW HUB project at Pratunam Pier, which has not been objected by Family Transport (2002) Co., Ltd.

3. Comparison of Advantages/Benefits and Disadvantages/Risks between Entering into the Transaction with Connected Person and the Transaction with the Third Party

The GW Shares Acquisition Transaction is divided into 2 portions:

- (1) The acquisition of GW shares from WX and Sliver in the proportion of 31% and 49% of total issued and paid-up shares of GW respectively (totaling 80%) is not considered as a connected transaction; and
- (2) The acquisition of GW shares from VGI in the proportion of 20% of total issued and paid-up shares of GW is considered as a connected transaction.

The Company will enter into the GW Shares Acquisition Transaction only upon acquisition of all ordinary shares of GW.

The GW Shares Acquisition Transaction with the connected person (VGI) and the third parties (WX and Sliver) shall be executed under the same GW Share Sale and Purchase Agreement and subjected to the same material conditions. Hence, there is no difference between the entering into Transaction 2 with the connected person and the entering into such transaction with the third parties.

Therefore, it is unable to compare the advantages/benefits and disadvantages/risks between entering into the transaction with connected person and the transaction with the third party.

4. Other Analyses

4.1 Legal Disputes

- The possibility of receiving debt payment in the Red Case No. Phor 38/2565

According to the ruling of the civil case, under the Red Case No. Phor 38/2565 of Nonthaburi Provincial Court on January 17, 2022 (Black Case No. Phor 2207/2563) whereby GW (as the plaintiff) filed a lawsuit against Wuttisak Cosmetic Inter Co., Ltd. (as the defendant) in relation to the rental fee for 11 booths located on Ratchadamri BTS Station involving the total amount in dispute of Baht 9,548,705.50, the Nonthaburi Provincial Court has ruled that the defendant has to pay such amount to GW with interest rate of 15% p.a. calculated on such principal amount from the date immediately after the filing date (August 28, 2020) until completion of the payment to the plaintiff. As of January 21, 2022, GW has not received such payment from the defendant.

- The possibility of receiving payment under the ruling of the Red Case No. Phor 1309/2564

Pursuant to the ruling of the civil case, the Red Case No. Phor 1309/2564 of Nonthaburi Provincial Court on September 15, 2021 (Black Case No. Phor 1444/2563) whereby GW (as the plaintiff) filed a lawsuit against Wuttisak Cosmetic Inter Co., Ltd. (as the defendant) in relation to the service fee with the total amount in dispute of Baht 2,758,649.26, the Nonthaburi Provincial Court has ruled that the defendant has to pay such amount to GW with interest rate of 7.5% p.a. calculated from the date immediately after the filing date (June 19, 2020) to April 10, 2021 and at the rate of 5% p.a. from April 11, 2021 until completion of the payment by the defendant to GW. As of January 21, 2022, GW has not received such payment from the defendant.

Risk/Impact Wuttisak Group is currently facing financial problems, for instance, Wuttisak Clinic Inter Group Co., Ltd. has entered the Central Bankruptcy Court's business reorganization process and Wuttisak Cosmetic Inter Co., Ltd. has not submitted its financial statements for 2020 and onwards.

Since the draft GW Share Sale and Purchase Agreement does not specify conditions pertaining to the receipt of debt payment from Wuttisak Clinic Inter Group Co., Ltd. and Wuttisak Cosmetic Inter Co., Ltd., if GW can collect such debts in the future (which is less likely), such amount will be considered as additional cash flow to be received by GW.

4.2 Impacts on the Company's Statements of Financial Position from the Investment in GW Shares

In the investment in the 100% of GW shares, the Company will have to make the "Purchase Price Allocation" (PPA) in accordance with TFRS3 (Revised 2020): Business Combinations. Such financial reporting standard outlines the principles and financial requirements for an acquirer of business or investment as follows: (1) to recognize and measure in its financial statements the acquired identifiable assets and acquired liabilities and non-controlling interests in the acquiree; (2) recognize and measure the goodwill acquired in the business combination or gain from purchase at a price that is lower than fair value; and (3) determine information to be disclosed to enable users of the financial statements to evaluate the nature and financial effects of the business combination. In this respect:

- If the purchase price of GW shares is lower than fair value as of the purchase date, the Company (as the purchaser) must recognize a gain derived thereon in the statements of comprehensive income as of the purchase date; or
- If the purchase price of GW shares is higher than fair value, the Company (as the purchaser) must recognize such difference as the goodwill as of the purchase date and, after completion of such share acquisition, must perform an impairment test in the financial statements under the review/audit of the Company's auditor.

However, to be able to measure the aforesaid fair value of GW, it is necessary to clearly identify the licensed spaces of GW on each of the 5 stations in the Licensing Agreement.

Based on the assessment of fair value of GW shares in Transaction 2 - Part 3 of this report, the purchase price of GW shares (Transaction 2) is higher than fair value of such shares as appraised by the IFA. Hence, there could be a risk that the Company will have to record an impairment loss on the investment in GW (depending on result of the impairment test of the investment in GW in the future).

4.3 Appropriateness of Conditions in the Draft GW Share Sale and Purchase Agreement

In determining the appropriateness of conditions in the draft GW Share Sale and Purchase Agreement (Transaction 2), the IFA is of the opinion that the conditions set out in the related agreements are appropriate and consistent with the normal course of business. The conditions that are favorable to the Company are as follows:

- Sliver and WX shall arrange for the key executive, Mr. Kant Sombatsiri, to continue to work with GW for 2 years from the closing date of the transaction.
- Mr. Kant Sombatsiri, Mr. Thanakorn Juangphanit, and Mr. Phawin Singhalachat shall not perform any act that is deemed to compete with GW, whether directly or indirectly, unless otherwise consented to in writing by the purchaser, from the closing date of the transaction until completion of 3 years from the date on which Mr. Kant Sombatsiri and Mr. Phawin Singhalachat cease to act as the executives and directors of GW.

(Please refer to summary of the draft GW Share Sale and Purchase Agreement in Transaction 2 - Part 1, Clause 1.4 of this report and Clause 3 (1) of the Information Memorandum on Asset Acquisition and Connected Transactions of the Company (Enclosure No. 1), which is enclosed with the notification of the shareholders' meeting)

5. Conclusion of Opinion of the Independent Financial Advisor on Reasonableness of the Asset Acquisition and Connected Transaction (Transaction 2)

Overview of this transaction is the same as that of Transaction 1 and Transaction 3.

With respect to the GW Shares Acquisition Transaction, GW obtains the right from VGI to manage, operate, and rent out partial merchandising spaces located on 5 BTS Skytrain stations, comprising of Ratchathewi Station (N1), Sanam Pao Station (N4), Ari Station (N5), Ratchadamri Station (S1), and Phra Khanong Station (E8) (totaling 60 units with 837.50 square meters, accounting for approximately 63.14% of total leasable spaces of VGI). Combined with Transaction 1, the Company will obtain the exclusive right to manage and operate the merchandising spaces on all such 5 stations and its right will cover as many as 31 BTS Skytrain stations. The Company expects that such expanded business will be secure and stable with potential for further expansion in the future.

The advantages and benefits of Transaction 2 (GW Shares Acquisition Transaction) are as follows:

- (1) The transaction aligns with the overall business plan of the Company, which will lead to continuous growth, enhancement of long-term business potential, and creation of added value to the Company. The entering into the GW Shares Acquisition Transaction will help complete the whole picture of all transactions (Transactions 1 – Transaction 3).
- (2) The Company will have more flexibility in sole and comprehensive management of the merchandising spaces on 31 stations (Transaction 1 + Transaction 2).
- (3) GW's marketing strategy could help enhance the attractiveness of the merchandising spaces. For example, GW has initiated the HIW HUB Project, which has received positive response from operators to rent the spaces. GW plans to expand HIW HUB Project to other BTS Skytrain stations, including the piers along Saen Saep Canal.
In addition, the company will also obtain GW's key executives and working team who have experience in the merchandising space lease business on BTS Skytrain stations to be a part of the Company's group. As a consequence, the Company will have the working team of the merchandising space lease business ready to further drive the business.
- (4) This is an investment in the entity that will likely generate recurring income for the Company in the long term (at least until 2029) without incurring any debts.
- (5) The Company can expand GW's merchandising space lease business to other locations, apart from the BTS Skytrain stations, such as piers.
- (6) This will add to the Company's product categories by introducing the interactive vending machine to new target groups.
- (7) This will enlarge the Company's business size and grow its income-generating assets in the long term.
- (8) The receipt of payment for its PP shares from the Sellers of GW Shares will result in the Company not incurring any debts and interest expenses for the payment of GW shares.

However, the disadvantages and risks of Transaction 2 (GW Shares Acquisition Transaction) are as follows:

- (1) The Company's shareholders will be affected by control dilution and price dilution (same as Transaction 1).
- (2) The business of sales and marketing promotion via electronic devices such as interactive vending machine of GW may be deemed as the advertising media management business, which may overlap with the core business of VGI who will become the Company's major shareholder indirectly through POV following the offering of PP shares. VGI should accordingly have a policy to clearly segregate the advertising media management business between VGI and GW (and the Company) so as to prevent a conflict of interest.
- (3) The Company may risk failing to receive the indemnity for damage caused by a breach of the agreement or the representations by the Sellers of GW Shares (if any) since 2 of the Sellers are newly established entities with a small amount of paid-up capital. In this regard, the ultimate shareholders of Silver and WX, namely Mr. Kant Sombatsiri, Mr. Thanakorn Juangphanit, and Mr. Phawin Singhalachat, shall guarantee the indemnification of Silver and WX in the amount of Baht 74,798,240, Baht 9,900,000, and Baht 3,300,000 respectively (totaling Baht 87,998,240) within 2 years (for non-tax issue) or 5 years (for tax issue) from the closing date of the transaction.

- (4) If the concession between BTSC and BMA expires and is not renewed, GW will generate income from merchandising space management on the BTS Skytrain stations for the remaining period of approximately 7 years and 5 months only and must acquire a new business to compensate for revenue from the merchandising space management business.
- (5) GW will lose the opportunity in around 2022 - 2024 to reap the benefit from the number of passengers returning to the pre-COVID-19 level (same as Transaction 1).
- (6) With the unclear condition regarding the integration of GW's agreement with 5 stations into the Licensing Agreement with 31 stations, if the licensed spaces on 5 stations under the MOA of GW are not clearly identified and separated in the Licensing Agreement, the Company may have a problem in performing an impairment test of the investment in GW in the future since it cannot separate the actual licensed spaces, revenue, and cost of GW.
- (7) There are risks involved with business operation of GW which may cause GW to fail to achieve the expected performance.
 - (7.1) Risk of GW failing to acquire new tenants to replace former tenants or to rent the vacant spaces.
 - (7.2) Risk from reliance on the executives and personnel specializing in this business.
 - (7.3) Risk involved with the persistent COVID-19 pandemic and the rising shift to working from home.
- (8) There is risk of GW failing to benefit from the merchandising space management at the piers along Saen Saep Canal, considering that GW entered into the memorandum of agreement with Ads Chaophraya Co., Ltd., not directly with Family Transport (2002) Co., Ltd. who is the boat service provider on Saen Saep Canal.

The advantages and benefits from entering into the transaction with connected person compared with the transaction with the third party are as follows:

The GW Shares Acquisition Transaction is divided into 2 portions:

- 1) The acquisition of GW shares from WX and Sliver in the proportion of 31% and 49% of total issued and paid-up shares of GW respectively (totaling 80%) is not considered as a connected transaction; and
- 2) The acquisition of GW shares from VGI in the proportion of 20% of total issued and paid-up shares of GW is considered as a connected transaction.

The Company will enter into the GW Shares Acquisition Transaction only upon acquisition of all ordinary shares in GW.

The GW Shares Acquisition Transaction with the connected person (VGI) and the third parties (WX and Sliver) shall be executed under the same GW Share Sale and Purchase Agreement and subjected to the same material conditions. Hence, there is no difference between the entering into Transaction 2 with the connected person and the entering into such transaction with the third parties.

Therefore, it is unable to compare the advantages/benefits and disadvantages/risks between entering into the transaction with connected person and the transaction with the third party.

Having considered the objective and necessity of the transaction, together with the advantages, disadvantages, benefits and risks involved, the IFA is of the opinion that the entering into the asset acquisition and connected transaction under Transaction 2 will be beneficial to the Company's business operation and the disadvantages and risks are manageable. Therefore, **the entering into the asset acquisition and connected transaction under Transaction 2 (GW Shares Acquisition Transaction) is considered reasonable.**

Transaction 2 - Part 3: Opinion of the Independent Financial Advisor on Appropriateness of Price and Conditions of the Asset Acquisition and Connected Transaction (GW Shares Acquisition Transaction)

The Company will acquire 62,500 ordinary shares in Groupwork Co., Ltd. ("GW") with par value of Baht 100 per share, representing 100% of total issued and paid-up shares of GW, from GW's existing shareholders at the purchase price not exceeding Baht 110 million.

The IFA has determined fair value of GW ordinary shares, which is the asset to be acquired, by using 6 valuation approaches as follows:

- 1) Book Value Approach
- 2) Adjusted Book Value Approach
- 3) Market Value Approach
- 4) Price to Book Value Ratio Approach (P/BV Ratio)
- 5) Price to Earnings Ratio Approach (P/E Ratio)
- 6) Discounted Cash Flow Approach

However, the IFA is unable to evaluate value of ordinary shares of GW under the Market Value Approach because it is not listed on the SET or any other secondary market, hence, there is no reference market value available. Therefore, only the rest 5 approaches are employed in valuation of the ordinary shares of GW.

The IFA's opinion expressed herein is under the assumption that the obtained information and documents are complete and correct, and is based on the circumstances and information perceivable as of the date of preparing this report. Any change or incident arising in the future may have material impact on GW and/or asset to be acquired at this time as well as the valuation and analysis conducted by the IFA and the shareholders' decision regarding the entering into this transaction.

After having considered all relevant information and documents, the IFA would like to render our opinion on appropriateness of price of the ordinary shares of GW as follows:

1. Book Value Approach

This approach determines value of GW's ordinary shares as stated in the financial statement at a certain period. In this case, the calculation was based on GW's latest financial statements as of December 31, 2021, audited by A&A Audit and Tax Advisory Co., Ltd., a certified public accountant who is not on an approved list of the SEC. The summary of share value based on such financial statements is as follows:

Book Value of GW	(Unit: Baht million)
Issued and paid-up capital	6.25
Retained earnings - Unappropriated	15.29
Total shareholders' equity	21.54
No. of paid-up shares as of December 31, 2021 (shares)	62,500 ^{1/}
Book value per share (Baht/share)	344.69

Remark: 1/ Par value of Baht 100 per share.

Value of GW shares based on this approach is **Baht 344.69 per share**, or equivalent to the firm value of **Baht 21.54 million**.

However, the Book Value Approach reflects operating results and status of GW at a given period based on its past performance, without taking into account its real asset value and future profitability, as well as the overall economic and industry outlook. Thus, the valuation of GW shares using this approach could not reflect the actual value shares.

2. Adjusted Book Value Approach

Under this approach, value of GW shares is derived from GW's total assets, deducted by total liabilities, commitments and contingent liabilities as shown on the latest financial statements as at December 31, 2021, audited by a certified public accountant who is not on an approved list of the SEC, and adjusted by transactions arising after the financial statement date or transactions that will more accurately reflect actual value such as unrealized gain or loss from asset revaluation, tax losses carried

forward, and contingent liabilities. Consequently, the adjusted book value is divided by total number of paid-up shares of the Company.

In deriving value of GW shares under this approach, the IFA has adjusted book value as shown on the latest financial statements as at December 31, 2021 by the significant adjustments as follows:

2.1 Gain on asset revaluation

There is no asset appraisal of the property, plant and equipment of GW by an independent property appraiser since majority of fixed assets are building improvement, furniture and fixture, machinery and equipment with the net book value as of December 31, 2021 of Baht 8.40 million, or equivalent to 27.20% of total assets. GW did not arrange for the appraisal of fixed assets since most of the assets are building improvement, furniture and fixture, and machinery and equipment of the rented office with only 5-year depreciation. The IFA viewed that if there was the property appraisal by the independent property appraiser, the appraisal value is likely to be close to book value since most of the assets have a small lifespan and have deteriorated in accordance with their useful life used in the calculation of depreciation.

2.2 Legal dispute

• Red Case No. Phor 38/2565

Pursuant to ruling of the civil case, Red Case No. Phor 38/2565, of Nonthaburi Provincial Court on January 17, 2022 (Black Case No. Phor 2207/2563) whereby GW (as the plaintiff) filed a lawsuit against Wuttisak Cosmetic Inter Co., Ltd. ("WCI") (as the defendant) in relation to the rental fee of 11 booths on Ratchadamri BTS Station with the total amount in dispute of Baht 9,548,705.50, the Nonthaburi Provincial Court has ruled that the defendant shall pay such amount to GW with interest rate of 15% p.a. calculated on such principal amount from the date immediately after the filing date (August 28, 2020) until completion of the payment to the plaintiff. As of January 21, 2022, GW has not received any payment from the defendant.

• Red Case No. Phor 1309/2564

Pursuant to the ruling of the civil case, Red Case No. Phor 1309/2564, of Nonthaburi Provincial Court on September 15, 2021 (Black Case No. Phor 1444/2563) whereby GW (as the plaintiff) filed a lawsuit against Wuttisak Cosmetic Inter Co., Ltd. (as the defendant) in relation to the service fee with the total amount in dispute of Baht 2,758,649.26, the Nonthaburi Provincial Court has ruled that the defendant has to pay such amount to GW with interest rate of 7.5% p.a. calculated from the date immediately after the filing date (June 19, 2020) to April 10, 2021 and at the rate of 5% p.a. from April 11, 2021 until completion of the payment by the defendant to GW. As of January 21, 2022, GW has not received any payment from the defendant.

On November 5, 2020, the Central Bankruptcy Court dismissed the business rehabilitation petition of Wuttisak Cosmetic Inter Co., Ltd. as the court viewed that the petitioner is unable to further operate the business to generate revenue and solve the liabilities issue and the petitioner is unable to prove that it has the available source of fund to be used as working capital, by considering unresolvable factors of the petitioner, including a problem from a large number of creditors filed complaints against WCI or the incapability to generate new incomes, or lack of personnel from payments in arrears (*Source: Announcement of the Black Case No. ForFor 9/2563 of the Central Bankruptcy Court*). As such, on January 4, 2561, the management of Wuttisak Cosmetic Inter Co., Ltd. has appealed to the Central Bankruptcy Court (*Source: Management Discussion and Analysis as of December 31, 2020 of E For L Aim Public Company Limited, dated March 1, 2021*).

The IFA viewed that there is limited chance for GW to receive the payment from Wuttisak Cosmetic Inter Co., Ltd. The management of GW has informed that Wuttisak Cosmetic Inter Co., Ltd. did not file for an appeal, and management of GW shall pursue the settlement within 2023. In the event that GW does not receive the payment, it shall write off such amount in 2023. *Therefore, the IFA has adjusted shareholders' equity of GW by the allowance for doubtful account net of deposit at the amount of Baht 10.33 million (account receivables of Baht 13.48 million - deposit of Baht 3.50 million).*

Summary of Adjusted Book Value of GW Shares

Taking into account the aforementioned factors, the IFA has determined value of GW's shares under the Adjusted Book Value Approach as follows:

GW	(Unit: Baht million)
Total shareholders' equity as of December 31, 2021	21.54
Adjustments:	
Allowance for doubtful accounts from legal disputes	(10.33) ^{2/}
Net adjusted shareholders' equity	11.21
Number of paid-up shares as of December 31, 2021 (shares)	62,500 ^{1/}
Adjusted book value per share (Baht/share)	179.34

Remark : 1/ Par value of Baht 100.00 per share.

2/ Please refer to details in Transaction 2 - Part 3, Clause 2.2 of this report.

Share value of GW based on this approach is **Baht 179.34 per share**, or equivalent to the firm value of **Baht 11.21 million**.

The Adjusted Book Value Approach, under which adjustments are made to certain accounting items, reflect current market value of assets better than the Book Value Approach. This approach reflects market value of assets, tax loss carried forward, and events after the financial statement date. For this case, there is an adjustment on an allowance for doubtful account from legal dispute. However, it does not reflect future profitability of GW. Therefore, share valuation under the Adjusted Book Value Approach might not reflect an appropriate value of GW.

3. Price to Book Value Ratio Approach: P/BV Ratio

In this approach, CapAd evaluated value of GW shares by using book value per share as shown in the latest financial statements as of December 31, 2021, audited by a certified public accountant who is not on an approved list of the SEC, of Baht 344.69 per share and multiplied by a median of P/BV ratio of 5 SET-listed companies in Property Development Sector, which operate similar property development and retail space rental business to GW. The information is for the period up to March 1, 2022.

Name	Symbol	Type of business
1. Central Pattana PCL.	CPN	Develop and invest in large-scale shopping complexes and other related and supportive businesses, such as office buildings, hotels, residential development, and food court. In addition, CPN invests in CPN Commercial Growth Leasehold Property Fund (CPNCG) and CPN Retail Growth Leasehold REIT (CPNREIT), and is the property manager and REIT manager.
2. JAS Asset PCL.	J	The company's business can be classified into 3 main categories as follows: (1) Rental spaces management in retail store for mobile phones and IT products (under "IT Junction"), (2) Development and management of rental spaces in form of community market (under "J Market"), and (3) Development and management of rental spaces in form of community mall (under "The JAS")
3. MBK PCL.	MBK	The company is engaged in shopping center business, hotel and tourism business, golf business, real estate business, food solution business, financial business, other businesses, and corporate supporting center.
4. The Platinum Group PCL.	PLAT	Develop and lease property, hotel, and food court, consisting of (1) rental and service business, (2) hotel Business, and (3) food and beverages business
5. Siam Future Development PCL.	SF	Develop and lease property or projects related to retail business in Thailand

Source: www.set.or.th

Financial information of comparable companies

Company	Market Capitalization as at March 1, 2022	Total Assets as at December 31, 2021	Total Revenue of the Previous 4 Quarters	Net Profit (Loss) of the Previous 4 Quarters
1. CPN	253,572.00	263,420.84	30,397.53	7,148.45
2. J	3,994.99	3,794.58	434.77	161.44
3. MBK	22,194.99	55,257.42	8,195.61	(804.48)
4. PLAT	7,728.00	11,563.19	443.27	(505.63)
5. SF	23,664.32	26,231.30	963.34	1,332.21
GW	n.a.	30.89	22.84	3.83

Source: SETSMART

Summary of GW's share valuation is as follows:

GW	Historical Average of P/BV Ratio (times)							
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	360 days
1. CPN	3.43	3.51	3.42	3.43	3.49	3.47	3.37	3.35
2. J	2.30	2.26	2.39	2.46	2.25	2.12	1.97	1.65
3. MBK	1.06	1.07	1.08	1.10	1.11	1.12	1.10	1.07
4. PLAT	1.00	1.01	1.02	1.05	1.07	1.08	1.06	0.98
5. SF	1.49	1.51	1.52	1.51	1.51	1.54	1.56	1.18
Median of 5 companies	1.49	1.51	1.52	1.51	1.51	1.54	1.56	1.18
Firm value of GW (Baht million)	32.07	32.47	32.66	32.55	32.45	33.21	33.66	25.42
Share value of GW (Baht/share)	513.10	519.57	522.56	520.83	519.23	531.43	538.55	406.75

Source: SETSMART

Share value of GW based on this approach is **Baht 406.75 – 538.55 per share**, or equivalent to the firm value of **Baht 25.42 – 33.66 million**.

The Price to Book Value Ratio Approach estimates value of GW shares using past financial figures to compare with P/BV ratios of 5 SET-listed companies. However, such comparable companies have much larger asset sizes than GW and operate retail property development business in large department stores and/or community malls, while GW only generates revenue from the rent of merchandising spaces on BTS stations and from marketing media (interactive vending machine) service business. Besides, book value represents past operating performance which may not reflect future profitability of GW. Therefore, share valuation under this approach might not reflect an appropriate value of GW shares.

4. Price to Earnings Ratio Approach: P/E Ratio

Under this approach, CapAd evaluated share value of GW by using earnings per share of GW as shown on the latest financial statements for the last 12-month ended December 31, 2021, of Baht 61.25 per share and multiplied by a median of P/E ratio of 5 SET-listed companies in Property Development Sector, which operate similar property development and retail space rental business to GW. The information is for the period up to March 1, 2022.

GW	Historical Average of P/E Ratio (times)							
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	360 days
1. CPN	34.82	34.76	33.61	33.51	32.72	30.83	29.04	25.19
2. J	35.51	49.98	60.16	65.71	58.68	52.96	49.35	38.51
3. MBK ^{1/}	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
4. PLAT ^{1/}	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
5. SF	17.74	15.21	13.29	12.26	11.78	11.68	11.55	8.53
Median of 5 companies	34.82	34.76	33.61	33.51	32.72	30.83	29.04	25.19
Firm value of GW (Baht million)	133.27	133.05	128.64	128.28	125.25	118.01	111.18	96.43
Share value of GW (Baht/share)	2,132.38	2,128.84	2,058.22	2,052.54	2,004.05	1,888.17	1,778.85	1,542.82

Source: SETSMART

Remark: 1/ Unable to calculate since MBK and PLAT had net loss in the latest financial statements.

Share value of GW based on this approach is **Baht 1,542.82 – 2,132.38 per share**, or equivalent to the firm value of **Baht 96.43 – 133.27 million**.

The Price to Earnings Ratio Approach estimates value of GW shares using historical data on earnings per share over 12-month period ended December 31, 2021 to compare with P/E ratio of 5 SET-listed companies. However, such comparable listed companies have much larger asset sizes than GW and operate retail property development business in large department stores and/or community malls, while GW has only revenue from the rent of retail spaces on 5 BTS stations and from marketing media (interactive vending machine) business. Besides, the earning per share represents past operating performance which may not reflect future profitability of GW. Therefore, share valuation under this approach might not reflect an appropriate value of GW shares.

5. Discounted Cash Flow Approach

This approach takes into account GW's future operating performance by deriving present value of future cash flow using an appropriate discount rate. The IFA calculated the Weighted Average Cost of Capital (WACC) to be used as the discount rate and constructed an 8-year forecast of GW's cash flow (2022 - 2029) based on term of MOA between GW and VGI (license term from February 5, 2018 to December 4, 2029), where the ending period of the MOU coincide with concession term of the Green Line Core Network between Bangkok Metropolitan Administration (BMA) and BTS. The IFA assumed GW to liquidate after the projection period. In addition, the IFA did not take effects from this transaction between the Company and GW into consideration.

The IFA constructed financial projection of GW based on information and assumptions obtained from GW and from interviews with the management and relevant officers. The objective of the financial projection is to evaluate fair value of GW shares and appropriateness of the price of GW shares only. If there is any material change in the overall economic condition and other internal and external factors that affect GW's business operation from the assumptions used herein, fair value derived from this approach may change accordingly.

Business of GW

GW operates 3 groups of business as follows:

- (1) Partial merchandising space management on BTS Skytrain stations: GW engages in the management, operation, and rent of partial merchandising spaces on 5 BTS Skytrain stations (according to the MOA between GW and VGI), namely Ratchadamri Station, Ratchathewi Station, Sanam Pao Station, Ari Station, and Phra Khanong Station. In addition, GW has leased some areas on other BTS Stations from VGI and sub-leased to other tenants. Presently, GW has lease agreement with 11 tenants on Sala Daeng Station, Chit Lom Station, Mo Chit Station, Chong Nonsi Station, and Udom Suk Station with total spaces of approximately 125.50 sq.m. It also has a lease agreement with a tenant on Prannok Pier.
- (2) Marketing media (interactive vending machine) service business
- (3) Merchandising space management on 3 piers: GW engages in the management and operation of merchandising spaces on the 3 piers, namely Pratunam Pier, Ramkhamhaeng University Pier, and Asok Pier. The project is currently in the development phase under the name "HIW HUB Rim Nam". GW expected to generate revenue from merchandising space management on piers along Saen Saep Canal in Q4/2022. However, the IFA has not taken cash flows from this business into consideration due to ambiguity of the licensing agreement where GW did not enter into the licensing agreement with the owner of right to operate Klong Saen Saep boat services. Instead, GW signed MOA with Ads Chaophraya Co., Ltd. According to the preliminary estimation of the IFA, net cash flow from this business is positive but in a relatively small amount. Thus, it should not significantly affect value of GW shares.

(Please refer to industry outlook for retail space in Bangkok and vicinity in Attachment 2 of this report)

Key assumptions of the financial projection are as follows:

5.1 Partial Merchandising Space Management on BTS Skytrain Stations

5 BTS Skytrain stations

Under the MOA between GW and VGI (license term from February 5, 2018 to December 4, 2029) for the right to manage and operate partial merchandising spaces on the 5 BTS Skytrain stations, (Ratchadamri Station, Ratchathewi Station, Sanam Pao Station, Ari Station, and Phra Khanong Station), GW paid lump sum license fee as agreed in the MOA for total leasable spaces of 837.50 sq.m.

Other BTS Skytrain stations

GW also operates and manages partial space on other BTS Skytrain stations depending on the finding of tenants by GW such as HIW HUB Sala Daeng on Sala Daeng Station, where GW would initiate the project and collect food and beverage stores in grab and go/quick service F&B concept into the project. At the present, GW has managed partial spaces on Sala Daeng Station, Chit Lom Station, Mo Chit Station, Chong Nonsi Station, and Udom Suk Station with a total area of approximately 125.50 sq.m. for a lease term of 6 months – 3 years.

▪ **Revenue from rent and services: partial merchandising space management on BTS Skytrain stations**

Revenue from rent and services: partial merchandising space management on BTS Skytrain stations comprises of rental income, service income, utility income, and design service income.

In 2019 – 2021, revenue from rent and services: partial merchandising space management on BTS Skytrain stations were Baht 21.47 million, Baht 15.78 million, and Baht 12.76 million, respectively, decreased by 26.51% and 19.14% from the prior year, respectively, due to an effect from COVID-19 pandemic.

Key assumptions for the financial projection are summarized as follows:

(a) 5 BTS Skytrain stations (main stations)

5 BTS Skytrain stations comprise of Ratchadamri Station, Ratchathewi Station, Sanam Pao Station, Ari Station, and Phra Khanong Station.

• **Occupancy rate**

In the past 3 years, occupancy rates were 21%, 23%, and 13%, respectively. The occupancy rate significantly declined in 2021 as an effect from the outbreak of COVID-19 for over 2 years causing number of passengers boarding - alighting to each BTS Skytrain station (Eyeballs) to decline. Historical data of average daily eyeballs of 5 BTS Skytrain stations in 2017 – 2021 can be summarized as follows:

(Unit: passenger trips)

Average Daily Eyeballs	2017A	2018A	2019A	2020A	2021A
Ratchadamri Station	9,799	9,622	9,602	5,182	2,734
Ratchathewi Station	24,581	23,887	24,455	13,239	6,511
Sanam Pao Station	9,043	8,305	8,604	5,653	3,214
Ari Station	25,955	27,479	29,396	21,196	10,989
Phra Khanong Station	26,616	26,888	27,578	17,012	9,786
Total 5 stations	95,994	96,181	99,636	62,283	33,233
% growth	1.12%	0.19%	3.59%	-37.49%	-46.64%

Source: BTSC and VGI

The IFA has estimated occupancy rate for each station as follows:

BTS Skytrain Stations	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F
Ratchadamri Station	19.87%	79.49%	79.49%	79.49%	79.49%	79.49%	79.49%	79.49%
Ratchathewi Station	7.95%	31.80%	36.80%	41.80%	41.80%	41.80%	41.80%	41.80%
Sanam Pao Station	7.95%	31.80%	36.80%	41.80%	41.80%	41.80%	41.80%	41.80%
Ari Station	53.32%	63.32%	73.32%	83.32%	83.32%	83.32%	83.32%	83.32%
Phra Khanong Station	39.12%	49.12%	59.12%	69.12%	69.12%	69.12%	69.12%	69.12%
Total 5 stations	21.49%	50.14%	55.34%	60.54%	60.54%	60.54%	60.54%	60.54%

Ratchadamri Station (Group C Station²²) – Beauty Station Concept

The occupancy rate of Ratchadamri Station in 2019 – 2021 was 69.25%, 39.21%, and 0%, respectively. The major tenant in Ratchadamri Station was Wuttisak Cosmetic Inter Co., Ltd. (WCI), who rented most of merchandising spaces of the station. In 2020, WCI was having trouble paying rental and service fees (*please refer to more detail about legal dispute in Transaction 2 – Part 3, Clause 2.2 of this report*) and GW terminated the lease agreement. GW is currently under negotiation with new tenant, who wants to rent large space but is waiting for a rising number of passengers boarding - alighting Ratchadamri Station before signing the lease agreement.

The IFA assumed the new tenant to rent merchandising spaces in the area equivalent to those of WCI, totaling 157 sq.m. or approximately 79.49% of leasable spaces, and the lease agreement will start in Q4/2022. Thus, the occupancy rate is estimated at 19.87% in 2022 and increased to 79.49% in 2023 – 2029.

GW has positioned Ratchadamri Station as a Beauty Station providing a relaxing place that gather beauty services for city people such as treatment, nail services, spa, and beauty products.

²² The IFA has categorized BTS Skytrain stations into 3 groups based on number of passenger boarding - alighting the station (Eyeballs) in 2019, as follows:

- Group A Station: Comprised of 6 stations, namely Mo Chit Station, Siam Station, Chit Lom Station, Asok Station, Phrom Phong Station, and Sala Daeng Station (number of passengers boarding - alighting each station exceeds 60,000 passenger trips per day)
- Group B Station: Comprised of 12 stations, namely Ari Station, Phaya Thai Station, Nana Station, Thonglor Station, Ekkamai Station, Phra Khanong Station, On Nut Station, Udom Suk Station, Bearing Station, National Stadium Station, Chong Nonsi Station, and Wongwian Yai Station (number of passengers boarding - alighting each station around 25,000 - 60,000 passenger trips per day)
- Group C Station: Comprised of 10 stations, namely Saphan Khwai Station, Sanam Pao Station, Ratchathewi Station, Bang Chak Station, Punnaewithi Station, Bang Na Station, Ratchadamri Station, Surasak Station, Saphan Taksin Station, and Krung Thon Buri Station (number of passengers boarding - alighting each station less than 25,000 passenger trips per day)



Ratchathewi Station (Group C Station)

Occupancy rate of Ratchathewi Station in 2020 – 2021 was 6.38% and zero, respectively.



Ratchathewi Station is connected to significant areas of Bangkok and condominium area for working ages, while the area is less busy. GW has planned to transform the station through station takeover to be a gadget station which is a place to update technology and trend. It will be a one-stop service place for sell-buy-repair to fulfill city lifestyle of people living in this area and the BTS Skytrain's passengers.

In 2021, one tenant rented all merchandising spaces for a year but the tenant terminated the contract due to Covid-19 pandemic. As such, GW has planned to seek for a new tenant who fits the concept of the station on a station takeover basis.

However, in this financial forecast, the IFA assumed the occupancy rate of Ratchathewi Station in 2022 – 2023 equivalent to the occupancy rate of Group C Station which is at approximately 31.80% of leasable spaces²³ based on the rent roll of January 2025. Lease of merchandising space is assumed to start in Q4/2022, resulting in the occupancy rate of 7.95% in 2022 and increase to 31.80% in 2023. In 2024 – 2025, the occupancy rate is assumed to increase by 5% p.a., resulting in the increase of occupancy rate to 36.80% and 41.80%, respectively.

²³ The occupancy rate is calculated by using historical data of Saphan Khwai Station, Bangchak Station, Punna Withi Station, Bang Na Station, Surasak Station, Saphan Taksin Station, and Krung Thon Buri Station. Historical data of Sanam Pao Station, Ratchathewi Station, and Ratchadamri Station was excluded due to GW has leased majority of merchandizing spaces of the stations.

Sanam Pao Station (Group C Station)

There is no historical rent for this station. However, since the location of Sanam Pao Station is close to Phaya Thai 2 Hospital, GW has planned to develop and transform this station under station takeover to Health & Wellness Center with comprehensive health services which are convenient to access such as health checkup, sale of supplements, health, and medical equipment.

However, in this financial forecast, the IFA assumed the occupancy rate of Sanam Pao Station in 2022 – 2023 equivalent to the occupancy rate of Group C Station that has the occupancy rate of approximately 31.80% of leasable spaces, based on the rent roll of January 2022. Lease of merchandising space on Sanam Pao Station is assumed to start in Q4/2022, bringing the occupancy rate to 7.95% in 2022 and increase to 31.80% in 2023. In 2024 – 2025, the occupancy rate is assumed to increase by 5% p.a., resulting in the increase of occupancy rate to 36.80% and 41.80%, respectively.



Ari Station (Group B Station)

Average occupancy rate of Ari Station in 2019 – 2021 was 37.52%, 69.44%, and 53.32%, respectively. GW has positioned Ari Station with Leisure Activities concept as it is located in office area and residential area. The station will offer products and services such as stationary, ergonomic office furniture, and leisure activities.

Number of passengers boarding - alighting Ari Station has continuously increased with potential to develop. The compound annual growth rate (CAGR) of number of passengers boarding - alighting the station in 2014 – 2019 was 4.12% p.a. with the average of 29,396 passenger trips per day in 2019.

In preparing this financial projection, the occupancy rate of Ari Station in 2022 is assumed at 53.32% of leasable spaces, which is equivalent to the occupancy rate of 2021. The occupancy rate in 2023 – 2025 is assumed to increase by 10% p.a., equivalent to the occupancy rate of 63.32%, 73.32%, and 83.32% of leasable spaces, respectively. The occupancy rate in 2026 – 2029 is expected to remain constant at 83.32% of leasable spaces. Such assumptions on occupancy rate are based on occupancy rate of Ari Station, excluding spaces that GW obtains the right to manage and operate, in December 2019 – January 2022 which was at approximately 68% - 104% of leasable spaces under the licensing agreement, excluding spaces that GW obtains the right to manage and operate (occupancy rate exceeded 100% since there were temporary rent of spaces which exceed the licensed spaces). The IFA also considered potential of Ari Station, of which the number of boarding – alighting passengers almost reached 30,000 persons per day in 2019.



Phra Khanong Station (Group B Station)

In 2019 – 2021, the occupancy rate of Phra Khanong Station was at 0%, 23.13%, and 39.12%, respectively.

Phra Khanong Station is located in community area with condominiums and residences. GW has positioned Phra Khanong Station to be the Living Station which will provide products and services for lifestyle and living such as home furniture and other repair services.



Number of passengers boarding - alighting Phra Khanong Station has continuously increased with potential to develop. The compound annual growth rate (CAGR) of number of passengers boarding - alighting the station in 2014 – 2019 was 3.06% p.a. with the average of 27,578 passenger trips per day in 2019.

In preparing the financial forecast, the occupancy rate in 2022 is assumed at 39.12% of leasable spaces, which is equivalent to the occupancy rate of 2021. The occupancy rate in 2023 – 2025 is assumed to increase by 10% p.a., bringing to the occupancy rate to 49.12%, 59.12%, and 69.12% of leasable spaces, respectively. The occupancy rate in 2026 – 2029 is expected to remain constant at 69.12% of leasable spaces. Such assumption on occupancy rate is based on occupancy rate in 2019 – 2020 which was at approximately 67.4% - 70.3%. The IFA also considered potential of Phra Khanong Station, of which the number of boarding – alighting passengers almost reached 30,000 persons per day in 2019.

- **Average rent rate**

Estimated average rent rate in 2022 for each station can be summarized as follows:

(Baht/sq.m./month)

BTS Skytrain Station	2019A	2020A	2021A	2022F	2023F – 2029F
Ratchadamri Station	4,864.39	6,796.12	-	4,572.81 ^{1/}	Increase by 5% p.a.
Ratchathewi Station	-	6,320.83	-	6,320.83	Increase by 5% p.a.
Sanam Pao Station	-	-	-	1,060.47 ^{2/}	Increase by 5% p.a.
Ari Station	5,598.30	4,959.59	5,088.53	5,134.60 ^{3/}	Increase by 5% p.a.
Phra Khanong Station	-	5,178.08	5,412.50	5,412.50	Increase by 5% p.a.
Total 5 stations	5,028.23	5,806.70	5,242.54	4,704.56	

Remark:

- 1/ Based on rent rate of GW which is lower than rent rate charged to previous tenant (Wuttisak Cosmetic Inter Co., Ltd.), which was at Baht 5,255 per sq.m.
- 2/ Based on rent rate of GW, by which rent rate of Sanam Pao Station is lower than rent rate of other stations due to lower average number of passengers boarding – alighting Sanam Pao Station in 2019 than other stations (approximately 8,600 persons per day) and its less crowded location.
- 3/ Current average rent rate of GW according to the agreement.

The average rent rate in 2022 is based on the average rate of 2021, estimated rent rate of GW, and current average rent rate.

For 2023 – 2029, the IFA assumed the average rent rate to increase by 5% p.a. based on VGI's standard price adjustment.

(b) Other BTS Skytrain stations (supplemental stations)

At the present, there are 11 tenants on Sala Daeng Station, Chit Lom Station, Mo Chit Station, Chong Nonsi Station, and Udom Suk Station, with total area of 125.50 sq.m. and the lease terms of 6 months – 3 years. In addition, GW has revenue from rent from 1 tenant on Prannok Pier. The IFA assumed that all 12 tenants renew the lease agreements throughout the projection period. (Majority of the tenants are from HIW HUB Sala Daeng Project.)

The average rent rate is in the range of Baht 3,250 – 10,854 per sq.m. per month, or the average rent rate of approximately Baht 6,411 per sq.m. per month. From 2023 onwards, the average rent rate is assumed to increase by 5.00% p.a.

- **Utility income**

Utility income is assumed at 2.50% of revenue from rent and services, which is equivalent to the average ratio of utility income to revenue from rent and services in 2020 – 2021.

- **Design service income**

GW shall have design service income from the provision of design and decoration service to new tenants. Design service income was at Baht 1.74 million and Baht 1.16 million in 2020 – 2021, respectively, or equivalent to 11.01% and 9.03% of revenue from rent and services.

In this financial forecast, the IFA assumed design service income at Baht 25,000 per sq.m. based on the price list of GW and increase by 2.06% p.a. based on the average 20-year historical growth rate of CPI (2003 – 2M/2022).

It is assumed that there is a change of one new tenant each year among those 11 tenants (on other BTS Stations), and 7 tenants and 19 tenants for 5 BTS Skytrain stations from 53 units in 2025 –

2026, respectively. In addition, it is assumed that there are approximately 8 – 10 new tenants in each year during 2024 – 2029.

▪ **Cost of sales and services: partial merchandising space management on BTS Skytrain stations (excluding depreciation and amortization expenses)**

Comprised of employee expenses, wages, design fee, utility expenses, license and service fees, entrance fee, and other expenses.

In 2020 – 2021, cost of sales and services were at Baht 8.92 million and Baht 12.19 million, equivalent to 50.15% and 83.62% of revenue from rent and services, respectively. The increase in cost of sales and services due mainly to higher number of employee and license and service fees.

The IFA has prepared this financial projection based on the assumptions for cost of sales and services as follows:

- Employee expenses (all employees of GW) in 2020 – 2021 were at Baht 3.04 million and Baht 4.20 million, respectively, or increased by 38.12% from prior year. The IFA assumed employee expenses to increase by 5.00% p.a.
- Wage is assumed at 4.00% of revenue from rent and services and design service income, which is equivalent to the average ratio of wage to revenue from rent and services and design service income in 2020 – 2021.
- Service and design fees are assumed at 28.00% of revenue from rent and services and design service income, which is equivalent to the average ratio of service and design fees to revenue from rent and services and design service income in 2020 – 2021.
- Utility expenses are assumed at 127.80% of utility income, which is equivalent to the average ratio of utility expenses to utility income in 2020 – 2021.
- License and service fees for 11 tenants on other BTS Skytrain stations, namely Sala Daeng Station, Chit Lom Station, Mo Chit Station, Chong Nonsi Station, and Udom Suk Station, with total occupied space of 125.50 sq.m., and 1 tenant on Prannok Pier are in accordance with the agreement between GW and VGI and between GW and Chao Phraya Express Boat Co., Ltd.. Total license and service fees are at approximately Baht 0.54 million per month and are assumed to increase by 5.00% p.a., which is equivalent to growth of rental fee.
- License and service fees for 5 BTS Skytrain stations is lump sum payment paid to VGI in 2018 for license period of 11 years 9 months and 28 days.
- Entrance fee is assumed at Baht 0.05 million per tenant, based on the average entrance fee stipulated in the licensing agreement between GW and VGI for the rent of merchandising spaces on other BTS Skytrain stations.
- Insurance premium for 5 BTS Skytrain stations are assumed at Baht 0.12 million per annum, based on insurance premium of Ratchadamri Station which is equivalent to Baht 23,400 per annum.
- Other expenses are assumed at 0.40% of revenue from rent and services and design service incomes, which is equivalent to the average ratio of other expenses to revenue from rental and service and design service income in 2020 – 2021.

Summary of revenue from rent and services and cost of services for the management of merchandising spaces on BTS Skytrain stations are as follows:

(Unit: Baht million)										
BTS Skytrain Stations	2020A	2021A	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F^{1/}
Revenue from rent and services – 5 BTS Skytrain stations	13.08	6.59	9.81	23.02	26.63	30.55	32.61	34.24	35.96	34.61
Revenue from rent and services – other BTS Skytrain stations (supplemental stations)	2.70	6.17	10.36	10.88	11.43	12.00	12.60	13.23	13.89	13.37
Utility income	0.26	0.43	0.50	0.84	0.94	1.04	1.10	1.15	1.20	1.17
Design service incomes	1.74	1.39	2.39	6.12	3.13	3.52	3.28	3.03	3.10	3.18
Total revenue from management of merchandising spaces	17.78	14.57	23.07	40.87	42.13	47.12	49.59	51.65	54.15	52.33
Cost of services (excluding depreciation and amortization expenses)										
Salary and employee expenses	3.04	4.20	4.41	4.63	4.86	5.11	5.36	5.63	5.91	6.21
Wages	0.88	0.25	0.90	1.61	1.66	1.86	1.96	2.04	2.14	2.06
Service and design fees	4.28	4.36	6.32	11.21	11.53	12.90	13.58	14.14	14.83	14.32

BTS Skytrain Stations	2020A	2021A	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F ^{1/}
Utility expenses	0.32	0.58	0.64	1.08	1.20	1.33	1.41	1.47	1.53	1.50
License and service fees	0.32	2.75	6.48	6.81	7.15	7.50	7.88	8.27	8.69	9.12
Entrance fee - VGI	-	-	0.05	0.05	0.05	0.05	0.06	0.06	0.06	0.07
Insurance premium – 5 stations	-	-	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12
Other expenses	0.08	0.04	0.09	0.16	0.17	0.19	0.20	0.21	0.22	0.21
Total cost of services	8.92	12.19	19.02	25.66	26.74	29.07	30.56	31.94	33.49	33.61
Gross profit	8.86	2.39	4.06	15.20	15.39	18.05	19.04	19.71	20.65	18.72
% gross profit margin	49.85%	16.38%	17.58%	37.20%	36.52%	38.31%	38.38%	38.17%	38.14%	35.77%

Remark: 1/ Projection period in 2029 = 11 months

5.2 Marketing Media (interactive vending machine) Service Business

▪ Revenue from marketing media (interactive vending machine) service

GW has revenue from provision of marketing media service that combine out of home media and online media to match with target audience lifestyle. The introduction of vending machine with new technology, resulting in the interactive vending machine, will help built brand awareness, distribute product samples, and collect customers' data. An example of GW's service is for 7 Up brand which include the vending mart and single vending machine platforms.



In 2020, revenue from marketing media service of Baht 1.74 million was from the provision of service to soft drink brand (7 Up). In 2021 – 2022, GW has been working on a project for an international cosmetic group to promote a cosmetic brand of the group with total project value of Baht 3.13 million, where GW already recognized revenue from service of Baht 1.98 million in 2021.

In preparing this financial projection, the IFA assumed revenue from marketing media service in 2022 at Baht 3.65 million, comprised of the remaining value of the project in 2021 - 2022 of Baht 1.15 million and value of a new project of Baht 2.50 million.

Revenue from marketing media service in 2023 is assumed at Baht 2.50 million, equivalent to value of a big project. In 2024 – 2029, revenue from marketing media service is assumed to increase by 2.06% p.a., based on the average 20-year historical growth rate of CPI (2003 – 2M/2022).

▪ Cost of marketing media (interactive vending machine) service

Cost of marketing media service comprised of wages, rental fee for interactive vending machine, software and AI expenses, equipment and fixture expenses, transportation cost, design fee, and other operating expenses.

In preparing this financial projection, the IFA has considered the historical performance of GW in 2021 and GW's estimation. Assumptions are as follows:

- Wage is assumed at 6.90% of revenue from marketing media services based on the estimated project cost of the existing project with the international cosmetic group (the project period: 2021 – 2022).
- Other marketing media service costs, such as design fee, system fee, packing fee, and equipment expenses, are assumed at 57.03% of revenue from marketing media service, which is equivalent to the average ratio of cost of marketing service (excluding wage) to revenue from marketing media service in 2021. (In 2020, cost of marketing media service (excluding wage) was approximately 37.40% of revenue from marketing media service.)

(Unit: Baht million)

Interactive Vending Machine	2020A	2021A	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F
Revenue from marketing media service	1.74 ^{1/}	1.98	3.65	2.50	2.55	2.60	2.66	2.71	2.77	2.83
Cost of marketing media service	(0.61) ^{2/}	(1.26)	(2.33)	(1.60)	(1.63)	(1.66)	(1.70)	(1.73)	(1.77)	(1.81)
Gross profit	1.13	0.71	1.32	0.90	0.92	0.94	0.96	0.98	1.00	1.02
Gross profit margin	64.99%	36.07%	36.07%	36.07%	36.07%	36.07%	36.07%	36.07%	36.07%	36.07%

Remark:

1/ GW started to realize revenue from marketing media (interactive vending machine) service in 2020.

2/ GW did not clearly separate cost of service, some of which are recorded as common expenses.

5.3 Other incomes

Other incomes comprise of interest income, income from seizing of rental deposit, and other incomes. In 2020 – 2021, other incomes were at Baht 0.97 million and Baht 5.21 million, representing 4.96% and 29.57% of revenue from sales and services, respectively. The increase in other incomes in 2021 was due to the seizing of rental deposit at the amount of Baht 4.7 million.

In preparing this financial projection, the IFA assumed other incomes of 1.00% of revenue from sales and services, based on conservative basis.

5.4 Selling expenses

In this financial projection, the IFA assumed that selling expenses will equal to 1.00% of revenue from management and operation of merchandising spaces on the BTS Skytrain Stations and revenue from marketing media (interactive vending machine) service, slightly higher than the average ratio of selling expenses to revenue from sales and services in 2020 – 2021 (which was at 0.83%).

5.5 Administrative expenses (excluding depreciation and amortization expenses)

Administrative expenses comprised of office rental and service fees, utility expenses, parking expenses, transportation expenses, cleaning expenses, legal fee, court fee, accounting and audit fee, allowance for doubtful account, and other expenses.

In 2019 – 2021, administrative expenses (excluding depreciation and amortization expenses) were at Baht 1.21 million, Baht 3.97 million, and Baht 1.90 million, respectively. Administrative expenses increased in 2020 from allowance for doubtful accounts and relating expenses from legal disputes.

The IFA has prepared this financial projection based on the assumptions for administrative expenses as follows:

- Office rental and service fees in 2022 are equal to Baht 0.78 million, based on rental and service agreement. In 2023 – 2029, office rental and service fees are assumed to increase by 5% p.a.
- Utility expenses in 2022 – 2029 are assumed at Baht 0.04 million, equivalent to the utility expenses in 2021 and increased by 2.06% p.a., based on the average 20-year historical growth rate of CPI (2002 – 2M/2022).
- Parking and transportation expenses in 2022 are assumed at Baht 0.13 million, equivalent to parking and transportation expenses in 2021. Parking and transportation expenses in 2023 - 2029 are assumed to grow by 2.06% p.a.
- Cleaning expenses in 2022 are assumed at Baht 0.03 million, based on cleaning expenses in 2021. In 2023 – 2029, cleaning expenses are assumed to grow by 2.06% p.a.
- Accounting and audit fees in 2022 are assumed at Baht 0.12 million, based on accounting and audit fees in 2021. In 2023 – 2029, accounting and audit fees are assumed to grow by 2.06% p.a.
- Other expenses in 2022 are assumed at Baht 0.87 million, based on other expenses in 2021. In 2023 – 2029, other expenses are assumed to grow by 2.06% p.a.

(Unit: Baht million)

Administrative expenses	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F
Office rental and service fees	0.78	0.82	0.86	0.91	0.95	1.00	1.05	1.10
Utility expenses	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
Parking and transportation expenses	0.12	0.13	0.13	0.13	0.13	0.14	0.14	0.14
Cleaning expenses	0.03	0.03	0.04	0.04	0.04	0.04	0.04	0.04
Legal and court fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounting and audit fee	0.12	0.12	0.12	0.12	0.13	0.13	0.13	0.14
Allowance for doubtful accounts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other expenses	0.87	0.89	0.91	0.93	0.94	0.96	0.98	1.00
Total administrative expenses	1.97	2.03	2.10	2.16	2.24	2.31	2.39	2.47

- **Corporate income tax**

The IFA assumed a corporate income tax rate of 20% throughout the projection period.

- **Capital expenditure**

The IFA assumed capital expenditures in 2022 of Baht 0.30 million, which is equivalent to the average capital expenditures in machinery and equipment and vending machine in 2020 – 2021, and increase by 2.06% p.a. in 2023 – 2029.

- **Current assets and current liabilities turnover**

Trade and account receivables	30 days on average
Trade and account payables	60 days on average
Rental deposit	3 months of monthly rental and service fee

- **Terminal value**

The IFA assumed that terminal value shall equal to zero and GW shall liquidate the business after 2029.

- **Discount rate**

The IFA has adopted the Weighted Average Cost of Capital (WACC), derived from a weighted average of cost of debt (K_d) and cost of equity (K_e), as a discount rate for the determination of present value of net cash flow of GW, as follows:

WACC	=	$K_e * E / (D + E) + K_d * (1 - T) * D / (D + E)$
K_e	=	Cost of equity or required rate of return (R_e)
K_d	=	Cost of debt or loan interest rate of GW
T	=	Corporate income tax
E	=	Total shareholders' equity
D	=	Interest-bearing debt

Cost of equity (K_e) or required rate of return (R_e) is calculated by using the Capital Asset Pricing Model (CAPM) as follows:

K_e (or R_e)	=	$R_f + \beta (R_m - R_f)$
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Where:

Risk Free Rate (R_f)	=	1.98% p.a., based on 8-year government bond yield (information as of March 1, 2022) which is the rate of return from a bond with maturity period close to the projection period
Beta (β)	=	0.6642 times, based on the median unlevered beta of 5 SET-listed companies in Property Development Sector, which operate similar property development and retail space rental business to GW (1-year historical average up to March 1, 2022) and adjusted by the interest-bearing debt to equity ratio of GW as of December 31, 2021
Market Risk (R_m)	=	11.74% p.a., which is the average annual rate of return on investment in the SET over the past 30 years from 1992 to 2021 (period of the enforcement of Securities and Exchange Act B.E. 2535) as it is the most suitable period to reflect average return from the SET
D/E Ratio	=	GW has no borrowing as of December 31, 2021.
T	=	The assumed corporate income tax rate of 20% p.a.

From the aforementioned assumptions, discount rate or WACC = R_e is equal to 8.50% p.a.

Based on the above information and assumptions, financial projection of GW during 2022 – 2029 can be summarized as follows:

(Unit: Baht million)

GW	2020A	2021A	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F
Income Statement										
Revenue – BTS stations	17.78	14.57	23.07	40.87	42.13	47.12	49.59	51.65	54.15	52.33
Revenue – interactive vending machine	1.74	1.98	3.65	2.50	2.55	2.60	2.66	2.71	2.77	2.83
Revenue from sales	0.10	1.08								
Total revenue from sales and services	19.62	17.63	26.72	43.37	44.68	49.72	52.25	54.36	56.91	55.15
Cost of services	(10.26)	(14.88)	(22.79)	(28.52)	(29.22)	(31.55)	(33.09)	(34.51)	(36.11)	(36.05)
Gross profit	9.36	2.75	3.93	14.85	15.47	18.17	19.17	19.85	20.81	19.10
Other incomes	0.97	5.21	0.27	0.43	0.45	0.50	0.52	0.54	0.57	0.55
Selling expenses	(0.11)	(0.15)	(0.27)	(0.41)	(0.42)	(0.47)	(0.50)	(0.52)	(0.54)	(0.52)
Administrative expenses	(5.02)	(3.00)	(3.19)	(3.25)	(2.74)	(2.82)	(2.90)	(2.98)	(3.06)	(2.85)
EBITDA	5.21	4.82	0.74	11.63	12.75	15.37	16.29	16.90	17.78	16.28
Depreciation and amortization	1.69	2.10	2.16	2.15	1.19	1.21	1.22	1.23	1.23	0.75
EBIT	6.90	6.91	2.90	13.77	13.94	16.58	17.51	18.13	19.01	17.03
Net profit	3.61	3.83	0.59	9.30	10.20	12.30	13.03	13.52	14.22	13.02
Statement of Financial Position										
Total assets	34.51	30.89	38.13	55.73	67.90	81.57	95.88	110.45	125.78	108.58
Total liabilities	16.79	9.34	15.99	24.29	26.25	27.63	28.91	29.95	31.06	0.83
Shareholder's equity	17.72	21.54	22.14	31.44	41.64	53.94	66.97	80.49	94.72	107.74

Free Cash Flow to Firm of GW can be summarized as follows:

(Unit: Baht million)

GW	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F
EBIT	0.74	11.63	12.75	15.37	16.29	16.90	17.78	16.28
Depreciation and amortization	2.16	2.15	1.19	1.21	1.22	1.23	1.23	0.75
Corporate income taxes	(0.15)	(2.33)	(2.55)	(3.07)	(3.26)	(3.38)	(3.56)	(3.26)
Working capital	7.70	6.93	1.85	0.96	1.07	0.87	0.90	(25.55) ^{1/}
Capital expenditure	(0.30)	(0.31)	(0.31)	(0.32)	(0.33)	(0.33)	(0.34)	0.00
Free Cash Flow to Firm	10.15	18.07	12.93	14.15	15.00	15.29	16.02	(11.77)
PV of FCFF	9.35	16.66	11.92	13.04	13.83	14.09	14.77	(10.85)

Remark: 1/ Working capital decreases due to the assumption that GW does not renew the Licensing Agreement after December 4, 2029. The decrease in working capital due mainly to the payment of trade payable and refund of rental deposit.

(Unit: Baht million)

GW	Base Case
Present value of free cash flow to firm as of December 31, 2021	82.80
Present value of terminal value	-
Present value of free cash flow	82.80
Add: Cash and cash equivalents as at December 31, 2021	4.74 ^{1/}
Less: Interest-bearing debt as at December 31, 2021	-
Net present value of free cash flow	87.54
Total number of paid-up shares (shares) as at December 31, 2021	62,500 ^{2/}
Net present value of free cash flow (Baht/share)	1,400.56

Remark:

- 1/ Cash and cash equivalents of Baht 4.74 million was derived from GW's financial statements for the period ended December 31, 2021, audited by a certified public accountant.
- 2/ Par value of Baht 100 per share.

Share value of GW based on this approach is equal to Baht 1,400.56 per share and firm value is equal to Baht 87.54 million.

Sensitivity analysis

The IFA has conducted a sensitivity analysis of GW's share value in the base case by adjusting the discount rate or WACC upward and downward by 10.00% from the base case. The outcome of the sensitivity analysis is as follows:

GW	Unit	Discount Rate (% p.a.)		
		9.35%	8.50% (Base Case)	7.65%
Firm value of GW	(Baht million)	86.89	87.54	88.19
Share value of GW	(Baht/share)	1,390.26	1,400.56	1,411.02

From the sensitivity analysis, share value of GW is in the range of **Baht 1,390.26 – 1,411.02 per share** and firm value is in the range of **Baht 86.89 – 88.19 million**.

In addition, the IFA has conducted a scenario analysis for information to shareholders by adjusting occupancy rate of Ratchathewi Station and Sanam Pao Station to 100% and 0% of leasable spaces, based on target of GW to rent out the whole station through station takeover scheme.

The outcome of scenario analysis is as follows:

(Unit: Baht million)

Firm value of GW	Discount Rate (% p.a.)		
	9.35%	8.50%	7.65%
Base case	86.89	87.54	88.19
Scenario 1 (100% occupancy rate of Ratchathewi Station and Sanam Pao Station)	131.95	132.94	133.95
Scenario 2 (0% occupancy rate of Ratchathewi Station and Sanam Pao Station)	58.82	59.24	59.67

(Unit: Baht per share)

Share value of GW	Discount Rate (% p.a.)		
	9.35%	8.50%	7.65%
Base case	1,390.26	1,400.56	1,411.02
Scenario 1 (100% occupancy rate of Ratchathewi Station and Sanam Pao Station)	2,111.13	2,127.08	2,143.27
Scenario 2 (0% occupancy rate of Ratchathewi Station and Sanam Pao Station)	941.12	947.90	954.79

The Discounted Cash Flow Approach analyzes past operating results and reflects an ability to generate cash flow and future performance of GW by estimating its future free cash flow from the financial projection prepared under a set of assumptions obtained from GW as well as existing economic conditions and present circumstances. If there is any change that will materially affect the said assumptions, the future operating results of GW might not be as projected or the variables used in the share valuation might change accordingly, hence, leading to a relative change in the share value.

6. Summary of the IFA's Opinion on the Price of GW Shares

Value of GW shares derived from various valuation approaches can be summarized in the table below:

GW	Value of GW Shares ^{1/}	Firm Value of GW	Purchasing Price of GW Shares ^{2/}	Higher (Lower) than Purchasing Price of GW Shares	
	(Baht/share)	(Baht million)	(Baht million)	(Baht million)	(%)
		(1)	(2)	(3) = (2) - (1)	(3) / (2)
Book Value Approach	344.69	21.54	110.00	88.46	80.42
Adjusted Book Value Approach	179.34	11.21	110.00	98.79	89.81
Market Value Approach	n.a.	n.a.	110.00	n.a.	n.a.
Price to Book Value Ratio Approach	406.75 – 538.55	25.42 – 33.66	110.00	76.34 – 84.58	69.40 – 76.89
Price to Earnings Ratio Approach	1,542.82 – 2,132.38	96.43 – 133.27	110.00	(23.27) – 13.57	(21.16) – 12.34
Discounted Cash Flow Approach	1,390.26 – 1,411.02	86.89 – 88.19	110.00	21.81 – 23.11	19.83 – 21.01

Remark: 1/ Par value of Baht 100.00 per share.

2/ The Company will acquire 62,500 GW shares, representing 100% of registered and paid-up capital of GW, totaling of Baht 110.00 million or equivalent to Baht 1,760.00 per share.

As shown in the above table, GW's ordinary share value derived from various valuation approaches is in a range of Baht 179.34 – 2,132.38 per share, or equivalent to the firm value of Baht 11.21 – 133.27 million.

Book Value Approach reflects operating results and status of GW at a given period based on its past performance, without taking into account its real asset value and future profitability, as well as the overall economic and industry outlook. Thus, share valuation of shares under this approach could not reflect the actual value of GW's ordinary shares.

Adjusted Book Value Approach, under which adjustments are made to certain accounting items, reflect current market value of GW's assets better than the Book Value Approach. This approach reflects market value of assets, tax loss carried forward, and events after the financial statement date. For this case, there is an adjustment on an allowance for doubtful account from legal dispute. However, it does not reflect future profitability of GW. Therefore, share valuation under the Adjusted Book Value Approach might not reflect an appropriate value of GW.

Market Value Approach could not be applied to the valuation of GW shares because GW is not listed on the SET or any other secondary market, hence, there is no reference market value available.

Price to Book Value Ratio Approach estimates value of GW shares using past financial figures of GW as of December 31, 2021 from the latest financial statements, which is audited by a certified public accountant, to compare with P/BV ratios of 5 SET-listed companies. However, most of the comparable listed companies have much larger asset sizes than GW and operate a business of retail property development in large department stores and/or community malls, while GW only has revenue from rent of retail spaces on BTS stations and from marketing media (interactive vending machine) business. Besides, book value represents past operating performance which may not reflect future profitability of GW. Therefore, share valuation under this approach might not reflect an appropriate value of GW shares.

Price to Earnings Ratio Approach estimates value of GW shares using historical data on earnings per share over 12-month period ended December 31, 2021 to compare with P/E ratios of 5 SET-listed companies. However, most of the comparable listed companies have much larger asset sizes than GW and operate a business of retail property development in large department stores and/or community malls, while GW only has revenue from the rent of retail spaces on BTS stations and from marketing media (interactive vending machine) business. Besides, the earning per share represents past operating performance which may not reflect future profitability of GW. Therefore, share valuation under this approach might not reflect an appropriate value of GW shares.

Discounted Cash Flow Approach analyzes past operating results and reflects the capability to generate cash flow and future performance of GW by estimating its future free cash flow from the financial projection prepared under a set of assumptions obtained from GW as well as existing economic conditions and present circumstances. If there is any change that will materially affect the said assumptions, the future operating results of GW might not be as projected or the variables used in the share valuation might change accordingly, hence, leading to a relative change in the share value.

CapAd is of the opinion that the Discounted Cash Flow Approach is the appropriate approach for valuing GW shares because it can reflect GW's future profitability. Under this approach, fair value of GW's ordinary shares is in a range of Baht 1,390.26 – 1,411.02 per share, or equivalent to the firm value of Baht 86.89 – 88.19 million, which is lower than the purchasing price of GW shares by Baht 21.81 – 23.11 million (or lower by Baht 348.98 – 369.74 per share) or by 19.83% - 21.01% of the purchasing price. **Therefore, the IFA viewed that purchase price of GW shares totaling Baht 110.00 million or Baht 1,760.00 per share is considered inappropriate since it is higher than fair value of GW shares.**

The Connected Transaction
Transaction 3:
PP Shares Issuance and Offering to POV Transaction

Transaction 3 - Part 1: General Information of the Connected Transaction

1. Characteristics and Details of the Transaction

1.1 Objectives and Background of the Transaction

The Board of Directors' Meeting of the Company No. 2/2022, held on March 2, 2022, resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2022, which will be held on May 10, 2022, to consider and approve the issuance and offering of not exceeding 1,224,000,000 newly issued ordinary shares of the Company with par value of Baht 1 per share, representing 77.00% of total issued shares of the Company after the capital increase, divided into

- (1) The offering of up to 984,000,000 newly issued ordinary shares with par value of Baht 1 per share, representing 61.90% of total issued shares after the capital increase, via private placement (PP) at the offering price of Baht 3.30 per share, totaling Baht 3,247,200,000 to be received by the Company from this fund raising, collectively referred to as "PP Shares Issuance and Offering Transaction".²⁴ The Company will offer the said shares to 3 specific persons (collectively referred to as "Investors"), as follows:
 - (a) Point of View (POV) Media Group Co., Ltd. (POV) (a wholly-owned subsidiary of VGI PCL. (VGI)) in the amount of 953,500,000 shares, totaling Baht 3,146,550,000 ("PP Shares Issuance and Offering to POV Transaction"), which constitutes a connected transaction of the Company;
 - (b) Werk X Co., Ltd., in the amount of 15,350,000 shares, totaling Baht 50,655,000; and
 - (c) Silver Reward Holdings Ltd., in the amount of 15,150,000 shares, totaling Baht 49,995,000.

Therefore, the opinion provided by the IFA in this report is focused on the PP Shares Issuance and Offering to POV Transaction only because it is a connected transaction.

- (2) The offering of up to 240,000,000 newly issued ordinary shares with par value of Baht 1 per share, representing 15.10% of total issued shares after the capital increase, via the rights offering (RO) at the allocation ratio of 1.5232 existing shares to 1 newly issued ordinary share at the offering price of Baht 3.30 per share, totaling Baht 792,000,000 ("RO Shares Issuance and Offering Transaction").²⁵

The PP Shares Issuance and Offering Transaction and the RO Shares Issuance and Offering Transaction are to be collectively referred to as the "Shares Offering Transactions". The Investors under the PP Shares Issuance and Offering Transaction are not entitled to subscribe for the newly issued ordinary shares under the RO Shares Issuance and Offering Transaction.

In the event that the PP Shares Issuance and Offering Transaction is not successful as set forth in the Share Subscription Agreement (please refer to more details in Transaction 3 - Part 1, Clause 1.4.3 of this report), the Company shall cancel the issuance and offering of its newly issued ordinary shares under the RO Shares Issuance and Offering Transaction.

²⁴ This is regarded as the offering of shares through a private placement for which the shareholders have resolved to set a definitive offering price and is not deemed as the offering of newly issued shares at a low price pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 72/2558 Re: Approval for Listed Companies to Offer Newly Issued Shares through Private Placement ("Notification on Approval of PP Shares Offering") because the offering price of Baht 3.30 per share is not lower than 90% of the market price for the offering of shares via a private placement process, which is equal to Baht 3.66 per share (Please refer to more details in Transaction 3 - Part 1, Clause 1.5.4, of this report).

²⁵ Please refer to Footnote 5.

In the case where there are remaining newly issued ordinary shares from the first round of allocation to the existing shareholders under the RO Shares Issuance and Offering Transaction, the Company shall allocate such remaining shares to the existing shareholders who wish to oversubscribe for such shares. In this respect, the Company shall allocate the shares to the oversubscribing shareholders on a pro rata basis until the shares are fully subscribed or there are no shares to be allocated due to the fraction of share or until there is no shareholder wishing to subscribe for the aforesaid shares. In the case where there are shares remaining from the allocation to the existing shareholders via the rights offering, the Company will propose to a shareholders' meeting to consider and approve the decrease of the registered capital by cancelling the newly issued ordinary shares remaining from such offering.

In this regard, the Company set the date for determining the names of shareholders who are entitled to subscribe for the newly issued shares (Record Date) on May 20, 2022, and the subscription period for the newly issued ordinary shares offered to the existing shareholders during June 24 and June 27 - 30, 2022. However, the aforesaid rights is subjected to the approval from the shareholders' meeting of the Company.

The Company will receive proceeds from fund raising under the Shares Offering Transactions (PP and RO) in the total amount of Baht 4,039,200,000. Such fund raising will provide the Company with sufficient funds for the investment relating to the management and operation of the Company's shops, the lease of merchandising spaces on the BTS Skytrain stations (Transaction 1), and the acquisition of all ordinary shares in Groupwork Co., Ltd. (GW) (Transaction 2), as well as for use as working capital and for investment in future projects (*please refer to more details in the Information Memorandum on the Issuance and Offering of Newly Issued Ordinary Shares and Connected Transaction, Clause 4, of Enclosure No. 2 of the notification of the shareholders' meeting*).

In entering into the PP Shares Issuance and Offering Transaction, the Company is required to disclose information on the Shares Offering Transactions to the SET according to the Notification on Approval of PP Shares Offering and also to obtain the approval from the shareholders' meeting with required affirmative votes of not less than three-fourths of the votes of the shareholders who attend the meeting and are eligible to vote, excluding shareholders with conflict of interest. As for the PP Shares Issuance and Offering Transaction, the Company must file for the SEC's approval for the offering of newly issued shares through private placement and must obtain the SEC's approval before making such shares offering.

Transaction 3: PP Shares Issuance and Offering to POV Transaction (which is part of the PP Shares Issuance and Offering Transaction) constitutes a connected transaction under the Notifications on Connected Transactions because POV, which is a subsidiary of VGI, will acquire the Company's PP shares and will thereby become the major shareholder holding more than 10% of total issued and paid-up shares after the issuance and offering of PP and RO shares of the Company, and VGI will nominate its representatives to serve as directors in the Company in the future. The connected transaction size (total of the 3 transactions) is equivalent to 2,545.64% of net tangible assets of the Company and its subsidiaries as of December 31, 2021, which is higher than 3% of net tangible assets of the Company and its subsidiaries (*in the previous 6 months, the Company did not enter into any other connected transactions with VGI that have not yet been proposed for approval from the shareholders' meeting*).

Therefore, the Company is required to disclose information on the entering into such connected transaction to the Stock Exchange of Thailand and appoint an independent financial advisor to render an opinion to the shareholders of the Company. It also has to seek for approval from shareholders' meeting with affirmative votes of at least three-fourths of the total votes of the shareholders who attend the meeting and are eligible to vote, excluding shareholders with conflict of interest.

1.2 Date of the Transaction

After the Board of Directors' Meeting of the Company No. 2/2022 resolved to approve the entering into the Shares Offering Transactions, the Company expects to sign the Share Subscription Agreements and/or agreements with the respective Investors (*please refer to more details in Transaction 3 – Part 1, Clause 1.4.3 of this report*) for the issuance and offering of newly issued ordinary shares to the Investors under the PP Shares Issuance and Offering Transaction by March 2022.

The PP Shares Issuance and Offering Transaction will take place after all conditions precedent under the Share Subscription Agreements and/or agreements with the respective Investors have been satisfied or waived by the concerned parties, and the Shares Offering Transactions will take place after obtaining the relevant approval from the Extraordinary General Meeting of Shareholders of the Company No. 1/2022, which will be held on May 10, 2022, and after obtaining the approval for the offering of PP shares under PP Shares Issuance and Offering Transaction from the SEC.

In this regard, the Company expects that the Shares Offering Transactions will be completed by June 2022. The Company will determine the exact subscription and payment date for the newly issued ordinary shares under the PP Shares Issuance and Offering Transaction after obtaining approvals from the shareholders' meeting to issue and offer newly issued ordinary shares of the Company, GW Shares Acquisition Transaction, and Licensing Agreement Transaction, and after the Company receives an approval from the SEC regarding the issuance and offering of newly issued ordinary shares under the PP Shares Issuance and Offering Transaction.

1.3 Relevant Parties and Relationship with the Company

1.3.1 Contract parties and relationship with the Company

Subscribers of PP shares	:	(1) Point of View (POV) Media Group Co., Ltd. (POV)
		(2) Werk X Co., Ltd.
		(3) Sliver Reward Holdings Ltd.

Relationship with the Company	<p>: <u>Prior to the entering into the PP Shares Issuance and Offering Transaction and the PP Shares Issuance and Offering to POV Transaction</u> The 3 Investors have no relationship with the Company.</p> <p><u>After the entering into the PP Shares Issuance and Offering Transaction and the PP Shares Issuance and Offering to POV Transaction</u> VGI will become a controlling person of the Company by holding 70.65% of total issued and paid-up shares of the Company after the issuance and offering of PP shares, or 59.99% of total issued and paid-up shares of the Company after the issuance and offering of all newly issued PP and RO shares,^{1/} which results in VGI being regarded as the Company's connected person pursuant to the Notifications on Connected Transactions. However, the Investors, other than VGI, are not the Company's connected persons after the issuance and offering of newly issued ordinary shares by the Company.</p>
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Remark:

1/ Based on information from the latest closing of shareholder register book (XO) as of December 30, 2021 derived from Thailand Securities Depository Co., Ltd. and after receipt of the allocation of PP and RO shares.

1.4 General Description of the Transaction

1.4.1 PP Shares Issuance and Offering to POV Transaction

The Company will issue and offer up to 984,000,000 newly issued ordinary shares of the Company, with par value of Baht 1 per share, through a private placement (PP) at the offering price of Baht 3.30 per share to 3 specific persons as follows:

No.	Name	Number of Offered Shares not Exceeding	Offering Value (Baht million)	% Shareholding prior to the Transaction	% Shareholding after PP Shares Issuance	% Shareholding after PP + RO Shares Issuance
1	POV ^{1/} (PP Shares Issuance and Offering to POV Transaction)	953,500,000	3,146.55	None	70.65	59.99
2	WX ^{2/}	15,350,000	50.66	None	1.14	0.97
3	Sliver ^{3/}	15,150,000	49.99	None	1.12	0.95
		984,000,000	3,247.20		72.91	61.90

Remark:

1/ POV is a subsidiary of VGI which is a seller of GW shares in the amount of Baht 22.00 million.

VGI operates the businesses of advertising, payment, and logistics services. (Please refer to the information of VGI on the SET's website (www.set.or.th) or VGI's website (www.vgi.co.th)).

2/ WX is a seller of GW shares to the Company in the amount of Baht 34.10 million.

3/ Silver is a seller of GW shares to the Company in the amount of Baht 53.90 million.

(Please refer to more details of POV, WX, and Sliver in the Information Memorandum on the Issuance and Offering of Newly Issued Ordinary Shares and Connected Transaction, Clause 3.1.1 – 3.1.6 (Enclosure No. 2), enclosed with the notification of the shareholders' meeting and Attachment 1, Clause 4 of this report)

The said subscription for the Company's newly issued ordinary shares by the Investors (including POV) shall be subjected to the conditions set out in the Share Subscription Agreement (please refer to details in Transaction 3 - Part 1, Clause 1.4.3 of this report).

Conditions on silent period

If the offering price to the Investors under the PP Shares Issuance and Offering Transaction and the PP Shares Issuance and Offering to POV Transaction, which is equal to Baht 3.30 per share, is below 90% of the market price of the Company's shares on the date prior to the first date on which the shares are offered to the Investors (the market price here refers to the volume weighted average price of the Company's shares being traded on the SET for not less than 7 consecutive business days but not exceeding 15 consecutive business days, before the first subscription date on which the newly issued ordinary shares are offered for sale to the Investors), the Investors (including POV) shall be restricted to sell any of the newly issued shares within the period of 1 year from the commencement date on which those shares are traded on the SET (Silent Period). However, upon completion of the first 6-month period of the trading of such newly issued ordinary shares on the SET, the Investors may gradually sell up to 25% of the total number of shares that are subject to the sale restriction, in accordance with the Notification of the Stock Exchange of Thailand Re: Rules, Conditions and Procedures Governing the Listing of Ordinary or Preferred Shares Issued for Capital Increase B.E. 2558 (and its amendments).

Tender offer by POV

The Company expects to complete the Shares Offering Transactions (PP and RO) by June 2022, following which the 3 Investors will hold a combined amount of 984,000,000 shares or 61.90% of total voting rights of the Company after the completion of the capital increase.

As POV will have a shareholding of up to 70.65% of total issued and paid-up shares of the Company after the completion of the PP Shares Issuance and Offering Transaction, or 59.99% of total issued and paid-up shares of the Company after the completion of the capital increase from PP and RO, which exceeds 50% of total voting rights of the Company. Thus, POV is required to make a tender offer for all securities of the Company under the Notification No. TorChor. 12/2554.

The tender offer shall be made after the Company has issued and allocated the newly issued ordinary shares to POV and registered the change of the paid-up capital in respect of the newly issued ordinary shares issued and allocated to POV.

The Company expects that POV will proceed with the tender offer by Q3/2022. In this regard, the Notification No. TorChor. 12/2554 stipulates that the tender offer price shall not be lower than the highest price at which the offeror and the related person/s under Section 258 of the offeror, including their concert party, have acquired the Company's shares during the period of 90 days prior to the date of submission of the tender offer, i.e., the tender offer price shall not be less than the offering price for the newly issued ordinary shares offered via private placement under the PP Shares Issuance and Offering Transaction at this time.

1.4.2 Structure of major shareholders prior to and after the PP shares issuance

List of the top 10 major shareholders of the Company as of December 30, 2021 is as follows:

Prior to PP Shares Issuance^{1/}			After PP Shares Issuance^{2/}		
Name	No. of Shares (Shares)	%	Name	No. of Shares (Shares)	%
1. Phillip Securities (Hong Kong) Limited ^{3/4/}	175,950,000	48.13	1. Point of View (POV) Media Group Co., Ltd. (POV) ^{5/}	953,500,000	70.65
2. Thai NVDR Co., Ltd.	77,397,638	21.17	2. Phillip Securities (Hong Kong) Ltd.	175,950,000	13.04
3. Mr. Wanchai Panwichien	54,776,500	14.99	3. Thai NVDR Co., Ltd.	77,397,638	5.74
4. Mr. Viroj Tangjettanaporn ^{4/}	19,550,000	5.35	4. Mr. Wanchai Panwichien	54,776,500	4.06
5. Mr. Anurit Kerdsinchai	17,350,000	4.75	5. Mr. Viroj Tangjettanaporn	19,550,000	1.45
6. Mr. Sombat Panichcheewa	6,000,000	1.64	6. Mr. Anurit Kerdsinchai	17,350,000	1.29
7. Kim Eng Securities (Hong Kong) Ltd.	3,106,672	0.85	7. Werk X Co., Ltd. (WX) ^{5/}	15,350,000	1.14
8. Mr. Sakulthorn Juangroongruangkit	1,264,000	0.35	8. Sliver Reward Holdings Ltd. ^{5/}	15,150,000	1.12
9. Mr. Wai Yin Man	773,900	0.21	9. Mr. Sombat Panichcheewa	6,000,000	0.44
10. Mrs. Sunitra Yuwaboon	560,700	0.15	10. Kim Eng Securities (Hong Kong) Limited	3,106,672	0.23
Total top 10 shareholders	356,729,410	97.59	Total top 10 shareholders	1,338,130,810	99.15
Minority shareholders	8,819,876	2.41	Minority shareholders	11,418,476	0.85
Total	365,549,286	100.00	Total	1,349,549,286	100.00

Remark: 1/ Based on information from the closing of shareholder register book (XO) as of December 30, 2021 derived from Thailand Securities Depository Co., Ltd.
 2/ Calculation is based on the assumption that the list and number of shares of the other top 10 shareholders (who are not subscribers under the PP Shares Issuance and Offering Transaction) remain unchanged and none of the existing shareholders exercise the rights to subscribe for the newly issued RO shares.
 3/ Silom Road Ltd. holds all the shares through the custodian, Phillip Securities (Hong Kong) Ltd., and the ultimate beneficial owners of Silom Road Ltd. are Mr. V-Nee Yeh, Mr. Kin Chan, and Ms. Angie Yick Yee Li.
 4/ Silom Road Ltd. and Mr. Viroj Tangjettanaporn are considered as shareholders who are in the same group and vote in the same direction, which, by the course of conduct, materially influences the determination of the management policy or the operation of the Company.
 5/ The shareholding of the Investors after completion of the PP and RO shares issuance, given that all existing shareholders exercise the rights to subscribe for the newly issued ordinary shares on a pro rata basis under the RO Shares Issuance and Offering Transaction, will be as follows: POV 59.99%; WX 0.97%; and Sliver 0.95%.
 (Please refer to more details in the Information Memorandum on the Issuance and Offering of Newly Issued Ordinary Shares and Connected Transaction, Clause 3.3.2 (Enclosure No. 2) of this notice of the shareholders' meeting)

1.4.3 Summary of the Share Subscription Agreement

The key terms and conditions under the draft Share Subscription Agreement and/or the agreements with each investor under the PP Shares Issuance and Offering Transaction are as follows:

(Draft) Share Subscription Agreement between the Company and POV under the PP Shares Issuance and Offering Transaction	
Parties	(a) The Company (as the issuer) (b) POV (as the subscriber)
Key conditions precedent	(1) The shareholders' meeting of the Company approves (a) the issuance and offering of newly issued ordinary shares of the Company to POV and (b) the entering into the Licensing Agreement with VGI in respect of the grant of rights to the Company to manage and operate the merchandising spaces on the BTS Skytrain stations under the terms and conditions to be agreed upon by VGI and the Company (<i>please refer to details in Transaction 1 – Part 1, Clause 1.4 of this report and the Information Memorandum on Asset Acquisition and Connected Transactions of the Company (Enclosure No. 1) in the notification of the shareholders' meeting</i>). (2) The Company obtains the approval from the SEC for the issuance and offering of newly issued ordinary shares of the Company to POV under the PP Shares Issuance and Offering Transaction. (3) There is no change or event which causes a material adverse effect on the business, assets, liabilities, business opportunities, performance, income, reputation or status of the Company prior to the completion date of the PP Shares Issuance and Offering to POV Transaction. (4) VGI obtains the approval from its Board of Directors' meeting for the acquisition of the newly issued ordinary shares of the Company by POV.
Other key conditions	(1) The Company shall arrange for the existing directors, except the independent directors, to resign from their positions and shall replace the resigning directors by appointing the person(s) nominated by POV to be new director in proportion to POV's shareholding as of the date of the completion of the PP Shares Issuance and Offering Transaction, as agreed by the parties in the Share Subscription Agreement. (2) The Company and VGI shall sign the Licensing Agreement, with terms and conditions as agreed upon by VGI and the Company.

Remark: 1/ The Company has not been informed of names of the persons to be nominated as new directors by POV, the details of which are expected to be disclosed in the Tender Offer for Securities of the Business (Form 247-4) which is the process after the completion of the PP Shares Issuance and Offering to POV Transaction.

Agreement between the Company and Each Investor: An Invitation Letter to Subscribe to the Newly Issued Ordinary Shares dated March 7, 2022 which are Signed by WX and Sliver Expressing Interests in Share Subscription	
Parties	(a) The Company (as the issuer) (b) Subscribers of the newly issued ordinary shares, which are: (1) Werk X Co., Ltd.; and (2) Sliver Reward Holdings Ltd.
Signing date	March 7, 2022
Key conditions precedent	(1) The shareholders' meeting of the Company approves the issuance and offering of newly issued ordinary shares of the Company to the Investors. (2) The Company obtains the approval from the SEC for the issuance and offering of newly issued ordinary shares of the Company to the Investors. (3) The GW Shares Acquisition Transaction shall have been completed in accordance with the relevant agreements. (4) POV have subscribed for 953,500,000 newly issued ordinary shares of the Company and made the subscription payment for such shares under the PP Shares Issuance and Offering Transaction.

Summary of key conditions of the PP Shares Issuance and Offering Transaction and the PP Shares Issuance and Offering to POV Transaction

The subscription for the Company's newly issued ordinary shares by the Investors under the PP Shares Issuance and Offering Transaction shall be subjected to the conditions as set out in the respective Share Subscription Agreements and the agreements to be executed by the Company with the respective Investors (please refer to details in Transaction 3 - Part 1, Clause 1.4.3 of this report), which include (1) and (2) as follows:

(1) In the case of unsuccessful GW Shares Acquisition Transaction, the Company shall not issue its PP shares to 2 of the Sellers of GW Shares, namely WX and Sliver in the amount of 15,350,000 shares and 15,150,000 shares respectively (such 2 Sellers of GW Shares shall invest in PP shares of the Company only after the Company has successfully entered into all transactions with VGI and POV). However, the Company will continue to issue and offer newly issued ordinary shares via a private placement to POV under the conditions of the relevant Share Subscription Agreement.

(2) The issuance and offering of PP shares to POV and the receipt of payment for such shares from POV under the PP Shares Issuance and Offering Transaction²⁶ shall be deemed as the conditions

²⁶ The Company expects that the PP Shares Issuance and Offering Transaction will be completed by June 2022. It will set the exact date for share subscription and payment under the PP Shares Issuance and Offering Transaction after obtaining approval

precedent to the Licensing Agreement Transaction (Transaction 1) and the GW Shares Acquisition Transaction (Transaction 2) as set forth in the agreements relating to Transaction 1 and Transaction 2:

Conditions precedent to the Licensing Agreement Transaction (Transaction 1)

- The Agreement shall be effective on the completion date of the issuance and offering of newly issued ordinary shares of the Company to POV under the issuance and offering of newly issued ordinary shares through a private placement and after the Company has received shares subscription price for such shares from POV.

Conditions precedent to the GW Shares Acquisition Transaction (Transaction 2)

- The Company has issued and offered 953,500,000 newly issued ordinary shares with par value of Baht 1 per share to POV under PP Shares Issuance and Offering Transaction at the offering price of Baht 3.30 per share and POV has subscribed and paid for such newly issued ordinary shares.
- The Company has obtained approval from the shareholders' meeting for the issuance and offering of newly issued ordinary shares with par value of Baht 1 per share under PP Shares Issuance and Offering Transaction at the offering price of Baht 3.30 per share to WX and Silver at the amount of 15,350,000 shares and 15,150,000 shares, respectively.
- The Company has obtained approval from the shareholder's meeting for the entering into the GW Shares Acquisition Transaction and the GW Share Sale and Purchase Agreement, as well as performed its obligations under the GW Share Sale and Purchase Agreement.
- There shall be no material adverse events or changes or expected material adverse events or changes to GW prior to the completion of the GW Shares Acquisition Transaction.

In conclusion, if the Company does not acquire all ordinary shares of GW, VGI and POV will carry out Transaction 1 (Licensing Agreement Transaction) and Transaction 3 (PP Shares Issuance and Offering to POV Transaction). The Company, however, will not enter into Transaction 2 only in the case that WX and Silver decide not to sell GW shares. (The conditions precedent to the entering into 3 transactions at this time shall be completed after the Company obtains the approval in every agenda from this shareholders' meeting. Since Agenda 1 – 9 are interrelated, the consideration in and approval of each agenda is conditional upon each other. If the shareholders' meeting does not approve any of the agenda, the other approved agenda shall be cancelled and there shall be no further consideration on the remaining agenda.)

1.5 Total Value of Consideration, Payment and Terms of Payment, Criteria for Determination of Total Value of Consideration

1.5.1 Total value of consideration

The total value of consideration for the PP Shares Issuance and Offering to POV Transaction, in which the Company will issue and offer up to 953,500,000 newly issued ordinary shares to POV at the offering price of Baht 3.30 per share, is equal to a total value of Baht 3,146,550,000.²⁷

1.5.2 Payment and conditions for payment

POV (and the other 2 Investors) will make full payment for the total consideration in cash to the Company after the Extraordinary General Meeting of Shareholders of the Company No. 1/2022 has resolved to approve the issuance and offering of newly issued ordinary shares to the Investors and approve the increase of the Company's registered capital to accommodate the said issuance and offering of newly issued ordinary shares and after all conditions precedent as set out in the Share Subscription Agreements and/or the agreements with the respective Investors have been satisfied or waived by the relevant parties.²⁸

1.5.3 Criteria for determination of total value of consideration

The offering price of the newly issued ordinary shares to POV at Baht 3.30 per share is the same as the offering price of the newly issued ordinary shares under the PP Shares Issuance and Offering Transaction and is the price determined from negotiations between the Company and the Investors, whereby (a) such price is higher than book value per share of the Company according to the Company's

from the shareholders' meeting for the issuance and offering of newly issued ordinary shares of the Company, the GW Shares Acquisition Transaction, and the Licensing Agreement Transaction.

²⁷ Total value of consideration for the PP Shares Issuance and Offering Transaction is Baht 3,247,200,000, which comes from the issuance and offering of up to 984,000,000 newly issued ordinary shares of the Company to the Investors (including POV) at the offering price of Baht 3.30 per share.

²⁸ As for the PP Shares Issuance and Offering Transaction, the other 2 Investors will make payment for the consideration under the same conditions as POV.

latest consolidated financial statements audited by the certified public accountant ended December 31, 2021, which is equal to Baht 0.92 per share, and (b) the offering price of the newly issued ordinary shares to the Investors (including POV) is a share offering with a discount not exceeding 10% of the market price (the market price for the offering of PP shares here refers to the volume weighted average price of the Company's shares being traded on the SET for the previous 10 consecutive business days prior to the date on which the Board of Directors of the Company resolved to propose to the shareholders' meeting to approve the said offering of newly issued ordinary shares, or between February 15, 2022 and March 1, 2022, which is equal to Baht 3.66 per share (*source: www.setsmart.com*)). Therefore, the offering price of Baht 3.30 per share is 9.84% discount from the market price.

1.6 Calculation of Transaction Size

Connected transaction

Criteria for Calculation of Transaction Size	Calculation Formula	Transaction Size
Net tangible assets (NTA) criteria	= Baht 3,146.55 million ^{1/} / Baht 229.19 million ^{2/}	1,372.87%
Connected transaction size: Transaction 3		1,372.87%
Total transaction size of 3 connected transactions (Transaction 1: 9.60% and Transaction 2: 1,163.17%)		2,545.64%

Remark:

- 1/ The PP Shares Issuance and Offering to POV Transaction has a total value of Baht 3,146.55 million, calculated from 953,500,000 PP shares at the offering price of Baht 3.30 per share.
- 2/ Net tangible assets of the Company = Total assets of Baht 501.77 million – Right-of-use assets of Baht 96.99 million - Net intangible assets of Baht 10.43 million - Total liabilities of Baht 165.15 million – Non-controlling interest of Baht 0.00, based on the Company's audited consolidated financial statements for the year ended December 31, 2021.

1.7 Purpose of Issuance of Newly Issued Ordinary Shares, Plan for Use of Proceeds, and Project Description

1.7.1 Purpose of issuance of newly issued ordinary shares

The Company issues the newly issued ordinary shares under the PP Shares Issuance and Offering Transaction and RO Shares Issuance and Offering Transaction in order to use the proceeds for investment in its Turtle Shop and the space management business for merchandising spaces on the BTS Skytrain stations, as well as the construction and/or renovation of areas on the BTS Skytrain stations under the Licensing Agreement with VGI, including the spaces for which the Company and/or GW have been granted the right to manage as at present. The proceeds will also be used to support the business expansion or further investment in the future and as working capital of the Group's businesses, which will be used to pay for a portion of the Licensing Agreement Transaction. In addition, the offering of newly issued ordinary shares to POV, a subsidiary of VGI, under the PP Shares Issuance and Offering Transaction shall help to attain strategic partner who could strengthen the Company's business.

1.7.2 Use of proceeds

The Company will use proceeds from the capital increase (PP and RO) as follows:

The Company will receive proceeds in the amount not exceeding Baht 3,247,000 from PP Shares Issuance and Offering Transaction and Baht 792,000,000 from RO Shares Issuance and Offering Transaction, totaling Baht 4,039,200,000. The Company shall use such amount of proceeds in the following projects:

1.7.2.1 Use of proceeds from PP Shares Issuance and Offering Transaction

(1) The Company will use the proceeds of Baht 110 million from the capital increase to pay for the acquisition of all ordinary shares of GW (Transaction 2), which has entered into an agreement with VGI to manage and operate merchandising spaces on 5 main BTS Skytrain stations (Ratchadamri Station, Ari Station, Ratchathewi Station, Sanam Pao Station, and Phra Khanong Station) and supplemental stations (Chit Lom Station, Sala Daeng Station, Mo Chit Station, and Udom Suk Station). In addition, GW has lease agreements with respect to the management of commercial areas at 3 piers (Pratunam Pier, Ramkhamhaeng University Pier, and Asok Pier) as well as the partial spaces in the pier area at the end of Wang Lang Road (Prannok) .

(2) The Company will use the proceeds of not exceeding Baht 1,120 million²⁹ from the capital increase to invest in construction of the Company's shops under the "Turtle" brand ("Turtle Shop") on not exceeding 28 BTS Skytrain stations, divided into 23 stations which the Company obtains the right

²⁹ Maximum amount estimated by the Company is approximately Baht 40 million per station. Construction costs of Turtle Shops at 2 stations (Ploenchit Station and Aree Station), which are currently under construction, are Baht 36.20 million per station. The Company confirms that construction cost for the remaining 28 stations will be Baht 30.50 million per station.

to manage and operate from VGI and 5 stations for which GW obtains such right from VGI (It is the project relating to the entering into the Licensing Agreement (Transaction 1) which is included in the calculation of transaction size of the asset acquisition at this time).

Such amount of proceeds is calculated based on the maximum amount that the Company expects to invest in the construction of shops (not exceeding Baht 40 million per station), which is based on the construction cost of Turtle Shop on Saint Louis Station, which is the first Turtle Shop, of approximately Baht 50 million and construction cost of Turtle Shop on Phloen Chit Station and Victory Monument Station (the latest construction of Turtle Shop of the Company) of approximately Baht 36.20 million per station. However, the Company expected that the actual construction cost of Turtle Shop on other stations shall be at approximately Baht 30.5 million since the Company viewed that it shall have more bargaining power to negotiate with contractors due to greater number of shops to be constructed. Thus, the Company shall be able to more efficiently manage its cost (construction cost of Turtle Shop on Phloen Chit Station, which is the latest Turtle Shop, is at approximately 36.20 million).

The Company will commence the construction in July 2022 onwards or within 1 month after it receives the proceeds from the issuance and offering of newly issued ordinary shares from POV under the PP Shares Issuance and Offering Transaction and the Licensing Agreement with VGI has been in effect. The Company will gradually construct shops on 2 stations per month, with the construction expected to take approximately 3 months for 2 stations. Construction on all station is expected to be completed by December 2023.

(3) The Company will use the proceeds of not exceeding Baht 600 million from the capital increase to procure inventory for sale in Turtle Shops which are located on not more than 28 BTS Skytrain stations (excluding inventory of Turtle Shops on Saint Louis Station, Phloen Chit Station, and Victory Monument Station that are completed). With aforesaid amount, it is expected that the inventory should be available for approximately 3 months. (It is the project relating to the entering into the Licensing Agreement Transaction (Transaction 1).)

(4) The Company will use the proceeds of not exceeding Baht 200 million from the capital increase to renovate the existing shops in merchandising spaces on BTS Skytrain stations, including the landscape modification and new construction as it deems appropriate for the merchandising spaces on contracted stations under the Licensing Agreement with VGI, including the spaces on 31 BTS Skytrain stations which GW obtains the right to manage and operate at present. The Company expected to use capital for the renovation of existing shops as well as landscape modification of each station (excluding construction of new shop) at approximately Baht 2 million per station.

The Company will gradually commence such renovation and construction and expects to complete by 2023. The Company will consider and review details of spaces on each station before beginning such renovation and/or construction. (It is the project relating to the entering into the Licensing Agreement Transaction (Transaction 1) which is included in the calculation of transaction size of the asset acquisition at this time.)

(5) The Company will use the proceeds of not exceeding Baht 200 million from the capital increase for construction of a warehouse, including inventory management system for the purpose of its own inventory management. The construction site is expected to cover approximately 2,500 to 3,000 square meters. The Company plans to commence such project after the opening of approximately 20 branches of the Turtle Shop, which will be around Q3/2023. However, before making such an investment, the Company has to complete a feasibility study that considers construction costs in relation to the decrease in cost of the goods sold and other relevant expenses. Consequently, after the completion of the feasibility study, the Company shall propose the Board of Directors' meeting and/or shareholders' meeting as well as arrange for any other acts to comply with the Notifications on Acquisition or Disposition of Assets before making the investment. (It is the project relating to the entering into the Licensing Agreement Transaction (Transaction 1).)

(6) The Company will use the remaining proceeds from the capital increase under the PP Shares Issuance and Offering Transaction in the amount of approximately Baht 1,017.20 million, as well as the remaining funds after (1) – (5) above, as working capital and may use such working capital to pay for a portion of the remuneration for Licensing Agreement Transaction, which is payable on a quarterly basis, and for investment in future projects.

1.7.2.2 Use of proceeds from RO Shares Issuance and Offering Transaction

The Company will use the proceeds from the issuance of RO shares at the amount not exceeding Baht 792 million to invest in retail business and/or retail supporting business (apart from Turtle Shop). Currently, the Company is conducting a feasibility study on such investment, including advantages and

disadvantages, benefits, and business cooperation to be derived. After receiving the proceeds from capital increase at this time, the Company will further negotiate more details on such investment, which is expected to be concluded by Q1/2023.

After the completion of the feasibility study, the Company shall propose the Board of Directors' meeting and/or shareholders' meeting as well as arrange for any other acts to comply with the Notifications on Acquisition or Disposition of Assets before making the investment.

However, if the negotiation on investment details cannot be concluded within such period, the Company shall use proceeds from RO Shares Issuance and Offering Transaction as working capital and may use such working capital to pay for a portion of the remuneration for Licensing Agreement Transaction, which is payable on a quarterly basis, and for investment in future projects.

1.7.3 Expected impact of unsuccessful project and risks from project operation

(a) In the event that the Company is unable to issue and offer newly issued shares under the Shares Offering Transactions or does not receive payments for such newly issued ordinary shares, the Company may not be able to secure sufficient sources of funds for the investment in its Turtle Shop and merchandising spaces management business on the BTS Skytrain stations (Transaction 1) and the acquisition of all GW ordinary shares (Transaction 2) according to the use of proceeds from capital increase of the projects in Clause 1.7.2 above. Moreover, the Company may miss the opportunity to expand to the business with potential and favorable return. It will also lose the opportunity to attain potential business partner, POV and VGI, which it deems crucial for the Company since core business of the Company (publishing business) is currently in the sunset industry that is directly affected by technology disruption which shift the readers' behavior to electronic format (e-book).

(b) The Company may incur the risk that investment in Turtle Shop and merchandising space management under the Licensing Agreement do not yield expected return. From the valuation under the Discounted Cash Flow Approach, internal rate of return (IRR) is at approximately 35.31% p.a. *(Such IRR is based on revenue of Turtle Shop on 31 contracted stations and revenue from rent and services of 26 contracted stations, excluding lease of merchandising spaces on 5 stations which GW currently obtains the right to manage and operate from VGI since GW had fully paid for license fee of such 5 stations to VGI. In addition, the fund used in the acquisition of GW shares is not calculated as capital cost.)*

However, in the event that there are various factors affected business operation of Turtle Shop and management of merchandising spaces on BTS Skytrain stations, such as the unexpected change in public transportation situation, the internal rate of return may drop accordingly. In case of such event, the Company shall rectify the cause of underperformed return and/or devise new business plan.

(c) The Company may incur the risk from incidents that cause the closing of contracted BTS Skytrain stations under the Licensing Agreement and/or events that affect the absence of passengers using such stations or small numbers of passengers. Since license fee is calculated based on the number of passengers using BTS Skytrain stations, if there is no passenger using the BTS Skytrain station, the Company will not have to pay license fee. Likewise, if there are a small number of passengers, the Company will pay license fee according to the number of passengers. However, the Company will still have other costs related to the operation of retail shops and merchandising space lease business on BTS Skytrain stations, such as employee expenses, cost of inventory, etc.

(d) The Company may incur the risk in the event that it will change layout of the Turtle Shop or the merchandising spaces on the BTS Skytrain stations under the Licensing Agreement as the Company must obtain construction or renovation approval from VGI and BTSC, who are concessionaire of such areas. If the Company does not obtain approval from VGI and BTSC, it will not be able to commence the construction or renovation. However, in the past, the Company had to discuss with all concerned parties before the construction or renovation of the shop and it has not encountered any problems or obstacles in obtaining approval for the construction or renovation of the area.

(e) The Company may incur the risk concerning the competition with other stores, which are existing tenants located on BTS skytrain stations that offer similar or same products to the Company's Turtle Shops. However, the Company viewed that its Turtle Shops and other stores located on BTS Skytrain stations have different layouts and sizes. The average size per store of Turtle Shop is approximately 200 sq.m. while those of most other shops on the Skytrain stations are approximately 9 – 12 sq.m. In addition, product mix of Turtle Shop is different from that of other existing shops on BTS Skytrain stations. Therefore, the Company viewed that the Turtle Shop shall offer diversity of products and services to customers, which makes the stations become more attractive.

(f) In acquiring all GW shares, the Company may incur the risk that GW may not benefit from management of merchandising spaces on piers along Saen Saep Canal (the 3 main piers are Pratunam Pier, Ramkhamhaeng University Pier, and Asok Pier) as GW has entered into a Memorandum of Agreement with Ads Chaophraya Co., Ltd., not directly with Family Transport (2002) Co., Ltd. who is a boat service provider. However, the merchandising spaces management business at 3 piers of GW is in the development phase, thus, projected revenue of such project has not been used to determine value of the business. The risk is therefore considered low for the Company. Moreover, if the Company incurs damages from the aforementioned risk, VGI, WX and Sliver, as the Sellers of GW Shares, shall indemnify the Company in accordance with the conditions set forth in the GW Share Sale and Purchase Agreement.

1.8 Conditions for the Transaction

The PP Shares Issuance and Offering to POV Transaction will take place after the Extraordinary General Meeting of Shareholders of the Company No. 1/2022, which will be held on May 10, 2022, has resolved to approve the entering into such asset acquisition and connected transaction with required affirmative votes of not less than three-fourths of the votes of the shareholders who attend the meeting and are eligible to vote, excluding shareholders with conflict of interest, after obtaining the approval for the offering of PP shares from the SEC, and after all conditions precedent under the draft Share Subscription Agreement and/or the agreements with each investor under the PP Shares Issuance and Offering Transaction have been fulfilled or waived by the relevant parties. The Company expects that such transaction will be completed by June 2022.

1.9 Agreements Relating to the Transaction

Summary of the draft Share Subscription Agreement is provided in Transaction 3 - Part 1, Clause 1.4.3 of this report and in Clause 3.4 of the Information Memorandum on Asset Acquisition and Connected Transactions of the Company (Enclosure No. 2), which is enclosed with the notification of the shareholders' meeting.

1.10 Connected Persons and Scope of the Conflict of Interest

POV is a connected person of the Company pursuant to the Notifications on Connected Transactions since POV will become a controlling person of the Company by holding not exceeding 70.65% shares after the Company has completed the PP Shares Issuance and Offering Transaction.

At present, POV is not a shareholder of the Company. As a result, there is no shareholder with conflict of interest who are ineligible to vote for Transaction 3 (Agenda 3 of the Extraordinary General Meeting of Shareholders No. 1/2022).

1.11 Transaction Timeline

Please refer to more details in the Capital Increase Form (Form 53-4), Clause 9 of Enclosure No. 3 of the notification of the shareholders' meeting.

2. Potential Impact of Capital Increase or Allocation of Newly Issued Shares via Private Placement

Please refer to more details in Transaction 1 - Part 1, Clause 2 of this report.

Transaction 3 - Part 2: Opinion of the Independent Financial Advisor on Reasonableness of the Connected Transaction

In determining reasonableness of the entering into the transaction, the IFA has taken the following key factors into consideration:

1. Objective and Necessity of the Entering into the Transaction

- *The details are the same as those in Transaction 1 - Part 2, Clause 1, and Transaction 2 - Part 2, Clause 1.* -

Reference is made to the objective and necessity of the transaction as described in Transaction 1 - Part 2, Clause 1, and Transaction 2 - Part 2, Clause 1 of this report, and the key conditions precedent of Transactions 1 – Transaction 3 requiring that POV shall have completely subscribed for the newly issued ordinary shares of the Company and paid for the share subscription price to the Company.

The Company will receive proceeds from PP Shares Issuance and Offering to POV Transaction in the amount of approximately Baht 3,146.55 million, which is adequate for financing the GW Shares Acquisition Transaction and supporting the retail business and merchandising space management business on the BTS Skytrain stations. This will be of great benefit and create growth for the Company according to its business plan.

After completion of the Licensing Agreement Transaction (Transaction 1), the GW Shares Acquisition Transaction (Transaction 2), and the PP Shares Issuance and Offering to POV Transaction (Transaction 3), POV will become the major shareholder holding more than 50% of the Company's total paid-up capital after the capital increase, and will nominate persons to serve as directors and/or executives in the Company. Therefore, POV will have a duty to make a tender offer for all securities of the Company ("Tender Offer for Securities") pursuant to the Notification No. TorChor. 12/2554. VGI, which holds the entire shares of POV, recognizes the benefit of investment in the ordinary shares of the Company as follows:

Overview in the part of VGI³⁰

VGI deems that the subscription of the Company's shares will be beneficial to VGI and its shareholders as follows:

- VGI views that the spaces on the BTS Skytrain stations, which it has obtained the concession to manage and operate from BTSC, have business potential and demand from entrepreneurs as they can offer products to a great number of consumers and such location can respond to the behaviors of those consumers who travel by the BTS Skytrain in their daily life and have sharply grown in number during the past period. VGI therefore desires to expand its own shop management business on those areas, including the lease of such spaces. However, since VGI operates the core business in advertising media, none of its personnel have experience and expertise in the shop management business and the human resource management policy and principle of VGI and its subsidiaries are not suited for such business operation. Therefore, VGI needs to acquire a strategic partner with capability in the shop management business in order to spin off this business together with the merchandising space management business on the BTS Skytrain stations.

- VGI views that NINE has the capability and expertise in the shop management business, as proven by the operation of its own Turtle Shop and the management and rent of merchandising spaces on 3 BTS Skytrain stations, namely Saint Louis Station, Victory Monument Station, and Phloen Chit Station, which NINE currently obtains the right to manage and operate from VGI and has received favorable response. Meanwhile, NINE plans to expand its own shop management business and its executives and staff members have had skill and experience in the large-scale retail business for a long period of time. Besides, NINE is a listed company on the mai and accordingly is capable of raising funds for future business expansion.

- Under the Licensing Agreement with VGI, NINE will obtain the right to space management covering as many as 31 BTS Skytrain stations. VGI views that this is the expansion of the shop management business and merchandising space management business on the BTS Skytrain stations that will lead to business stability with a potential for further expansion and growth in the future. VGI itself will still reap the benefit from such space management on the BTS Skytrain stations in the form of license fee receivable from NINE under the Licensing Agreement, which is to be calculated from quarterly ridership number on the contracted BTS Skytrain stations by counting both boarding and alighting

³⁰ Source: Information Memorandum on Acquisition of Assets of VGI PCL. dated March 2, 2022, and its amendments

passengers and is not lower than the fee specified in the agreement granting license to manage and operate spaces on the BTS Skytrain stations between VGI and other licensees.

- If POV, which is a wholly-owned subsidiary of VGI, acquires the newly issued ordinary shares of NINE, POV will hold not exceeding 70.65% of total shares of NINE after the capital increase and its shareholding may reach 100% in the case where NINE's shareholders accept the tender offer for all securities of NINE made by POV. As a result, VGI will have the right to receive return from NINE's operation of the retail business and merchandising space lease business on the BTS Skytrain stations and also have the right to control the business operation of NINE since its representatives will be appointed as directors of NINE. In this regard, NINE will arrange for its existing directors, except the independent directors, to resign from their position and will appoint the representatives of POV as new directors to replace those resigning directors in proportion to POV's shareholding in NINE as of the date of completion of subscription for the newly issued ordinary shares of NINE as agreed upon in the Share Subscription Agreement. Moreover, VGI will have the right to cast votes at the shareholders' meeting of NINE by way of its shareholding through POV.

Apart from the reasons of the Company as described above, the entering into the PP Shares Issuance and Offering to POV Transaction (Transaction 3) will enable the Company to team up with a strategic partner/ally who has the capability to help support its business operation and enhance its competitiveness in the future.

2. Comparison of Advantages and Disadvantages of the Transaction

2.1 Advantages and Benefits of the Entering into the Transaction with a Connected Person

(1) The Company will have sufficient sources of funds for new business development and as working capital, which will lead to continuous growth, the increase in its income-generating assets in the long term, and the creation of added value to the Company in the future.

The Company will invest to build on/expand its retail business and merchandising space management business by entering into Transaction 1 and Transaction 2, which will be funded by the issuance and offering of its newly issued ordinary shares as per Agenda 3 and Agenda 4 of this shareholders' meeting. In this respect, the Company will receive total proceeds from the capital increase under the PP Shares Issuance and Offering to POV Transaction of approximately Baht 3,146.55 million. This will provide the Company with sufficient funds to finance Transaction 1 and Transaction 2, which will build on/expand the retail business and merchandising space management business, and to use as working capital in these businesses as well as for its future investment in other businesses without the need to raise additional funds or incur additional debts. Thus, the Company will be able to achieve continuous growth according to its business plan, which will help to grow its operating income, increase its income-generating assets in the long term (consisting of the right-to-use assets (from Transaction 1) of approximately Baht 2,665.93 million and investment in subsidiary (from Transaction 2) of approximately Baht 110 million), and create added value to the Company in the future. The Company shall incur additional liabilities from license fee in accordance with the Licensing Agreement (Transaction 1) and has increasing shareholder's equity as a result of capital increase from PP shares (Transaction 3).

(2) The Company will acquire a large funding source without incurring interest expenses from fund raising, thus strengthening its capital structure and financial position.

By entering into Transaction 3, the Company will receive proceeds from the capital increase from POV in the amount of approximately Baht 3,146.55 million, which is equivalent to 77.90% of total capital increase (PP and RO) at this time or 70.65% of the Company's total registered and paid-up capital after the capital increase via private placement which is considered as a substantial amount.

As the Company still records retained loss, it is difficult to raise such huge amount of loans/funds. Moreover, the Company will not incur any interest expenses from fund raising in such amount. Therefore, this will positively affect its performance (income statements) and its capital structure and financial position will be strengthened by growth in income-generating assets in the long term and shareholder's equity.

(3) The Company will have a strategic partner with capability to assist in driving its business operation.

In view of its shareholder structure after completion of Transactions 1 – 3 (including the capital increase via RO), the Company will have POV as its major shareholder with 59.99% shareholding. This

will be favorable to the Company since POV, as a member of VGI Group and BTSG Group (which is the major shareholder of VGI), has a strong financial position and experience in this business with the capability to support the business operation and enhance the competitiveness of the Company in the future. *(Please refer to more details in Transaction 3 - Part 2, Clause 3.1 (1) of this report)*

2.2 Disadvantages and Risk of the Transaction

(1) The Company's shareholders will be affected by control dilution and price dilution.

- Please refer to details in Transaction 1 - Part 2, Clause 2.2 (1) -

(2) POV will have the right to veto against the resolution of the shareholders' meeting on significant agenda and/or special agenda.

As POV shall become major shareholder holding 59.99% of the Company's total paid-up shares after the capital increase (PP and RO) or 70.65% of the Company's total paid-up shares after the capital increase via PP, POV will be able to cast votes on the agenda that requires more than half of the total voting rights such as the agenda on allocation of newly issued shares, appointment of directors, etc.

In addition, POV will have the right to veto against the resolution of the shareholders' meeting on significant agenda and/or special agenda that requires at least three-fourths of votes of the shareholders who attend the meeting and are eligible to vote such as the agenda on the decrease or increase of registered capital, acquisition or disposal of material assets, etc. because POV will have voting rights exceeding one-fourth of the total voting rights of the Company. As regards to the agenda on connected transactions with POV or other agendas in which POV has a conflict of interest, POV shall not be entitled to vote on those agendas at the shareholders' meeting of the Company.

3. Comparison of Advantages/Benefits and Disadvantages/Risks between the Entering into the Transaction with Connected Person and the Transaction with the Third Party

3.1 Advantages/Benefits between the Entering into the Transaction with Connected Person and the Transaction with the Third Party

(1) The Company will have a strategic ally/partner with capability and experience in business operation that can enhance its competitiveness and growth potential.

BTSG forms business partnership based on 3 key principles: competitiveness, synergy, and attractiveness, and takes up a stake of between 5% and 10% in the investee entities, except for the core strategic partners in which its shareholding will vary. BTSG adopts the following preliminary criteria for determination to form any partnership:



VGI has a strategy to diversify its investment to new businesses that can support and deliver the utmost benefit to the business operation of VGI Group at home and abroad on a continuous basis in order to build upon its current businesses and unlock more opportunities for long-term sustainable growth.

Therefore, the Company will acquire a strategic ally/partner with capability and experience in business operation that can enhance its competitiveness and growth potential under the umbrella of BTSG Group and VGI Group which will become its connected person in the future.

3.2 Disadvantages/Risks between the Entering into the Transaction with Connected Person and the Transaction with the Third Party

(1) The Company will rely considerably on VGI Group in fund raising.

The entering into the PP Shares Issuance and Offering to POV Transaction will enable the Company to expand its investment in potential businesses and obtain a very large amount of fund

considering its own fund/loan raising capability. In this regard, together with VGI Group's right to nominate its representatives to serve as directors in proportion to its shareholding in the Company, the Company will rely considerably on VGI Group from the entering into Transaction 3.

(2) The Company has no opportunity to compare the proposal of POV and VGI with that of other investors.

All of the 3 transactions are comprehensively agreed upon with VGI Group, whereby the Company will acquire both the business and the proceeds from capital increase via PP shares issuance. Meanwhile, the Company has not received any proposal from other investors as an alternative for its investment decision.

(3) The entering into the 3 transactions is considered as the entering into large-sized transactions under the Notification on Connected Transactions, whereby the Company is required to seek for an approval for connected transactions and appoint an independent financial advisor to provide opinion to its shareholders, thus necessitating disclosure of the project details and incurring extra cost for holding a shareholders' meeting.

- The details are the same as those in Transaction 1 - Part 2, Clause 3.2 (4). -

4. Other Analyses

Appropriateness of the Conditions in the Draft Share Subscription Agreement

In determining the appropriateness of conditions in the draft Share Subscription Agreement (Transaction 3), the IFA is of the opinion that the conditions set out in the draft of such agreement are appropriate and consistent with the normal course of business. The condition that is favorable to the Company is the conditions precedent stipulating that the shareholders' meeting of the Company shall have approved (a) the issuance and offering of newly issued ordinary shares of the Company to POV and (b) the entering into Licensing Agreement with VGI in respect of the grant of rights to the Company to manage and operate the merchandising spaces on the BTS Skytrain stations under the terms and conditions to be agreed by VGI and the Company.

(Please refer to a summary of the draft Share Subscription Agreement (Transaction 3) in Transaction 3 – Part 1, Clause 1.4.3 of this report and Clause 3.4 of the Information Memorandum on the Issuance and Offering of Newly Issued Ordinary Shares and Connected Transaction of the Company (Enclosure No. 2) enclosed with the notification of the shareholders' meeting)

5. Conclusion of Opinion of the Independent Financial Advisor on Reasonableness of the Connected Transaction (Transaction 3)

Overview of this transaction is the same as that of Transaction 1 and Transaction 2. In this respect, the Company will receive proceeds from the PP Shares Issuance and Offering to POV Transaction in the amount of approximately Baht 3,146.55 million, which is adequate for financing the GW Shares Acquisition Transaction and supporting the retail business and merchandising space management business on the BTS Skytrain stations. This will be of great benefit and create growth for the Company according to its business plan. In addition, it will enable the Company to team up with a strategic partner/ally who has the capability to help support its business operation and enhance its competitiveness in the future.

The benefits to the Company from the entering into the connected transaction under Transaction 3 (PP Shares Issuance and Offering to POV Transaction) are as follows:

- (1) The Company will have sufficient source of funds to use for new business development and as working capital, which will lead to continuous growth, the increase in its income-generating assets in the long term, and creation of added value to the Company in the future.
- (2) The Company will acquire a large source of fund without incurring interest expenses from fund raising, thus, strengthening its capital structure and financial position.
- (3) The Company will have a strategic partner with capability to assist in driving its business operation.

However, the entering into Transaction 3 (PP Shares Issuance and Offering to POV Transaction) will result in the following disadvantages and risks:

- (1) The Company's shareholders will be affected by control dilution and price dilution.
- (2) POV will have the right to veto against the resolution of the shareholders' meeting on significant agenda and/or special agenda. As POV shall become major shareholder holding 59.99% of the Company's total paid-up shares after the capital increase (PP and RO) or 70.65% of the Company's total paid-up shares after the capital increase via PP, the Company has to obtain votes from POV in the approval of the agenda that requires more than half of total voting rights, such as the agenda on allocation of newly issued shares, appointment of directors, or agenda that requires at least three-fourths of total voting rights such as the agenda on capital increase, the issuance and offering of debenture, and the asset acquisition.

The advantages and benefits from the entering into the transaction with connected person compared with the transaction with the third party are as follows:

- (1) The Company will have a strategic ally/partner with capability and experience in business operation that can enhance its competitiveness and growth potential.

Nonetheless, the disadvantages and risks from entering into the transaction with connected person compared with the transaction with the third party are as follows:

- (1) The Company will rely considerably on VGI Group in fund raising.
- (2) The Company has no opportunity to compare the proposal of POV and VGI with that of other investors.
- (3) The entering into the 3 transactions is considered as the entering into large-sized transactions under the Notifications on Connected Transactions, whereby the Company is required to seek for an approval for connected transactions and appoint an independent financial advisor to provide opinion to its shareholders, thus necessitating disclosure of the operation and financial projection of the relevant business in details and incurring extra cost for holding a shareholders' meeting.

Having considered the objective and necessity of the transaction, together with the advantages, disadvantages, benefits and risks involved, the IFA is of the opinion that the entering into the connected transaction under Transaction 3 will be beneficial to the Company's business operation while the disadvantages and risks pertaining to the dilution effects only. Therefore, **the entering into the connected transaction under Transaction 3 (PP Shares Issuance and Offering to POV Transaction) is considered reasonable.**

Transaction 3 - Part 3: Opinion of the Independent Financial Advisor on Appropriateness of Price and Conditions of the Connected Transaction (PP Shares Issuance and Offering to POV Transaction)

The IFA has determined fair value of the Company's ordinary shares to be acquired using 6 valuation approaches as follows:

- 1) Book Value Approach
- 2) Adjusted Book Value Approach
- 3) Market Value Approach
- 4) Price to Book Value Ratio Approach (P/BV Ratio)
- 5) Price to Earnings Ratio Approach (P/E Ratio)
- 6) Discounted Cash Flow Approach

After having studied all relevant information and documents, the IFA would like to render our opinion on appropriateness of price of the Company's ordinary shares as follows:

1. Book Value Approach

This approach determines value of NINE's ordinary shares as stated in the financial statement at a certain period. In this case, the calculation was based on NINE's latest consolidated financial statements as of December 31, 2021, audited by a certified public accountant who is on an approved list of the SEC. The summary of shares value is as follows:

Book Value of NINE	(Unit: Baht million)
Issued and paid-up capital	365.55
Share premium	342.65
Retained earnings (deficit)	
Appropriated – statutory reserve	10.65
Deficits	(381.91)
Other components of shareholders' equity	(0.32)
Total shareholders' equity	336.62
No. of paid-up shares as of December 31, 2021 (shares)	365,549,286 ^{1/}
Book value per share (Baht/share)	0.92

Remark: 1/ Par value of Baht 1.00 per share.

Share value of NINE based on this approach is **Baht 0.92 per share**, or equivalent to the firm value of **Baht 336.62 million**.

However, the Book Value Approach reflects operating results and status of NINE at a given period based on its past performance, without taking into account its real asset value and future profitability, as well as the overall economic and industry outlook. Thus, the share valuation under this approach could not reflect the actual value of NINE's ordinary shares.

2. Adjusted Book Value Approach

Under this approach, value of shares is derived from the Company's total assets, deducted by total liabilities, commitments and contingent liabilities as shown on the latest consolidated financial statements as at December 31, 2021, audited by a certified public accountant who is on an approved list of the SEC, and adjusted by transactions arising after the financial statement date or transactions that will more accurately reflect actual value such as unrealized gain or loss from asset revaluation, tax losses carried forward, and contingent liabilities. Consequently, the adjusted book value is divided by total number of paid-up shares of the Company.

In deriving value of the Company's shares under this approach, the IFA used book value as shown on the latest consolidated financial statements as at December 31, 2021, and considered the significant adjustments as follows:

2.1 Gain on Asset Revaluation

There is no asset appraisal by an independent property appraiser since majority of fixed assets are building improvement, furniture and fixture, machinery and equipment with the net book value as of December 31, 2021 of Baht 50.03 million, or equivalent to 9.97% of total assets. The increase in fixed assets in 2021 was due mainly an investment in Turtle Shop at St. Louis station. The Company did not arrange for the property appraisal since most of the assets are building improvement and lease spaces, of which the construction is just completed in the end of 2021. The IFA viewed that if there was

the property appraisal by the independent property appraiser, the appraisal value is likely to be close to book value since most of the assets have a small lifespan and have deteriorated in accordance with their useful life used in the calculation of depreciation.

2.2 Tax Loss Carried Forward

The Company's subsidiaries incurred accumulated tax losses arising from losses from operation in 2017 - 2021. Such accumulated tax losses can be carried forward in order to reduce corporate income tax until 2026, as follows:

Tax Year	Carried Forward Until	Accumulated Tax Losses as of January 1, 2022		
		NGE ^{2/}	OWM ^{3/}	Total
2017	2022	160.31 ^{4/}	0.00 ^{4/}	160.31
2018	2023	21.40 ^{4/}	74.41 ^{4/}	95.82
2019	2024	(2.93) ^{4/}	(36.35) ^{4/}	(39.27)
2020	2025	(5.98) ^{4/}	17.91 ^{4/}	11.93
2021	2026	(3.81) ^{5/}	0.04 ^{5/}	(3.77)
Total		169.00	56.01	225.01
Tax benefit as of January 1, 2022 ^{1/}		33.80	11.20	45.00

Remark: 1/ Corporate income tax rate of 20%.

2/ NGE: National Global Edutainment Co., Ltd.

3/ OWM: One World Media Co., Ltd.

4/ P.N.D. 50 of 2020 of NGE and OWM.

5/ P.N.D. 51 of 2021 of NGE and OWM.

The Company's subsidiaries recorded accumulated tax losses arising from losses from operation in 2017 - 2021 in a net amount of Baht 255.01 million, which can be claimed to reduce corporate income tax in the amount of Baht 45.00 million within 2026 and will gradually expire in respective years. However, the IFA viewed that utilization of tax loss for NGE will be limited since NGE generated net profit of only Baht 2.93 – 5.98 million in the past 3 years, while OWM may not use tax loss carried forward as it doesn't currently generate revenue from operation. Therefore, the IFA estimated net taxable income of NGE in 2022 – 2023 in the amount of Baht 4.24 million per annum (based on the average net taxable income in 2019 – 2021 in the above table), which can be claimed to reduce corporate income tax in the amount of Baht 1.70 million (calculated from Baht 4.24 million * 2 years * 20%).

Therefore, the IFA adjusted book value of the Company by tax loss carried forward of Baht 1.70 million.

Summary of the Company's book value adjustments

Taking into account the aforementioned factors, the IFA has determined value of shares of the Company under the Adjusted Book Value Approach as follows:

Adjusted Book Value of NINE	(Unit: Baht million)
Total shareholders' equity as of December 31, 2021	336.62
Adjustments:	
Tax loss carried forward	1.70 ^{2/}
Net adjusted shareholders' equity	338.31
Number of paid-up shares as of December 31, 2021 (shares)	365,549,286 ^{1/}
Adjusted book value per share (Baht/share)	0.93

Remark: 1/ Par value of Baht 1.00 per share.

2/ Please refer to details in Transaction 3 – Part 3, Clause 2.2 of this report.

Share value of NINE based on this approach is **Baht 0.93 per share**, or equivalent to the firm value of **Baht 338.31 million**.

The Adjusted Book Value Approach, under which adjustments are made to certain accounting items, reflects current market value of assets better than the Book Value Approach. This approach reflects market value of assets, tax loss carried forward, and events after the financial statement date. For this case, there is an adjustment on tax loss carried forward. However, it does not reflect future profitability of the Company. Therefore, share valuation under the Adjusted Book Value Approach might not reflect an appropriate value of NINE.

3. Market Value Approach

This approach values the Company's ordinary shares by using weighted average historical closing prices of the Company on the mai at a different point in time. CapAd referred to the SEC's definition of market price which is the weighted average closing price during at least 7 consecutive trading days but not more than 15 consecutive trading days prior to March 2, 2022, which is the date that the Board of Director of the Company approved to propose the shareholders' meeting to consider and approve the issuance and offering of the Company's ordinary shares through Private Placement.

CapAd has determined value of the Company's shares based on the historical market price of the Company's shares during 7 days and 15 days up to March 1, 2022 which is the last business day prior to the date that the Board of Director of the Company approved to propose the shareholders' meeting to consider and approve the issuance and offering of the Company's ordinary shares through Private Placement (February 8, 2022 – March 1, 2022), and derived share value of the Company at Baht 3.66 – 3.70 per share, or the firm value in the range of Baht 1,336.21 – 1,353.95 million.

During 360 business days from September 2, 2020 to March 1, 2022, the weighted average price of the Company's shares was at the highest of Baht 4.74 per share (June 9, 2021) and the lowest of Baht 1.52 per share (December 4, 2020). The chart below illustrates the weighted average price of the Company's ordinary shares:



Market price of the Company's shares traded on the SET should reflect share value according to demand and supply of investors in the stock market after taking into consideration all publicly available information and the investors' expectation of future operating performance. Such market price should be the price during which the information of the entering in to the Transactions at this time is not taken into consideration. The IFA has considered information regarding market price of NINE shares until March 1, 2022, which was last business day prior to the date that the Board of Director of the Company approved to propose the shareholders' meeting to consider and approve the issuance and offering of the Company's ordinary shares through Private Placement. Trading volume of the Company's shares was relatively illiquid when compared with top active listed shares, in which the average trading volume of the Company's share was at approximately 96,641 shares per day or equivalent to 0.03% of total paid-up shares of the Company during the 360-business day period up to March 1, 2022. Thus, share valuation under the Market Value Approach might not reflect an appropriate value of the Company.

4. Price to Book Value Ratio Approach: P/BV Ratio

In this approach, CapAd evaluated NINE's ordinary shares by using book value per share as shown in the latest consolidated financial statements as of December 31, 2021, audited by a certified public accountant who is on an approved list of the SEC, of Baht 0.92 per share and multiplied by a median of P/BV ratio of 3 SET-listed companies in Media & Publishing Sector³¹, who operate similar publishing business to the Company. The information is for the period up to March 1, 2022.

Name	Symbol	Type of Business
1. Amarin Printing and Publishing PCL.	AMARIN	The company operates 3 businesses: (1) Printing and Packaging Business Division, (2) Media Business Division, and (3) Books Business Division
2. Matchon PCL.	MATI	The company publishes newspapers and other printings with key products of (1) daily newspapers: Matchon and Khao-sod, (2) 3-days newspaper: Prachachat Business, (3) weekly newspaper: Matchon Weekly, (4) Bi-weekly magazine: Technology Chao Ban, (5) Monthly magazine: Art and Culture, and (6) pocket books and special publications as well as new electronic media business: Matchon TV, Matchon Online, Matchon Academy, event organizing service, and publication business
3. SE-Education PCL.	SE-ED	The Company's core businesses comprise of 5 businesses; (1) Bookstore Business: operate SE-ED Book Center and network stores, (2) Distribution Business: distribute both books published by SE-ED and other publishers to bookstores all over the country and to other distribution channels, (3) Publishing Business: publishes knowledge and educational content in various categories and audio books in the CD format, especially in a self-development category. Printing by demand is also offered, (4) Plearnpattana School, a private school, (5) BaesLab Co., Ltd. (subsidiary): operates consulting, provision, and distribution of software and hardware business.

Source: www.set.or.th

Financial information of comparable companies

(Unit: Baht million)

Company	Market Capitalization as at March 1, 2022	Total Assets as at December 31, 2021	Total Revenue of the Previous 4 Quarters	Net Profit (Loss) of the Previous 4 Quarters
1. AMARIN	5,989.69	5,715.04	2,960.61	313.11
2. MATI	1,668.14	1,968.52	860.62	218.95
3. SE-ED	846.60	2,547.23	1,816.66	(57.08)
NINE	1,301.36	501.77	116.57	43.12

Source: SETSMART

Summary of NINE's share valuation is as follows:

NINE	Historical Average of P/BV Ratio (times)							
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	360 days
1. AMARIN	1.37	1.38	1.37	1.37	1.40	1.43	1.47	1.27
2. MATI	1.13	1.14	1.13	1.10	1.05	1.01	0.96	0.82
3. SE-ED	0.80	0.81	0.81	0.81	0.83	0.84	0.81	0.68
Median of 3 companies	1.10	1.11	1.10	1.10	1.09	1.09	1.08	0.92
Firm value of NINE (Baht million)	370.12	372.82	371.51	369.01	367.78	367.86	363.54	310.58
Share value of NINE (Baht/share)	1.01	1.02	1.02	1.01	1.01	1.01	0.99	0.85

Source: SETSMART

Share value of NINE based on this approach is **Baht 0.85 – 1.02 per share**, or equivalent to the firm value of **Baht 310.58 – 372.82 million**.

The Price to Book Value Ratio Approach estimates value of NINE shares using past financial figures to compare with P/BV ratios of 3 SET-listed companies whose business structure and operation are different from the Company. However, book value represents past operating performance which may not reflect future profitability of NINE. Therefore, share valuation under this approach might not reflect an appropriate value of the Company's shares.

³¹ For evaluation of the Company's share using the P/BV Ratio Approach and P/E Ratio Approach, the IFA selected the 3 SET-listed companies in Media & Publishing Sector for comparison with the Company as the majority of revenue of the Company in 2021 was derived from publishing business. The Company has opened the first Turtle Shop on Saint Louis BTS Skytrain station on December 28, 2021 and will start recognizing revenue from the lease of merchandising spaces on Saint Louis BTS Skytrain station in 2022.

5. Price to Earnings Ratio Approach: P/E Ratio

Under this approach, CapAd evaluated share value of NINE by using earnings per share as shown on the latest financial statements for the last 12-month period ended December 31, 2021 of Baht 0.118 per share and multiplied by a median of P/E ratio of 3 SET-listed companies in Media & Publishing Sector, who operate similar publishing business to the Company. The information is for the period up to March 1, 2022.

NINE	Historical Average of P/E Ratio (times)							
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	360 days
1. AMARIN	17.83	16.96	16.55	16.35	16.20	16.02	17.62	23.58
2. MATI	7.78	7.82	7.75	7.55	7.25	7.08	11.71	n.a. ^{2/}
3. SE-ED	n.a. ^{1/}	n.a. ^{1/}	n.a. ^{1/}	n.a. ^{1/}	n.a. ^{1/}	n.a. ^{1/}	n.a. ^{1/}	n.a. ^{1/}
Median of 2 companies	12.81	12.39	12.15	11.95	11.73	11.55	14.67	23.58
Firm value of NINE (Baht million)	552.23	534.32	523.87	515.26	505.68	498.02	632.41	1,016.56
Share value of NINE (Baht/share)	1.51	1.46	1.43	1.41	1.38	1.36	1.73	2.78

Source: SETSMART

Remark: 1/ Unable to calculate historical average of P/E ratio due to SE-ED recorded net loss in its latest financial statements.
2/ Unable to calculate historical average of P/E ratio for the period of 234 – 360 days as the historical performance of MATI at the end of Q3/2020 shows loss from operation.

Share value of NINE based on this approach is **Baht 1.36 – 2.78 per share**, or equivalent to the firm value of **Baht 498.02 – 1,016.56 million**.

The Price to Earnings Ratio Approach estimates value of NINE shares by using historical data on earnings per share over 12-month period ended December 31, 2021 to compare with P/E ratios of 2 SET-listed companies out of 3 comparable companies as a comparable company generated a net loss in the latest financial statement and the business structure and operation of such comparable companies are different from the Company. Besides, the earning per share represents past operating performance which may not reflect future profitability of NINE. Therefore, share valuation under this approach might not reflect an appropriate value of NINE shares.

6. Discounted Cash Flow Approach

This approach takes into account the Company's future operating performance by deriving present value of future cash flow using an appropriate discount rate. The IFA calculated the Weighted Average Cost of Capital (WACC) to be used as the discount rate and constructed a 10-year financial projection of the Company (2022 - 2031) based on an assumption that the Company's operation in publishing business is on a going-concern basis without any significant changes under the current economic condition and circumstances. However, the Company's business in management of merchandising spaces on the BTS Skytrain stations will end on December 4, 2029 to match term of the license to management and operate merchandising space agreement between the Company and VGI for 3 stations (effective date from November 1, 2021 to December 4, 2029). In addition, the IFA has not taken into consideration the effects from Transaction 1, Transaction 2, and the issuance and offering of newly issued ordinary shares of the Company through RO and PP transaction into the preparation of the financial projection.

Financial projection for the management of merchandising spaces on 3 BTS Skytrain stations (namely Saint Louis Station, Victory Monument Station, and Phloen Chit Station) is based on terms and conditions of the existing licensing agreement.

The IFA constructed financial projection of the Company based on information and assumptions obtained from NINE and from interviews with the management and relevant officers. The objective of the financial projection is to evaluate fair value of NINE's ordinary shares and appropriateness of the offering price of the Company's PP shares only. If there is any material change in the overall economic condition and other internal and external factors that affect NINE's business operation from the assumptions used herein, fair value derived from this approach may change accordingly.

Existing Businesses

NINE operates 2 groups of core business as follows:

- 1) Publishing business: including publishing and distribution of pocket books and youth publications (comic and novel) both in print and e-book formats
- 2) Retail business and merchandising space lease business on 3 BTS Skytrain stations, namely Saint Louis Station, Victory Monument Station, and Phloen Chit Station

Key assumptions of the financial forecast are as follows:

6.1 Publishing Business

The Company and National Global Edutainment Co., Ltd. ("NGE"), a subsidiary, produce and distribute quality pocket books and youth publications (comic and novel), both in print and e-book formats. NINE also owns e-commerce site namely "Nejavu" for distribution of the group's publication and copyright products from alliances.

▪ Revenue from sales and services: publishing business

In 2019 – 2021, the Company had revenue from sales and services: publishing business in the amount of Baht 56.32 million, Baht 74.21 million, and Baht 96.26 million, increased by 31.77% and 29.72% from prior year, respectively. Sale of books and pocket books in 2021 contributed approximately 86.2% of revenue from sales and services: publishing business, while the remaining 8.4% and 5.4% of revenue from sales and services: publishing business was from sale of e-book and other revenues, respectively.

In 2020, most of the revenue from sales and services: publishing business was from youth publications since the Company offered more collectable set of comic books such as Slam Dunk, Steel Ball Run, and Doraemon, which have received positive feedback from customers who love such comic.

In 2021, the Company generated higher revenue due to the expanded industry with book market value of approximately Baht 15,000 million, increased from Baht 12,000 million in 2020 or equivalent to 25% increase from prior year. In addition, the Company has continuously offered collectable set of comic books, additional publication of e-book, online comic translation service.

Assumptions for revenue from sales and services – publishing business are as follows:

Revenue from sale of books and printing materials in 2019 – 2021 was at Baht 54.12 million, Baht 67.34 million, and Baht 83.00 million, respectively, increased by 24.44% and 23.26% from prior year.

The IFA assumed revenue from sale of books and printing materials to increase by 23.85% in 2022, which is equivalent to the average growth rate of revenue from sales in 2020 – 2021. The IFA

assumed revenue from sale of books and printing materials to grow at 20.00% and 15% in 2023 and in 2024, respectively, and grow at a slower rate each year until growth rate reach 5.00% in 2031. Such assumptions on growth rate are based on publishing industry. During the past 10 years, Thailand's book market value plunged from approximately Baht 25,000 million³² in 2011 to approximately Baht 15,000 million, or equivalent to the compound annual growth rate (CAGR) of 5% p.a. Thus, it is expected that the publishing business shall not be able to grow at a high rate in the long run.

In 2019 – 2021, revenue from sale of e-book was Baht 2.09 million, Baht 4.87 million, and Baht 8.07 million, respectively, increased by 132.89% and 65.64% from prior year. The IFA assumed revenue from sale of e-book to increase by 33.00% in 2022, or approximately 50% of growth rate of 2021. The IFA assumed revenue from sale of e-book to grow at 20.00% and 15% in 2023 and in 2024, respectively, and grow at a slower rate each year until growth rate reach 5.00% in 2031. Such assumptions on growth rate are based on publishing industry. During the past 10 years, Thailand's book market value plunged from approximately Baht 25,000 million in 2011 to approximately Baht 15,000 million, or equivalent to the compound annual growth rate (CAGR) of 5% p.a. Thus, it is expected that the publishing business shall not be able to grow at a high rate in the long run.

Other revenues in 2019 - 2021 was Baht 0.11 million, Baht 2.00 million, and Baht 5.20 million, respectively. The increase in other revenues due mainly to revenue from sale of Line Cartoon. In preparing this financial forecast, the IFA assumed other revenues of Baht 2.44 million in 2022, which is equivalent to the average other revenues in 2019 – 2021. In 2023 – 2031, other revenues are assumed to increase by 2.06% p.a., based on the average 20-year historical growth rate of CPI (2003 – 2M/2022).

Summary of revenue from sales and services - publishing business is as follows:

(Unit: Baht million)

Publishing Business	2019A	2020A	2021A	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Revenue from sale of books	54.12	67.34	83.00	102.79	123.35	141.85	156.04	167.74	178.23	188.25	198.25	208.47	218.90
Revenue from sale of e-book	2.09	4.84	8.07	10.73	12.87	14.81	16.29	17.51	18.60	19.65	20.69	21.76	22.85
Other revenues	0.11	2.00	5.20	2.44	2.49	2.54	2.59	2.64	2.70	2.75	2.81	2.87	2.93
Total revenue from sales and services: publishing business	56.32	74.21	96.26	115.96	138.71	159.20	174.91	187.89	199.52	210.65	221.75	233.10	244.67
% growth	8.61%	31.77%	29.72%	20.46%	19.62%	14.77%	9.87%	7.42%	6.19%	5.58%	5.27%	5.12%	4.96%

▪ **Cost of sales and services: publishing business**

Cost of sales and services: publishing business comprised of employee expenses, cost of books, license fee, depreciation and amortization expenses, cost of Line Cartoon, and other expenses.

In 2019 – 2021, cost of sales and services: publishing business were Baht 39.26 million, Baht 52.61 million, and Baht 56.48 million, equivalent to 69.72%, 70.90%, and 58.67% of revenue from sales and services – publishing business, respectively.

In preparing this financial projection, the IFA assumed the assumptions for cost of sales and services: publishing business as follows:

Employee expenses in 2019 – 2021 were Baht 9.99 million, Baht 10.33 million, and Baht 11.82 million, respectively, increased by 3.36% and 14.41% from prior year. In 2022 – 2031, the IFA assumed that employee expenses increase by 5.00% p.a. throughout the projection period, based on the Company's policy.

Cost of books in 2019 – 2021 was Baht 21.83 million, Baht 29.03 million, and Baht 29.07 million, equivalent to 38.84%, 40.20%, and 31.93% of revenue from sale of books and e-book, respectively. The IFA assumed cost of books at 36.99% of revenue from sale of books and e-book, which is equivalent to the average ratio of cost of books to revenue from sale of books and e-book in 2019 – 2021.

Amortization expenses of license fee in 2019 – 2021 were Baht 6.52 million, Baht 11.15 million, and Baht 11.92 million, equivalent to 11.60%, 15.44%, and 13.09% of revenue from sale of books and e-book, respectively. The IFA assumed license fee of approximately 13.37% of revenue from sale of books and e-book throughout the projection period, based on the average ratio of amortization expenses of license fee to revenue from sale of books and e-book in 2019 – 2021. The IFA assumed that the

³² Source: Analysis of trend and behavior of bookworms in the period when various options are available (<https://marketeeronline.co/archives/221808>)

Company will purchase new licenses every year and realize the purchase of new licenses to income statements. Since revenue from sale of books is variable to new licenses, the regular purchase of new licenses is required.

Other cost of sales and services is assumed at 44.86% of other revenues, which is equivalent to ratio of other expenses to other revenues in 2019 – 2021.

Other expenses are estimated at 0.97% of revenue from sales and services – publishing business, which is equivalent to the average ratio of other expenses to revenue from sales and services – publishing business in 2019 – 2021.

Summary of cost of sales and services: publishing business is as follows:

(Unit: Baht million)

Publishing Business	2019A	2020A	2021A	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Cost of books	21.83	29.03	29.07	41.99	50.39	57.95	63.74	68.52	72.81	76.90	80.99	85.16	89.42
License fee	6.52	11.15	11.92	15.18	18.22	20.95	23.05	24.77	26.32	27.80	29.28	30.79	32.33
Employee expenses	9.99	10.33	11.82	12.41	13.03	13.68	14.37	15.08	15.84	16.63	17.46	18.33	19.25
Other cost of sales and services	-	0.83	2.51	1.09	1.12	1.14	1.16	1.19	1.21	1.23	1.26	1.29	1.31
Other expenses	0.62	0.81	0.70	1.12	1.35	1.54	1.70	1.82	1.94	2.04	2.15	2.26	2.37
Depreciation and amortization	0.31	0.47	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45	0.45
Total cost of sales and services: publishing business	39.26	52.61	56.48	72.25	84.55	95.71	104.46	111.84	118.56	125.06	131.59	138.28	145.14
% cost of sales and services: publishing business to revenue from sales and services: publishing business	69.72%	70.90%	58.67%	62.31%	60.95%	60.12%	59.72%	59.52%	59.42%	59.37%	59.34%	59.32%	59.32%

6.2 Retail Business and Merchandising Space Lease Business on 3 BTS Skytrain Stations

Based on the License to Management and Operate Merchandising Space Agreement on between the Company and VGI for 3 stations (Saint Louis Station, Victory Monument Station, and Phloen Chit Station), with an effective date from November 1, 2021 to December 4, 2029, summary of licensed spaces and scheduled commercial operation date of each station are as follows:

BTS Skytrain Station	Licensed Spaces (sq.m.)		Scheduled Commercial Operation Date	
	Retail Store Area	Leasable Spaces	Retail Store Area	Leasable Space
Saint Louis Station	220.00	230.00	Within December 27, 2021	
Victory Monument Station	220.00	131.85	Within April 1, 2022 ^{1/}	Within July 1, 2022 ^{2/}
Phloen Chit Station	220.00	177.35		

Remark: 1/ Handover of retail store area is scheduled within December 1, 2021.

2/ Handover of leasable spaces is scheduled within May 31, 2022.

The first Turtle Shop at Saint Louis Station was opened for service on December 28, 2021, and lease of the licensed space on Saint Louis Station started in 2022. Turtle Shops at Victory Monument Station and Phloen Chit Station are under construction and scheduled to open in April 2022.

Average daily number of passengers boarding - alighting each station (Eyeballs) are as follows:

(Unit: passengers/day)

BTS Skytrain Station	2015A	2016A	2017A	2018A	2019A	2020A	2021A
Saint Louis Station	-	-	-	-	-	-	3,701 ^{1/}
Victory Monument Station	83,017	79,473	71,940	69,712	68,990	41,184	21,616
Phloen Chit Station	39,941	40,848	42,238	41,986	43,367	25,161	12,779

Source: BTS and VGI

Remark: 1/ Saint Louis Station was opened for service in February 2021.

The decrease in number of passengers in 2020 – 2021 was due to the national lockdown measures, closure of many public/business places, and work-from-home policy to curb the COVID-19 pandemic, resulting in lower travelling in such period.

6.2.1 Retail business

- **Revenue from sales**

- (a) No. of customers of 3 Turtle Shops

- No. of boarding – alighting passenger (Eyeballs)

Please refer to the assumptions regarding number of passengers boarding - alighting BTS Skytrain stations (Eyeballs) during 2022 – 2029 in Transaction 1 - Part 3 on page 58. Estimated average daily eyeballs of 3 BTS Skytrain stations is as follows:

(Unit: passenger trips/day)

BTS Skytrain Station	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F
Saint Louis Station	5,316	8,965	9,236	9,567	9,883	10,209	10,517	10,894
Victory Monument Station	38,581	65,067	67,030	69,432	71,723	74,090	76,326	79,061
Phloen Chit Station	22,314	37,632	38,767	40,156	41,481	42,850	44,143	45,725
Total	66,211	111,664	115,034	119,155	123,087	127,149	130,986	135,670

- Capture rate of customers

The IFA assumed capture rate of customer in the first year at 4% of eyeballs for each station, based on capture rate of Turtle Shop at Saint Louis Station in January 2022 which was at 4.3% of eyeballs. From the second year onwards, capture rate is assumed at 5% of eyeballs for each station. However, the IFA limits number of customers of each store at 3,240 customers per day due to limitation of operating hours, size of store, and number of employees.

- (b) Average sales per bill

The IFA assumed average sales per bill in 2022 at Baht 130, based on the average sales per bill of Turtle Shop at Saint Louis Station in January 2022 and February 2022 which was at Baht 138.95 and Baht 144.56, respectively.

In 2023 – 2029, the average sales per bill is assumed to increase by 2.06% p.a., based on the average 20-year historical growth rate of CPI (2003 – 2M/2022).

- **Cost of sales**

The IFA assumed ratio of cost of sales at 75% of revenue from sales, based on the average ratio of cost of sales of 23 convenient stores (franchise shops of 7-11) which was at 74% - 75% of revenue from sales³³ (from the IFA's database). However, the ratio of cost of sales of Turtle Shop at Saint Louis Station in January 2022 was at 81.86% of revenue from sales, comprising of cost of goods sold of approximately 61.5%, discount of approximately 5.5%, and cost of damaged and expired products of approximately 14.86% of revenue from sales. The high ratio of cost of sales in January 2022 was due to the cost of damaged and expired products which may be from the inefficiency of fresh product management as it is the new store, as well as the provision of discount to attract customers to the new stores. However, the Company expects to be more efficient in fresh product and inventory management after a period of operation and determination of customers' demand.

- **Store employee expenses**

The Company estimated that there shall be 18 – 22 employees per store with the average employee expenses of Baht 25,000 per person, based on store employee expenses of Turtle Shop at Saint Louis Station. In addition, employee expenses are assumed to increase by 5% p.a.

- **Utility expenses**

Utility expenses of Turtle Shop at Saint Louis Station was Baht 0.03 million per month, based on the utility expenses in January 2022.

The utility expenses of Turtle Shop at Victory Monument Station and Phloen Chit Station are assumed at Baht 0.06 million per month per store, based on utility expenses of Turtle Shop at Saint Louis Station in January 2022 which was at Baht 0.03 million per month. Though each of 3 Turtle Shops have an area of approximately 220 sq.m., the IFA assumed that utility expenses of Turtle Shop at Victory Monument Station and Phloen Chit Station are higher than those of Turtle Shop at Saint Louis Station

³³ Cost of sales of a franchise store is higher than ratio of cost of sales of 7-11 store owned by CPALL. The average cost of sales in 2016 – 2020 was equal to 72% of revenue from sales (Source: For 56-1, Year 2017 – 2020, CP ALL PCL.) because CPALL manages its own stocks, distribution, and warehouse.

due to number of customers of such 2 stores are expected to be higher than those of Turtle Shop at St. Louis Station and on conservative basis.

In 2023 – 2029, utility expenses are assumed to increase by 2.06% p.a., based on the average 20-year historical growth rate of CPI (2003 – 2M/2022).

▪ Insurance premium

Insurance premium is assumed at 0.60% of revenue from sales, which is equivalent to the ratio of insurance premium to revenue from sales of Turtle Shop at Saint Louis Station in January 2022. In 2023 – 2029, insurance premium is expected to grow by 2.06% p.a., based on the average 20-year historical growth rate of CPI (2003 – 2M/2022).

▪ Land and building tax

Land and building tax is estimated at Baht 800 per sq.m. per year based on land and building tax rate of Saint Louis Station.

In 2024 – 2029, land and building tax is assumed to increase by 2.06% p.a., based on the average 20-year historical growth rate of CPI (2003 – 2M/2022).

▪ Other operating expenses

Other operating expenses, such as supply, bank fee, repair and maintenance expenses, and miscellaneous expenses, are estimated at 2.50% of revenue from sales, based on ratio of other operating expenses to revenue from sales of 23 convenient stores from the IFA's database.

Summary of revenue from sales and cost of sales of 3 Turtle Shops is as follows:

(Unit: Baht million)

3 branches of Turtle Shop	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F ^{2/}
Operating period (months)								
- Saint Louis Station	12.00	12.00	12.00	12.00	12.00	12.00	12.00	11.00
- Victory Monument Station	9.00 ^{1/}	12.00	12.00	12.00	12.00	12.00	12.00	11.00
- Phloen Chit Station	9.00 ^{1/}	12.00	12.00	12.00	12.00	12.00	12.00	11.00
No. of customers	764,016	2,032,995	2,064,298	2,090,047	2,119,993	2,150,927	2,180,149	2,051,976
Revenue from sales	99.32	269.73	279.53	288.85	299.02	309.63	320.30	307.68
Cost of sales	(74.49)	(202.30)	(209.65)	(216.63)	(224.26)	(232.22)	(240.23)	(230.76)
Gross profit	24.83	67.43	69.88	72.21	74.75	77.41	80.08	76.92
Employee expenses	(14.44)	(18.27)	(19.24)	(20.14)	(21.15)	(22.21)	(23.32)	(22.67)
Utility expenses	(0.46)	(0.47)	(0.48)	(0.49)	(0.50)	(0.51)	(0.52)	(0.49)
Insurance premium	(0.59)	(0.60)	(0.62)	(0.63)	(0.64)	(0.66)	(0.67)	(0.68)
Land and building taxes	(5.29)	(6.47)	(6.60)	(6.74)	(6.87)	(7.02)	(7.16)	(7.31)
Other operating expenses	(2.48)	(6.74)	(6.99)	(7.22)	(7.48)	(7.74)	(8.01)	(7.69)
Operating profit	1.56	34.88	35.96	37.00	38.12	39.28	40.40	38.08
Operating profit margin	1.57%	12.93%	12.87%	12.81%	12.75%	12.69%	12.61%	12.38%

Remark: 1/ Scheduled commercial operation date is on April 1, 2022 based on the License to Management and Operate Merchandising Spaces Agreement between the Company and VGI (effective from November 1, 2021 to December 4, 2029).

2/ Projection period for 2029 = 11 months based on term of concession agreement for the BTS Green Line Core Network.

6.2.2 Merchandising space lease business on the BTS Skytrain stations

Based on the License to Management and Operate Merchandising Spaces Agreement between the Company and VGI for 3 stations (effective from November 1, 2021 to December 4, 2029), summary of licensed spaces and scheduled commercial operation date of each station are as follows:

BTS Skytrain Station	Licensed Space (sq.m.)		Scheduled Commercial Operation Date	
	Retail Store Area	Leasable Spaces	Retail Store Area	Leasable Spaces
Saint Louis Station	220.00	230.00	Within December 27, 2021	
Victory Monument Station	220.00	131.85	Within April 1, 2022 ^{1/}	Within July 1, 2022 ^{2/}
Phloen Chit Station	220.00	177.35		

Remark: 1/ Handover of retail store area is scheduled within December 1, 2021.

2/ Handover of leasable spaces is scheduled within May 31, 2022.

- Revenue from rent and services

Occupancy rate

At present, there are 6 tenants on Saint Louis Station with the total occupied space of 75.75 sq.m., or equivalent to occupancy rate of 33% of leasable spaces. The IFA assumed occupancy rate in 2022 at 42.93%, higher than the current occupancy rate since the Company has started to rent out the licensed spaces on Saint Louis Station in late December 2021 and it is expected to have new tenants in near future. In 2023 – 2024, the IFA assumed occupancy rate to increase by 10% or equivalent to occupancy rate of 52.93% and 62.93% of leasable spaces, respectively.

Victory Monument Station: The IFA assumed occupied spaces in 2022 of 113.19 sq.m., which is equal to the occupied spaces in January 2022, equivalent to occupancy rate of 85.68%. In 2023, the IFA assumed occupancy rate to increase by 5% or equivalent to occupancy rate of 90.85% of leasable spaces.

Phloen Chit Station: The IFA assumed occupied spaces in 2022 of 150.76 sq.m., which is equal to occupied spaces in January 2022, or equivalent to occupancy rate of 85.01%. In 2023, the IFA assumed occupancy rate to increase by 5% or equivalent to occupancy rate of 90.01% of leasable spaces.

Occupancy rate of Victory Monument Station and Phloen Chit Station is based on historical information of each station and growth potential in ridership and lease of each station.

Average rent rate

Average rent rate in 2022 for Saint Louis Station is assumed at Baht 1,927.39 per sq.m. per month, which is equivalent to average rent rate at the present.

Average rent rates in 2022 for Victory Monument Station and Phloen Chit Station are assumed at Baht 3,415.75 per sq.m. per month and Baht 3,371.47 per sq.m. per month, respectively, based on the average rent rate of Victory Monument Station and Phloen Chit Station in January 2020 derived from rent-roll for January 2022.

The average rent rate is expected to increase by 15% p.a. in 2023 – 2024 and 10% p.a. in 2025, which is higher than standard price adjustment standard because the average rent rate in 2021 dropped almost 40% comparing to the average rent rate of 2019.

In 2026 – 2029, the IFA assumed the average rent rate to increase by 5% p.a. based on the standard rental fee adjustment of VGI and the Company.

- **Utility income**

Utility income is assumed at 2.50% of revenue from rent and services, based on the average ratio of utility income to revenue from rent and services in 2020 – 2021 of GW.

- **Revenue from rent of spaces for installation of vending machine**

The Company estimated that there shall be 4 vending machines per station. Occupancy rate is assumed at 50% throughout the projection period.

Average rent rate is at Baht 20,000 per vending machine, based on the average rent rate in January 2022 which was in the range of Baht 12,000 – 40,000 per vending machine. In 2023 – 2029, average rent rate is assumed to increase by 5.00% p.a., based on standard price adjustment of VGI and the Company.

▪ **Cost of sales and services for merchandising spaces on BTS Skytrain stations**

Comprised of employee expenses, utility expenses, and other operating expenses.

The IFA prepared this financial projection based on the assumptions for cost of sales and services as follows:

- Utility expenses are assumed at 100% revenue from utility income, as tenants shall responsible for their utility expenses.
- Electricity expenses for vending machine are assumed at Baht 2,670 per month per vending machine, based on the electricity expenses in January 2022 of Saint Louis Station, and are assumed to increase by 2.06% p.a.
- Land and building tax is estimated at Baht 800 per sq.m. per year and increase by 2.06% p.a. Land and building tax is calculated on vacant spaces since the tenants shall responsible for land and building tax on the occupied spaces.
- Other expenses, such as insurance premium, repair and maintenance expenses, and other expenses are estimated at 5.00% of revenue from rent and services.

Summary of revenue from rent and services and cost of sales and services of merchandising space lease business on 3 BTS Skytrain stations are as follows:

(Unit: Baht million)

Space Lease Business	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F ^{2/}
Service period (months)								
- Saint Louis station	12.00	12.00	12.00	12.00	12.00	12.00	12.00	11.00
- Victory Monument station	6.00 ^{1/}	12.00	12.00	12.00	12.00	12.00	12.00	11.00
- Phloen Chit station	6.00 ^{1/}	12.00	12.00	12.00	12.00	12.00	12.00	11.00
Revenue from space lease								
Revenue from rent and services	7.70	16.31	19.46	21.41	22.48	23.60	24.78	24.10
Utility income	0.19	0.41	0.49	0.54	0.56	0.59	0.62	0.60
Revenue from rent of spaces for installation of vending machine	0.96	1.44	1.44	1.44	1.44	1.44	1.44	1.33
Total revenue from space lease business	8.85	18.16	21.39	23.38	24.48	25.63	26.84	26.03
Cost of sales and services								
Utility expenses	(0.32)	(0.60)	(0.69)	(0.74)	(0.77)	(0.80)	(0.84)	(0.81)
Land and building tax	(1.37)	(1.35)	(1.15)	(1.17)	(1.20)	(1.22)	(1.25)	(1.09)
Other expenses	(0.43)	(0.89)	(1.05)	(1.14)	(1.20)	(1.25)	(1.31)	(1.27)
Operating profit	6.73	15.32	18.51	20.33	21.32	22.35	23.45	22.86
Operating profit margin	76.00%	84.34%	86.52%	86.93%	87.07%	87.21%	87.35%	87.82%

Remark: 1/ Scheduled commercial operation date is on July 1, 2022 based on the License to Management and Operate Merchandising Space Agreement between the Company and VGI (effective from November 1, 2021 to December 4, 2029).

2/ Projection period for 2029 = 11 months based on term of the concession agreement for the BTS Green Line Core Network.

▪ **Selling and administrative expenses: retail business and merchandising space lease business on BTS Skytrain stations**

Selling and administrative expenses are additional expenses from existing selling and administrative expenses of the Company such as additional employee expenses to support the new business, marketing expenses, research and development expenses, and other expenses.

Key assumptions are as follows:

- Employee expenses for 11 employees joining the Company during 2021 to support these new businesses. The employee expenses in 2021 were Baht 4.41 million (recorded as selling and administrative expenses in 2021). The IFA assumed that employee expenses in 2022 equal to Baht 8.81 million, or equivalent to 2 times of employee expenses in 2021, and increased by 5.00% p.a. in 2023 – 2029.
- Marketing expenses are assumed at 3.00% of revenue from rent and services, based on the Company's estimation
- IT expenses are assumed at Baht 0.12 million per year and increased by 2.06% p.a.
- R&D expenses are assumed at Baht 1.00 million per year and increased by 2.06% p.a.
- Other expenses are assumed at 1.00% of revenue from sales and revenue from rent and services.
- License fee in relation to the License to Management and Operate Merchandising Space Agreement between the Company and VGI for 3 stations (effective from November 1, 2021 to December 4, 2029) can be summarized as follows:
 - o Saint Louis Station: Revenue sharing fee of 5.00% of revenue
 - o Victory Monument Station: Fixed fee of Baht 6.00 – 6.615 million and revenue sharing fee of 5.00% of excess revenue.
 - o Phloen Chit Station: Fixed fee of Baht 7.80 – 8.60 million and revenue sharing fee of 5.00% of excess revenue.
- Demolition cost of Turtle Shop at the expiration of the Licensing Agreement in 2029 is assumed at Baht 0.11 million per branch, or equivalent to total of Baht 3.03 million. The Company estimated the demolition cost at Baht 500 per sq.m. (*based on the demolition cost from <https://steelexpert.lekkla.com/price-renovate-home/>*). The IFA considered such demolition cost as selling and administrative expenses in 2029.

Summary of selling and administrative expenses for retail business and merchandising space lease business on 3 BTS Skytrain stations is as follows:

(Unit: Baht million)

SG&A: Retail Business and Merchandising Space Lease Business	2022F^{1/}	2023F	2024F	2025F	2026F	2027F	2028F	2029F^{1/}
Employee expenses	8.81	9.25	9.72	10.20	10.71	11.25	11.81	11.37
Marketing expenses	3.25	8.64	9.03	9.37	9.71	10.06	10.41	10.01
Other expenses	2.20	4.02	4.18	4.31	4.45	4.59	4.74	4.63
Demolition cost of Turtle Shops	-	-	-	-	-	-	-	0.33
License fee to VGI	7.70	15.14	15.27	16.04	16.12	16.21	17.02	15.70
Total SG&A	21.96	37.05	38.19	39.93	40.99	42.11	43.98	42.04

Remark: 1/ The Company has just commenced operation of the first Turtle Shop in late December 2021 and generated revenue from rent of merchandising spaces on Saint Louis Station in the beginning of 2022. Thus, selling and administrative expenses in 2021 was relatively low and were recorded as selling and administrative expenses of head office (please refer to historical information of selling and administrative expenses of head office in Clause 6.3).

6.3 Other assumptions: Head office

▪ Other incomes

Other incomes comprise of interest incomes, revenue from sale of scrap, and other incomes.

In 2019 – 2021, other incomes were Baht 9.62 million, Baht 4.68 million, and Baht 4.84 million, respectively. Majority of other incomes were from interest incomes from deposit, short-term investment, and financial assets.

The IFA assumed that interest incomes from financial institutions are equal to Baht 1.00 million per year throughout the projection period, based on interest incomes from financial institutions in 2020 – 2021 which was at Baht 0.91 - 1.50 million. Other incomes are assumed at Baht 1.00 million per year, based on other incomes in 2020 – 2021 of Baht 0.91 - 1.37 million.

In addition, the Company had revenue from investment in unquoted debt instruments from an investment in 90,000 ordinary shares of a related company, representing 18.35% of issued shares, in the amount of Baht 9.90 million, where sellers had a buy-back options at the specified price within 3 years from the completion date of the purchase (or within April 22, 2023). The Company has recognized difference between the acquisition price and the selling price as interest incomes throughout the contract period. In 2022 – 2023, interest incomes are assumed at Baht 3.80 million and Baht 1.28 million, respectively.

▪ Selling and administrative expenses

Selling and administrative expenses comprised of employee expense, management and director remuneration, marketing expenses, office rental fee, warehouse rental fee, utility expenses, professional fee, repair and maintenance expenses, depreciation and amortization expenses, and other expenses.

In 2019 – 2021, selling and administrative expenses were Baht 61.24 million, Baht 55.07 million, and Baht 75.32 million, or equivalent to 108.75%, 74.20%, and 78.21% of revenue from sales and services, respectively. Employee expenses and management and director remuneration represented 62.25% – 64.07% of selling and administrative expenses. The increase of selling and administrative expenses in 2021 due mainly to the increase in employment of additional to support the retail business and merchandising space lease business on the BTS Skytrain stations, as well as research and development expenses for retail business.

The IFA prepared this financial projection based on the assumptions for selling and administrative expenses as follows:

- Employee and management and director remuneration were equal to Baht 46.88 million in 2021, comprising of employee expenses for publishing business of Baht 18.97 million, employee expenses for retail business and merchandising space lease business of Baht 4.41 million, back office employee expenses of Baht 5.50 million, and management and director remuneration of Baht 18.00 million.

The IFA assumed employee expenses for publishing business to increase by 5.00% p.a. in 2022 – 2031.

Back-office employee expenses, management and director remuneration are assumed to increase by 5.00% p.a. in 2022 – 2029, and decrease by 35% in 2030 due to expiration of the License to Management and Operate Merchandising Space Agreement.

(Please refer to employee expenses for retail business and merchandising space lease business on the BTS Skytrain stations in Selling and administrative expenses: retail business and merchandising space lease business in Transaction 1 - Part 3 on page 63 of this report)

- Office and warehouse rental fees in 2022 are assumed at Baht 2.32 million (excluding rental fee recognized as right-of-use assets, which are amortized throughout the lease term). In 2023 – 2024, office and warehouse rental fees are assumed at Baht 3.98 million and Baht 5.74 million, respectively. The increase in rental fees is based on the assumption that after end of the existing lease agreements, the rental fee under new lease agreements will be recognized to income statement instead of amortization of right-to-use assets throughout the lease agreement term. In 2025 – 2031, rental and services fees are assumed to increase by 5.00% p.a., based on terms and conditions in office rental agreement which stipulated to adjust rental fee at the rate not exceeding 5% of previous agreement (if renewal).
- Marketing expenses for publishing business are assumed at 2.39% of revenue from sales and services, which is equivalent to the average ratio of marketing expenses to revenue from sales and services in 2020 – 2021.
- Professional fee in 2022 is assumed at Baht 9.38 million, increased from professional fee of the transactions at this time and the transactions to follow. In 2023, professional fee is assumed at Baht 1.38 million, which is equivalent to the audit fee in 2021, and increased by 2.06% p.a. in 2024 – 2031.
- Transportation expenses are assumed at 1.44% of revenue from sale of books, which is equivalent to the average ratio of transportation expenses to revenue from sale of books in 2019 – 2021.
- In 2022 – 2031, utility expenses, security and cleaning expenses, driver expenses, repair and maintenance expenses, and other expenses are assumed to increase by 2.06% p.a., based on the average 20-year historical growth rate of CPI (2003 – 2M/2022).

Summary of financial projection on selling and administrative expenses are as follows:

(Unit: Baht million)

SG&A: Head Office	2019A	2020A	2021A	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Employee expenses, management and director remuneration	39.24	34.28	46.88	44.60	46.83	49.17	51.63	54.21	56.93	59.77	62.76	53.13	53.75
Marketing expenses – publishing business	3.07	1.78	2.29	2.77	3.31	3.80	4.17	4.48	4.76	5.02	5.29	5.56	5.84
R&D expenses	-	-	3.13	-	-	-	-	-	-	-	-	-	-
Rental fees	5.55	2.43	2.45	2.32	3.98	5.74	6.03	6.33	6.64	6.98	7.32	7.48	7.63
Utility expenses	1.12	0.88	0.72	0.73	0.75	0.76	0.78	0.80	0.81	0.83	0.85	0.86	0.88
Professional fees	1.37	1.38	3.41	9.38	1.38	1.41	1.44	1.47	1.50	1.53	1.56	1.60	1.63
Depreciation and amortization expenses	2.74	6.83	7.36	7.00	6.89	3.62	2.90	0.66	0.53	0.54	0.55	0.57	0.58
Security, cleaning and driver expenses	1.26	1.46	1.46	1.49	1.52	1.55	1.58	1.61	1.65	1.68	1.72	1.75	1.79
Transportation expenses	0.60	0.95	1.21	1.48	1.78	2.04	2.25	2.41	2.57	2.71	2.85	3.00	3.15
IT and repair & maintenance expenses	0.82	1.22	1.68	1.72	1.75	1.79	1.83	1.86	1.90	1.94	1.98	2.02	2.06
Allowance for doubtful accounts	0.91	(0.12)	1.39	-	-	-	-	-	-	-	-	-	-
Other expenses	4.58	3.97	3.33	3.40	3.47	3.54	3.62	3.69	3.77	3.84	3.92	4.00	4.09
Total SG&A	61.24	55.07	75.32	74.86	71.60	73.34	76.10	77.38	80.89	84.69	88.64	79.80	81.22

▪ **Corporate income tax**

The IFA assumed a corporate income tax rate of 20%.

▪ **Capital expenditure**

Investment of Turtle Shop at Victory Monument Station and Phloen Chit Station is assumed at Baht 36.20 million per store, based on the budget approved by the Board of Director of the Company.

Annual maintenance cost is assumed at 1.00% of investment cost of each store. *(Demolition cost of Turtle Shop is included in selling and administrative expenses of retail business and merchandising space lease business. Please refer to financial projection on page 64 of this report)*

In addition, the IFA assumed additional capital expenditure of office and publishing business in the amount of Baht 0.35 million per year and increase by 2.06% p.a., based on the capital expenditure in property, plant, and equipment in 2020 which was approximately Baht 0.33 million.

▪ **Current assets and current liabilities turnover**

	Publishing Business ^{1/}	Retail Business and Merchandising Space Lease Business on the BTS Skytrain Stations
Trade and account receivables	90 days on average	30 days on average
Inventory	71 days on average	15 days on average
Trade and account payables	216 days on average	60 days on average
Account payables – VGI	-	90 days on average
Rental deposit	-	3 months

Remark: 1/ Based on the average of 2020 – 2021.

▪ **Terminal value growth**

The IFA assumes terminal value growth of 1.00% p.a.

• **Discount rate**

The discount rate applied to the calculation of the present value of free cash flow is the Weighted Average Cost of Capital (WACC), which is derived from the weighted average of cost of debt (K_d) and cost of equity (K_e) based on the following formula:

WACC	=	$K_e * E/(D+E) + K_d * (1-T) * D/(D+E)$
K_e	=	Cost of equity or shareholders' required rate of return (R_e)
K_d	=	Cost of debt or borrowing rate of NINE
T	=	Corporate income tax rate
E	=	Total shareholders' equity
D	=	Interest-bearing debt

Cost of equity (K_e) or the required rate of return for shareholders (R_e) is derived from the Capital Asset Pricing Model (CAPM) as follows:

K_e (or R_e)	=	$R_f + \beta (R_m - R_f)$
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Where:

Risk Free Rate (R_f) = 3.11% per year, based on 30-year government bond yield (information as of March 1, 2022), which is currently the longest government bond continually issued and offered in the market under the assumption that the Company is on a going concern basis

Beta (β) = 0.6058 – 0.7638 times in 2022 – 2029, based on the average unlevered beta of SET-listed companies in 3 sectors³⁴, which are (1) 3 comparable companies in Media & Publishing Sector and the Company, (2) 5 comparable companies in Property Development Sector, and (3) 5 comparable companies in Commerce Sector (1-year historical average up to March 1, 2022).

0.5644 times in 2020 – 2021, based on the average unlevered beta of 3 SET-listed companies in Media & Publishing sector and the Company.

Then, unlevered beta is adjusted with estimated interest-bearing debts to equity ratio of the Company in the future (However, the IFA did not take into consideration the issuance and offering of newly issued ordinary shares of the Company at this time.)

³⁴ SET-listed companies in 3 sectors as follows:

- Media & Publishing Sector: Amarin Printing and Publishing PCL., Matchon PCL., and SE-Education PCL.
- Property Development Sector: Central Pattana PCL., JAS Asset PCL., MBK PCL., The Platinum Group PCL., and Siam Future Development PCL.
- Commerce Sector: Berli Jucker PCL., CP All PCL., Central Retail Corporation PCL., Siam Makro PCL., and Thanapiriya PCL.

Though most revenue of the Company is currently derived from publishing business, but after the entering into merchandising space lease business on BTS Skytrain station, the Company's revenue shall be from the aforementioned businesses. Thus, using beta of the Company in the calculation may be inappropriate. The IFA, therefore, applied unlevered beta of comparable SET-listed companies in 3 sectors instead.

Market Risk (R_m)	=	11.74% p.a., which is the average annual rate of return on investment in the SET over the past 30 years from 1992 to 2021 (period of the enforcement of Securities and Exchange Act B.E. 2535) as it is the most suitable period to reflect average return from the SET
K_d	=	3.00% p.a., based on the average financial cost of the Company in 2021.
D/E Ratio	=	0 – 0.294 time, based on estimated interest-bearing debts to equity ratio of the Company in the future (excluding the effect of the issuance and offering of newly issued ordinary shares of the Company at this time)
T	=	The assumed corporate income tax rate of 20% p.a.

From aforementioned assumptions, discount rate or WACC is equal to 7.90% - 8.34% p.a.

Based on the above information and assumptions, financial projection of NINE during 2022 – 2031 can be summarized as follows:

(Unit: Baht million)

NINE	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F
Income Statement										
Revenue from sales and services – publishing business	115.96	138.71	159.20	174.91	187.89	199.52	210.65	221.75	233.10	244.67
Cost of sales and services - publishing business	(72.25)	(84.55)	(95.71)	(104.46)	(111.84)	(118.56)	(125.06)	(131.59)	(138.28)	(145.14)
Gross profit – publishing business	43.71	54.16	63.48	70.45	76.05	80.96	85.59	90.16	94.82	99.53
Revenue from sales – retail business	99.32	269.73	279.53	288.85	299.02	309.63	320.30	307.68	0.00	0.00
Revenue from rent and services	8.85	18.16	21.39	23.38	24.48	25.63	26.84	26.03	0.00	0.00
Cost of sales and services	(99.88)	(237.69)	(246.45)	(254.91)	(264.07)	(273.63)	(283.30)	(272.78)	0.00	0.00
Gross profit – merchandising space lease business	8.29	50.20	54.47	57.32	59.43	61.64	63.85	60.94	0.00	0.00
Other incomes	5.80	3.28	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
SGA	(105.35)	(119.68)	(122.77)	(127.46)	(130.08)	(135.08)	(141.31)	(142.51)	(81.15)	(82.57)
EBIT	(47.55)	(12.04)	(2.82)	2.32	7.40	9.51	10.12	10.60	15.67	18.97
Depreciation and amortization	19.01	21.52	21.73	21.92	22.20	22.57	23.13	21.53	1.35	1.35
EBITDA	(28.54)	9.47	18.91	24.24	29.60	32.08	33.26	32.14	17.01	20.31
Net profit	(52.92)	(16.80)	(6.81)	(0.90)	4.88	7.66	8.73	7.86	12.53	15.17
Statement of Financial Position										
Total assets	456.54	461.80	451.42	444.88	443.78	445.28	446.67	387.05	404.06	423.82
Total liabilities	172.84	194.91	191.33	185.69	179.71	173.54	166.21	98.73	103.21	107.79
Shareholder's equity	283.69	266.89	260.09	259.19	264.07	271.73	280.46	288.32	300.86	306.03

Free Cash Flow to Firm of NINE can be summarized as follows:

(Unit: Baht million)

NINE	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F
EBIT	(47.55)	(12.04)	(2.82)	2.32	7.40	9.51	10.12	10.60	15.67	18.97
Depreciation and amortization	31.79	30.06	26.97	26.41	24.42	24.66	24.94	22.72	1.74	1.75
Corporate income taxes	0.00	0.00	0.00	0.00	0.00	0.00	(0.25)	(1.97)	(3.13)	(3.79)
Working capital	3.47	22.11	0.48	0.76	0.75	0.98	1.26	(52.30) ^{1/}	(0.53)	(0.52)
Capital expenditure	(77.36)	17.08	(1.45)	(1.46)	(1.47)	(1.47)	(1.48)	(0.40)	(0.41)	(0.42)
Free Cash Flow to Firm	(89.65)	57.20	23.18	28.03	31.11	33.68	34.59	(21.35)	13.33	15.98
PV of FCFF	(83.09)	49.12	18.43	20.63	21.18	21.19	20.10	(11.45)	6.62	7.35

Remark: 1/ Working capital decreases due to the assumption that the Company does not renew the Licensing Agreement after December 4, 2029. The decrease in working capital due mainly to the payment of trade payable, payment to VGI, and refund of rental deposit for the merchandising spaces management business on 3 BTS Skytrain stations.

(Unit: Baht million)

NINE	Base Case
Present value of free cash flow to firm as of December 31, 2021	70.07
Present value of terminal value	106.37
Present value of free cash flow	176.44
Add: Cash and cash equivalents as of December 31, 2021	257.37 ^{1/}
Add: Other current financial assets as of December 31, 2021	9.02 ^{2/}
Less: Interest-bearing debt as of December 31, 2021	(98.86) ^{3/}
Net present value of free cash flow	343.97
Total number of paid-up shares (shares) as at December 31, 2021	365,549,286 ^{3/}
Net present value of free cash flow (Baht/share)	0.94

Remark:

- 1/ Cash and cash equivalent of Baht 257.37 million and liability under financial lease of Baht 98.86 million were derived from the Company's financial statements for the year ended December 31, 2021, audited by a certified public accountant.
- 2/ Other current financial assets comprised of bill of exchange of Baht 0.07 million and investment in equity instruments of Baht 8.96 million were derived from the Company's financial statements for the year ended December 31, 2021, audited by a public accountant.
- 3/ Par value of Baht 1.00 per share.

Share value of GW based on this approach is equal to Baht 0.94 per share and firm value is equal to Baht 343.97 million.

Sensitivity analysis

The IFA has conducted a sensitivity analysis of the Company's share value in the base case by adjusting the discount rate or WACC upwards and downwards by 10.00% from the base case. The outcome of the sensitivity analysis is as follows:

NINE	Unit	Discount Rate (% p.a.)		
		8.69% – 9.17%	7.90% - 8.34% (Base Case)	7.11% - 7.51%
Firm value of NINE	(Baht million)	322.10	343.97	371.38
Share value of NINE	(Baht/share)	0.88	0.94	1.02

From the sensitivity analysis, share value of NINE is in the range of **Baht 0.88 – 1.02 per share** and firm value is in the range of **Baht 322.10 – 371.38 million**.

The financial projection is prepared based on a set of assumptions obtained from the Company under the existing economic conditions and present circumstances. If there is any change that will materially affect the said assumptions, the future operating results of the Company might not be as projected or the variables used in the share valuation might change accordingly, hence, leading to a relative change in the share value.

7. Summary of the IFA's Opinion on the Offering Price of the Company's Ordinary Shares to Connected Person

Value of NINE's ordinary shares derived from various valuation approaches can be summarized as follows:

NINE	Share Value of NINE (Baht/share)	Offering Price of NINE Shares (Baht/share)	Higher (Lower) than Share Value of NINE	
			(Baht/share)	(%)
	(1)	(2)	(3) = (2) – (1)	(3)/(2)
Book Value Approach	0.92	3.30	2.38	72.10
Adjusted Book Value Approach	0.93	3.30	2.37	71.95
Market Value Approach	3.66 – 3.70	3.30	(0.40) – (0.36)	(12.24) – (10.77)
Price to Book Value Ratio Approach	0.85 – 1.02	3.30	2.28 – 2.45	69.09 – 74.25
Price to Earnings Ratio Approach	1.36 – 2.78	3.30	0.52 – 1.94	15.73 – 58.72
Discounted Cash Flow Approach	0.88 – 1.02	3.30	2.28 – 2.42	69.21 – 73.30

Remark: Par value of Baht 1.00 per share.

As shown in the above table, value of NINE shares derived from various valuation approaches is in a range of Baht 0.85 – 3.70 per share.

Book Value Approach reflects operating results and status of the business at a given period based on its past performance, without taking into account its real asset value and future profitability,

as well as the overall economic and industry outlook. Thus, the share valuation under this approach could not reflect the actual value of NINE shares.

Adjusted Book Value Approach, under which adjustments are made to certain accounting items, reflects current market value of assets better than the Book Value Approach. This approach reflects market value of assets, tax loss carried forward, and events after the financial statement date. For this case, there is an adjustment on tax loss carried forward. However, it does not reflect future profitability of NINE. Therefore, share valuation under the Adjusted Book Value Approach might not reflect an appropriate value of NINE share.

Market Value Approach takes into account market price of shares traded on the SET, which reflects share value according to demand and supply of investors in the stock market after taking into consideration all publicly available information and the investors' expectation of future operating performance. Such market price should be the price during which the information of the entering in to the Transactions at this time is not taken into consideration. The IFA has considered information regarding market price of NINE shares until March 1, 2022, which was last business day prior to the date that the Board of Director of the Company approved to propose the shareholders' meeting to consider and approve the issuance and offering of the Company's ordinary shares through Private Placement. However, trading volume of the Company's shares was relatively illiquid when compared with top active listed shares, in which the average trading volume of the Company's share was at approximately 96,641 shares/day or equivalent to 0.03% of total paid-up shares of the Company during the 360-business day period ended March 1, 2022. Thus, share valuation under the Market Value Approach might not reflect an appropriate value of the Company's shares.

Price to Book Value Ratio Approach estimates value of NINE shares using past financial figures to compare with P/BV ratios of 3 SET-listed companies, whose business structure is different from the Company. However, book value represents past operating performance which may not reflect future profitability of NINE. Therefore, share valuation under this approach might not reflect an appropriate value of the Company's shares.

Price to Earnings Ratio Approach estimates value of NINE shares using uses historical data on earnings per share over 12-month period ended December 31, 2021 to compare with P/E ratios of 2 SET-listed companies out of 3 comparable companies since one comparable company generated a net loss in the latest financial statement and unable to calculate P/E ratio and the comparable companies have different business structure and operation from the Company. Besides, the earning per share represents past operating performance which may not reflect future profitability of NINE. Therefore, share valuation under this approach might not reflect an appropriate value of NINE shares.

Discounted Cash Flow Approach analyzes past operating results and reflects an ability to generate cash flow and future performance of NINE by estimating its future free cash flow from the financial projection prepared under a set of assumptions obtained from NINE and established based on the existing economic conditions and present circumstances. If there is any change that will materially affect the said assumptions, the future operating results of NINE might not be as projected or the variables used in the share valuation might change accordingly, hence, leading to a relative change in the share value.

CapAd is of the opinion that the Discounted Cash Flow Approach is the appropriate approach for the valuation of NINE shares because the Discounted Cash Flow approach can reflect NINE's future profitability. Fair value of NINE shares is in a range of Baht 0.88 – 1.02 per share, or equivalent to firm value of Baht 322.10 – 371.38 million, which is lower than the offering price of the Company's ordinary shares to POV by Baht 2.28 – 2.42 per share or by 69.21% - 73.30% of the offering price of shares to the connected persons at this time. **Therefore, the IFA viewed that offering price of NINE shares at Baht 3.30 per share is considered appropriate since it is higher than fair value of NINE shares.**

Part 4: Summary of Opinion of the Independent Financial Advisor on the Asset Acquisition and Connected Transactions

Please refer to the opinion of the Independent Financial Advisor in **"Executive Summary"** section on page 11 of this report.

However, shareholders should carefully study all documents and information attached to the notice to this shareholders' meeting, for the sake of their own decision making. Decision whether to approve the Asset Acquisition and Connected Transactions rests primarily and is the sole discretion of the shareholders.

CapAd, as the Independent Financial Advisor, hereby certifies that it has cautiously provided the above opinion in accordance with professional standard for the benefit of the shareholders.

Sincerely Yours,

The Independent Financial Advisor
Capital Advantage Co., Ltd.

-Patchara Netsuwan-

(Mr. Patchara Netsuwan)
Managing Director

-Patchara Netsuwan-

(Mr. Patchara Netsuwan)
Supervisor

Attachment 1

Information of Groupwork Company Limited

1. General Information

Company name : Groupwork Co., Ltd. (GW)
 Main business : Manage, operate, and lease of partial merchandising spaces located on BTS Skytrain stations and manage merchandising space located at the piers
 Head Office : 475 Siripinyo Building, Unit No. 1603/2 16th floor, Sri Ayutthaya Road, Phayathai Sub-district, Ratchathewi District, Bangkok
 Registered capital : Baht 6,250,000, divided into 62,500 ordinary shares at par value of Baht 100 per share
 Paid-up capital : Baht 6,250,000, divided into 62,500 ordinary shares at par value of Baht 100 per share

2. Business Overview

Groupwork Co., Ltd. was incorporated on August 18, 2016 with the initial registered capital of Baht 1,000,000 in order to engage in the property rental business for the use of space as office and/or co-working space on commercial area of BTS Skytrain network and/or other places. Presently, its main business is the management, operation, and lease of partial merchandising spaces located on 5 BTS Skytrain stations together with lease of partial area on other BTS Skytrain stations. In addition, GW has the agreement for the management of merchandising spaces located at 3 piers along Saen Saep Canal, namely Pratunam Pier, Ramkhamhaeng University Pier, and Asok Pier. This project is in the development phase under the "HIW HUB Project".

Current GW's services are as follows:

- (a) Management, operation, and lease of partial merchandising spaces on 5 BTS Skytrain main stations (Ratchathewi Station (N1), Sanam Pao Station (N4), Ari Station (N5), Ratchadamri Station (S1), and Phra Khanong Station (E8)) and other supplemental stations, as well as provision of designing, decoration, and construction services for tenants' leased spaces (stores);
- (b) Rental of commercial space in other areas such as Prannok Pier of Chao Phraya Express Boat, and 3 passenger terminals along the Saen Sab Canal Route, including Pratunam Pier, Ramkhamhaeng University Pier, and Asok Pier.
- (c) Sales and marketing promotion via electronic devices such as interactive vending machines, etc.

3. Board of Directors

As of December 1, 2021, GW's Board of Directors consists of 5 directors as follows:

	Name	Position
1.	Mr. Kant Sombatsiri	Director
2.	Mr. Phawin Singhalachat	Director
3.	Mr. Thanakorn Juangphanit	Director
4.	Mr. Chotchawal Leetrairong ^{1/}	Director
5.	Mr. Prin Pongpanich	Director

Source: GW's affidavit

Remark: 1/ VGI's representative director

Remark: Authorized directors are Mr. Kant Sombatsiri or Mr. Phawin Singhalachat or Mr. Chotchawal Leetrairong, 2 of 3 directors co-sign and affix the company's seal.

4. Shareholder Structure

Prior to the Transaction

As of December 28, 2021, GW had registered and paid-up capital of Baht 6,250,000, divided into 62,500 shares at par value of Baht 100 per share. Details of shareholders are as follows:

	Shareholder Name	Number of Shares	Shareholding (%)
1.	Sliver Reward Holdings Limited ^{1/}	30,625	49.0000
2.	Werk X Company Limited ^{2/}	19,375	30.9984
3.	VGI Public Company Limited	12,500	20.0016
	Total	62,500	100.0000

Source: GW's shareholder list (BorAorJor. 5) as of December 28, 2021

Remark:

1/ **Sliver Reward Holdings Limited**

It is a limited company incorporated under the law of Hong Kong Special Administrative Region of the People's Republic of China on November 5, 2021, having 2 individuals as its shareholders, namely Mr. Kant Sombatsiri and Mr. Thanakorn Juangphanit, with 91% and 9% shareholding respectively.

2/ **Werk X Co., Ltd.** is a limited company incorporated under the law of Thailand on December 24, 2021.

Registered and paid-up capital: Baht 1,000,000, divided into 10,000 ordinary shares at par value of Baht 100 per share

Major shareholders: Mr. Kant Sombatsiri (75.80%), Mr. Thanakorn Juangphanit (14.52%), and Mr. Phawin Singhalachat (9.68%)

Directors: Mr. Kant Sombatsiri and Mr. Phawin Singhalachat

After the entering into the Transaction, Nation International Edutainment Public Company Limited will hold all GW shares.

5. Financial Highlights

- Statement of financial position for the year ended December 31, 2019, 2020, and 2021 are as follows:

Statement of Financial Position (Unit: Baht thousand)	Dec. 31, 2019 Audited ^{1/}	Dec. 31, 2020 Audited ^{1/}	Dec. 31, 2021 Audited ^{2/}
Current assets			
Cash and cash equivalents	6,453.86	7,080.27	4,738.95
Trade and other receivables	7,791.01	14,613.80	15,860.86
Inventory	-	1,181.92	813.12
Other current assets	623.85	279.95	145.03
Total current assets	14,868.72	23,155.94	21,557.96
Non-current assets			
Equipment – net	165.07	569.43	467.10
Investment properties	6,938.46	9,749.75	7,935.60
Intangible assets	1,103.61	1,015.64	902.75
Other non-current assets	14.65	14.65	23.99
Total non-current assets	8,221.79	11,349.47	9,329.44
Total assets	23,090.52	34,505.41	30,887.40
Current liabilities			
Trade and other payables	6,875.63	15,448.49	8,268.48
Income tax payables	1,662.64	588.96	241.53
Other current liabilities	444.33	751.74	833.96
Total current liabilities	8,982.60	16,789.19	9,343.97
Total liabilities	8,982.60	16,789.19	9,343.97
Shareholders' equity			
Registered capital			
62,500 ordinary shares at par value of Baht 100 per share	6,250.00	6,250.00	6,250.00
Issued and paid-up capital			
62,500 ordinary shares at par value of Baht 100 per share	6,250.00	6,250.00	6,250.00
Retained earnings	7,857.92	11,466.22	15,293.43
Total shareholders' equity	14,107.92	17,716.22	21,543.43
Total liabilities and shareholders' equity	23,090.52	34,505.41	30,887.40

- Statement of comprehensive income for the year ended December 31, 2019, 2020 and 2021

Statement of Comprehensive Income (Unit: Baht thousand)	2019 Audited ^{1/}	2020 Audited ^{1/}	2021 Audited ^{2/}
Revenue from sales and services	17,227.78	17,779.57	16,552.58
Cost of services	(11,018.11)	(10,294.20)	(13,918.23)
Gross profit	6,209.67	7,485.37	2,634.35
Other revenue	4,615.70	2,813.08	6,289.67
Profit before operating expenses	10,825.37	10,298.45	8,924.02
Selling and administrative expenses	(2,629.18)	(5,090.83)	(4,106.42)
Profit before tax	8,196.19	5,207.62	4,817.60
Income tax expenses	(1,662.64)	(1,599.32)	(990.38)
Net profit	6,533.55	3,608.30	3,827.22

Remark:

- 1/ Financial statements for the year ended December 31, 2019 were audited by Jiaranai Co., Ltd., a certified public accountant who is not on the approved list of the SEC.
- 2/ Financial statements for the year ended December 31, 2020 and 2021 were audited by A&A Audit and Tax Advisory Co., Ltd., a certified public accountant who is not on the approved list of the SEC.

Management Discussion and Analysis of GW

Financial Status

As at the end of 2019 – 2021, GW had total assets of Baht 23.09 million, Baht 34.51 million, and Baht 30.89 million, respectively, equivalent to the increase of 49.44% and 10.49% from the prior year.

The increase in GW's assets in 2020 was mainly from (1) Baht 6.82 million increase in trade receivables, or equivalent to 87.57% increase, from the recording of rental fee receivable from Wuttisak Cosmetic Inter Co., Ltd. (GW has recorded such receivable at the amount of Baht 7.78 million as it has rented spaces on Ratchadamri Station since July 2019 but did not receive rental payment due the customer's financial problem), and (2) Baht 2.81 million increase in investment property due to the difference between renovation of leasable spaces and depreciation expense during the year.

The decrease in GW's assets in 2021 was from the decrease in cash and cash equivalent, trade receivable, other account receivables, and investment property, which is the normal course of business.

As at the end of 2019 – 2021, GW had total liabilities of Baht 8.98 million, Baht 16.79 million, and Baht 9.34 million, respectively, equivalent to 124.68% increase from 2019 and 46.48% decrease from 2020. The increase and decrease of GW's liabilities in 2019 and 2020 due mainly to the increase and decrease of trade payable which is the normal course of business of GW, while income tax payable decreased from the payment to the Revenue Department.

As at the end of 2019 – 2021, GW had shareholders' equity of Baht 14.11 million, Baht 17.72 million, and Baht 21.54 million, respectively, equivalent to 25.58% and 21.60% increase from the prior year. Such increase was the result of the increase in retained earnings from net profit in each year, whereas GW did not make any dividend payment.

Operating Performance

Revenue of GW came mainly from the merchandising space lease business on the partial spaces on 5 BTS Skytrain stations. GW generated first full year revenue in 2019 and realized net profit of Baht 6.53 million, Baht 3.61 million, and Baht 3.83 million in 2019 – 2021, respectively. In 2020 and 2021, GW was inevitably affected by COVID-19 pandemic, making it unable to drive its business at the full force.

6. Summary of Agreement

Lease agreement on 5 BTS Skytrain stations

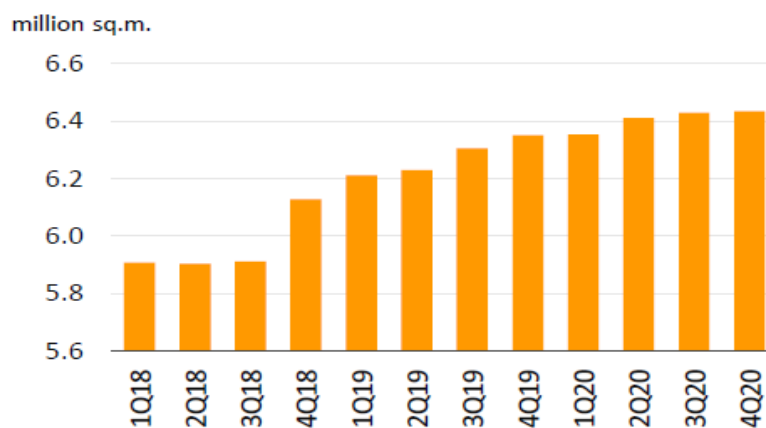
Lessee	Groupwork Co., Ltd. ("GW")
Lessor	VGI Public Company Limited ("VGI")
Agreement date	February 5, 2018
Leased period	11 years 9 months 28 days (February 5, 2018 – December 4, 2029)
Rental fee (lump sum payment)	One lump sum lease payment shall be made on the signing date with the agreement to pay utility expenses on monthly basis based on actual utilization at the rate set by VGI within 7 days from the notification date.
Key conditions	<ol style="list-style-type: none"> 1. VGI shall allow GW to build, renovate, and decorate the merchandising space to be ready for Werk Project, which is the rental area to be used as office and/or co-working space, and other services as agreed by both parties within the specified period. 2. At the maturity of the 3-year term from the date on which GW has the right to access the merchandising space, if GW did not do anything with the merchandising space at any of the BTS stations for more than 6 months, GW agrees to return such space to VGI to find the outsiders to lease the space and VGI agrees to share 20% of net revenue to GW. 3. Upon the maturity of the 3-year term from the date on which GW has the right to access the merchandising space, if GW cannot find a customer to lease the merchandising space at any station for more than 6 months (vacant space) and GW has service income from the project of not less than Baht 10,000,000, VGI may let GW manage such vacant space under the agreed conditions. 4. VGI gives GW an exclusive right to access the merchandising spaces to operate Werk Project during the license period and VGI shall not compete with and would not allow other parties to access the merchandising space to provide co-working space service or any other similar service to compete with Werk Project.
Termination of the agreement	<ol style="list-style-type: none"> 1. When a party default, the non-defaulting party has the right to terminate the agreement after complying with the conditions on notification of the termination, and the defaulting party does not take a remedy action within the agreed period. 2. Both parties agree in written to terminate the agreement. 3. When any party is under bankruptcy process or absolute receivership or the rehabilitation process, the agreement will be automatically terminated 1 day before the Court orders absolute receivership or the day under rehabilitation process (as the case may be) without any written notification to another party.
Assignment of the agreement	The parties do not have the authority or right to assign the agreement in whole or in part to the outsiders without written consent from another party.

Attachment 2

Industry Outlook for Retail Space in Bangkok and Vicinity

The greater part of Thailand's retail space³⁵ is located in Bangkok and vicinity (Bangkok Metropolitan Region (BMR)) and major regional centers.³⁶ Currently, the total supply of retail space in the BMR is at approximately 6 million sq.m. (please refer to Figure 1), the majority of which is in shopping malls. This category includes only retail space for which the operator receives rental income. Retail spaces³⁷ are sub-divided into enclosed malls, community malls, and supporting retail. Businesses operate primarily by developing the built infrastructure of a site and by providing amenities to renters and their main income then comes from the rental of such space.

Figure 1: Total Supply of Retail Spaces in BMR



Source: CBRE Research, Krungsri Research

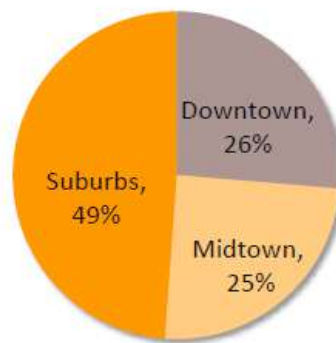
Almost 49% of the rental retail space in BMR is in the suburbs (please refer to Figure 2). In 2008 - 2020, many large shopping and community malls have been opened to serve the rapidly growing suburban residential developments. In addition, regulations of comprehensive plan have restricted the ability of developers to develop large shopping malls in central parts of Bangkok. As such, operators of existing retail spaces in downtown areas (such as Silom, Sathorn, Ratchadamri, and upper Sukhumvit) had to focus on the space renovation to be more modern and luxury to serve demand from high-income groups, especially foreign tourists, while malls in midtown areas have focused on mid-income groups.

³⁵ Retail space is defined as 3 types of shopping malls which are enclosed malls, community malls, and supporting retails.

³⁶ Major regional centers refers to important tourist destinations and centers of economic development in the regions of the country, excluding the 5 provinces surrounding Bangkok. Such major regional centers include Chiang Mai, Nakhon Sawan, Phitsanulok, Khon Kaen, Nakhon Ratchasima, Chonburi, Rayong, Phetchaburi, Prachuap Khiri Khan, Songkhla, Surat Thani, Krabi, Phang Nga, and Phuket.

³⁷ Retail Spaces can be divided into 3 categories as follows:

- Enclosed Mall: Large retail spaces comprising of retail shops of various operators. Majority of income is from the rent of spaces, either in fixed amount or as a percentage of revenue of the tenants. It includes retail spaces in shopping centers, wholesale centers, specialized retail centers, and outlet malls. Department store in the same building as shopping center is not considered as department store but shall be considered as a tenant of the enclosed mall.
- Community Mall: It is the same model as the rent of spaces of shopping mall with retail shops. In general, community mall is in smaller size than retail spaces of shopping mall and mostly is in the open space platform. Community mall focuses on serving customers in the nearby area and cover smaller number of customer base when compared with enclosed mall.
- Supporting Retail: It is the retail spaces in mixed-use project which aim to service customers of the project. Supporting retails are usually located in office buildings, residential buildings, and hotels. Retail spaces in the mixed-use project shall not exceed 50% of net leasable spaces in the same project.

Figure 2: Total Supply of Retail Spaces in BMR by location in 2020

Source: CBRE Research, Krungsri Research

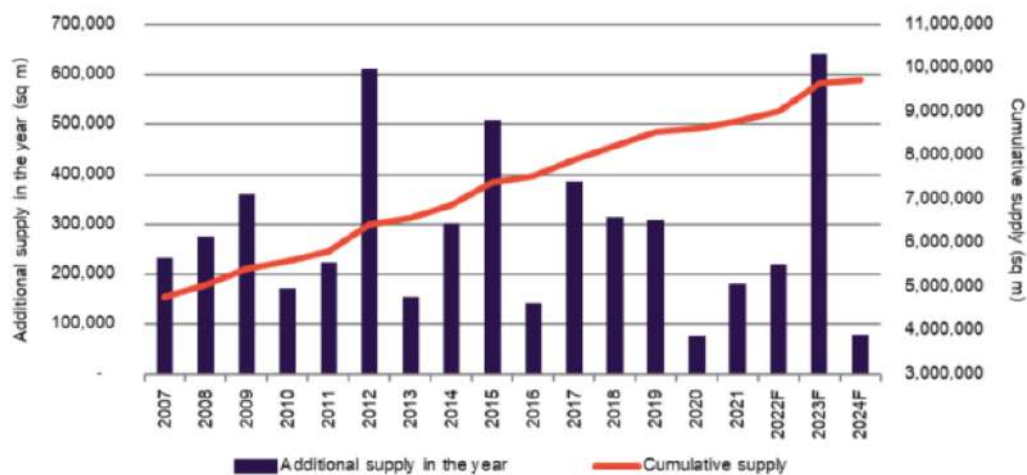
Typically, lease agreement will cover 2 types of charges: rental fee (40% of the total lease fee) and service fee (60% of lease fee). Types of lease agreement are as follows:

1. Lease agreement will specify the rental fee in terms of an amount per square meter per month which will normally be paid one month in advance. Rent shall be considered as revenue of the operator who is the owner of the spaces. Rental rates will vary according to the size of the space and its location. Normally, rents will be reviewed every 3 years and on average, they will rise by approximately 10%.
2. Service Agreement will specify any and all fees beyond merely the provision of rental space. This might include insurance premiums, charges for utilities (electricity, water, telephone, gas, etc.), management fees, maintenance expenses, VAT, etc. These service charges will vary depending on use. Criteria on adjustment of service charge will largely be determined by the level of change in the costs of utilities in each period.

Closing for renovations of some areas within the retail project, including the refurbishment of areas within the retail centers is seen continuously, especially in large shopping centers in the city center, whose some of the customers are foreign tourists who disappeared due to the COVID-19 pandemic. Such closing of the areas is the result of the lease agreement termination since the tenants face financial problem regardless of 30% - 60% of rental fee deduction. Though it is not returning to pre-COVID-19 level, the situation of various retail space projects in Q4/2021 has been in a positive direction throughout the third quarter, continuing until mid-December 2021, however, a number of tenants or shops are unable to bear the costs during the period of declining income since 2020. Many tenants have gradually closed the shop or requested to return the leased space while some brand-name tenants or tenants with a large number of branches continue to expand. *(Source: Retail spaces in Bangkok and surrounding area in Q4/2021 by Phoenix Property Development and Consultancy Co., Ltd.)*

Supply

There were 41,420 sq.m. of new retail spaces in Bangkok and surrounding areas in Q4/2021. As such, only 94,700 sq.m. of new retail space were available in 2021, which is considered relatively low when compared with the past few years. The opening of new retail spaces does not mean that developers are confident in the economy and purchasing power of the Thai people since most of the projects are community malls in the suburban Bangkok area which aim to serve customer groups who are people in the surrounding area of the project, not city center officers or foreign tourists.

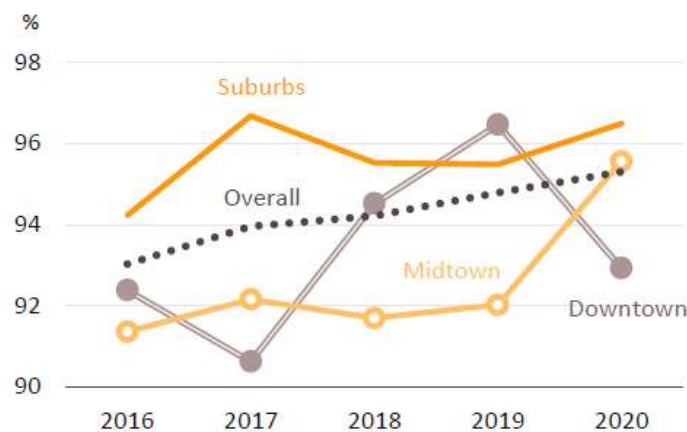
Figure 3: Overview of Retail Market in Bangkok and Vicinity in Q4/2021

Source: Phoenix Property Development and Consultancy

Source: Phoenix Property Development and Consultancy Co., Ltd.

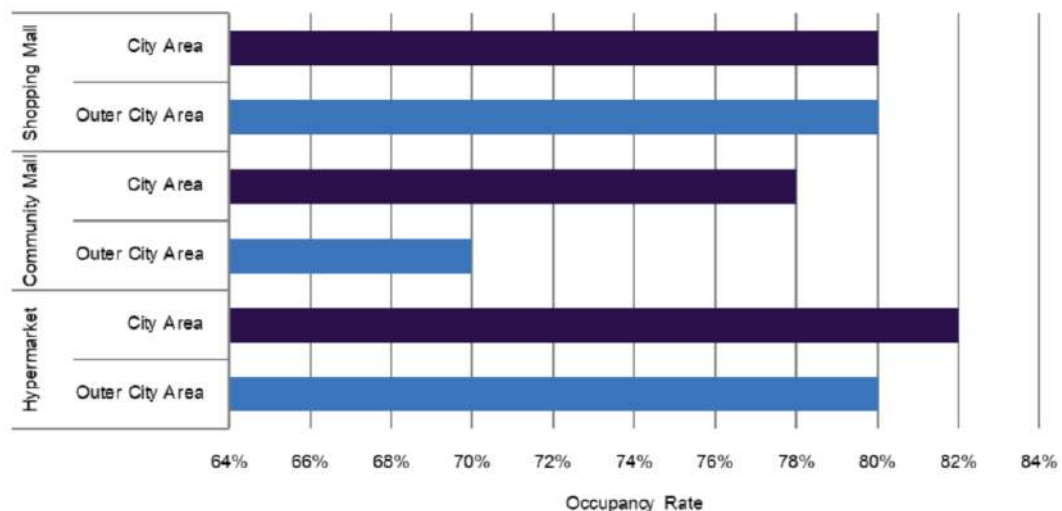
Demand

Average occupancy rate in Bangkok and vicinity in 2017 - 2019 was approximately 90% and decreased in 2020 especially in downtown area. (Please refer to Figure 4)

Figure 4: Average Occupancy Rate Based on Location

Source: CBRE Research, Krungsri Research

From data of Phoenix Property Development and Consultancy Co., Ltd. regarding the average occupancy rate of retail projects by categories in Q4/2021, the average occupancy rate of shopping mall in inner city area was approximately 80% and the average occupancy rate of community mall in inner city area was approximately 78%.

Figure 5: Average Occupancy Rate of All Retail Spaces in Bangkok and Vicinity in Q4/2021

Source: Phoenix Property Development and Consultancy Co., Ltd.

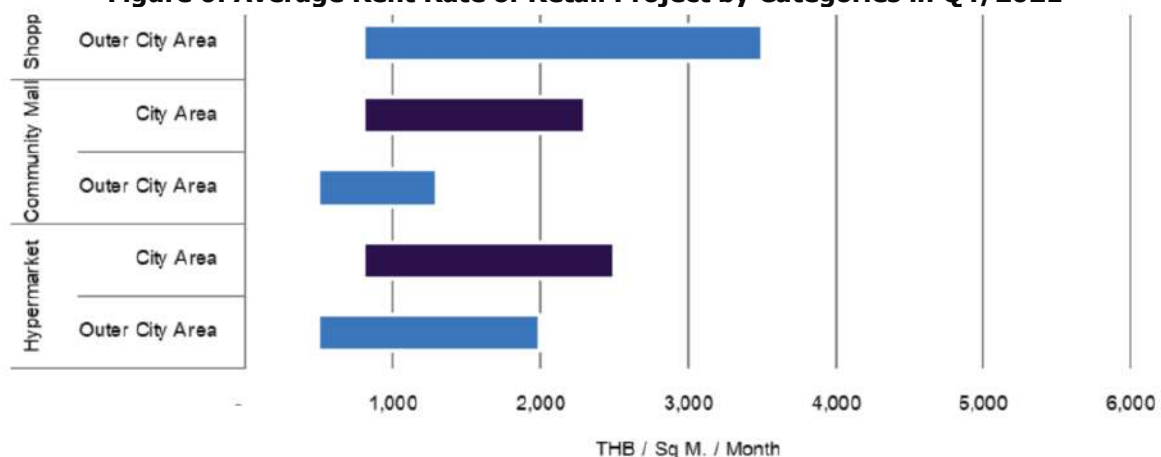
Some retail projects, especially small projects or projects with limited rental space such as community malls and hypermarkets, have more vacant spaces as many tenants have already terminated the lease, leading to the decreasing of overall average occupancy rate in some areas. Although the overall average occupancy rate of various category of retail projects are still at a relatively high rate, the occupancy rate dropped by approximately 5% - 10% from the previous year, depending on location and retail format.

(Source: Retail spaces in Bangkok and surrounding area in Q4/2021 by Phoenix Property Development and Consultancy Co., Ltd.)

Rent Rate

The average rent rate of retail spaces varies on type of retail projects and location of the project. Community malls in the suburban Bangkok area or in the vicinity cannot charge high rent rates compared to projects located in the city area. Many project owners try to maintain same rent rates as those in the past. There may be some reductions in rent, but it is only a temporary reduction over a period of time.

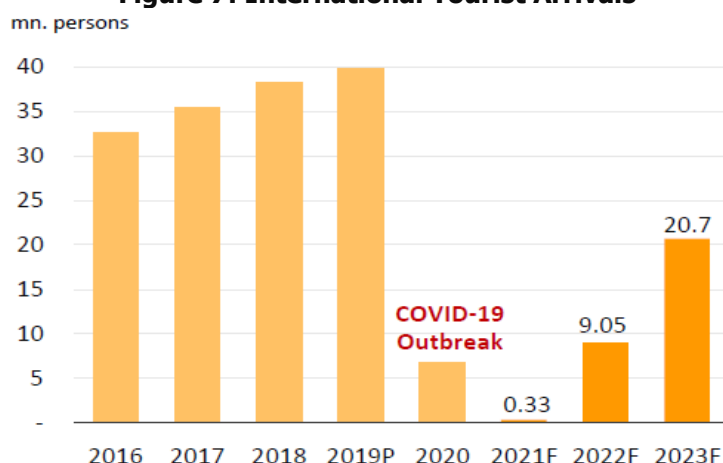
(Source: Retail spaces in Bangkok and surrounding area in Q4/2021 by Phoenix Property Development and Consultancy Co., Ltd.)

Figure 6: Average Rent Rate of Retail Project by Categories in Q4/2021

Source: Phoenix Property Development and Consultancy Co., Ltd.

Industry Outlook in 2022 - 2023

Figure 7: International Tourist Arrivals



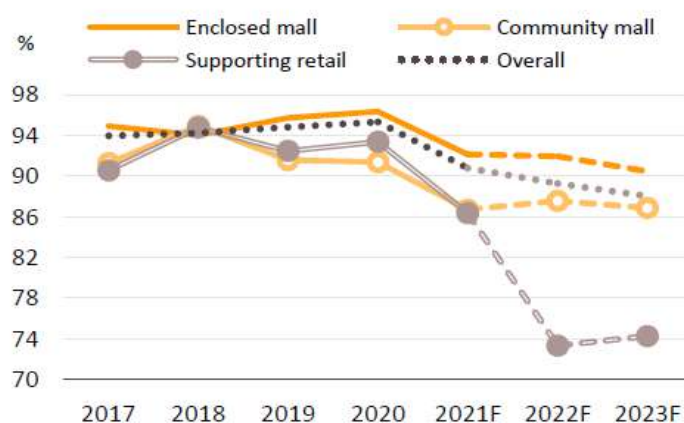
Sources: MOTS, Krungsri Research's forecast

The market for retail property tends to improve due to (1) domestic consumption which is expected to grow in accordance with economic growth of 3.0-4.0% p.a., which will be a strong driving force of recovery in retail sales; (2) progress on the construction of government's infrastructure projects, which will help to stimulate investment in relevant businesses including retail business; and (3) the rebound in foreign visitors after the lift of international travelling restriction. It is expected that there will be 9.05 million foreign tourists in 2022 and 20.7 million foreign tourists in 2023 (please refer to Figure 7), which will be an important factor sustaining greater spending and recovery in the retail property market.

Demand for retail spaces is expected to contract by 2.2% in 2021 before returning to grow at 2.3% - 4.0% p.a. in 2022 and 2023. At the same time, the developers are moving ahead with plans to steadily release new properties to the market over the next 3 years that will have a total footprint of over 1 million sq.m. (including, Central Village (Phase 2), Terminal 21 Rama 3,, Smile Square, and The Emsphere). Around 460,000 sq.m. of this new supply will be completed in 2022, of which 80% will be in the form of supporting retail. Given this substantial increase in supply, average occupancy rates are expected to slip to 88% - 91% (please refer to Figure 8). Average rent rate is expected to decline due to the impact of COVID-19 pandemic which lead to the termination of lease agreement or the negotiation of rent rate reduction.

(Source: Thailand industry outlook 2021 - 2023, Retail space in BMR (June 2021), prepared by Krungsri Research, Bank of Ayudhya PCL.)

Figure 8: Estimated Occupancy Rate by Categories



Source: CBRE Research, forecast by Krungsri Research

Attachment 3

Information of View (POV) Media Group Company Limited

1. General Information

Company name : Point of View (POV) Media Group Co., Ltd. ("POV")
 Main business : Provision of advertising media service in office buildings
 Head Office : 21 TST Tower, 9th floor, Vibhavadi Rangsit Road, Chom Phon Sub-district, Chatuchak District, Bangkok 10900
 Registered capital : Baht 10,000,000, divided into 1,000,000 ordinary shares at par value of Baht 10 per share
 Paid-up capital : Baht 10,000,000, divided into 1,000,000 ordinary shares at par value of Baht 10 per share

2. Business Overview

VGI acquired all shares of POV in October 2009. POV was an advertising media service provider in elevators of large office buildings in Bangkok.

Presently, VGI owns all digital media/screen and operates all advertising media service in office buildings. As of March 31, 2021, VGI had a network of 191 office buildings under management, comprising of 1,476 digital media under the broadcast control from head office of VGI. (Source: Annual Report 2019/2020 (June 14, 2021) of VGI)

As a consequence, POV has currently no revenue and expenses related to advertising media service.

3. Board of Directors

As of March 21, 2022, POV's Board of Directors consists of 3 directors as follows:

Name	Position
1. Mr. Kavin Kanjanapas	Director
2. Mr. Marut Arthakaivalvatee	Director
3. Mr. Chan Kin Tak	Director

Source: <https://corpusxweb.bol.co.th/corpus/home>

Remark: Authorized directors are 2 directors co-sign and affix the company's seal.

4. Shareholder Structure

As of March 21, 2022, POV had registered and paid-up capital of Baht 10,000,000, divided into 1,000,000 shares at par value of Baht 10 per share. Details of shareholders are as follows:

Shareholder Name	Number of Shares	Shareholding (%)
1. VGI Public Company Limited	999,998	99.9998
2. Mr. Marut Arthakaivalvatee	1	0.0001
3. Mr. Chan Kin Tak	1	0.0001
Total	1,000,000	100.0000

Source: <https://corpusxweb.bol.co.th/corpus/home>

5. Financial Highlights

- Statement of financial position for the year ended March 31, 2019, 2020, and 2021 are as follows:

Statement of Financial Position (Unit: Baht thousand)	Mar. 31, 2019 Audited	Mar. 31, 2020 Audited	Mar. 31, 2021 Audited
Current assets			
Cash and cash equivalents	14,996.45	14,959.65	14,825.77
Other current assets	49.40	49.44	50.27
Total current assets	15,045.85	15,009.09	14,876.04
Non-current assets			
Intangible assets	0.01	0.01	0.01
Other non-current assets	24.09	3.63	3.63
Total non-current assets	24.11	3.64	3.64
Total assets	15,069.96	15,012.72	14,879.68
Current liabilities			
Trade and other payables	140.00	140.00	120.60
Total current liabilities	140.00	140.00	120.60
Total liabilities	140.00	140.00	120.60
Shareholders' equity			
Registered capital			

Statement of Financial Position (Unit: Baht thousand)	Mar. 31, 2019 Audited	Mar. 31, 2020 Audited	Mar. 31, 2021 Audited
1,000,000 ordinary shares at par value of Baht 10 per share	10,000.00	10,000.00	10,000.00
Issued and paid-up capital			
1,000,000 ordinary shares at par value of Baht 10 per share	10,000.00	10,000.00	10,000.00
Retained earnings	4,929.96	4,872.72	4,759.08
Total shareholders' equity	14,929.95	14,872.72	14,759.08
Total liabilities and shareholders' equity	15,069.96	15,012.72	14,879.68

- Statement of comprehensive income for the year ended December 31, 2019, 2020 and 2021

Statement of Comprehensive Income (Unit: Baht thousand)	2019 Audited^{1/}	2020 Audited^{1/}	2021 Audited^{1/}
Total revenues	158.96	161.34	83.41
Total expenses	196.92	217.59	197.05
(Loss) before interest and income tax expenses	(37.96)	(56.25)	(113.64)
Interest expenses	(0.94)	(0.99)	-
Income tax expenses	-	-	-
Net (loss)	(38.90)	(57.24)	(113.64)

Source: <https://corpusxweb.bol.co.th/corpus/home>

Remark: Financial statements for the year ended March 31, 2019, 2020, and 2021 were audited by Mr. Pornanan Kijanawanchai, CPA No. 7792 of EY Office Co., Ltd., a certified public accountant who is on the approved list of the SEC. Mr. Pornanan Kijanawanchai is also an auditor for VGI's financial statements for the fiscal year 2020/2021 ended March 31, 2021 and fiscal year 2021/2022 ended March 31, 2022.

Management Discussion and Analysis of POV

Financial Status

As of March 31, 2019 – 2021, POV had total assets of Baht 15.07 million, Baht 15.01 million, and Baht 14.88 million respectively, which continuously decreased by 0.38% and 0.89% from March 31, 2019 and 2020 accordingly. Most of the assets were cash and cash equivalents, representing 99.51%, 99.65%, and 99.64% of total assets as of March 31, 2019 - 2021 respectively.

Trade and other payables, the only liability item, were at Baht 0.14 million, Baht 0.14 million, and Baht 0.12 million, or 0.93%, 0.93%, and 0.81% of total liabilities and shareholders' equity as of March 31, 2019 – 2021 respectively.

As of March 31, 2019 – 2021, POV had total shareholders' equity of Baht 14.93 million, Baht 14.87 million, and Baht 14.76 million respectively. The decrease in shareholders' equity was mainly due to the continuous decrease in retained earnings resulted from operating loss in the past 3 years.

Operating Performance

Total POV's revenue was from interest income of Baht 0.16 million, Baht 0.16 million, and Baht 0.08 million in the fiscal year of 2019 - 2021 (the fiscal year ended March 31), respectively. Since POV's total expenses which mostly are auditing fee were higher than total revenues, it incurred net loss of Baht (0.04) million, Baht (0.06) million, and Baht (0.11) million in the fiscal year of 2019 - 2021 (the fiscal year ended March 31) respectively.