

No. SAC 003 /2565

1 August 2022

Subject: Opinion of Independent Financial Advisor on Private placement Transaction and Financial Support for Associate Company Transaction of Beyond Securities Public Company Limited (“BYD”)

Attention Shareholders
Beyond Securities Public Company Limited

Enclosure: 1) Information and overview of the business and performance of Beyond Securities Public Company Limited (“BYD”)
2) Information and overview of the business and performance of EA Mobility Holding Company Limited (“EMH”)

Reference:

- 1) Invitation Letter for Extraordinary General Shareholders’ Meeting No. 1/2022 and the Enclosures.
- 2) Letter through Stock Exchange of Thailand’s website of Beyond Securities Public Company Limited Subject: Clarifications on a disclaimer of auditor’s opinion on Financial Statement of 2021 and the Company’s Operating Results for the year ended 31 December 2021.
- 3) Letter through Stock Exchange of Thailand’s website of Beyond Securities Public Company Limited Subject: The notification of the resolution of the Board of Directors Meeting No.3/2022 regarding capital increase, the schedule of the 2022 Annual General Meeting of Shareholder and omission dividend payment.
 - a) Capital Increase Report From (F53-4)
 - b) Information Memorandum on the Offering of the Newly Issued Ordinary Shares to the Existing Shareholders (Right Offering).
- 4) Letter through Stock Exchange of Thailand’s website of Beyond Securities Public Company Limited Subject: Notify the progress of Thai Smile Bus Co., Ltd. In receiving the results for fixed route transport license Issue dated 1 April 2022.

- 5) Letter through Stock Exchange of Thailand’s website of Beyond Securities Public Company Limited Subject: Notification of extension for sending a special audit report of an independent expert Issue dated 1 April 2022.
- 6) Letter through Stock Exchange of Thailand’s website of Beyond Securities Public Company Limited Subject: Clarification to the SET inquiry concerning internal control system and special auditing Issue dated 19 April 2022.
- 7) Letter through Stock Exchange of Thailand’s website of Beyond Securities Public Company Limited Subject: Notification of extension for sending a special audit report of an independent expert (No. 2) Issue dated 29 April 2022.
- 8) Letter through Stock Exchange of Thailand’s website of Beyond Securities Public Company Limited Subject: Audit Committee’s opinion on special audit report Issue dated 17 May 2022.
- 9) Letter through Stock Exchange of Thailand’s website of Beyond Securities Public Company Limited Subject: The notification of the resolution of BOD Meeting No.5/2022 regarding the allocation of newly issued ordinary shares to specific investors (Private Placement), the schedule of the EGM No. 1/2022 and appoint the Chairman of Executive Committee Issue dated 23 May 2022.
 - a) Capital Increase Report From (F53-4) (with additional of the names of the specific investor).
 - b) Information Memorandum on the Offering of the Newly Issued Ordinary Shares to Specific Investors (Private Placement).
- 10) Letter through Stock Exchange of Thailand’s website of Beyond Securities Public Company Limited Subject: Notification of resolutions BOD 6/2022 regarding addition name of the specific investors, the acquisition of preferred shares in ACE Incorporation lending money to Thai Smile Bus which is an associate company and amendment to agenda of EGM1/2022 Issue dated 30 June 2022.
 - a) Capital Increase Report From (with additional of the names of the specific investor).
 - b) Information Memorandum on the Offering of the Newly Issued Ordinary Shares to Specific Investors (with additional of the names of the specific investor).
 - c) Information Memorandum on the Acquisition of Assets, Schedule (1) of the Company.

- d) Information Memorandum on the Company on the Provision of Financial Assistance.
- 11) Letter through Stock Exchange of Thailand’s website of Energy Absolute Public Company Limited Subject: Report the establishment of new subsidiary Issue dated 7 March 2022.
- 12) Letter through Stock Exchange of Thailand’s website of Energy Absolute Public Company Limited Subject: Notification of new subsidiaries from share acquisition Issue dated 18 March 2022.
- 13) Letter through Stock Exchange of Thailand’s website of Energy Absolute Public Company Limited Subject: Notification of Resolutions of the BOD's Meeting re the investment of subsidiaries in Beyond Securities PCL by the acquisition of newly issued ordinary shares to specific investor (Private Placement) and the disposition of investment in subsidiaries Issue dated 30 June 2022.
 - a) Information Memorandum on the Acquisition and Disposition of Investment in subsidiaries resulting in the subsidiaries ceasing to be the Company’s subsidiaries
- 14) Letter through Stock Exchange of Thailand’s website of Energy Absolute Public Company Limited Subject: Notification of Resolutions of BOD Meeting re investment of subsidiaries in BYD by acquisition new ordinary shares to specific investors & disposition of investment in subsidiaries (revised on shareholding structure before & after transaction on page8) Issue dated 8 July 2022
- 15) Annual Report of Beyond Securities Public Company Limited as of 31 December 2021
- 16) Annual Report of Energy Absolute Public Company Limited as of 31 December 2021
- 17) Loan agreement between ACE Incorporation Company Limited (“ACE”) and Beyond Securities Public Company Limited was previously AEC Securities Public Company Limited (“AEC”) as of 31 July 2020
- 18) Memorandum of Agreement extending the payment period between ACE Incorporation Company Limited (“ACE”) and Beyond Securities Public Company Limited was previously AEC Securities Public Company Limited (“AEC”) as of 4 January 2022
- 19) Sales and Purchase Agreement between Eve Now Co., Ltd. (Seller) and Thai Smile Bus Co., Ltd. (Buyer) Issue dated 23 September 2020
- 20) Amendment Agreement between Eve Now Company Limited and Thai Smile Bus Company Limited Issue dated 6 August 2021 No. 1

- 21) Amendment Agreement between Thai Smile Bus Company Limited (transferor) and between ACE Incorporation Company Limited (transferee) and Eve Now Company Limited (seller) Issue dated 31 August 2021 No. 2 (transfer of claim)
- 22) Amendment Agreement between ACE Incorporation Company Limited (Buyer) and Eve Now Company Limited (Seller) Issue dated 18 November 2021 No. 3
- 23) Passenger bus hire purchase agreement between ACE Incorporation Company Limited ("ACE") and BB Rich Thailand Company Limited ("BBR") and vehicle registration Issue dated 25 November 2021 and 1 September 2021
- 24) Passenger bus hire purchase agreement between ACE Incorporation Company Limited ("ACE") and Sawakechat Company Limited ("SC") and vehicle registration Issue dated 25 November 2021 and 1 October 2021
- 25) Passenger bus hire purchase agreement between ACE Incorporation Company Limited ("ACE") and T. Manit Transportation Company Limited ("TMN") and vehicle registration Issue dated 25 November 2021 and 1 October 2021
- 26) Passenger bus hire purchase agreement between Ace Incorporation Company Limited ("ACE") and Ampairungroj Company Limited ("ARR") and vehicle registration Issue dated 25 November 2021 and 1 October 2021
- 27) Passenger bus hire purchase agreement between Ace Incorporation Company Limited ("ACE") and Leekpai Transport Company Limited ("LKS") and vehicle registration dated Issue 25 November 2021 and 5 October 2021
- 28) Passenger bus hire purchase agreement between ACE Incorporation Company Limited ("ACE") and Chareonbus Company Limited ("CB") and vehicle registration Issue dated 25 November 2021 and 1 October 2021
- 29) Passenger bus hire purchase agreement between ACE Incorporation Company Limited ("ACE") and Chaiyakorn Transportation Company Limited ("CK") and vehicle registration Issue dated 25 November 2021 and 1 October 2021
- 30) Passenger bus hire purchase agreement between ACE Incorporation Company Limited ("ACE") and Santimitr Transportation Company Limited ("STM") and vehicle registration Issue dated 25 November 2021 and 1 October 2021
- 31) Appraisal E-Bus of Beyond Securities Public Company Limited prepared by KTAC Appraisal Company Limited as of 31 January 2022
- 32) Minutes of the Board of Directors' meeting from 2020 – 2022 related to the transaction

- 33) Unaudited financial statements but reviewed by the Certified Public Accountant of Beyond Securities Public Company Limited by EY Office Company Limited for 3 month period ended 31 March 2022.
- 34) Audited financial statements by Certified Public Accountant of Beyond Securities Public Company Limited by EY Office Company Limited for 12month period ended 31 December 2019 – 31 December 2021.
- 35) Reviewed financial statements of Thai Smile Bus Company Limited (“TSB”) by BPR Audit and Advisory Company Limited for 3 month period ended 31 March 2022.
- 36) Financial statements audited by Certified Public Accountant of Thai Smile Bus Company Limited (“TSB”) by DIA International Audit Company Limited for the 12 month period ended 31 December 2021.
- 37) Audited financial statements by Certified Public Accountant of Thai Smile Bus Company Limited (“TSB”) by Mr. Piti Chatchawanchokchai for the period of 9 June 2020 to 31 December 2020.
- 38) Company Affidavit, Memorandum of Association, and other documents of Beyond Securities Public Company Limited, as well as interview with the management
- 39) Company Affidavit, Memorandum of Association, and other documents of Energy Absolute Public Company Limited, as well as interview with the management
- 40) Company Affidavit, Memorandum of Association, and other documents of ACE Incorporation Company Limited, as well as interview with the management
- 41) Company Affidavit, Memorandum of Association, and other documents of B.B. RICH (THAILAND) (“BBR”) Company Limited, as well as interview with the management
- 42) Company Affidavit, Memorandum of Association, and other documents of Sawakechat (“SC”) Company Limited, as well as interview with the management
- 43) Company Affidavit, Memorandum of Association, and other documents of T. Manit (“TMN”) Transportation Company Limited, as well as interview with the management
- 44) Company Affidavit, Memorandum of Association, and other documents of Ampairungroj (“ARR”) Company Limited, as well as interview with the management
- 45) Company Affidavit, Memorandum of Association, and other documents of Leekpai Transport (“LKS”) Company Limited, as well as interview with the management
- 46) Company Affidavit, Memorandum of Association, and other documents of Chareonbus (“CB”) Company Limited, as well as interview with the management

- 47) Company Affidavit, Memorandum of Association, and other documents of Chaiyakorn Transportation ("CK") Company Limited, as well as interview with the management
- 48) Company Affidavit, Memorandum of Association, and other documents of Santimitr Transportation ("STM") Company Limited, as well as interview with the management
- 49) Memorandum of Agreement extending the payment period No. 1 between ACE Incorporation Company Limited and Beyond Securities Public Company Limited Issue dated 4 January 2022.

Disclaimers: The study results of Siam Alpha Capital Company Limited (“Independent Financial Advisor” or “SIAM ALPHA CAPITAL”) in this report were based on the information and assumptions provided by the management of the Company as well as the information disclosed to the public on the website of the Securities and Exchange Commission (www.sec.or.th) and the Stock Exchange of Thailand (www.set.or.th). The Independent Financial Advisor shall not be responsible for profits or losses, and any impacts resulting from this transaction. The Independent Financial Advisor conducted the study with the use of knowledge, competence, and due care based strictly on professional practices. The Independent Financial Advisor considers and provides its opinion based on the situation and information currently available at the present time. If such situation and information have materially changed, the study results in this report may be affected. Moreover, the opinion of the Independent Financial Advisor present to shareholders of Eternal Energy Public Company Limited does not include the result of this transaction.

The Meeting of the Board of Directors of Beyond Securities Public Company Limited (the “Company”) No.6/2022 held on 30 June 2022 has resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2022 to consider and approve the following items:

1. Determination of the specific investors for the newly issued ordinary shares of the Company not exceeding 1,313.00 million shares, with a par value of 5.00 baht per share or equivalent to 31.32 percent of the paid-up capital of the Company after the increase of paid-up capital (“Private Placement Transaction”)

As the Board of Directors Meeting No.5/2022 held on 23 May 2022 resolved propose to the Extraordinary General Meeting of Shareholders No. 1/2022 to allocated not exceeding 1,313.00 million shares newly issued ordinary shares of the Company, with the par value of 5 Baht per share, or equivalent to 31.32 percent of the paid-up capital of the Company after increase of the paid-up capital, to the interested investors who can support current businesses and future projects of the Company, ACE Incorporation Company Limited (“ACE”) (the associate company in which the company holds 449 percent of shares) and Thai Smile Bus Company Limited (“TSB”) (in which ACE holds 100 percent of shares), whereby those interested invertors will become business partners and play a major role in supporting the operation of the Company and TSB to achieve the goals according to the workplan. In this regard, each interested investor is not related to one another. The number of shares offered to each investor will not result in the shareholding of any investor equal to or more than 25 percent of the paid-up capital of the Company after the increase of the paid-up capital. The Company may allocate the shares at one or multiple occasions and the price of the newly issued ordinary shares is determined at 7.062 Baht per shares, or equivalent to net exceeding 9,272.41 million Baht in total. Currently, the Company is able to determine the list of the interested investors for the newly issued ordinary shares of the Company as follows:

Name of the Specific Investor	Number of shares to be subscribed	Percent of this allotment
1. EA Mobility Holding Co., Ltd. (“EMH”)	990,800,000	75.46
2. Mr.Parin Lojanagosin	70,770,000	5.39
3. Mr.Luchai Phukhan-Anan	251,430,000	19.15
Total	1,313,000,000	100.00

The specific investors are not the connected persons and the offering of the newly issued ordinary shares of the Company is not considered a connected transaction of the Company pursuant to the Notification of the Capital Market Supervisory Board No. Torchor.21/2551 (2008) Re: Rules on Connected Transactions (as

amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E.2546 (2003) (as amended) (“Notifications on Connected Transactions”) because all 3 specific investors will not be appointed as nor will nominate representatives of the three Specific investors to become directors or executives or persons with controlling power over the business, and all three Specific are not individuals under Section 258 of the Securities and Exchange Act B.E.2535 (1992) (as amended), nor individuals whose relationships or behaviours are considered as acting in concert with other party resulting in the number of shares must be combined for calculation.

The offering of newly issued ordinary shares of the Company is the offering of newly issued ordinary shares at the price of 7.062 Baht per share, which is the offering of the newly issued ordinary shares at the price with a discount not exceeding 10 percent of the market price pursuant to the Notification of the Capital Market Supervisory Board Tor.Jor. 72/2558 re: Approval for a Listed Company to Offer newly issued ordinary shares to Specific Investor (Private Placement) (as amend) (“Notification Tor Jor.72/2558”). Therefore, besides the approval from the meeting of the shareholders of the Company will the votes of not less than three-fourths of the total votes of the shareholders who attend the meeting and have the right to vote that the Company is required to obtain the approval for the offering of the newly issued ordinary shares to the specific investors (Private Placement) from the office of the Securities and Exchange Commission (the “SEC”) as specified in Notification Tor Jor. 72/2558.

2. Consider and approve the purchase of additional preferred shares in ACE from Ms.Kulpornpath Wongmajarapinya (the “Seller”) in total of 0.357 million shares, or equivalent to 0.3901 percent of the registered paid up capital of ACE. The Company will purchase total number of 0.357 million shares, preferred shares in ACE from the Seller, or equivalent to 0.3901 percent of the registered capital of ACE at the purchase price of 1,960.78 Baht per share, totaling 700.00 million Baht (the “Purchase of Preferred Shares in ACE”). As ACE owns 100 percent of TSB, it is undergoing significant investment expansion.

The Purchase of Preferred Shares in ACE is considered an acquisition transaction of the Company pursuant to the Notification of the Capital Market Supervisory Board No. TorChor.20/2551 (2008) Re: Rule on Entering into Material Transactions Deemed as Acquisition or Disposal of Asset (as amended) and the Notification of the Board of Governors of the Stock Exchange of the Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposal of Asset B.E.2547 (2004) (as amended) (“Notification on Acquisition or Disposal of Assets”). The transaction size calculated is equal to 45.07 percent based on the total value of consideration criterion, which is the criterion used for the calculation and result in the highest

transaction value from the consolidated financial statements of the Company ended as of 31 March 2022 reviewed by the certified public accountants of the Company.

Therefore, the Company is required to comply with the Notification on Acquisition or Disposal of Assets including having the obligations to perform the following:

1) Disclosing information memorandum relating to the transaction to the SET pursuant to schedule (1) of the Notification on Acquisition or Disposal Assets.

2) Delivering a notification to the Shareholders of the Company within 21 days from the date of date of providing such Information Memorandum regarding the transaction to the SET. Such notification to the Shareholders shall have item pursuant to schedule (2) 1, 2, 3, 5 (3), 7 and 8 of the Notifications on Acquisition or Disposal of Assets.

However, as the Purchase of Preferred Shares in ACE is an investment in a significant amount, for the transparency purpose, the Company will propose such transaction to the meeting of the shareholders for their further consideration and approval. Therefore, the Company will deliver the information memorandum with items pursuant to schedule (2) 1, 2, 3, 5 (3), 7 and 8 of the Notifications on Acquisition or Disposal of Assets together with the notice to the Extraordinary General Meeting of Shareholders No. 1/2022 pursuant to the timeline for delivering the notice to the meeting of the shareholders instead.

3. Consider and approve the provision of financial assistance to TSB in the amount of 8,550.00 million Baht, for which 45.70 million shares and 0.36 million shares of ACE ที่ Ms.Kulpornpath Wongmajarapinya all held as collateral (“Associated Company Financial Assistance Transaction”)

Such Transaction of Lending Money is the case where the Company lends money solely to TSB, whereby other shareholders of ACE do not lend money to TSB in proportional to their shareholders. Therefore, such transaction is not the transaction of acquisition of assets pursuant to the Notification of the Capital Market Supervisory Board No. Torchor. 20/2551 (2008) Re: Rate on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated 31 August 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of information and other Acts of listed Companies Concerning the Acquisition or Disposal of Asset B.E.2547 (2004) (as amended) (“Notifications on Acquisition or Disposal of Assets”).

In addition, from consultation with the legal advisor of the Company (the “Legal Advisor”), the legal Advisor has an opinion that TSB is not a connected person of the Company since TSB does not have the major shareholder or controlling person as the major shareholder., executive, controlling person or the person who

will be nominated to be an executive or controlling person of the Company or any person related to such person. Accordingly, when the Company does not enter into the transaction with the connected person, therefore, when the Company does not enter into a transaction with a connected person, such transaction is not a connected transaction pursuant to the Notification of the Capital Market Supervisory Board No. TorChor.21/2551 (2008) Re: Rules of Thailand Re: Disclosure of information and other Acts of listed Companies Concerning the Connected Transactions B.E.2546 (2003) (as amended) (“Notification” on Connected Transactions”).

However, as such transaction is the loan in the signification amount. The Company, for the transparency purpose, this purpose such transaction, together with the report on the opinion of the independent financial advisor to the meeting of the shareholders for their further consideration and approval. The Board of Directors agreed that the following actions should be taken

- 1) Disclosing the information memorandum to the transaction to the SET
- 2) Appolating an Independent financial advisor to perform any relevant duties, whereby the report on the opinion of the Independent financial advisor shall be delivered to the shareholders for their consideration at the same time as the invitation to the shareholders’ meeting
- 3) Propose the agenda to the meeting of the shareholders to obtain the approval for entering into the transaction which shall be approved with the vote of not less than three-fourths of the total votes of the shareholders attending the meeting and entitled to vote, excluding the votes of shareholders having vested interest.

Due to the plan to use the proceeds from the issuance of newly issued ordinary shares to a specific investor (Private Placement) and the transaction of providing financial assistance to an associated company, which is TSD, TSB will use the proceeds from the loan. for use in investment and expansion of public transport services as follows:

- 1) Purchase of Preferred Shares in ACE with a total value of 700.00 million Baht
- 2) Acquired E Transport Holding Company Limited (“ETH”) from EMH, in which EMH holds 99.99 percent of ETH and EMH is a subsidiary of the Company. Energy Absolute Public Company Limited (“EA”) holds 99.99 percent of shares, the amount does not exceed 6,000.00 million Baht.
- 3) Purchase all ordinary shares of EXA and RJR worth not more than 200.00 million Baht.
- 4) Procure E Bus to provide services according to the license granted (“E Bus Purchase Transaction”) in the amount not exceeding 2,000.00 million Baht; and

- 5) Build a parking garage Office and maintenance work as well as investing in a Single Network system, a car-boat, and a working capital worth not more than 350.00 million Baht.

However, TSB's investment and expansion of public transportation services is significant. The Company therefore presents the said transaction together with the independent financial advisor's opinion to the shareholders' meeting for further consideration and approval. the company to comply with the charge or between the company and the relevant authorities The Independent financial advisor therefore has to comment on the reasonableness of the PP share issuance and financial assistance to TSB with the main objectives to take out the loans 1) Acquire ETH's 2) Acquire EXA and RJR shares. and 3) enter into the purchase of E Bus this time as well.

In this regard, the Company has appointed Siam Alpha Capital Company Limited as an Independent Financial Advisor (“Financial Advisor” or “Independent Financial Advisor” or “SIAM ALPHA CAPITAL”) to give an opinion on asset acquisition of the Company and to send the opinion to the Office of the Securities and Exchange Commission (“SEC”) and the Shareholder of the Company.

The opinion of SIAM ALPHA CAPITAL in this report is based on the assumption that all document data obtained from CBDB and other related companies including interviews with Company's executives, CBDB executives and other related companies implying that the information received is complete and accurate. However, SIAM ALPHA CAPITAL cannot be held responsible for the accuracy and completeness of such information. And is considered only from the economic environment and data that occurred during the study. If the above factors have changed significantly from the present. The shareholders may be affected by the said changes to the Company's transactions at this time, therefore the opinion of the Independent Financial Advisor cannot confirm the significant effects to the Company and the shareholders in the future.

In giving an opinion to the shareholders at this time, SIAM ALPHA CAPITAL has considered the reasonableness, price, and conditions together with other relevant factors. SIAM ALPHA CAPITAL as Independent Financial Advisor, hereby certified that it has provided the above opinion with due care and in accordance with professional standards for the benefit of the Shareholders.

Appendixes to the opinion report of this Independent Financial Advisor, it is considered as a part of the opinion report and is the information that shareholders should consider together with this report.

SIAM ALPHA CAPITAL has prepared English translation of this document solely for reference for non-Thai Shareholders of the Company. It should neither be relied upon as the definitive nor an official document of the Company. The Thai version is the definitive and official document and shall prevail in all respects in the event of any inconsistency with the English translation.

- *English Translation* -

Opinion of Independent Financial Advisor on Private placement Transaction and
Financial Support for Associate Company Transaction
Of Beyond Securities Public Company Limited (“BYD”)

Presented to



Shareholders of Beyond Securities Public Company Limited
(“BYD”)

Prepared by



Siam Alpha Capital Company Limited

1 August 2022

183 Regent House Building, 13 Floor, Rajdamri Road,
Lumpini, Patumwan, Bangkok 10330

Abbreviation	
Abbreviation	Definition
“BYD” or “the Company”	Beyond Securities Public Company Limited
“EA”	Energy Absolute Public Company Limited
“ACE”	Ace Incorporation Company Limited
“TSB”	Thai Smile Bus Company Limited
“BBR”	B.B. Rich (Thailand) Company Limited
“SC”	Sawakechat Company Limited
“TMN”	T. Manit Transportation Company Limited
“ARR”	Ampairungroj Company Limited
“LKS”	Leekpai Transport Company Limited
“CB”	Chareonbus Company Limited
“CK”	Chaiyakorn Transportation Company Limited
“STM”	Santimitr Transportation Company Limited
“EMH”	EA Mobility Holding Company Limited
“EMN”	Energy Mahanakhon Company Limited
“ETH”	E Transport Holding Company Limited
“EST”	E Smart Transport Company Limited
“CRL”	Chaophraya River Line Company Limited
“SMB”	Smart Bus Company Limited
“BUS”	Bangkok Union Service 524 Company Limited
“BSS”	Bright Start Supply (1999) Company Limited
“MYT”	Mahachol Transport Company Limited
“RWC”	Raavechoek Company Limited
“S25”	Sai 25 Ruamjai Company Limited
“TT”	Thammanat Transport Company Limited
“BLS”	Beli Service Company Limited
“EXA”	Exa Logistics Company Limited
“RJR”	Raja Road Company Limited
“E-Bus”	Electronic Bus
“E-Ferry”	Electronic Ferry
“Connected Transaction Notifications”	The Notification of the Capital Market Supervisory Board No. Tor Chor. 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governor of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed

Abbreviation	
Abbreviation	Definition
	Companies concerning Connected Transactions B.E. 2546 (2003) (as amended)
“ The Acquisition and Disposal of Assets Notifications”	Notification of the Capital Market Supervisory Board No. TorJor. 20/2008 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and 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, 2004 (as amended)
“SEC”	The Securities and Exchange Commission
“SET”	The Stock Exchange of Thailand
“Securities Act”	Securities and Exchange Act (No. 5) B.E. 2559 (as amended)
“Connected Person”	<p>(1) The management, major shareholders, controlling persons or persons to be nominated as the management or controlling persons of a listed Company or a subsidiary Company including related persons and close relatives of such persons. (“close relatives” means persons related by blood or registration under law such as father, mother, spouses, sibling, children including spouses of the children)</p> <p>(2) Any juristic person having a major shareholder or a controlling person as the following persons of a listed Company or a subsidiary:</p> <ul style="list-style-type: none"> (a) the management (b) major shareholder (c) controlling person (d) person to be nominated as the management or a controlling person (e) related persons and close relatives of persons from (a) to (d) “related persons” mean persons under Section 258 (1) through (7) of the Securities and Exchange Act, B.E. 2535 <p>(3) any person whose behaviour can be indicated as an acting person or under a major influence of person from (1) to (2) when making decision, determining policy, handling management or operation; or other persons the Exchange</p>

Abbreviation	
Abbreviation	Definition
	deems as having the same manner, according to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 (including any amendments)
“Major Shareholder”	A shareholder who directly or indirectly holds shares in any juristic person in a total amount exceeding 10 percent of the paid-up capital of that juristic person. Such shareholding shall also include the shares held by related persons. A shareholder who indirectly hold a share in any juristic person of more than 10 percent means person/juristic person that directly hold more than 50 percent and count upward until the shareholder who indirectly held more than 50 percent, according to 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, 2003
“Independent Financial Advisor” or “SIAM ALPHA CAPITAL” or “IFA”	Siam Alpha Capital Company Limited

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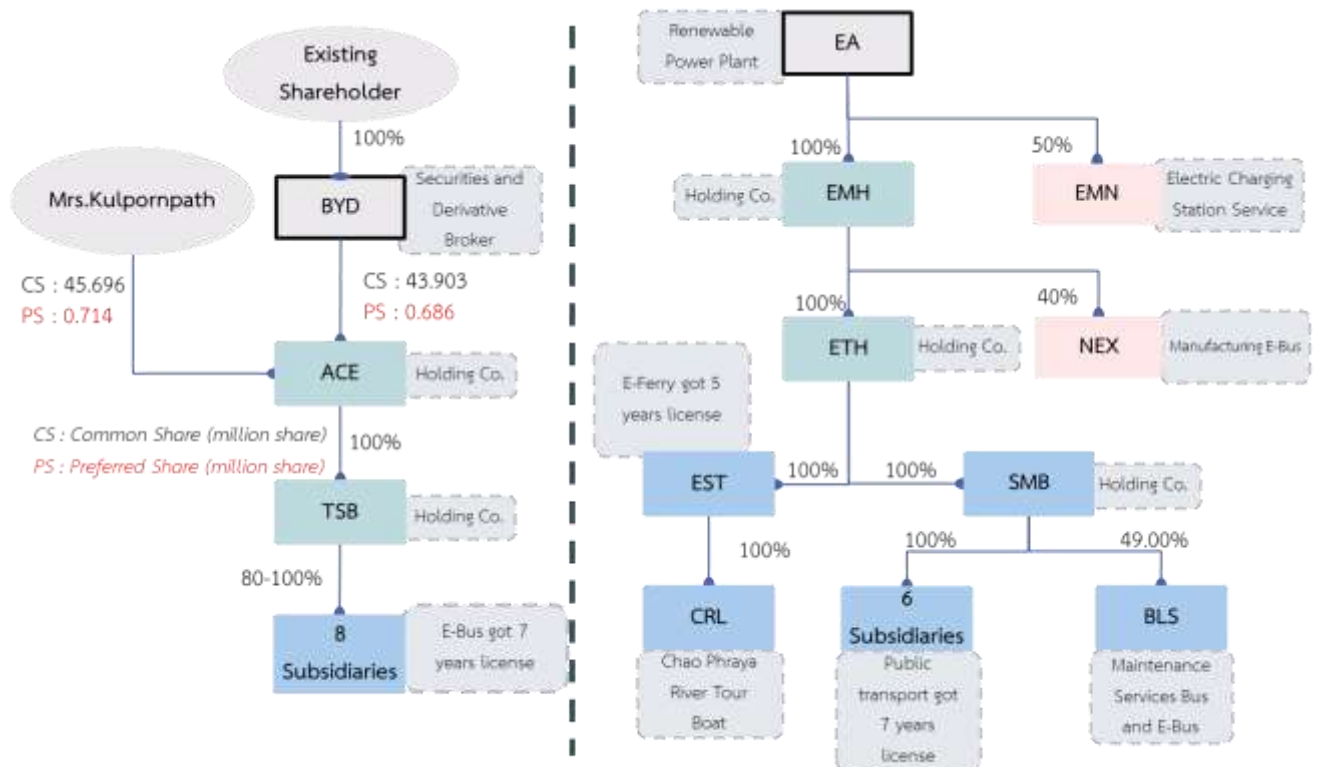
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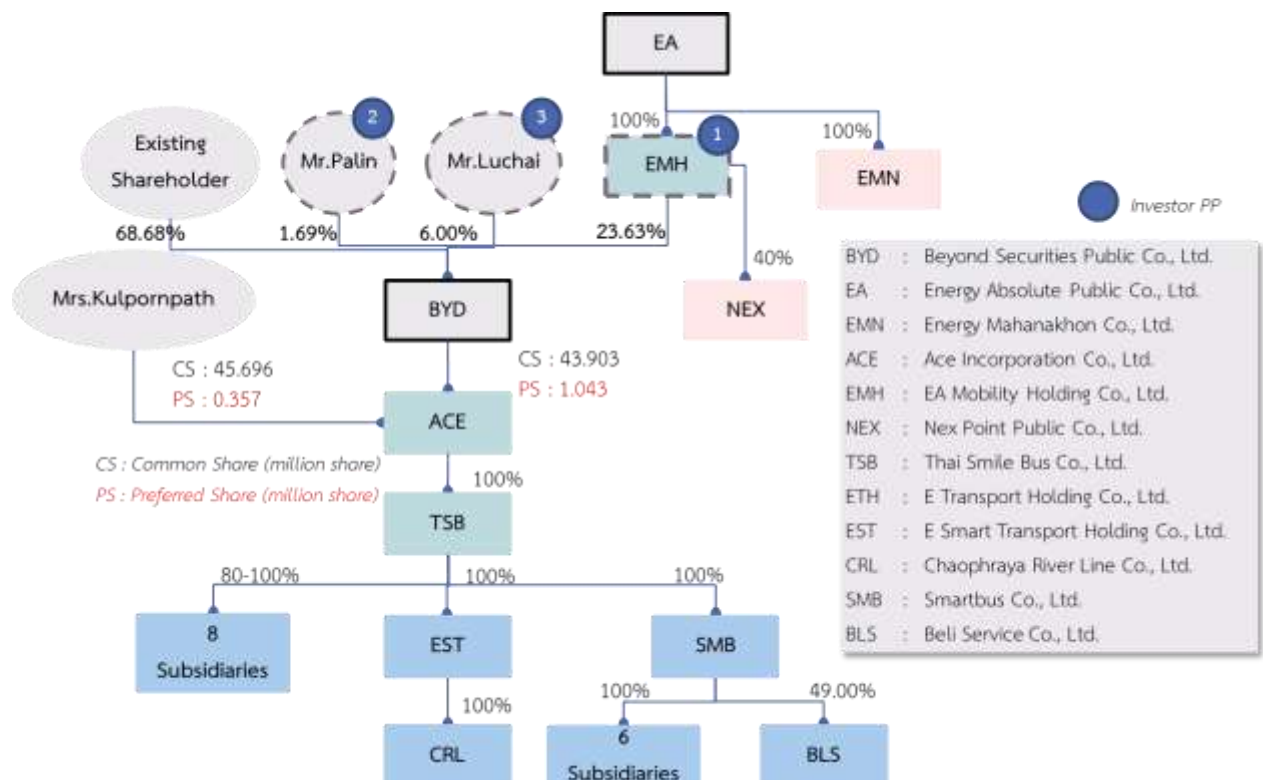
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EXECUTIVE SUMMARY

Structure Before the Transaction



Structure After the Transaction



1/ BLS engages in the business of maintenance and repair of engine systems and automotive parts. 51 percent of shares held by SPP Intelligence Company Limited which are the subsidiary company of Nex Point Public Company Limited (“NEX”)

2/ ETH transfers all of ETH’s business under the process of entire business transfer (EBT), in which all business transfers that ETH has at the date of the transfer of business (assets and liabilities), only 10.00 SMB million ordinary shares with a par value of Baht 100 per share representing 99.99% of the issued and paid-up shares, 40.10 EST million ordinary shares of Baht 10 per share, representing 99.99% of the issued and paid-up shares. ETH will receive compensation from the total transfer of business with cash of 6,000.00 million Baht from TSB. In this connection, this transfer of all ETH business resulting in the 9 subsidiaries and an associate under ETH’s shareholding no longer be EA’s subsidiaries and associate. All business transfer transactions will be processed in accordance with the conditions pursuant to with the Revenue Code in respect of all business transfers. ETH will register the dissolution of the business by 2022 within the same accounting period as the total transfer of ETH. After the registration of the dissolution of the company, all remaining ETH assets, including the proceeds received as compensation for the transfer of the business, will be handed over to ETH shareholders.

Figure 1 : Structure before and after entering into the transaction prepared by the independent financial advisor.

According to the Board of Directors of Beyond Securities Public Company Limited (“BYD”) No. 6/2022, held on 30 June 2022, it was resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2022 to consider and approve the following items:

1. Determination of names of specific investors in the Company's newly issued ordinary shares of not more than 1,313 million shares with a par value of 5.00 baht per share or equivalent to 31.32 percent of the paid-up capital of BYD after the increase of the paid-up capital (“Private Placement” or “PP Capital Increase”)

As the Board of Directors Meeting No. 5/2022 held on 23 May 2022 resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2022 to allocate not exceeding 1,313 million newly-issued ordinary shares of BYD to specific investors (Private Placement) (“PP Capital Increase”), with the par value of 5 Baht per share, or equivalent to 31.32 percent of the paid-up capital of BYD after the increase of the paid-up capital though PP. The price of newly-issued ordinary shares is determined at 7.062 Baht per share, or equivalent to 90.00 percent of the market price, calculated from the weighted average trading price of historical 7-trading days between 11-20 May 2022 equal to 7.847 Baht per share, with a total value of 9,272.41 million Baht. The newly-issued ordinary shares will be allocated to specific investors as follows:

Name of the Specific Investor	Number of shares to be subscribed	Percent after the increase of paid-up capital
1. EA Mobility Holding Co., Ltd.	990,800,000	23.63%
2. Mr. Parin Lojanagosin	70,770,000	1.69%
3. Mr. Luchai Phukhan-Anan ¹	251,430,000	6.00%

¹ Mr. Luchai Phukhan-Anan is a business man with high experienced in business relationships and has the potential to support the capital by being a shareholder who acquired new shares when the Company lacked the financial liquidity in 2020 and continues to support the generation of income of both securities by being a major customer, including inviting individuals to become the Company's customers (with the trading condition and service rate which are the same as other normal larger customer, without providing any additional privilege discount than the discount the Company charges from other normal large customers) and consistently provides support to TSB Group businesses. Currently, Mr. Luchai Phukhan-Anan holds 5.20 percent of shares in the Company (after the increase in the paid-up capital to shareholders according to their shareholding proportion) and when combined with the shares to be subscribed, will result in the shareholding of 9.57 percent of the paid-up capital after PP allocation. Therefore, he is the person who can support and accommodate the business of the Company and mass public transportation service of TSB and subsidiaries.

Name of the Specific Investor	Number of shares to be subscribed	Percent after the increase of paid-up capital
Total	1,313,000,000	31.32%

However, after the allocation of the ordinary shares in this time, shareholding proportion of the BYD's major shareholders will be as follows:

No.	As of 14 July 2022			After transaction		
	Name	Number of shares (shares)	Percent	Name	Number of shares (shares)	Percent
1.	Miss Phone Soonsawad	375,271,671	13.03	EA Mobility Holding Company Limited	990,800,000	23.631
2.	Ms.Kulpornpath Wongmajarapinya	240,788,655	8.36	Mr. Luchai Phukhan-Anan	401,179,604	9.568
3.	MissVoramas Srivaddhanaprabha	150,366,000	5.22	Miss Phone Soonsawad	375,271,671	8.951
4.	Mr. Luchai Phukhan-Anan	149,749,604	5.20	Ms.Kulpornpath Wongmajarapinya	240,788,655	5.743
5.	Mr. Terapol Noparumpa	133,333,332	4.63	Miss Voramas Srivaddhanaprabha	150,366,000	3.586
6.	Miss Jarunun Asavadumrongchai	97,640,000	3.39	Mr. Terapol Noparumpa	133,333,332	3.180
7.	Miss Ploysongsang Noparumpa	95,333,332	3.31	Miss Jarunun Asavadumrongchai	97,640,000	2.329
8.	Mr. Kulvat Janvatanavat	73,000,052	2.53	Miss Ploysongsang Noparumpa	95,333,332	2.274
9.	Mrs.Junnipa Sathirapanya	65,742,658	2.28	Mr. Kulvat Janvatanavat	73,000,052	1.741
10.	Mr, Somkiat Thanatcharoenkul	62,701,000	2.18	Mr. Parin Lojanagosin	70,770,000	1.688

Source: Information Memorandum on the Offering of Newly-Issued Ordinary Shares to Specific Investors (Private Placement)

2. Resolved to approve the purchase of preferred shares in ACE from Miss Kulpornpath Wongmajarapinya (“the Seller”) in total of 0.357 million shares, or equivalent to 0.3901 percent of the registred paid-up capital of ACE at the purchase price of 1,960.78 Baht per share, totalling not more than

700.00 million Baht (“the Purchase of Preferred Shares in ACE Transaction”). As ACE owns 100 percent of TSB, it is undergoing significant investment expansion.

The Purchase of Preferred Shares in ACE Transaction above is considered an acquisition transaction of the Company in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 (2008) Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposition of Assets, dated 31 August 2008 (including the amendments thereof) 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 or Disposition of Assets, B.E. 2547 (2004), dated 29 October 2004 (including the amendments thereof) (the “Asset Acquisition or Disposition Notifications”), with the transaction value of 45.07 percent calculated based on the total value of consideration, which is the calculation basis resulting in the highest transaction value by reference to the Company’s consolidated financial statements ended 31 March 2022 which has been reviewed by the Company’s certified public accountant. The Company, therefore, has a duty to comply with the Asset Acquisition or Disposition Notifications, which is the following duties:

- 1) To disclose information in relation to the transaction to the SET according to Schedule (1) of the Asset Acquisition or Disposition Notifications;
- 2) To serve a written notice on its shareholders within 21 days from the date of disclosure of information to the SET. The written notice must contain at least the information as specified in 1, 2, 3, 5 (3), 7 and 8 of Schedule (2) of the Asset Acquisition or Disposition Notifications.
3. Resolved to approve the financial assistance to Thai Smile Bus Company Limited (“TSB”) in the amount of 8,550.00 million Baht, for which 45.70 million ordinary shares and 0.36 million preferred shares of ACE owned by Miss Kulpornpath Wongmajarapinya are placed as the collateral. (“Financial Support for Associate Company Transaction”)

Table 1 The objective of using funds of TSB

The objective of using funds of TSB	Unit: million Baht
1. Acquiring the entire business ² of ETH ³ from EMH ⁴	6,000.00
2. Acquiring all ordinary shares of EXA ⁵ and RJR ⁶	200.00
3. Purchasing some of the E-Bus according to the transport licensed for TSB and its subsidiaries	2,000.00
4. Investing in building garages, offices, and maintenance work	100.00

² Acquired by Entire Business Transfer (“EBT”), which includes the ordinary shares of Smart Bus Company Limited (“SMB”) and the Company’s ordinary shares.

³ E Transport Holding Company Limited (“ETH”)

⁴ EA Mobility Holding Company Limited (“EMH”)

⁵ Exa Logistics Company Limited (“EXA”)

⁶ Raja Road Company Limited (“RJR”)

The objective of using funds of TSB	Unit: million Baht
5. Investing in e-Ticket Project Single Network-Single Price-Single Management Project	200.00
6. For working capital reserve	50.00

Source: Information Memorandum on the Offering of Newly-Issued Ordinary Shares to Specific Investors (Private Placement)

This loan transaction is a case where the company lends only to TSB, whereby other shareholders of ACE did not lend TSB in proportion to their shareholding. ("Legal Advisor"). The legal advisor is of the opinion that TSB is not a connected person of the company since TSB does not have a major shareholder or a controlling person. Major shareholders, executives, people with controlling power or a person who will be nominated to be an executive or controlling person of the company or related persons of such persons in any way. Therefore, when the company does not enter into a transaction with a connected person, such a transaction is not a connected transaction. According to the Notification of the Capital Market Supervisory Board No. 21/2008 Re: Rules for Connected Transactions (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Acts of Listed Companies Concerning Connected Transactions, 2003 (as amended) (“Notification of Connected Transactions”)

Since TSB has plans to operate electric buses ("E-Bus") to serve the amount of not less than 2,130 cars makes the investment in expanding the business quite high, which BYD disclosed in the information memorandum about the offering of BYD's newly issued ordinary shares to a private placement. The total value is approximately 14,697 million baht, including the need to procure E-Bus by 2022 to be sufficient for the minimum amount specified in the transport license, totalling 896 cars.

Therefore, the IFA is of the opinion that to expand the business of TSB, which is an indirect associate of BYD, and it is necessary to provide funding sources according to the conditions specified. The PP capital increase will provide BYD with funding sources to support TSB's business expansion. However, the PP capital increase has both advantages, disadvantages, and risks. The IFA has expressed opinions on both matters below. In addition, The IFA is of the opinion that BYD is necessary to provide loans to TSB to support TSB's business expansion. However, lending to TSB has both advantages, disadvantages, and risks of entering into the transaction. Therefore, the IFA analyzes the reasonableness of the Interest rates, advantages, disadvantages, and risks of lending to TSB in the next order.

Summary of the reasonableness of the transaction and the opinion of the IFA

(1) Reasonableness of “PP Capital Increase”

- Details : increase capital by issuing and offering PP ("PP shares") in a total number of 1,313 million shares, with an offering price equal to 7.062 baht per share to 3 investors as shown above.
- Transaction value : 9,272.41 million Baht
- The reasonableness of the transaction : Considering the advantages, disadvantages, and risks of the loan transaction to TSB, IFA determines that the transaction is more beneficial

to BYD and BYD shareholders than the impact or risk that may occur in the future. Additionally, this will provide TSB a chance to provide BYD with a positive return on investment and expect to be competitive. Therefore, **it is reasonable to engage in such a transaction.**

Fairness of the price : The independent financial advisor has determined the fairness of BYD's share price by using the market price method. As a result, the fair value of the business is at 6.59–10.22 baht per share when compared to the PP offering price of 7.062 baht per share. Therefore, the IFA is of the opinion that the offering price for investment in BYD's ordinary share **is appropriate.**

(2) **The reasonableness of “Lending to TSB”**

Details : The total repayment period is 8 years, with a grace period in the first year, with interest still to be paid from the first year. After that, in the 2nd–8th year, both the principal and interest will be paid back. The interest rate is set at MLR + 1.50 percent but not more than 7.00 percent per year (please see more details in Table 1, details of TSB's investment projects), which will result in BYD earning a total interest of not more than 2,718.19 million Baht.

Transaction value : 8,550.00 million Baht

TSB's ability to pay off debt : The IFA considers the risks of the transportation service business and cash flow of TSB, including return on investment in subsidiaries. There is an opinion that TSB has the ability to repay loans to BYD.

The reasonableness of interest rates : The IFA considers the appropriateness of the loan interest rate by comparing it with the yield rate of BYD because it is a loan to TSB and BYD will receive a return in the form of interest on the loan. Upon comparing the rate of return on other investments, such as deposits, equity securities, debt securities, and margin loans, etc., it was found that the interest rate on loans to TSB was higher than all the information that the IFA used to compare. Therefore, the **IFA considers that the interest rate on the loan is appropriate for the current period.** However, in the long term, it may be **inappropriate** because it is the interest rate with the highest ceiling set. And given that inflation is likely to continue to rise, BYD may lose its chances of getting higher interest rates. or lose the opportunity to invest the money in other ways to generate better returns than lending to TSB.

Reasonableness of lending to TSB : Considering the advantages, disadvantages, and risks of the loan transaction to TSB, IFA determines that the transaction is more beneficial to BYD and BYD shareholders than the impact or risk that may occur in the future. BYD will provide a loan to a company that it can effectively manage and that it anticipates will eventually be profitable. Additionally, this will provide TSB a chance to be competitive and expect to provide BYD with a positive return on investment in the future. Therefore, it is reasonable to engage in such a transaction.

(3) The reasonableness of the "Acquisition of TSB Assets"

Details : TSB plans to use funds from BYD borrowings to enter into six key transactions as mentioned above.

Reasonable price of E-Bus : The independent financial advisor has considered the appropriateness of the E-Bus price and the deliverability of the merchant. By considering the E-Bus offering price and NEX's production capacity compared to other traders both domestically and internationally, it is of the view that the price is at an appropriate level and that NEX will be able to deliver the E-Bus in a timely and complete manner as planned.

Fairness of ETH Prices : The IFA has prepared a cash flow projection of the ETH business, comprising EST, SMB, and BLS, to assess the business valuation and study the cost-effectiveness of the investment. The IFA assesses the value of ETH by the (Sum of the parts method), which equals 5,623.98–6,277.20 million Baht. The IFA is of the opinion that such an investment with a value of 6,000.00 million baht is still at a level that is worth the investment. Therefore, it is reasonable.

Fairness of EXA and RJR prices : The IFA is of the opinion that such an investment with a value of 200.00 million Baht is not worth the investment. because it is higher than the value assessed by the IFA. The price estimated by an IFA is 162.87–191.92 million Baht.

Reasonableness of TSB's Acquisition of Assets : Considering the advantages, disadvantages, and risks of TSB's asset acquisition transaction, the Independent Financial Advisor is of the opinion that various investment projects are for TSB's business expansion. Most of them are reasonable. Except for the purchase of EXA and RJR shares, where the IFA has the view that the purchase price is higher than the assessed price, the IFA has considered the reasonableness of the purchase of EXA and RJR shares as stated in 2.3.4 and the fairness of the price in Section 3, clauses 3.3 and 3.4. However, the said transaction

accounted for 2.34% of the transaction value of the loan to TSB (investment amount of 200.00 million baht per loan amount of 8,550.00 million baht), which is not a very high value compared to the total project value. If TSB can manage to achieve efficient resource sharing, it will meet the purpose of the purchase of such shares to obtain additional service routes. As a result, the overall performance will be beneficial as well. Therefore, the IFA is of the opinion that the acquisition of assets by TSB will benefit from the fact that TSB will invest in expanding its business through more service routes with enough cars and boats to provide services under the transport license. TSB will have the potential to compete and will generate good returns for BYD in the future. Therefore, entering such transactions is reasonable.

The summary of the significant TSB’s contracts is as follows:

(1) Draft loan terms between BYD and TSB in the amount of 8,550.00 million baht

borrower	: Thai Smile Bus Company Limited (“TSB”)
lender	: Beyond Securities Public Company Limited (“BYD”)
collateral	: Ordinary shares 45 million shares and preferred stock 0.36 million shares from ACE, which hold by Miss Kulpornpath Wongmajarapinya (“Ms. Kulpornpath”)
repayment period	: 8 years, with a grace period in the first year, still paying interest from the first year. After that, a total repayment period of 7 years. BYD will lend after receiving payment from the private placement (PP).
grace period	: 12 months
interest rate	: Based on Minimum Loan Rate (MLR) of Bangkok Bank Public Company Limited + not exceeding 1.50 percent per year, the total interest rate not exceed 7.00 percent per year.
term loans	: <ol style="list-style-type: none"> 1. Pay the interest every month (Effective Rate) 2. Use the money for only the purposes that agreed 3. Have to report the performance compared to the investment plan according to the project borrowed to BYD every month. 4. To cooperate with BYD to establish an internal control system and has an internal audit by independent experts in accordance with an audit plan approved by the TSB Board. 5. TSB will provide an auditor approved by SEC is the auditor of the financial statements and prepare financial statements in accordance with PAEs

6. TSB will organize a management structure to have checks and balances. It will be proposed to the shareholders' meeting to consider appointing at least 3 independent directors to perform corporate governance duties at a standard comparable to those listed on the Stock Exchange of Thailand.
7. The related party transaction is based on Arm's length basis that will not cause any unreasonable transfer of the benefits and disclose the transactions that occur in TSB's financial statements every quarter.

Opinion of the IFA : The IFA has considered various conditions under the draft loan terms between BYD and TSB. It is a condition that is reasonable and suitable for entering into the transaction. This is because most of the conditions are beneficial to BYD. Moreover, by entering into the loan agreement between BYD and TSB this time, BYD will be able to enter the transaction only after the Extraordinary General Meeting of Shareholders No. 1/2022 has been approved. However, if the terms of the loan between BYD and TSB change significantly, BYD should notify the BYD shareholders of the change either through a notice via the BYD website or through the website of the Stock Exchange of Thailand. If the changes have a significant impact on BYD. The IFA views that BYD should present to the shareholders' meeting to consider the new transaction before implement.

(2) Acquire the entire business (EBT) of ETH from EMH for not more than 6,000.00 million Baht.

Purchaser : Thai Smile Bus Company Limited (“TSB”)

Transferor : ETH as a transferor

Details of assets acquired : All the company's assets are owned entirely by ETH, including SMB and EST ordinary shares, totaling 10.00 million shares and 40.10 million shares, respectively. 1) SMB has main assets, namely 440 NGV vehicles and 37 transportation business licenses; 2) EST has key assets: 27 ships and 20 transportation business licenses, and CRL's main asset is ships. In addition, TSB has received the right to receive debt payments from EST and SMB in the amounts of 500.00 million baht and 2,224.50 million baht, respectively.

Terms and Conditions of EBT : Terms and Condition which are the transferor's responsibility (“TSB”)

1. The transferee's representations in attachment 1 and part 2 are true and accurate in all respects as of the date of this contract and as of the date of sale completion; and

2. The transferee has not breached any obligations under this agreement prior to or on the date of purchase completion.
3. The transferee has received legal approval from the transferee's board of directors and/or shareholders for the following matters:
 - (a) Purchase of the transferor's entire business (including traded shares) and acceptance of the transfer.
 - (b) Any other actions necessary to carry out the transferee's obligations under this agreement and complete the purchase.
4. BYD is authorized by the Board of Directors and/or shareholders of BYD as required by law for the following matters:
 - (a) Increasing BYD's registered capital by issuing and offering newly issued worth of shares not more than 990.80 million baht per share at an offering price of 7.062 Baht per share to EA Mobility Holding Company Limited ("EMH").
 - (b) The allocation of 990.80 million newly issued ordinary shares of BYD to EMH, valued at 6,997,029,600 Baht, representing 23.63 percent of the Company's paid-up capital after the increase in paid-up capital.
5. BYD proceeds to submit to the Department of Business Development and the Ministry of Commerce an application for registration of the resolution of BYD's registered capital increase, as specified in clause (1)(d)(aa).
6. Ensuring that BYD registers the issuance of BYD shares to EMH in the amount and conditions specified in Clause 3.1(1)(d) with the BYD registrar (Thailand Securities Depository Company Limited), and submitting an application to the Department of Business Development Ministry of Commerce for registration of change of paid-up capital of BYD.
7. BYD is authorized by the Securities and Exchange Commission to offer newly issued shares to EMH following the rules outlined in Notification of the Capital Market Supervisory Board No. TorJor. 72/2558. Re: Permission for Listed Companies to Offer Newly Issued Shares in a Private Placement, dated 28 October 2015 (and as amended).

The transferee is not a Revenue Department tax debtor on the day the trading is completed, unless a bank or securities have been provided as collateral for debts, tax arrears, and expenses for debt enforcement.

Opinion of IFA : The IFA has reviewed the terms of TSB and ETH's Draft Entire Business Transfer Agreement. It is a reasonable and appropriate condition for entering into the transaction. Because the majority of the conditions are beneficial for the Company. Furthermore, TSB and ETH have entered into an entire business transfer agreement this time. The Company will be able to enter the transaction only after the Extraordinary General Meeting of Shareholders No. 1/2022 approves the transaction to provide financial assistance to TSB, because TSB must first obtain a loan from the Company before entering the transaction.

If the terms of the Entire Business Transfer Agreement between TSB and ETH significantly change. The change should be communicated to the company's shareholders. Whether it is announced on the company's website or the Stock Exchange of Thailand's website, or if the change is significant and has a significant impact on the company. The IFA is of the opinion that the Company should present to the shareholders' meeting to consider entering into the new transaction before the Company can proceed.

(3) Purchase all shares of EXA and RJR in the amount not exceeding 200.00 million baht.

Purchaser : Thai Smile Bus Co.,Ltd. (“TSB”)

Seller and relationship to the Company : K Connect Logistics Co.,Ltd. (“KC”) or a juristic person designated by KC as a seller. is a shareholder of KC in the amount of 0.58 million shares, representing a percentage of 82.85 of KC's paid-up capital

Detail of assets : The transport license consists of 2 routes of EXA and 4 routes of RJR. Total age of 7 years, starting from 28 April 2022 until 27 April 2029.

Opinion of independent financial advisor : IFA has not received the Draft Share Purchase Agreement of EXA and RJR as of 7 July 2022, referring to the resolution of TSB's Board of Directors Meeting No. 2/2022 held on 28 June 28 2022 to approve TSB. Acquired shares of EXA and RJR in the value of not more than 200 million baht. Both companies have been selected to receive licenses for a total of 6 routes. Currently, TSB is negotiating the price and terms of the contract. Therefore, the IFA is unable to comment on the terms of the EXA and

RJR share purchase agreements. Trading shares of EXA and RJR to include in this IFA opinion report.

However, the independent financial advisor views that the shareholders should inquire about the conditions of the share purchase agreement of EXA and RJR at the Extraordinary General Meeting of Shareholders No. 1/2022 to be held on 11 August 2022 for transparency. And shareholders have received complete information before considering and approving the said transaction, which is a consequence of the transaction to provide financial assistance to TSB in Agenda 5 in the invitation to the Extraordinary General Meeting of Shareholders No. 1/2022.

(4) Trading E-Bus between TSB and NEX approximately 988.20 million baht.

- | | | |
|--|---|--|
| Purchaser | : | Thai Smile Bus Co.,Ltd. (“TSB”) |
| Seller and relationship to the Company | : | Nex Point Plc. (“NEX”) as a seller, where the seller is Investors in the manufacturing of large electric vehicles and is a distributor of electric buses in which EMH owns 40.01percent that EMH is a subsidiary that the Company Energy Absolute Public Company Limited (“EA”) holds 99.99 percent shares. |
| Terms and condition | : | TSB has placed an order for 154 vehicles with a deposit of 231.00 million baht, with the remaining payment due upon delivery of the vehicle. This is expected to be within August 2022 for the remaining vehicles that must be purchased to meet the minimum amount. It is in the process of negotiating to agree on the terms of the purchase with the manufacturer. |
| Opinion of independent financial advisor | : | <p>The Independent Financial Advisor has considered the conditions under the E-Bus Purchase Agreement between TSB and NEX dated 15 June 2022. The independent financial advisor is of the opinion that is reasonable and suitable for entering into the transaction. Because most of the conditions are conditions that are beneficial to the company. However, the remaining payment terms and conditions for picking up the car. The Company needs to wait for the resolution of the Extraordinary General Meeting of Shareholders No. 1/2022 on the agenda of financial assistance to TSB before it can proceed to negotiate the conditions.</p> <p>However, if the remaining payment terms and conditions for car pick-up under the E-Bus Sale and Purchase Agreement between TSB and NEX dated 15 June 2022, are significantly changed. The company should notify the company's shareholders of the change. Whether it is notified via the website of the company or via the website of the Stock Exchange of</p> |

Thailand or if the change is very important and has a significant impact on the Company. The Independent Financial Advisor is of the opinion that the Company should present to the shareholders' meeting to consider entering into the new transaction before the Company can proceed.

(5) Trading E-Bus between TSB and NEX approximately 3,503.20 million baht.

Purchaser	:	Thai Smile Bus Co.,Ltd. (“TSB”)
Seller and relationship to the Company	:	Nex Point Plc. (“NEX”) as a seller, where the seller is Investors in the manufacturing of large electric vehicles and is a distributor of electric buses in which EMH owns 40.01 percent that EMH is a subsidiary that the Company Energy Absolute Public Company Limited (“EA”) holds 99.99 percent shares.
Terms and condition	:	TSB will order 604 cars, with a deposit of 148.00 million baht, with the remaining payment due when the cars are delivered which is in the process of negotiating deposit conditions and to agree on the terms of the purchase with the manufacturer which is expected to be delivered within October 2022.
Opinion of independent financial advisor	:	The independent financial advisor is of the opinion that Deposit conditions are beneficial to TSB because TSB should wait for clarity from the resolution of the Extraordinary General Meeting of Shareholders before negotiating the deposit conditions. Payment and conditions for picking up a car And TSB's management must exercise extreme caution to protect the interests of TSB and its shareholders.

Reasonableness of the issuance of newly issued ordinary shares to specific investors (Private Placement)

As the Board of Directors Meeting No. 5/2022 held on 23 May 2022 resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2022 to allocate not exceeding 1,313 million newly-issued ordinary shares of BYD to specific investors (Private Placement) (“PP Capital Increase”), with the par value of 5 Baht per share, or equivalent to 31.32 percent of the paid-up capital of BYD after the increase of the paid-up capital though PP. The price of newly-issued ordinary shares is determined at 7.062 Baht per share, or equivalent to 90.00 percent of the market price, calculated from the weighted average trading price of historical 7-trading days between 11-20 May 2022 equal to 7.847 Baht per share, with a total value of 9,272.41 million Baht.

The Independent Financial Advisor (“IFA”) has considered the reasonableness of the PP capital increase, both advantages, disadvantages, and risks, which can be summarized as follows:

Advantages of entering into the “PP Capital Increase” transaction

1. Increase competitiveness with other public bus service providers in Bangkok and provinces with continuous routes through business alliances.

In this PP Capital Increase, BYD offered to sell the newly issued shares to 3 specific investors. One of them is EMH. EMH invests in the electric vehicle business line and the businesses related to electric vehicles, including the public transportation business with electric vehicles. In addition, EA has a group of related businesses, including business development, production and distribution of batteries, and service business for electric charging. Moreover, EA is investing in developing businesses in the business line of production and distribution of electric vehicles. Thus, EA has a business that relates to electric vehicles from upstream to downstream. Therefore, EA is a group that has the potential to help promote and support TSB's business. TSB operates a public transportation service business with E-Bus and has the cost of charging service fees. Furthermore, E-Bus maintenance costs are one of the main operating costs of TSB. EA is possibly becoming a partner who will allow TSB to have lower costs and more efficient business operations.

At the same time, BYD will use capital from PP capital increase of 8,550.00 million Baht for long-term loan to TSB. TSB will use such loans of 6,000.00 million Baht to acquire the entire business of E Transport Holding Company Limited (“ETH”) from EA Mobility Holding Company Limited (“EMH”), in which EMH holds 100% of the total registered capital of ETH. ETH has invested in 2 core businesses, including e Smart Company Transport Company Limited (“EST”), which operates a public passenger boat service on the Chao Phraya River, and Smart Bus Company Limited (“SMB”), which operates a public bus service in Bangkok and its vicinity (the same business as TSB) (Please see the EA structure as shown in Figure 1, the structure before and after the transaction)

Therefore, the investment by TSB will reduce competition between TSB and SMB, who are indirect subsidiaries of EA, creating the competitive potential for larger business sizes. In addition to the capital support from the acquisition of PP shares, EA can support TSB in various dimensions such as electric vehicle technology, procurement of E-Bus, charging services, and personnel with in-depth knowledge of the business, etc. Therefore, the IFA believes that PP capital increase by offering shares to EMH and partially using the capital increase to acquire the entire business of ETH is good for TSB to increase competitiveness by having strong business alliances and not being a competitor to EA, which is ready in terms of capital, technology and business related to electric vehicle and electric power business throughout the value chain. IFA has assessed BYD's share price compared to the offering price. The BYD's share price assessed by the IFA is 1.38 – 10.22 Baht per share. Compared to the offering price for PP at 7.062 Baht per share, it is in the range of the independent financial advisor's appraisal price. Therefore, the offer price is reasonable. And if considering the advantages, disadvantages, and risks of raising capital through PP and using the money to provide financial assistance to TSB in expanding the business, TSB may be able to generate good profits in the future and help create an opportunity to be competitive. Moreover, this transaction expects to generate a good return on investment for BYD in the future. Therefore, entering into this transaction is reasonable.

2. Get the desired amount of money in the given time frame

From the fact that TSB received the transport license (“Transportation License”) with vehicles used to transport passengers in Bangkok and provinces with contiguous routes in a total of 71 routes, TSB must bring cars to process the registration and vehicle tax and arrange to operate according to the conditions within 180 days from the date of issuance of the transport license or by October 2022. Therefore, TSB has set a budget for purchasing the minimum number of E-Bus required by 2022. TSB plans to use the proceeds from borrowing from BYD to purchase some E-Bus and part of working capital totalling 2,000 million Baht.

The opinion of IFA is that the PP Capital Increase of 1,313 million shares, which will be offered for sale at the price of 7.062 Baht per share in a total value of 9,272.41 million Baht, will enable BYD to seek capital increase as needed. Since there has been an agreement with investors for both the number of shares and the investment value for each investor, the period of the process of obtaining permission from the shareholders' meeting and the SEC to increase PP capital will can be determined for sure. BYD will schedule an Extraordinary General Meeting of Shareholders to consider and approve the PP capital increase on 11 August 2022. And BYD may take time to seek approval from the SEC and know the result of applying for approval within 5-working days after submitting the documents for approval of the PP capital increase to the SEC. The request for the PP capital increase will be completed by the end of August 2022 and BYD will immediately lend the money to TSB.

In 2022, TSB will be required to purchase 896 E-Bus according to the minimum number of vehicles specified in the transport license conditions. The total value is approximately 6,182.40 million Baht. However, the E-Bus that TSB purchased on 15 June 2022, in the amount of 154 buses, and on 5 July 2022, in the amount of 604 buses, or totalling 758 buses, has already been deposited and the remaining cost of purchasing the E-Bus will be financed by borrowing from financial institutions as well as loan leasing from car sellers and account payables. The first batch of 154 buses is scheduled for delivery within August 2022 and the other batch of 604 buses is scheduled for delivery by October 2022. For 758 buses, this is the number of vehicles that have fulfilled the minimum number for 71 new routes. However, by 2022, TSB still needs to purchase 138 more E-Bus to meet the minimum number of buses including 96 buses for the existing 8 routes, 19 buses for EXA, and 23 buses for RJR. TSB will use funds from BYD borrowing as a deposit for the 138 vehicles by 2022, and in the future, TSB plans to purchase 2,130 E-Bus to reach the maximum number of buses specified by the Department of Land Transport for 71 routes.

3. BYD has the opportunity to earn interest on loan to TSB, receive dividends and the return on investment in ACE as a result of TSB's business expansion

BYD has held 49.00 in ordinary and preferred shares in ACE, and ACE has held 100.00 percent investment in TSB, thus making BYD an indirect shareholder of TSB as well. Please see the BYD structure in Figure 1.

After entering the capital increase transaction through PP, BYD will receive a capital increase totalling 9,272.41 million Baht. BYD has the objectives of using funds, which are:

3.1 To purchase the additional preferred shares in ACE Incorporation Company Limited (“ACE”) from Ms. Kulpornpath in total of 0.357 million shares at the par of 10.00 Baht per share

BYD disclosed the key benefits of ACE's preferred shares as follows:

- Right to receive dividends: In every dividend payment, the preferred share shall obtain dividend before ordinary shareholders and receive dividends in the proportion of not less than 99.00 percent of the dividends paid each time as specified in the Articles of Association of ACE dated 20 August 2021, where ACE holds 100 percent of TSB's total registered capital.
- Voting right: 1 preferred share has 1 voting right (equivalent to ordinary share)
- Right to obtain the part of capital in return: holders of the preferred shares have priority right to obtain the proportion of assets in return to their investment before the holders of ordinary shares.

ACE was registered in 2018 and has increased its capital by issuing preferred shares in a total of 2 rounds on 18 August 2021 and 15 November 2021. BYD has acquired the preferred shares as follows: and after BYD enters into the transaction to purchase 375,000 additional preferred shares from Ms. Kulpornphat, BYD will have total preferred shares of ACE, which is 74.5 percent of total preferred shares, and thus make BYD holds ordinary and preferred shares in ACE, totalling 49.39 percent of ACE's total shares.

3.2 To provide financial assistance to TSB in the form of a long-term loan amounting to 8,550.00 million Baht. TSB has the objective of using funds as in Table 1. (Please see details of financial assistance in Section 2, item 2.2. 1 and the advantages, disadvantages, and risks of providing financial assistance in Section 2, item 2.2.4 – 2.2.8)

The IFA believes that if the performance of TSB and its subsidiaries (both pre-existing subsidiaries⁷ and post-investment⁸ for the purpose of using funds as mentioned before) can provide public buses and public boats as anticipated, BYD will gain the benefits in the form of interest income, totalling approximately 2,718.19 million Baht (according to Table 3 Loan Table) from loans to TSB. Moreover, BYD will have the opportunity to receive dividends from ACE. The IFA expects ACE to begin paying dividends in 2031. Since ACE and TSB do not have a clear dividend policy, according to executive interviews, ACE and TSB will pay dividends when they have sufficient cash flow after debt settlement in each period. The dividend payout

⁷ 8 Company includes 1. B.B. Rich (Thailand) Company Limited (“BBR”) 2. Sawakechat Company Limited (“SC”) 3. T. Mani Transportation Company Limited (“TMN”) 4. Ampairungroj Company Limited (“ARR”) 5. Leekpai Transport Company Limited (“LKS”) 6. Chareonbus Company Limited (“CB”) 7. Chaiyakorn Transportation Company Limited (“CK”) 8. Santimitr Transportation Company Limited (“STM”)

⁸ 12 Company includes 1. E Smart Transport Company Limited (“EST”) 2. Chaophraya River Line Company Limited (“CRL”) 3. Smart Bus Company Limited (“SMB”) 4. Bangkok Union Service 524 Company Limited (“BUS”) 5. Bright Start Supply (1999) Company Limited (“BSS”) 6. Mahachol Transport Company Limited (“MY”) 7. Raavechoek Company Limited (“RWC”) 8. Sai 25 Ruamjai Company Limited (“S25”) 9. Thammanat Transport Company Limited (“TT”) 10. Beli Service Company Limited (“BLS”) 11. Exa Logistics Company Limited (“EXA”) 12. Raja Road Company Limited (“RJR”)

ratio is proportional to its preferred shareholding and ordinary shareholding. If TSB has good operating performance and has sufficient cash flow to pay dividends to ACE (as TSB is 100 percent held by ACE) and ACE can pay dividends to BYD further, BYD will receive no less than 74.25⁹ percent of ACE's dividends (from its preferred shares and ordinary shares of ACE, as mentioned above). The IFA believes that if BYD earns expected interest and dividend income, it will be a significant BYD income relative to BYD's current income (income from BYD's securities business in 2021 is 108.09 million Baht, and IFA estimates that BYD will be able to receive dividends from ACE in 2031 - 2036, amounting to 881.69 - 2,538.57 million Baht). As a result, BYD's profitability performance improved and benefited BYD and BYD shareholders.

In addition, the IFA believes that from the financial projection assessed by the IFA, if there is no change in external and internal factors affecting the operating results of TSB and its subsidiaries, the earnings are expected to be in line with expectations. As a result, TSB and ACE's share value has a chance to rise. This will benefit BYD's potential to profit from its investment in ACE if, in the future, BYD sells ACE's shares at a higher value than BYD's investment.

4. BYD's Capital Structure improved

From the PP capital increase, BYD will have more shareholders' equity. It also has a better debt-to-equity ratio from 0.11x to 0.01x. IFA believes that a stronger capital structure will benefit BYD in securing funding from institutional loans. At the same time, the IFA believes that if BYD receives reimbursement from TSB in accordance with the loan terms, it will increase BYD's cash flow and BYD's net liquidity capital (NC) will improve as BYD will receive cash from PP capital increase to help increase liquidity. This will help reduce restrictions on BYD's securities business and help reduce the risk of breaching BYD's net liquidity capital (NC) regulations due to improved capital. The expected cash received from the PP capital increase amounted to 9,272.41 million Baht and BYD will lend this money to TSB in the amount of 8,550.00 million Baht.

The Net Capital Ratio (NCR) as of 20 July 2022 is at 792.23 percent. However, lending to TSB will not affect the current NCR as the cash lent to TSB is new money raised from PP capitalization. to the current NCR. However, investment in TSB is not considered a liquid asset.

Disadvantages of entering into the “PP Capital Increase” transaction

1. Effect of the PP capital increase on the existing shareholders after PP Capital Increase

The PP capital increase will affect the existing shareholders of BYD as follows:

1.1 The impact of the reduction of voting rights and shareholding ratio (Control Dilution)

After entering the PP transaction, the existing shareholders' voting rights and their shareholding percentage will reduce by 28.81 percent. (Please refer to the calculations in Section 2, item 2.1.4.1.)

⁹ Calculated from 99.00 percent of ACE dividend x $\left(\frac{\text{Preferred shares held by BYD 1.043 million shares}}{\text{Total preferred shares 1.400 million shares}} \right) + 1.00 \text{ percent of ACE dividend x } \left(\frac{\text{ordinary shares held by BYD 43.903 million shares}}{\text{Total ordinary shares 89.6 million shares}} \right)$

Although no investor will have a shareholding percentage equal to or greater than 25 percent of BYD's paid-up capital after the PP capital increase, EMH will have a shareholding percentage of 23.63 percent of BYD's paid-up capital after the PP capital increase. Consequently, this affects the exercise of voting rights in the shareholders' meeting to consider the important matters and requires a minimum of approval votes more than three-fourths of the voting rights of those attending the meeting and having the right to vote. If some shareholders do not attend the shareholders' meeting, this could cause EMH's voting rights to be more than one-quarter compared to the total number of voting rights present and eligible to vote. If EMH does not vote in line with most shareholders, it may cause the consideration of such important items to be disapproved.

1.2 Price Dilution Effect

After entering the PP transaction, the market price was not greatly affected by the discount at the level of 2.88 percent. (Please refer to the calculations in Section 2, item 2.1.4.1.)

1.3 Earning Dilution Effect

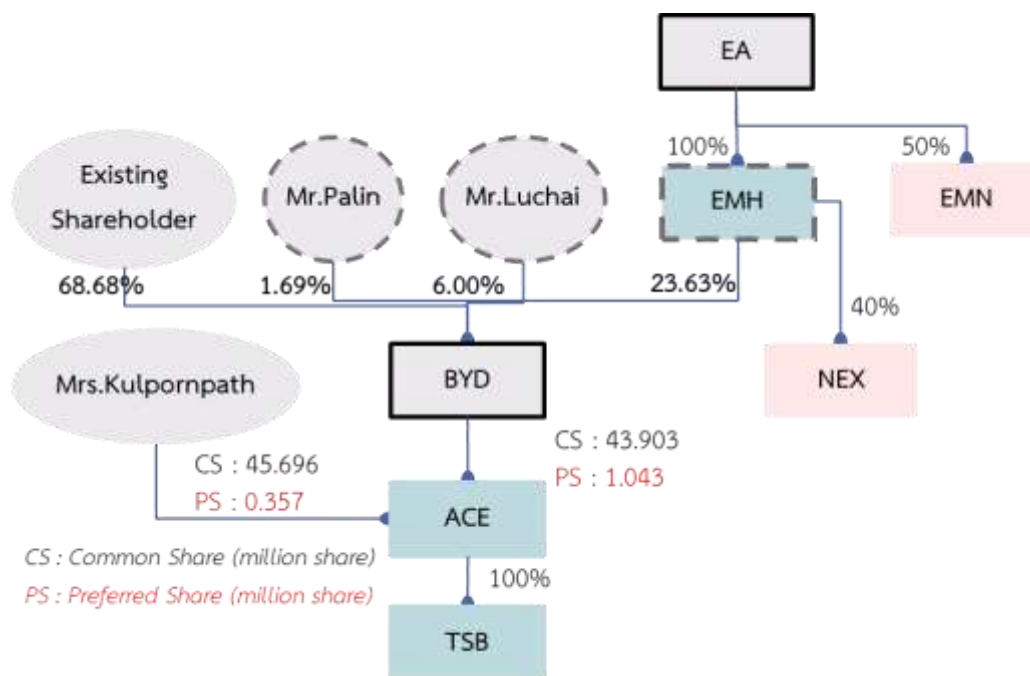
The IFA believes that the PP capital increase may affect BYD's existing shareholders as earnings per share decrease because the profit share will be allocated to all shareholders in proportion to their shareholding. However, BYD currently has continuous operating losses and accumulated losses. As a result, it is not possible to calculate the impact of the decrease in profit sharing, but if BYD has better future performance or BYD receives a dividend from ACE, as a result, BYD shareholders may have the opportunity to get profit share, most of which are in the form of dividends in proportion to their shareholding. Existing shareholders who have a reduced stake will also receive a reduced share of the profit or dividend.

2. There is a potential future conflict of interest between BYD and TSB and EA and its related companies

One of the objectives of the PP capital increase is to provide financial assistance in the form of a long-term loan to TSB. TSB has an objective to allocate a loan amounting to 2,000 million Baht for purchasing E-Bus to provide licensed public transport services according to the transport license approved for both TSB and its subsidiaries. And to complete the acquisition of ETH will result in EST and SMB, which operates a public passenger ship business, and provide public bus services, respectively, being a subsidiary of TSB, while EMH will subscribe to additional shares from this PP capital increase, accounting for 23.63% of BYD's paid-up capital after the PP capital increase as mentioned in Section 2, Item 2.1.2.1.

TSB will acquire ETH's entire business to eliminate conflicts of interest from operating the public bus service as well. However, the IFA views that EA has business and investment in which related to battery electric vehicles and electric charging which is a business related to the business of TSB. Moreover, TSB agrees to purchase E-Bus from Nex Point Public Company Limited (“NEX”), which is an indirect associate of EA from which EMH holds ordinary shares in NEX. In addition, TSB uses an electric charging service from Mahanakhon Energy Company Limited (“EMN”), a subsidiary of EA, which EA also holds ordinary shares in EMN. However, the IFA has considered the purchase price of the E-Bus from NEX compared to the market

price from other suppliers both domestically and internationally and is of the opinion that the offer price of E-Bus from NEX is appropriate (Please see details in Section 2, Item 2.3.3) and consider the rates of electric charging service from EMN and other service providers in the market. (Please see details in Section 2, Item 2.3.5.5)



Therefore, after the PP capital increase, there is a chance that the interests of EA and EMH, BYD's major shareholders, and TSB's interests as BYD's associates and BYD's beneficiaries of financial assistance will arise in conflicts of interest in the future. This means that EA and EMH will consider the interests of the business within EA to receive a share of the profits greater than the share of profits earned by holding BYD ordinary shares since EA's stake is in the hundreds. 40 to 100 percent of the paid-up capital, while EMH's stake in BYD and the share of profit that BYD will receive from its investment in TSB will not exceed 17.60 percent (23.63 percent of 74.5 percent of the total number of preferred shares of ACE). TSB's actions in which EA is a partner may not benefit BYD in the best interests of BYD if EMH, as a majority shareholder of BYD, takes any action to take part in a material decision of the BYD and TSB. For example, requiring the selection of EA products or services without comparison with other vendors or service providers, imposing commercial terms or pricing to maximize EA's benefit, and may affect the profits of TSB, etc.

The IFA is of the opinion that Entering into the transaction may have potential conflicts of interest in the future. The IFA has considered BYD's disclosure of risk management and governance guidelines for TSB and ACE in accordance with the document “Information about the PP capital increase to specific investors” in item 2.3 on “Opportunity to generate income for the company and the impact expected in the event of project failure and the risk of project implementation”. Thus, BYD's risk management approach in relation to future conflicts of interest can be summarized as follows:

- Ordering E-Bus from EA or earning income from advertising costs related to shareholders. It uses the principle of comparing trading conditions with other manufacturers and service providers who can be confident in the quality of the products, the provision of warranty services, etc., compared to the manufacturer and other unrelated service providers (Arm's Length Basis) to maintain the best interests of BYD.
- BYD will work with TSB to establish a strong internal control system. Moreover, there will be an independent internal auditor to inspect the operation and report to the BOD of TSB. In addition, TSB is in the process of restructuring the board of directors to have independent directors oversee its operations to be ready to submit to the stock exchange in the future.
- Controlling costs and operating expenses to ensure that TSB's performance is as expected.
- Send representatives of BYD to closely monitor the operations in both ACE and TSB.

In this regard, the IFA is of the opinion that BYD's risk management approach is necessary as a measure to prevent potential future conflicts of interest. However, the IFA further suggested that the directors of TSB, who are the representative of BYD, should report to the BOD of BYD regularly for transactions with potential conflicts of interest and preventive measures that are taken to prevent conflicts of interest for that particular transaction, and, also, set the internal control system plan and internal control audit results of TSB to BYD's Audit Committee on a regular basis.

3. BYD has a default risk from lending to TSB

From the PP capital increase, BYD aims to use the money to provide financial assistance to TSB in the form of long-term loan totalling 8,550.00 million Baht with a repayment period of 8 years. The first 12 months is a grace period in which only interest will be paid with no principal repayment. And in the next 84 months (months 13-96), TSB will pay both interest and principal repayment. The principal will be repaid at 101.79 million Baht per month and the interest rate is quoted on the Minimum Loan Rate ("MLR") of Bangkok Bank Public Company Limited plus not more than 1.50 percent per annum, with the total interest rate not exceeding 7.00 percent per annum. Operations and cash flow If the TSB is unable to repay the loan or repay the loan on time which can consider the risks from lending to TSB in Section 2, item 2.2.8.

Advantages of not entering the “PP Capital Increase” transaction

1. No Dilution Effect on existing shareholders

If BYD does not enter the PP transaction, the existing shareholders of BYD will not be affected by the decrease in their voting rights and shareholding (Control Dilution), the market price dilution (Price Dilution), and Earning Dilution as mentioned in Section 2, item 2.1.4.1.

2. No default risk from TSB lending

In case BYD's shareholders' meeting does not approve the PP capital increase transaction or the SEC does not approve the PP capital increase, financial assistance to TSB, an associated company, will not occur.

Since it is a binding condition, the IFA believes that if BYD does not enter the PP transaction, BYD will not be able to provide loans to TSB. Therefore, there is no risk of such a transaction.

3. Reduces the risk of conflicts of interest between TSB and BYD shareholders

If BYD does not enter the PP capital increase transaction, the 3 investors will not be BYD shareholders and EMH will not be a major shareholder of BYD. Therefore, EA and EMH are not categorized as individuals who may have a conflict of interest with BYD. The IFA is of the opinion that an entry between BYD and EA and EMH or a transaction between TSB and EA and EMH will not be considered a conflict-of-interest transaction.

Disadvantages of not entering the “PP Capital Increase” transaction

1. TSB lost an opportunity to increase competitiveness

If BYD does not enter the PP capital increase transaction, EMH is not a major shareholder of BYD and BYD is unable to provide financial assistance to TSB. Consequently, TSB will need to find other funding sources to be used for planned investments. The opinion of the IFA is that TSB may not be able to find sufficient funding sources due to the high loan amount compared to TSB's financial position and performance. Moreover, TSB may not be able to acquire ETH, and SMB, which operates public bus services, will remain under EA that competes with TSB and TSB may not be fully assisted by EA for businesses related to electric vehicle service. Therefore, the IFA believes that if BYD is not entering into the PP capital increase transaction, it will cause TSB to lose the opportunity to increase competitiveness through the integration of business with SMB and the assistance of EA business across the value chain.

2. Other methods of raising capital may have an impact on the financial plan

If BYD does not raise capital through the PP capital increase, BYD may consider raising capital by other methods. However, it will take longer than PP to process until the capital increase is received, which may not be in time for BYD since TSB plans to use funds for the purchase of E-Bus to meet transportation license requirements by October 2022. In addition, by raising capital through RO, PO, or warrant issuance, there is a chance that BYD will not receive the required capital increase. The IFA believes that other ways to raise capital will take longer than the PP capital increase and there is a chance that the capital will not be fully funded. This will affect BYD and TSB's spending plans as discussed above.

BYD needs to provide financial assistance to TSB because Ms. Kulpornphat is an ordinary person who is not yet ready to provide financial assistance. Moreover, BYD sees the potential for TSB after TSB got transport licensed to operate an additional 71 routes as a key turning point in expanding the business faster than ever. In addition, BYD can find funding by raising PP capital and lending to TSB since BYD is being an indirect shareholder in TSB. If BYD doesn't help, TSB may only find some funding that may not be sufficient for the business under the transport license.

3. BYD's capital structure and maintenance of BYD's net liquid fund (NC) would be impacted

Since raising capital through equity financing will be the limitations as stated above, BYD may need to find other funding sources. Moreover, there will be more interest expenses and an impact on BYD's

capital structure. As a result, BYD's debt will rise, resulting in the debt-to-equity ratio to be increased compared to the average debt-to-equity ratio of listed companies in the financial industry Finance and Securities Sector (FIN).

In addition, seeking funding from borrowing and issuing and offering debt securities will affect BYD, which operates the securities business as its core business. As a result, BYD will not be able to maintain its net liquid capital (NC) as legally required due to the high proportion of debt. Consequently, IFA considers that the failure to enter into the PP capital increase transaction and cause BYD to seek funding from financial institutions borrowing or issuing and offering debt securities is a detriment to BYD.

Risks of entering the “PP Capital Increase” transaction

1. Risk of a failed PP capital increase

The IFA believes that BYD still has a risk that PP capital increase will not be successful if the shareholders' meeting does not approve the transaction, or the SEC does not allow to issue and offer for sale of newly issued ordinary shares to be allocated to the private placement.

2. Risk from holding shares in ACE is considered to be another business of a Securities Company.

BYD is at risk of being guilty of Article 98 of the Securities Act B.E. Securities as a securities business operator and derivatives business operator, Section 98 (7) of the Securities Act prohibits a securities company (“associate”) from purchasing or possessing shares unless a) is an acquisition due to: securities trading underwriting or other securities business as specified in the notification of the Capital Market Supervisory Board; or b) is an acquisition with a waiver from the SEC Office in accordance with the rules, conditions and procedures prescribed in the notification of the Capital Market Supervisory Board, including Section 98 (8) Securities companies are prohibited from engaging in any business that is not a licensed securities business unless permission has been granted by the Capital Market Supervisory Board. (Please see more details at 2.1.7.2.) However, BYD's investment in ordinary and preferred shares in ACE with a 49.39% stake.¹⁰ of total capital of ACE (after entering into the transaction to purchase additional preferred shares from Ms. Kulpornphat) is not considered an investment in other businesses of a securities company as determined by the Capital Market Supervisory Board.

However, the SEC is in the process of revising the rules for undertaking other businesses of securities business operators and derivatives business operators to be in line with technological changes and investor behavior. The key elements of the criteria related to entering into this transaction are as follows:

- (1) Business model in one form or another,
 - (1.2) Securities Company operate other business by
 - i. Securities Company holding shares in any company, directly or indirectly, from 20 percent of the paid-up capital of that company (the SEC Office amended from more than 50 percent to 20 percent because the accounting standard will assume Acquisition of shares in an entity

¹⁰ Calculated by $\frac{43.904 \text{ million ordinary shares} + 1.043 \text{ million preferred shares}}{\text{Total ordinary shares and preferred shares 91 million shares}} = 49.39\%$

with at least 20 percent of the voting power, directly or indirectly, is presumed to have the power to participate in decision-making regarding the financial and operating policies of that business), or

ii. Securities Company has significant control over such businesses such as having representatives in the company's directors or other management teams that are equivalent to the board of directors of the business.

(2) Criteria for permission to operate other businesses subject to the following conditions:

(2.1) The business that can be operated must be related to the licensed securities business and act as follows

iii. In case of high investment value

In case the investment value in other businesses is more than 1,000 million Baht, the Securities Company must submit an application and obtain permission from the Capital Market Supervisory Board before starting a business by the Securities Company, an application must be submitted along with information, documents, and other business evidence. and the work system prescribed to the SEC Office (in case the SEC holds shares in other companies must have a letter of consent to the SEC Office to examine companies that operate other businesses).

Therefore, if the new rules for conducting other business of Securities Companies come into force. This will make BYD's investment in ACE, which accounts for more than 20 percent of ACE's paid-up capital, to be classified as another business, pursuant to (1) Form of Business (1.2) (i), including BYD submitted. The representative is a director of both ACE and TSB, and plans to closely oversee TSB, which could also be construed as an investment in another business under (1.2) (ii).

When an investment in ACE may be classified as another business of a Securities Company, BYD may be required to apply for approval in accordance with (2) Other Business Licensing Criteria (2.1) (iii) in case of high investment value because BYD has both investment value in total ACE shares and loans to TSB exceed 1,000 million Baht, so BYD is required to obtain approval from the Capital Market Supervisory Board for other securities business operations, which the IFA views that there is a possibility of disapproval as TSB's business may conflict with the rules that other securities firms should be related businesses and helping to promote securities business. As a result, BYD might have to cancel its investment in ACE shares.

Summary of the reasonableness of the transaction “PP Capital Increase”

Considering the advantages, disadvantages, and risks of entering into the PP capital increase transaction, the IFA is of the opinion that entering into the transaction is beneficial for the shareholders and the Company more than negative impacts that may occur in the future. BYD is expected to receive interest in the amount of 2,718.19 million Baht (please see additional details of the payment schedule in section 2, item 2.2.9.) and will begin to receive dividends from ACE amounting to 200.64 million Baht in 2031 as the

company will have sufficient capital to expand the business of the associated company in which BYD holds 49 percent, it will increase the opportunity for BYD to receive a good return on investment and increase competitiveness. Therefore, entering into such a transaction is reasonable.

Reasonableness of the lending transaction to TSB

The IFA has determined the interest rate for the loan to TSB based on the terms outlined in the material terms of the Draft Loan Terms between BYD and TSB, the latest IFA received as of 30 June 2022 (Please See Section 1.4.2 (a) for more details of the Draft Loan Terms between BYD and TSB), stating that the interest rate of the loan will be based on Minimum Loan Rate (MLR) of Bangkok Bank Public Company Limited plus not more than 1.50 percent per annum, but not exceed 7.00 percent per annum. The MLR rate of Bangkok Bank Public Company Limited for June 2022 (Source: www.bot.or.th) is at 5.25 percent per annum plus 1.50 percent per annum, hence, will be 6.75 percent per annum. The IFA compared the agreed interest rate with the interest rate of return since it is a loan to TSB and BYD will receive a return in the form of interest on the loan and compared with the rate of return on other investments such as deposit interest rate, equity, debt securities, and interest rate from the lending securities business (Margin Loan) of BYD. (Please see more details in section 2, item 2.2.2.) It was found that the interest rates on loans to TSB are higher than all IFA comparisons, which indicates that the above rate is higher loan interest rate yield in general and BYD's historical rate of return. Therefore, the IFA considers that the loan interest rate is appropriate for the current period. However, the IFA has noted that BBL's MLR interest rate is slightly lower than the average MLR rate of the four major commercial banks. Moreover, setting a maximum borrowing rate of not more than 7.00 percent per annum, BYD may lose the opportunity to receive higher returns if BBL's MLR interest rate is higher than 5.50% per annum, especially during the period when the IFA believes that there is a tendency that the policy interest rate and borrowing rate will increase. (Please see details on interest rate volatility risk in Section 2, item 2.2.8.3). If BYD can negotiate to cancel the loan interest rate conditions at a maximum of 7.00 percent per annum, BYD will reduce the risk of an increase in interest rates.

The IFA has considered the financial assistance transactions to associates by comparing the advantages and disadvantages, which can be summarized as follows:

Advantages of entering into the transaction “Lending to TSB”

1. There is a source of funds for the expansion of TSB, an associate of BYD

Lending to TSB is beneficial to provide TSB with sufficient funds for TSB's business expansion, both in the form of mergers and acquisitions, expansion of services of TSB and its subsidiaries, and adding more routes. The IFA expects that the investment projects will enable TSB to grow by leaps and bounds in terms of operating assets and revenue from public bus and boat services from the number of routes and the number of electric vehicles available and provide more services. Also, there is the opportunity to share resources for high efficiency and build competitiveness. If TSB's performance is as expected, TSB will be

able to generate good profits and have financial strength. Consequently, this will result in BYD getting a good return on its indirect investment in TSB.

2. BYD has the opportunity to obtain a return on loans to TSB at a rate greater than BYD's historical return on investment

The IFA has considered the rate of return on investment in financial instruments of BYD to compare with borrowing rates. It was found that BYD has invested in financial instruments, which is an investment in debt securities, equity, and funds, with an average return of 1.55% per annum for the period from 2019 to the first quarter of 2022 since BYD's change in management structure during the year 2020 - 2021. Consequently, lending to TSB will yield a better return than the investment in BYD's financial instruments in the past.

Table 2 Historical Return on Investment in financial instruments

	2019	2020	2021	Q1 2022
Historical Return on Investment in financial instruments	7.21%	-7.72%	6.23%	0.49%
Average Return on Investment	1.55%			

Source: Financial Statements of BYD and calculated by IFA

3. BYD has the opportunity to earn a return on investment in ACE

By providing financial assistance to TSB, TSB will be able to invest in projects to expand the business as mentioned above. The IFA is of the opinion that it will benefit BYD in obtaining return on investment as mentioned in Section 2 item 2.1.3.3.

4. BYD has other sources of income other than income from securities business

By lending to TSB, BYD will receive interest from TSB every month, with a total value of not more than 2,718.19 million Baht. During the first 12-month grace period, only interest will be paid at 49.88 million Baht per month, without repayment of principal. And in the 13th – 96th month will be the payment of principal and interest. The principal will be repaid equally every month at 101.79 million Baht per month. The interest for the 13th month is approximately 49.88 million Baht and will gradually decrease according to the decreasing principal value until the interest value for the last month is approximately 0.59 million Baht. (Please see details of the repayment schedule in Section 2, item 2.2.9.) Earning interest on loans to TSB will provide BYD with a source of income other than income from the securities business, which is the core of BYD which has a highly competitive business today and provide BYD with high profits.

Table 3 TSB's Loan Table

Year	Beginning Balance	Principal Repayment	Interest Paid	Total Payment	Ending Balance
2022	8,550.00	-	199.50	199.50	8,550.00
2023	8,550.00	407.14	594.94	1,002.08	8,142.86
2024	8,142.86	1,221.43	530.81	1,752.24	6,921.43

2025	6,921.43	1,221.43	445.31	1,666.74	5,700.00
2026	5,700.00	1,221.43	359.81	1,581.24	4,478.57
2027	4,478.57	1,221.43	274.31	1,495.74	3,257.14
2028	3,257.14	1,221.43	188.81	1,410.24	2,035.71
2029	2,035.71	1,221.43	103.31	1,324.74	814.29
2030	814.29	814.29	21.38	835.66	0.00

Source: Latest information that IFA received from TSB on 25 July 2022.

The principal repayment per period is 101.79 million Baht and there will be a total interest payment of 2,718.19 million Baht.

$$\begin{aligned} \text{The Effective Interest Rate} &= \left(1 + \frac{i}{n}\right)^n - 1 \\ &= \left(1 + \frac{0.07}{12}\right)^{12} - 1 = \underline{7.23\%} \end{aligned}$$

5. BYD as a creditor has the right to receive repayment of debt before returning the investment to the shareholders

Providing a loan to TSB makes BYD becomes a creditor for the loan amounting to 8,550.00 million Baht. If TSB's performance does not meet the target, TSB will be unable to repay its debt. The IFA is of the opinion that BYD as a creditor will have the right to claim, sue, or file a lawsuit for TSB to pay the debt according to the amount of outstanding debt and sell assets at auction to pay off debts to creditors in full first. Then, TSB will be able to divide the remaining assets after debt repayment to shareholders. That's good for BYD because it gives BYD a better chance of getting a refund than raising capital in ACE or TSB if TSB's performance doesn't meet targets and it shuts down.

Disadvantages of entering into the transaction “Lending to TSB”

1. BYD may lose the benefit of investing the money in other businesses or assets with higher returns

The interest rate for loan to TSB is referred to the Minimum Loan Rate (MLR) of Bangkok Bank Public Company Limited plus not more than 1.50 percent annually, but not be higher than 7.00 percent annually. At this time, it is regarded as a suitable interest rate. However, investing in other assets with comparable risk levels or lower levels of risk, including real estate investment trusts or debt securities of listed companies, could produce larger returns than interest-rate loans to TSB.

2. BYD may lose interest from an increase in interest rates

Setting the maximum borrowing rate of not more than 7.00 percent per annum may affect BYD in losing the opportunity to receive interest returns according to economic conditions and is inconsistent with BYD's cost of financing in the event of an increase in interest rates. The IFA has considered the fact that the current state of the economy has caused inflation to rise, which influences inflation around the world. IFA believes that to address the current economic volatility, the Bank of Thailand may take steps to increase

the policy interest rate. This could increase the likelihood that the interest rate on TSB lending, which is calculated as MLR + 1.50 percent, will be higher than 7.00 percent annually and could make BYD less interested in obtaining more money if the interest rate on the loan is capped at 7.00 percent annually.

3. TSB may not be able to pay debts as scheduled

The IFA is of the opinion that TSB is at risk of being unable to repay BYD loans by the due date. Hence, BYD and TSB should agree on the terms of loan payments that are as close as possible to what will happen to ensure that the terms are applicable and do not contravene the loan agreement's provisions, particularly the loan payback.

4. The collateral may not be of sufficient value to pay off the debt

In granting this loan to TSB, the conditions of the collateral were determined by Ms. Kulpornphat Wongmacharpinya (“Ms. Kulpornphat”) took all the shares of ACE held by Ms. Kulpornphat consisting of 45.696 million ordinary shares and 0.357 million preferred shares, representing 50.61% of ACE's registered and paid-up shares, pledged as collateral with ACE's total book value of 842.65 million Baht as of 31 March 2022. When compared to the value of the loan to TSB of 8,550 million Baht, the value of the shares used as collateral will be much lower than the lending value.

However, IFA believes that with this loan, TSB will invest in TSB's projects as mentioned above. If TSB's performance does not meet expectations, it will result in TSB being unable to repay its loan to BYD, as well as affecting the value of TSB and ACE's businesses, which may continue to decline until they are unable to pay debt and unable to continue the business. IFA believes that when BYD as a creditor must enter the litigation process to take out collateral for auction, the business and share values of TSB and ACE may be reduced to no longer valued or significantly less than the outstanding liabilities.

5. Potentially loss by borrowing rates below the appropriate interest rate to offset TSB's credit risk

From the determination of the loan interest rate equal to MLR of Bangkok Bank Public Company Limited (Minimum Loan Rate: MLR) plus no more than 1.50% per annum, which is good with sufficient collateral, etc., and plus spread shows that the borrower poses a greater risk than a reliable, large customer, such as poor financial standing, lack of collateral, etc. Hence, the interest is increased to compensate for the borrower's risk. Thus, the higher interest rate reflects the higher credit risk of TSB than its high net worth clients, such as TSB's financial position, income generation, and debt serviceability.

However, the IFA has an additional opinion that TSB's credit risk is assessed in the same way that a commercial bank is assessed to determine the interest rate on the loan. The loan interest rate to TSB is considered by banks may be higher than the MLR + 1.5% interest rate. Each bank is assessed both financially (Quantitative) and qualitative on the topic that each bank focuses on. This is a part that makes the interest rates on loans received from each bank different. In addition to the different financial costs of each bank and the fact that TSB has just started the business of providing electric public buses including high-value investment, IFA believes that the collateral is insufficient to cover the borrowing limit. The loan interest

rate that TSB will receive, at the bank's discretion, may be higher than the MLR + 1.5% borrowing rate, jeopardizing BYD's chances of getting a higher loan rate. Considering that TSB has asked for a line of credit from the bank, it has been offered a loan interest rate that is +1.5% higher than MLR.

Advantages of not entering the transaction “Lending to TSB”

1. No default risk

If BYD has not entered into a loan transaction to TSB, then BYD will not be a TSB creditor and will not be affected by any default risk.

2. BYD can invest money in securities businesses or other financial assets that may receive better returns

If BYD receives funds from the PP capital increase but is unable to enter into a loan transaction with TSB, as a result, BYD may use the money for the PP capital increase, but BYD is required to invest the money to generate returns for shareholders. The IFA believes that BYD can still use the PP capital increase in BYD's core business such as securities business or investment in other assets with a yield that is better than or close to the interest rate that BYD receives.

Disadvantages of not entering the transaction “Lending to TSB”

1. If BYD receives money from the PP capital increase, BYD needs to find other investment opportunities in order to provide good returns to BYD shareholders

If BYD receives funds from the PP capital increase but is unable to enter into a loan transaction with TSB, as a result, BYD may use the money for the PP capital increase. IFA considers that if BYD is unable to bring such funds to invest in any business or assets with a good rate of return, It will affect the shareholders because the PP capital increase will affect the shareholders both the voting rights (Control Dilution) and the profit sharing (Earning Dilution) as discussed in Section 2, item 2.1.4.1 above and may affect the fundamentals of the share price from lower earnings per share.

2. TSB may be subject to a confiscated transport license if funding is not available in a timely manner

Since the Department of Land Transport ("Transportation License") has granted TSB a fixed route transport license, with 71 licenses usable for new routes for a period of seven years from April 2022 through April 2029, with the conditions that TSB must be operated within 180 days, or by October 2022 to achieve the minimum requirement specified by the Department of Land Transport. Thus, TSB must spend on purchasing E-Bus to meet the required minimum number of buses for new routes as well as for the remaining 8 routes. TSB presently has 79 transport permits in total, all of which are required to complete the required number of vehicles.

The IFA believes that failure to provide loans to the TSB may result in the TSB being unable to provide sufficient and timely financing. It will affect TSB in procuring E-Bus under the said transport license. According to the conditions of the transport license, if TSB fails to comply with the conditions within the specified time and causes the deterioration of benefits to the people The Central Registrar will proceed

with the procedure for revocation of the transport operating license under Section 46 of the Land Transport Act B.E. transport. As a result, TSB may be subject to confiscation of all transport operating permits, in a total of 79 licenses, which will prevent TSB from continuing its business. And will affect BYD for indirect investment return on TSB.

3. TSB lost an opportunity to increase competitiveness

If BYD does not enter the PP capital increase transaction, EMH is not a major shareholder of BYD and BYD is unable to provide financial assistance to TSB. Consequently, TSB will need to find other funding sources to be used for planned investments. The opinion of the IFA is that TSB may not be able to find sufficient funding sources due to the high loan amount compared to TSB's financial position and performance. Moreover, TSB may not be able to acquire ETH, and SMB, which operates public bus services, will remain under EA that competes with TSB and TSB may not be fully assisted by EA for businesses related to electric vehicle service. Therefore, the IFA believes that if BYD is not entering into the PP capital increase transaction, it will cause TSB to lose the opportunity to increase competitiveness through the integration of business with SMB and the assistance of EA business across the value chain.

4. BYD may lose its stake in ACE directly or indirectly if ACE or TSB look for additional joint ventures

If lending to TSB is not feasible, TSB may find another joint venture with funding potential and be ready to invest in a limited time. The IFA believes that this approach will enable TSB to operate the business under a transport license. However, it will affect BYD's shareholding and voting rights (Control Dilution) and will affect the profit sharing (Earning Dilution). Moreover, Existing holdings are affected by a substantially reduced stake, which is up to ACE or TSB in negotiations with investors for the offering price of ACE or TSB's capital increase shares.

The risk of entering into the transaction “Lending to TSB”

1. Default Risk

From the loan to TSB of 8,550.00 million Baht, the payment terms are set to be monthly. The first year (months 1-12) is a grace period, only interest will be paid with no principal repayment. For 13-96 months (84 months total) will pay both interest and principal repayment. (Please see details of debt repayment in Table 3 TSB's Loan Table) However, the IFA has received only the essence of the draft loan terms between BYD and TSB. (Please see section 1.4.2 for more details (a)) and the repayment schedule information obtained from TSB on 25 July 2022.

From the above table, it can be seen that TSB's liquidity ratio as of 31 March 2022 was 4.78 times which increases from 1.10 times in 2021, reflecting that TSB's ability to settle the short-term debt has increased. However, TSB's interest coverage ratio for 2021 and the first quarter of 2022 is at -3.90 and -0.66 times, respectively. The negative interest coverage ratio reflects TSB's improved debt service coverage with future investment plans whether it will have a good performance and be able to repay the debt or not. The IFA has prepared a cash flow projection to consider the adequacy of cash flow for debt repayment. (Please refer to the estimation details in Part 2, item 2.2.3)

Because TSB and its subsidiaries plan to make significant investments in the years 2022–2024 if the operating results are below target, the IFA believes that TSB is at risk of defaulting on payments owed to it. TSB is still unable to generate adequate money for routine operations and is obligated to repay the debt in accordance with the loan terms, in addition to having investments that exceeded the plan. A payment that comes as near to the eventual outcome as possible, to guarantee that the requirements can be carried out and do not conflict with the loan agreement's provisions, particularly the loan repayment. The IFA believes that it is a condition that is reasonable and suitable for entering into the transaction. This is because most of the conditions are beneficial to BYD. Moreover, in entering into the loan agreement between BYD and TSB this time, BYD will be able to enter the transaction only after the Extraordinary General Meeting of Shareholders No. 1/2565 has been approved to enter Financial Assistance Transactions to TSB only.

However, if the terms of the loan between BYD and TSB change significantly, BYD should notify the BYD shareholders of the change either through a notice via the BYD website or through the website of the Stock Exchange of Thailand. Otherwise, if the changes are significant and have a significant impact on BYD, IFA believes that BYD should present to the shareholders' meeting to consider the new transaction before BYD can do so. (Please see more details in Part 2, Clause 2.4.2 (a))

2. Risk that TSB's performance will not be as expected

The IFA believes that although TSB has experience in public bus service ahead of the current investment projects, the size of the business will grow exponentially from the IFA's estimates. Revenue from TSB's public bus services is expected to increase as the number of E-Bus increases and as people return to normal life after the coronavirus outbreak (COVID-19). There may be obstacles or problems in management, including the public boat business that TSB does not currently have experience with. If TSB can handle everything with experience, expertise, and professionalism from the route supervision by the end of 2021 will enable TSB to achieve good operating results as targeted. At the same time, TSB's performance also depends on external factors such as the Coronavirus Disease 2019 (COVID-19) epidemic, which the team must use its ability to resolve the situation.

3. Risk from interest rate volatility

The key factor in adjusting the MLR of Bangkok Bank Public Company Limited is the policy interest rate set by the Bank of Thailand. However, inflation is rising around the world and impacts the Thai Baht exchange rate influencing the interest rate policy of the Bank of Thailand with an upward trend. The IFA is of the opinion that the interest rate throughout the loan term has the potential to be increased or decreased. This will affect BYD's interest income.

Reasonableness of the TSB's asset acquisition transaction

Based on the plan to invest in the entire business of ETH with a total value of 6,000.00 million Baht, the independent financial advisor has prepared a cash flow projection of the ETH business, consisting of EST, SMB and BLS, to assess the value of the business and study the cost-effectiveness of the investment. The IFA assesses the value of ETH using the Sum of the Parts (“SOTP”) approach which equals to 5,623.98

– 6,277.20 million Baht. At the same time, the IFA calculates the Internal Rate of Return equal to 10.23 percent and has a payback period of 4.41 years. The IFA is of the opinion that such an investment with an investment value of 6,000.00 million Baht is still at a level that is worth the investment. Therefore, it is reasonable. However, shareholders please refer to the details of advantages, disadvantages, and risks of acquiring TSB's assets in Section 2, item 2.3.5 – 2.3.9 for consideration of the transaction.

Reasonableness of purchasing E-Bus

From the fact that TSB has joined the application for a license to operate fixed route transport in the Bangkok area. and provinces with additional continuous routes ("Transportation license"), which later the Department of Land Transport notified on 24 March 2022, that the Central Land Transport Control Board has approved the transport operation license to TSB for 71 routes. The duration of transportation is 7 years, starting from April 2022 until April 2029, according to the conditions of the transport license, and TSB must bring the vehicle into operation within 180 days or within October 2022. TSB is, therefore, necessary to invest in purchasing E-Bus to meet the minimum amount determined by the Department of Land Transport. TSB has a plan to purchase E-Bus from Nex Point Public Company Limited (“NEX”), which operates a large-scale electric vehicle manufacturing business and is a distributor of electric passenger buses (E-Bus). NEX is a company in which EA holds shares of NEX, with EMH accounting for 40.01 percent of NEX's total paid-up capital (Shareholder information as of 11 March 2022, from www.set.or.th) (Please see details of the EA structure in Figure 1).



In this regard, after the PP capital increase, EMH will be a major shareholder of BYD in the proportion of 23.63 percent of the registered capital after the PP capital increase. BYD will lend TSB to TSB to take part of the loan amounting to 2,000.00 million Baht will be used as a deposit for booking E-Bus. The rest

of the purchase price of E-Bus will be used as a source of funds from borrowing from financial institutions as well as loans from car sellers and trade accounts payable¹¹.

However, E-Bus that TSB purchased on 15 June 2022, amounting to 154 cars, and on 5 July 2022 of 604 cars, a total of 758 cars, the deposit has been paid in full. For the remainder of the E-Bus purchase cost, it will be financed by borrowing from financial institutions, as well as loans from car sellers and account payables. The first batch of 154 buses is scheduled for delivery within August 2022 and the other 604 buses are scheduled for delivery by October 2022. For 758 cars, this is the number of vehicles that have fulfilled the minimum number for 71 new routes. However, by 2022, TSB will still need to purchase 138 more E-Bus to meet the minimum number of vehicles for the existing 8 routes of 96, for EXA of 19, and 23 RJR.

The independent financial advisor has considered the appropriateness of the E-Bus price and the deliverability of the suppliers by considering the E-Bus offering price and production capacity of NEX compared to other traders both domestically and internationally. It can be seen that the price is at a reasonable level and that NEX will be able to deliver the E-Bus in a timely and complete manner as planned. (Please see details in Section 2, item 2.3.3)

Reasonableness of the purchase of EXA and RJR shares

Based on the plan to invest in the business of EXA and RJR with a total value of not more than 200.00 million Baht, the IFA has prepared a cash flow projection of the EXA and RJR business to assess the business value and study the cost-effectiveness of the investment. The independent financial advisor assesses the value of EXA and RJR as follows:

Company	Assessment Approach	Value (million Baht)	Value per share (Baht per share)
EXA	Discounted Cash Flow Approach	40.97 – 50.29	31.52 – 38.68
RJR	Discounted Cash Flow Approach	121.90 – 141.63	76.19 – 88.52
Total		162.87 – 191.92	107.71 – 127.20

At the same time, the IFA calculates the Internal Rate of Return equal to 7.68% and a payback period of 11.37 years. The IFA is of the opinion that such an investment with an investment value of 200.00 million Baht is not worth for investment because it is higher than the value that the financial advisor appraised. The investment in EXA and RJR is the acquisition of licenses to operate 6 routes, while TSB will need to invest or provide financial assistance to EXA and RJR to provide E-Bus for the 6 routes. Buying shares at that value with additional investment is, therefore, not worth the investment. If TSB is still in negotiations with the seller, it is best to negotiate a price that is worthwhile and a good return on

¹¹ TSB is in the process of negotiating the commercial condition details on the payment for the prices of E Buses to the seller, as well as the negotiation with some financial institutions and credit providers, i.e., Siam Commercial Bank Public Company Limited and Sumimoto Mitsui Auto Leasing & Service (Thailand) Company Limited.

investment. In this regard, shareholders, please refer to the details, advantages, disadvantages, and risks of acquiring assets of TSB more in Section 2, item 2.3.5 – 2.3.9 for consideration of the transaction.

Advantages of entering into the transaction “Acquisition of TSB Assets”

1. Increase business expansion opportunities and enhance competitiveness

TSB has a business nature of passenger transportation by bus and ETH is a holding company with subsidiaries divided into 2 companies, including EST, which operates a boat transportation service on the Chao Phraya River consisting of passenger ships and tour boats; and SMB, which operates in the business of passenger transportation by buses. In addition, SMB holds a 49 percent stake in BLS, which operates bus maintenance services with long-term contracts and is mainly available for buses in SMB. Moreover, when SMB switches to E-Bus, BLS will change their service switches to E-Bus as well, which does not require additional investment since the maintenance of the E-Bus is not as complicated and complicated as a combustion engine car. Therefore, the acquisition of assets this time means that the acquisition of all ETH businesses is like a synergistic expansion into a business with the same operating characteristics. This is an opportunity to increase income and enhance the potential for sustainable growth as well as help TSB expand its business into the public boat service business. It is in line with the objective of TSB to connect the public transport service network by bus-boat.

2. Opportunity to earn a return on investment if the performance is as expected

The IFA is of the opinion that, from the financial projection of the IFA, if there is no change in external and internal factors affecting the operating results of TSB and its subsidiaries, earnings are expected to be in line with expectations. If the above objectives for TSB's investment are met, BYD can expand its investment in TSB's business as an indirect shareholder. and BYD is a long-term creditor which can spread the risk from the company's business and help promote BYD's efficiency in doing business. TSB has seen steady growth in the public transport business with E-Bus, TSB has received licenses for 71 additional bus routes, and has also acquired ETH, the largest public transportation operator. This reduces the competition of competitors with large market share and increases the efficiency of TSB by indirect shareholders through ACE, and BYD as a creditor, the financial assistance will also benefit.

3. It is an expansion of business in response to the global trend and in accordance with government policy

Nowadays, global business trends are aware and focus on environmental impacts in both government and business sectors. The government has implemented measures to support the use of electric vehicles in a concrete way for both tax measures and Electric Vehicle Discount Measures, The investment promotion measure (BOI) includes asking for cooperation from government agencies to use electric vehicles. Therefore, the acquisition of assets of TSB in this transaction is aimed at conducting business in electric buses and electric boats which is in line with future business trends with the concept of environmental conservation. Furthermore, people are paying more attention to environmental

conservation. Therefore, consumers are more likely to choose to use electric buses and boats. It represents an opportunity for greater revenue growth and an opportunity to increase the value of TSB in the future.

4. Benefit from economy of scale

Entering into this asset acquisition transaction can create synergy between TSB and the companies that TSB will invest in because TSB plans to invest in the Single Network-Single Price- Single Management Project worth approximately 200.00 million Baht to connect the transportation network of buses-boats of TSB and its subsidiaries in order to satisfy customer service with fares that are not too burdensome. Resources are shared for the management of the bus-boat service network and the electronic ticket collection system (e-Ticket). The technology will be used to operate and control the standard of transportation, such as creating a Web Admin to manage the Big Data system and analyse the data of the bus-boat system and passenger service usage information that is convenient, accurate, and can be processed immediately (Real Time), including the use of the e-Ticket system for transparency which will reduce leakage from fare collectors and able to manage costs effectively.

Additionally, TSB will raise the number of public buses operating within the group from 112 buses to more than 2,000 buses as well as 44 public passenger ships after entering into this asset acquisition deal. TSB is able to pool resources like garages and staff, the management system, central support personnel, etc. Because of economies of scale, which result in cheaper unit service prices, TSB will gain when comparing costs and expenses per ship or per vehicle. Putting money into the relevant fixed assets is worthwhile.

5. Creates a competitive advantage over competitors in the clean energy passenger transport business

Since TSB, SMB, and EST's main operating assets are E-Bus and E-Ferry, which are electric engines. It has lower fuel and maintenance costs than a combustion engine. And batteries are backed by a 7-year manufacturer's warranty covering a battery life of the same 7 years, reflecting the higher profitability of competitors in the public transport industry today and in the future. Since the price of fuel tends to continue to increase, the price of electric power is also likely to increase but at a lower level. Nowadays, SMB still operates with NGV combustion engine buses, however, according to an interview with SMB executives, SMB plans to switch to E-Bus in the future as well and will switch to all E-Bus by 2025. TSB will continue to lend money from BYD to SMB as a deposit for the purchase of the E-Bus and the remainder of the purchase price of the E-Bus. It will use the source of funds from borrowing from financial institutions as well as loans from car sellers and accounts payable¹² same as that of TSB.

In this regard, TSB has entered into a charging service agreement with EMN, a subsidiary of EA (Please see EA's structure in Figure 1) and a private electricity supplier and service provider. (The cost of

¹² TSB is in the process of negotiating the commercial condition details on the payment for the prices of E Buses to the seller, as well as the negotiation with some financial institutions and credit providers, i.e., Siam Commercial Bank Public Company Limited and Sumimoto Mitsui Auto Leasing & Service (Thailand) Company Limited.

installing the charging station is invested by EMN.) It is a 2-year long-term service contract and is charged according to the energy consumption. When more electricity is used, the cost per unit will be lower. The average cost of electricity for electric buses is 5.00 Baht per unit per kilowatt-hour. (Kilowatt-hour: kWh). EST has also entered into a contract to purchase electricity from EMN as a long-term service contract until 2031, with a ladder fee as well. The average cost of electricity for an electric boat is 4 Baht/kWh per unit. It is the electricity purchased from the Electricity Generating Authority of Thailand (EGAT). In the future, if the contract is renewed during the time the variable electricity (FT) price increases, as a result, the cost of EA is higher, which may result in the contract fee being charged higher. On the other hand, if the FT fee is reduced, the contract fee may also be lower. ที่ At the same time, the IFA considers such charging service rates by comparing the prices of EMN's services with other service providers in the market. The peak range is 5.1 – 7.9 Baht/kWh and the off-peak range is 2.4 – 4.59 Baht/kWh. However, the above prices do not include variable electricity (FT). Therefore, the IFA believes that EMN service rates are cost-effective and reasonable.

Disadvantages of entering into the transaction “Acquisition of TSB Assets”

1. High investment

As a result of this asset acquisition transaction, TSB will acquire ETH by means of an Entire Business Transfer (EBT), totalling approximately 6,000 million Baht, which is a significant investment amount. In the past, TSB's source of funds came mainly from loans from directors. However, TSB's source of funds for this transaction came from long-term loans from BYD, which makes TSB a burden of borrowing and finance costs. The reference interest rate is the interest rate of the Minimum Loan Rate (MLR) of Bangkok Bank Public Company Limited plus no more than 1.50 percent per annum, however, the total interest rate will not exceed 7.00 percent per annum and make a systematic long-term financial plan. In this investment, TSB expects an internal rate of return (IRR) of 10.23 percent and a payback period of 4.41 years.

2. EST and SMB still have operating losses

According to ETH's historical performance data, ETH's subsidiaries, including EST and SMB, have experienced continuous losses in the past as SMB was founded in 2018 and started operations in 2019, while EST was founded in 2019, however, the first phase of EST's operation was a free trial of the E-Ferry service, so there was no operating income. Subsequently, both EST and SMB were affected by COVID-19. This led to fewer people traveling and lockdown measures, which dramatically reduced revenues and resulted in continued losses for both EST and SMB. EST posted losses in 2021 and Q1 2022 equal to 62.40 million Baht and 26.09 million Baht, while SMB has a loss in 2019 – 2021 and the first quarter in 2022 equal to 64.21 million Baht, 372.53 million Baht, 461.80 million Baht, and 461.80 million Baht, respectively. However, in 2022, it is expected that the economic situation will reverse better after COVID-19, businesses as a whole tend to recover, and more people return to travel. Therefore, it is expected that in 2022, both EST and SMB will increase their income and begin to be profitable again in 2023 and 2027, respectively, according to the IFA's estimate, and will be able to grow and generate more profit continuously in the

future. In addition, after entering into the transaction, TSB will be a shareholder of EST and SMB, giving TSB the right to receive dividends from the operating profits of EST and SMB. Therefore, if EST and SMB performance performs as expected and continues to generate profits, TSB will receive more dividend income. According to the IFA's projection, it is estimated that EST and SMB will begin to be able to pay dividends in the year 2024 of 17.84 million Baht and 2029 of 81.39 million Baht, respectively.

However, if the results of EST and SMB do not meet expectations, this may cause TSB's return on investment to not meet the plan as well. And if the results of EST and SMB are not profitable and there are ongoing losses, TSB may not receive a dividend and repayment as a debtor of EST and SMB.

Consequently, this may decrease TSB's total income and may result in TSB not having enough money to pay off borrowings and finance costs. And there is a chance that there will be a problem of default in the future.

3. There are costs that are bound by the SMB

Nowadays, SMB still uses air-conditioned buses using natural gas (NGV) fuel, which has a high cost of energy and maintenance costs since the engine has to be maintained according to usage, unlike E-Bus which has low maintenance costs due to the use of electricity and motor. As of June 2022, the NGV value is 15.59 Baht per kilogram. The NGV price growth rate for the past 20 years is at 3.63% per year. The FT value for June 2022 is at 24.77 satang per unit. In addition, SMB has obligations with BLS, which is a passenger vehicle repair and maintenance contract, which SMB wishes BLS to be a contractor for repairing and maintaining approximately 500 natural gas (NGV) air-conditioned passenger vehicles for 14 years till 2034. From the financial statements prepared by the Company's management, it was found that in 2021 SMB had a proportion of repair and maintenance costs at 25.53% of SMB's total income.

Advantages of not entering the transaction “Acquisition of TSB Assets”

1. TSB has no risk of loss on investment

If TSB does not enter into the asset acquisition transaction this time, TSB will not have any risk of loss from an investment. This was a result of EST and SMB's performance that did not meet expectations. Considering the historical financial statements of EST and SMB (as shown in the table in Section 2, item 2.3.6.2), it was found that in the past, both EST and SMB had continually accumulated losses. If EST and SMB cannot improve efficiency in generating revenue and being unable to control expenses, EST and SMB may continue to lose losses in the future.

2. TSB has a fund to acquire more E-Bus

If TSB does not enter the asset acquisition transaction this time, TSB will have the remaining funds for acquiring additional E-Bus. The available funds and TSB's borrowing plan will allow TSB to invest in E-Bus only at the minimum amount specified by the Department of Land Transport. Therefore, if TSB does not enter into an asset acquisition transaction, TSB will have more capital and can provide additional E-Bus, which will give TSB operating assets to increase the opportunity and efficiency of TSB's income generation,

and may have remaining capital to invest in other investment projects such as systems e-Ticket, etc. In addition, TSB's increase in E-Bus also increases the likelihood that TSB will receive a license renewal at the expiration date.

3. TSB has funds to buy licenses from other operators

If TSB does not enter this asset acquisition transaction, TSB will be able to use this capital to acquire licenses from other operators that may be more efficient and capable. However, the objective of TSB's investment is to become a major player in the passenger transport industry to increase market share. Currently, Major players in the market include Bangkok Mass Transit Authority (BMTA), SMB, and TSB. After entering into the transaction, TSB will become one of the operators in the public transport industry and will have the opportunity to gain market share in the future to 35.26¹³ percent of the total number of transport licenses for operating in Bangkok and provinces on continuous routes. In addition, TSB's acquisition of ETH also has another benefit that cannot be obtained from other operators such as the bargaining power with the trading partners since both TSB and EST, which is an E-Ferry service provider, use the service to charge the electricity from the same counterparty, EMN. Therefore, after entering into the transaction, TSB will have more bargaining power with trading partners and may be able to negotiate a lower cost of service.

However, EST currently has no plans to purchase additional E-Ferry, which EST purchased on 30 May 2022 is sufficient. The total number of E-Ferry purchases of 17 boats is scheduled for delivery in Q1 2023 with a total value of approximately 505.50 million Baht. EST will use the source of funds from borrowing from financial institutions that have already received a credit line of 720.00 million Baht since 27 April 2022 with a weighted average loan interest rate of 3.09 percent per year.

Disadvantages of not entering the transaction “Acquisition of TSB Assets”

1. A conflict of interest arises because SMB, a subsidiary of ETH, operates the same business as TSB

Currently, TSB and SMB operate similar businesses, which are public transport service providers. After entering into the transaction, there is a chance that a related party transaction may occur and may cause a conflict of interest in the future. Therefore, TSB has a duty to supervise any related party transaction that may occur in the future and must disclose it to comply with the regulations of the Stock Exchange of Thailand to prevent the transfer of benefits that may occur in the future.

2. TSB lost an opportunity to grow and expand in the business with a high growth opportunity

If TSB does not enter the asset acquisition transaction this time, TSB may lose the opportunity to grow in the passenger transport business and lose the opportunity to expand business in businesses with high growth opportunities due to economic recovery. After the relaxation of COVID-19 measures in the country, the population of working age and school age is necessary to go to work and going to school. Thus,

13

Calculated

from

Existing routes of TSB (8)+ New routes of TSB (71)+ Total routes of EXA and RJR (6) + Total routes of SMB (37)
The total number of routes that the Department of Land Transport has allowed under the new route reform plan in 2019 (269)+ in 2022 (77)

the overall passenger numbers in Bangkok have significantly recovered. In addition, the energy factor has been less pressured by the change in natural gas energy costs and the cost of oil energy has changed. The cost of electricity is more economical. Moreover, the promotion of renewable energy in the country is an important factor that will enable TSB to gain benefits such as tax benefits when purchasing an EV vehicle, and the green field business will receive financial cost benefits. The number of bus service competitors is declining as changes in oil and gas prices increase the cost of services. As a result, the number of buses on the road has significantly decreased. As a result, it increases the opportunity for TSB to receive more passengers from the reduced number of buses on the road.

3. TSB lost an opportunity to increase competitiveness and an opportunity to increase market share

If TSB does not enter into this asset acquisition transaction, TSB may lose the opportunity to obtain licenses to operate other transport routes that TSB does not possess. Business expansion after the economic recovery will have a rate that is higher than normal (Abnormal Profit), which will affect growth opportunities due to insufficient capacity to support future growth and TSB may loss of opportunities to increase market share from competitors that have dropped from the COVID-19 situation and the energy price crisis, oil costs and higher natural gas in the future.

4. TSB lost the opportunity to increase profits from economies of scale

TSB will not benefit from economies of scale. Moreover, TSB will face competition from ETH, which is an indirect subsidiary of EA. It is a large conglomerate that can fully compete with TSB. TSB will not benefit from economies of scale from investments that require relatively high investment capital. But after entering into this asset acquisition transaction, TSB will have more operating assets. This will result in TSB benefiting from the economy of scale reflecting the lower unit investment cost. It also lowers the fixed cost per unit of service. It also improves efficiency and operational capability as a result of sharing knowledge among businesses. This will increase your competitiveness.

Risks of “Acquisition of TSB Assets”

1. The risk of facing liquidity problems (Liquidity Risk)

TSB may face liquidity problems and need to borrow more. However, if TSB is unable to borrow directly through a financial institution, BYD may have to provide additional financial assistance to the TSB, which could further affect BYD's liquidity shortfall as well, and may increase the default risk.

2. The risk of not receiving electric vehicles as planned

According to the investment plan of SMB and EST, they will have to acquire electric vehicles, comprising 1,250 E-Bus by 2025 and 17 E-Ferry by 2023. If the delivery delays, this will cause SMB and EST to start to operate slowly causing business damage and directly affecting the performance of SMB and EST to be not as expected. And it could make TSB's return on investment less than expected. In this investment plan, EST will use the source of funds from borrowing from financial institutions. As for SMB, it plans to invest in E-Bus. TSB will take the capital from BYD borrowing and use it to lend to SMB to use as a deposit

for E-Bus and the remainder of the portion of the bus, SMB will use the source of funds from borrowing from financial institutions as well as loans from car sellers and trade accounts payable as well as TSB.

3. The possibility that the license will not be renewed

SMB currently holds licenses to operate fixed route transport vehicles that transport passengers on all 37 routes. The transport license will be valid for seven years after it is issued. SMB's license is set to expire in 2026 for 7 routes and other 24 routes will expire in 2027. However, the approval of the renewal of the transport operating license is at the discretion of the Department of Land Transport.

The Steamboat License is valid for a period of 5 years. EST currently holds a Steamboat License that expires in 2027 with the following conditions: cleanliness, must be maintained Port and ship security must be always maintained, provide sailing services along the route specified, service will be provided on the specified date and time, do not raise the fare before being permitted by collecting the fare along the specified route. If the violation violates even one of the specified conditions, the licensee will face legal action and his or her license may be revoked. EST will be unable to operate the steamship if the license is revoked or does not renew. However, if EST does not violate the conditions listed above, EST might be able to renew its transportation license.

4. The risk of fluctuating in energy costs

Fuel and natural gas prices have continued to rise since the crisis of the Russian-Ukrainian conflict in 2022. As a result of the prolonged war and increased countermeasures between the West and Russia, the industrial sector was forced to bear the burden of direct and indirect costs by more than 20%.

For TSB and EST, there is a long-term charging contract with EMN, and fixed rates are set on a ladder basis according to the contract. The average electricity cost for E-Bus is 5 Baht/kWh per unit, while the cost for E-Ferry is 4 Baht/kWh per unit. As a result, TSB and EST are not vulnerable to fluctuations in Thailand's energy costs during the contract's term. However, there is a risk when the contract expires and will have to be renewed. If this happens, in the future, costs of energy have risen. Suppliers may raise their service fees, causing TSB and EST to incur additional operating costs. However, if the cost of energy has decreased, a supplier may also reduce their service fees.

SMB currently operates buses powered by natural gas (NGV) combustion engines, which are directly affected by fuel price fluctuations. However, SMB will transition to all E-Bus by 2025 which is potentially reducing the risk of fluctuating energy costs.

5. The risk from the economic situation and the epidemic

Because of the uncertainty of the epidemic and the mutation of COVID-19 that spreads more quickly, the effectiveness of the COVID-19 vaccine has been reduced. The limited time of service of public buses and boats affecting the operating results of TSB and ETH was reduced. However, TSB and ETH have solid business plans to deal with the epidemic situation and COVID-19 mutation, as well as to instill confidence in passengers to use the service by implementing government measures such as passenger screening before boarding cars and public transportation. There is an alcohol gel service inside the car and

boat, seat distancing, and issuing measures to protect employees from infection and prevent clusters in the workplace by requiring all employees to receive at least two doses of the COVID-19 vaccine and wear a mask while working. And always keep the bus clean inside by spraying the disinfectant every time in both buses and boats. TSB and ETH also monitor government policies and the impact of the COVID-19 epidemic to find ways to deal with it.

6. The risk from reliance on employee skills

TSB has a plan to expand investment in ETH in order to keep the company's growth rate to continue to grow as well as to create added value for the company. ETH is a holding company that invests in SMB, which operates a public transportation business, and EST, which operates a public transport business in the Chao Phraya River. Thus, TSB has to prepare human resources to support the expansion of the business, especially the driver boatman and reception staff on public buses and boats to meet the needs for operation. Drivers must have a type 2 or type 3 driving license from the Department of Land Transport. The primary responsibilities that a driver should have been as follows: be able to inspect the vehicle's condition to ensure that it is ready for departure, drive according to the schedule along the specified route or to the specified destination., and be able to drive in accordance with traffic rules and safety, etc. And because the transportation services market is highly competitive. Resulting in high demand for employees in such positions. Aside from buses and public passenger ships, one vehicle must have a bus driver or boat driver and one receptionist. If the driver or receptionist is unable to provide service, they will be unable to travel on that trip affecting the company's revenue. If the company's human resource management planning is incompatible with the business expansion plan, employee shortages may occur.

To handle the growing number of automobiles, TSB will need to hire more employees. However, all employees under EST and SMB will continue to work in both businesses as usual after ETH's whole takeover transaction, which all of them are qualified workers who already have knowledge and expertise in the field.

7. The risk of not receiving a loan

TSB has an investment plan to expand the business by undertaking the acquisition of ETH and purchasing additional E-Bus for use in the implementation of the investment plan to meet the requirements of the Department of Land Transport. For such investment, TSB will receive financial assistance from BYD in the amount of a loan of 8,550.00 million Baht. From TSB's financial situation as of 31 March 2022, a debt-to-equity ratio is 0.97 times. In addition, TSB has a loss in 2021 and a loss for the three-month period ended 31 March 2022. If loans are not granted to TSB, borrowing from other sources of funding may be subject to interest payments with a high-interest rate. This results in a huge financial burden. If TSB does not get a loan from BYD, it may have to postpone its investment in ETH, which will affect ETH's ability to invest in EST and SMB.

Summary of the reasonableness of the transaction “Acquisition of TSB Assets”

The IFA believes that a variety of investment projects are necessary for the growth of TSB's business after considering the benefits, drawbacks, and dangers of the asset acquisition transaction. Most of them are reasonable, except for the purchase of EXA and RJR shares where the IFA believes that the purchase price is higher than the assessed price, the IFA has considered the reasonableness of the purchase of EXA and RJR shares as stated in 2.3.4 and considered Fairness of Prices in Section 3, item 3.3 and 3.4. However, when compared to the total project value, the said transaction accounted for 2.34 percent of the loan transaction value to TSB (investment amount of 200.00 million Baht per loan amount of 8,550.00 million Baht). If TSB can manage to achieve efficient use of resources to meet the goal of purchasing such shares to obtain additional service routes, it will also result in improved overall performance. As a result, the IFA believes that the acquisition of assets of TSB will benefit from TSB's investment in expanding its business through more service routes. There are enough buses and boats to provide services under the transport license and TSB will be able to compete and generate good returns for BYD in the future. Hence, entering into such transactions is reasonable.

The fairness of the price

(1) The fairness of the price's BYD

In considering the fairness of the price. The IFA estimated the fair value of BYD compared to the transaction price of the offering of newly issued ordinary shares in a private placement. ("PP Capital Increase") as follows:

Valuation approach	Fair value (Baht per share)	PP offering price (Baht per share)	Higher (Lower) Offering Price (Baht)	Higher (Lower) Offering Price (%)	IFA's Opinion
1. Book Value	1.00	7.062	(6.062)	(85.84)	Inappropriate
2. Adjusted Book Value	1.13	7.062	(5.932)	(84.00)	Inappropriate
3. Market price	6.59 – 10.22	7.062	(0.47) – 3.16	(6.68) – 44.72	Inappropriate
4. Comparative					
4.1. Price per book value	1.49 – 1.65	7.062	(5.57) – (5.41)	(78.90) – (76.64)	Inappropriate
4.2. Price per earning	N/A	7.062	N/A	N/A	Inappropriate
5. Sum of the part	1.38 – 1.46	7.062	(5.68) – (5.60)	(80.39) – (79.31)	Appropriate

The independent financial advisor is of the opinion that the appropriate method for valuation of the fair value of the business and the value of BYD's shares is the valuation method of each business. The current operations of each related business, which will result in the fair value of the business of 1.38 – 1.46 baht per share. However, when compared with the offering price of the ordinary shares to the private placement at the price of 7.062 baht per share. Therefore, the IFA considers that the offering price for investment in BYD's ordinary shares is the price that be appropriate It is the higher (lower) price appraised by the independent financial advisor between (5.68) – (5.60) baht per share.

The fair valuation is based on the assumptions obtained from BYD under current economic conditions. Therefore, any changes to BYD's business plans and policies or the changing economic conditions or an unusual occurrence may cause material differences from BYD's current business operations or differ

from projected estimates and variables; This could cause the estimates established under the foregoing assumptions to change materially and may also affect the BYD's appraised value significantly.

(2) The fairness of the price's ETH

In considering the fairness of the price The independent financial advisor estimated the fair value of ETH ordinary shares compared to the agreed price for this transaction as follows:

Valuation Method	Faire Value (Baht/Share)	Subscription price (Baht/Share)	Higher (Lower) than offer (Baht)	Higher (Lower) than offer (%)	IFA's Opinion
1. Book Value Approach	(3.99)	6,000.00	6,003.99	(100)	Inappropriate
2. Adjusted Book Value Approach	3,348.98	6,000.00	(2,651.02)	(44.18)	Inappropriate
3. Market Comparable Approach					
3.1. Price to Book Value Approach Ratio: P/BV Ratio	N/A	6,000.00	N/A	N/A	Inappropriate
3.2. Price to Earning Approach Ratio: P/E Ratio	N/A	6,000.00	N/A	N/A	Inappropriate
4. Sum of the Parts: SOTP	5,623.98 – 6,277.20	6,000.00	(376.02) – 277.20	(6.27) – 277.20	appropriate

The IFA is of the opinion that the appropriate method for estimating the fair value of the business and the value of ETH's shares is the valuation method of each business. Since it is a method that reflects the overall business operation of each relevant business at present, the fair value of the business is 5,623.98 – 6,277.20 million baht. Therefore, the IFA is of the opinion that the offering price for investment in ETH's ordinary shares such is the price be appropriate

The fair valuation is based on the assumptions obtained from ETH under the current economic and circumstance. Therefore, any changes in ETH business plans and policies or the changing economic conditions or an unusual occurrence. They could make a significant difference from ETH's current business operations or change from projected estimates and variables. This could cause the estimates established under the foregoing assumptions to change materially and may also affect the value of the assessed ETH materially.

(3) The fairness of the price's EXA and RJR

In considering the fairness of the price The Independent Financial Advisor assesses the fair value of EXA ordinary shares compared to the agreed price for this transaction as follows:

Valuation Method	Faire Value (Baht/Share)	Bid price (million baht)	higher (lower) Offering Price (Million Baht)	higher (lower) offer price (percent)	IFA's Opinion
1. Book Value Approach	25.98	200.00	(174.02)	(87.01)	Inappropriate
2. Adjusted Book Value Approach	28.98	200.00	(171.02)	(85.51)	Inappropriate
3. Market Comparable Approach					
3.1. Price to Book Value Approach Ratio: P/BV Ratio	269.68 – 314.43	200.00	69.69 – 114.43	34.84 – 57.22	Inappropriate
3.2. Price to Earning Approach Ratio: P/E Ratio	N/A	200.00	N/A	N/A	Inappropriate
4. Discounted Cash Flow Approach	162.87 – 191.92	200.00	(37.13) – (8.08)	(18.57) – (4.04)	appropriate

The Discounted Cash Flow Approach is an approach that takes into account the business operations and profitability of the company in the future. This is a valuation based on the present value of the expected future net cash flows. by referring to past operations as well as taking into account the trend of future operations Thus, it can reflect the true value better than other valuation methods. The Independent Financial Advisor is of the opinion that the valuation using the present value of net cash flow approach is appropriate for this valuation.

The Independent Financial Advisor is of the opinion that the appropriate method for evaluating the fair value of the business and the value of the shares of RJR and EXA is the net present value of cash flow method. As a result, the fair value of the investment to be acquired by 100.00% is equal to 162.87 – 191.92 million baht.

Therefore, the value assessed by the independent financial advisor The value is lower than the investment value of TSB at 200.00 million baht. Therefore, the investment value is not appropriate. However, it may be necessary to consider the reasonableness of the acquisition of assets of TSB as mentioned above. (Please see details in section 2, clause 2.3.5 and clause 2.3.10)

The fair valuation Based on past financial information past performance and projections of future performance including other factors affecting business plans, policies, business operations and assumptions The financial advisor has limitations in the preparation of financial projections. Limitations and remedial measures have been disclosed in the fair valuation section for each business. which can summarize the major limitations such as restrictions on reviewing the content of important contracts restrictions on verification of the Accuracy of Financial Estimates Prepared by Company Management, the information received from the company's executives. It is only an undocumented estimate to verify accuracy, Restrictions on Verification of Operating Assets. Therefore, IFA uses information from interviews with

executives and internal financial statements for the period ended 31 March 31 2022 prepared by the Company's management and executive interviews as well as analysing external industry data to support this projection. The independent financial advisor is of the opinion that this action is sufficient to correct the limitation in this fair valuation.

At the same time, the fair valuation was made based on the assumptions obtained from BYD and ETH under current economic conditions. Therefore, any changes in business plans and policies or changing economic conditions or an unusual occurrence may make a significant difference from the current business operations of the entity or has changed from the estimates and variables set. It may cause the estimates established under the foregoing assumptions to change materially and may affect the value of the entity and the assessed assets materially as well.

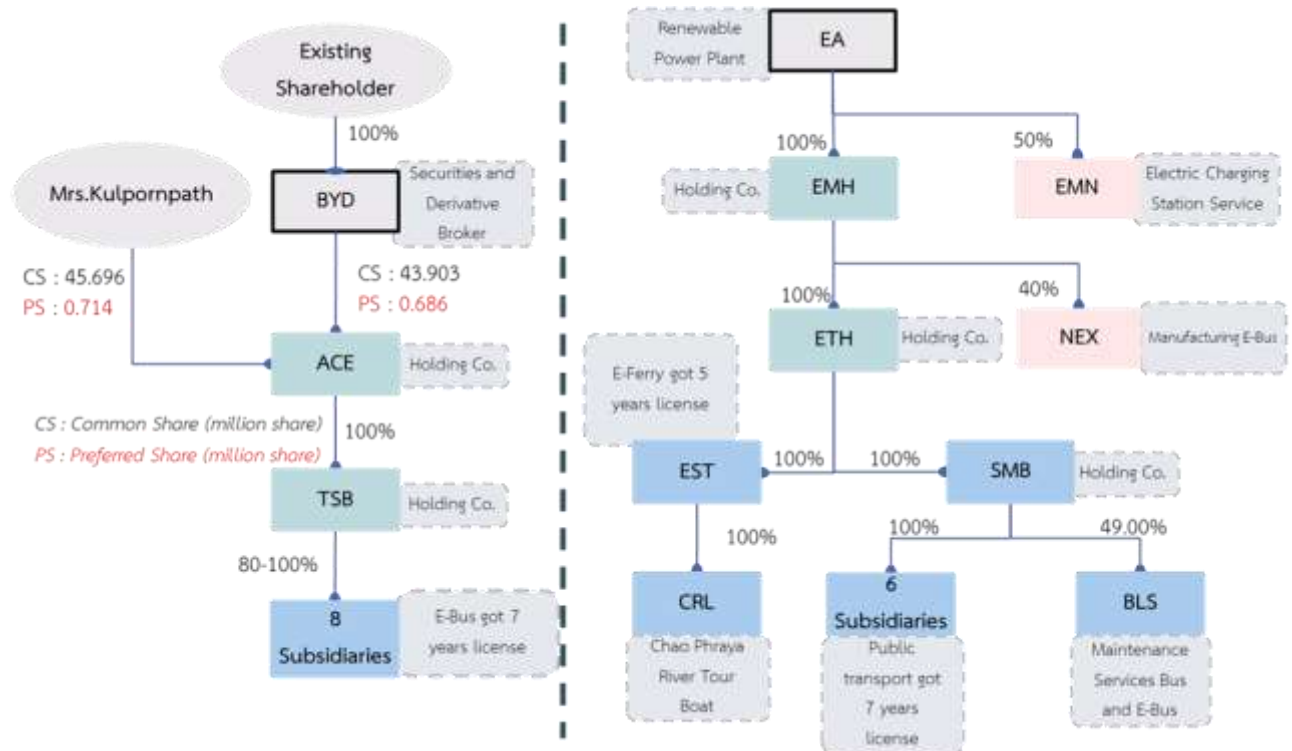
SIAM ALPHA CAPITAL as an independent financial advisor I hereby certify that the above opinions have been carefully considered in accordance with professional standards by considering the interests of shareholders as important and not being a stakeholder in entering into this transaction

Details accompanying the independent financial advisor's opinion are as follows;

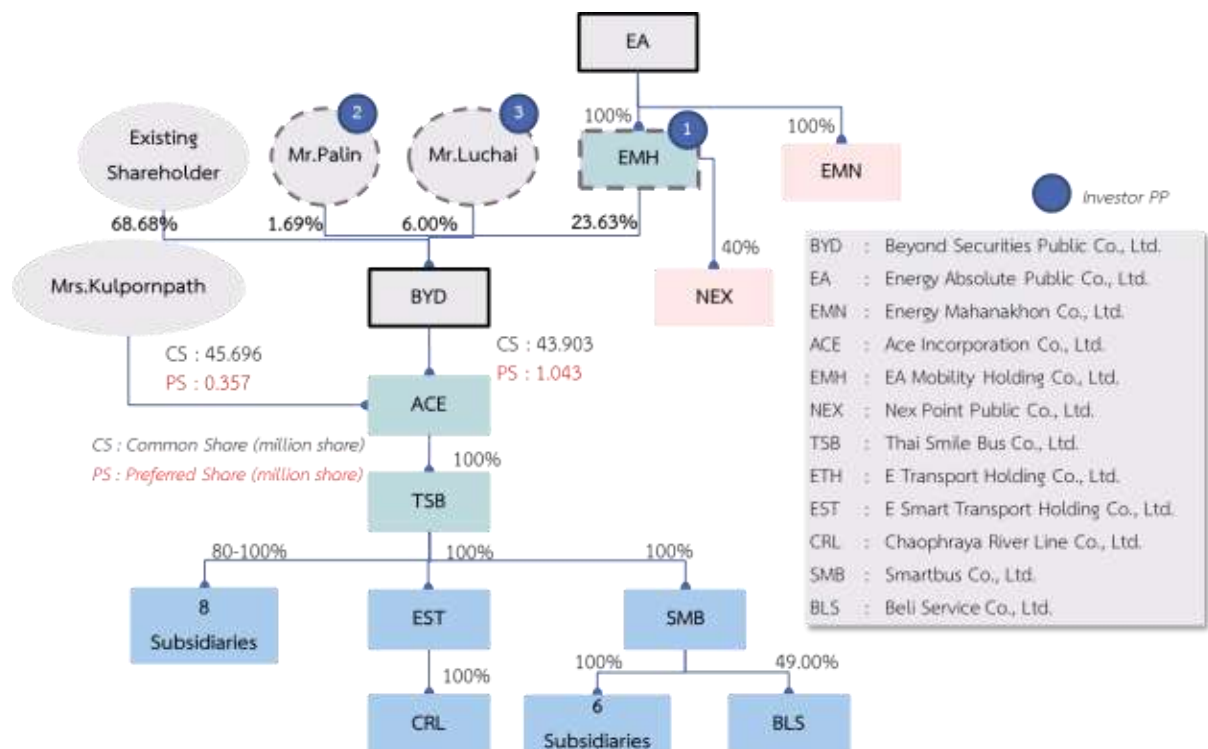
Part 1 BACKGROUND AND DETAILS OF FINANCIAL SUPPORT TRANSACTION

1.1 Background of the Transaction

Structure Before the Transaction



Structure After the Transaction



1/ BLS engages in the business of maintenance and repair of engine systems and automotive parts. 51 percent of shares held by SPP Intelligence Company Limited which are the subsidiary company of Nex Point Public Company Limited (“NEX”)

2/ ETH transfers all of ETH’s business under the process of entire business transfer (EBT), in which all business transfers that ETH has at the date of the transfer of business (assets and liabilities), only 10.00 SMB million ordinary shares with a par value of Baht 100 per share representing 99.99% of the issued and paid-up shares, 40.10 EST million ordinary shares of Baht 10 per share, representing 99.99% of the issued and paid-up shares. ETH will receive compensation from the total transfer of business with cash of 6,000.00 million Baht from TSB. In this connection, this transfer of all ETH business resulting in the 9 subsidiaries and an associate under ETH’s shareholding no longer be EA’s subsidiaries and associate. All business transfer transactions will be processed in accordance with the conditions pursuant to with the Revenue Code in respect of all business transfers. ETH will register the dissolution of the business by 2022 within the same accounting period as the total transfer of ETH. After the registration of the dissolution of the company, all remaining ETH assets, including the proceeds received as compensation for the transfer of the business, will be handed over to ETH shareholders.

According to the Board of Directors Meeting No. 6/2022 of Beyond Securities Public Company Limited, convened on 30 June 2022, resolved to propose to the Extraordinary General Meeting of Shareholder No. 1/2022 to approve the following transactions, with the detail as follows:

Resolved to approve the determination of the name of the specific investors for the newly issued ordinary shares of the Company not exceeding 1,313.00 million shares, with a par value of 5.00 Baht per shares, or equivalent to 31.32 percent of the paid-up capital of the Company after the increase of the paid-up capital. (“Private Placement Transaction”)

With reference to the Meeting of the Board of Directors of the Company No. 5/2022 which was convened on 23 May 2022, has approved the allocation of 1,313.00 million newly-issued ordinary shares of the Company with a par value of 5.00 Baht per share or equivalent to 31.32 percent of the Company’s paid-up capital after the increase in the paid-up capital to interested investors who can support current businesses and future projects of the Company, ACE Incorporation Company Limited (“ACE”) and Thai Smile Bus Company Limited (“TSB”) (in which ACE holds 100 percent of shares of TSB) whereby those interested investors will become business partners and play a role in supporting the operation of the Company and TSB Group to achieve the goals according to the workplan. The number of offering shares to each investor will not result in the shareholding of any investor equal to or more than 25 percent of the paid-up capital of the Company after the increase of the paid-up capital. The Company may allocate the shares at one or multiple occasions and the price of the newly-issued ordinary shares is determined at 7.062 Baht per share, or equivalent to not exceeding 9,272.41 million Baht. Currently, the Company can determine the list of the interested investors for the newly issued shares of the Company as follows:

Name of the Specific Investor	Number of shares to be subscribed	Percent after the increase of paid-up capital
1. EA Mobility Holding Co., Ltd. (“EMH”)	990,800,000	75.46
2. Mr. Parin Lojanagosin	70,770,000	5.39
3. Mr. Luchai Phukhan-Anan ¹⁴	251,430,000	19.15

¹⁴ Mr. Luchai Phukhan-Anan is a business man with high experienced in business relationships and has the potential to support the capital by being a shareholder who acquired new shares when the Company lacked the financial liquidity in 2020 and continues to support the generation of income

Total	1,313,000,000	100.00
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The Specific Investors are not connected person of the Company and the offering of the newly-issued ordinary shares of the Company is not considered a connected transaction of the Company according to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 (2008) Re: Rules on Connected Transactions (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) (as amended) (“Connected Transactions Notifications”). As the three Specific Investors will not be appointed as nor will nominate representatives of the three Specific Investors to become directors or executives or persons with controlling power over the business, as the Specific Investors have an intention to invest in the Company without wishing to manage the Company. However, the Specific Investors, as a shareholder, have the right to propose to the Company to appoint directors by exercising their legal rights as shareholders like other shareholders, and all three Specific Investors are not individuals under Section 258 of the Securities and Exchange Act B.E. 2535 (1992) (as amended), nor individuals whose relationships or behaviors are considered as acting in concert with other party resulting in the number of shares must be combined for calculation and are not related to one another in any way.

However, after the allocation of the ordinary shares in this time, shareholding proportion of the Company's major shareholders will be as follows:

No.	14 July 2022			After the Transaction		
	Name	Number of shares (shares)	Percent	Name	Number of shares (shares)	Percent
1.	Miss Phone Soonsawad	375,271,671	13.03	EA Mobility Holding Company Limited	990,800,000	23.631
2.	Ms. Kulpornpath Wongmajarapinya	240,788,655	8.36	Mr. Luchai Phukhan-Anan	401,179,604	9.568
3.	Miss Voramas Srivaddhanaprabha	150,366,000	5.22	Miss Phone Soonsawad	375,271,671	8.951
4.	Mr. Luchai Phukhan-Anan	149,749,604	5.20	Ms.Kulpornpath Wongmajarapinya	240,788,655	5.743
5.	Mr. Terapol Noparumpa	133,333,332	4.63	Miss Voramas Srivaddhanaprabha	150,366,000	3.586

of both securities by being a major customer, including inviting individuals to become the Company's customers (with the trading condition and service rate which are the same as other normal larger customer, without providing any additional privilege discount than the discount the Company charges from other normal large customers) and consistently provides support to TSB Group businesses. Currently, Mr. Luchai Phukhan-Anan holds 5.20 percent of shares in the Company (after the increase in the paid-up capital to shareholders according to their shareholding proportion) and when combined with the shares to be subscribed, will result in the shareholding of 9.57 percent of the paid-up capital after PP allocation. Therefore, he is the person who can support and accommodate the business of the Company and mass public transportation service of TSB and subsidiaries.

No.	14 July 2022			After the Transaction		
	Name	Number of shares (shares)	Percent	Name	Number of shares (shares)	Percent
6.	Miss Jarunun Asavadumrongchai	97,640,000	3.39	Mr. Terapol Noparumpa	133,333,332	3.180
7.	Miss Ploysongsang Noparumpa	95,333,332	3.31	Miss Jarunun Asavadumrongchai	97,640,000	2.329
8.	Mr. Kulvat Janvatanavat	73,000,052	2.53	Miss Ploysongsang Noparumpa	95,333,332	2.274
9.	Mrs. Junnipa Sathirapanya	65,742,658	2.28	Mr. Kulvat Janvatanavat	73,000,052	1.741
10.	Mr. Somkiat Thanatcharoenkul	62,701,000	2.18	Mr. Parin Lojanagosin	70,770,000	1.688

Source : Information Memorandum on the Offering of Newly-Issued Ordinary Shares to Specific Investors (Private Placement)

The offering of newly-issued ordinary shares of the Company is the offering of newly-issued ordinary shares at the price of 7.062 Baht per share, which is the offering of the newly-issued ordinary shares at the price with a discount not exceeding 10 percent of the market price pursuant to the Notification of the Capital Market Supervisory Board Tor Jor. 72/2558 re: Approval for a Listed Company to Offer Newly-Issued Shares to Specific Investor (Private Placement) (as amended) (“Notification Tor Jor. 72/2558”). Therefore, besides the approval from the meeting of the shareholders of the Company with the votes of not less than three-fourths of the total votes of the shareholders who attend the meeting and have the right to vote and the Company is also required to obtain the approval for the offering of the newly-issued ordinary shares to the specific investors (Private Placement) from the Office of the Securities and Exchange Commission (the “SEC”) as specified in Notification Tor Jor. 72/2558.

Resolved to approve the purchase of preferred shares in ACE from Miss Kulpornpath Wongmajarapinya (“the Seller”) in total of 0.357 million shares, or equivalent to 0.3901 percent of the registered paid-up capital of ACE at the purchase price of 1,960.78 Baht per share, totalling not more than 700.00 million Baht (“the Purchase of Preferred Shares in ACE Transaction”). As ACE owns 100 percent of TSB, it is undergoing significant investment expansion.

the Purchase of Preferred Shares in ACE Transaction above is considered an acquisition transaction of the Company in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 (2008) Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposition of Assets, dated 31 August 2008 (including the amendments thereof) 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 or Disposition of Assets, B.E. 2547 (2004), dated 29 October 2004 (including the amendments thereof) (the “Asset Acquisition or Disposition Notifications”), with the transaction value of 45.07 percent calculated based on the total value of consideration, which is the calculation basis resulting in the highest transaction value by reference to the Company’s consolidated

financial statements ended 31 March 2022 which has been reviewed by the Company’s certified public accountant.

The Company, therefore, has a duty to comply with the Asset Acquisition or Disposition Notifications, which is the following duties:

- 1) To disclose information in relation to the transaction to the SET according to Schedule (1) of the Asset Acquisition or Disposition Notifications;
- 2) To serve a written notice on its shareholders within 21 days from the date of disclosure of information to the SET. The written notice must contain at least the information as specified in 1, 2, 3, 5 (3), 7 and 8 of Schedule (2) of the Asset Acquisition or Disposition Notifications.

However, as the Purchase of Preferred Shares in ACE Transaction is a strategic investment of the Company and is in a significant amount, for the transparency purpose, the Company will propose such transaction to the meeting of the shareholders for their further consideration and approval. Therefore, the Company will deliver the information memorandum with items pursuant to schedule (2) 1, 2, 3, 5 (3), 7 and 8 of the Acquisition or Disposal of Assets Notifications together with the notice to the Extraordinary General Meeting of Shareholders No. 1/2022 pursuant to the timeline for delivering the notice to the meeting of the shareholders instead for being used by the shareholders when making a consideration for passing a resolution to approve the transaction.

Resolved to approve the financial assistance to Thai Smile Bus Company Limited (“TSB”) in the amount of 8,550.00 million Baht, for which 45.70 million ordinary shares and 0.36 million preferred shares of ACE owned by Miss Kulpornpath Wongmajarapinya are placed as the collateral. (“Financial Support for Associate Company Transaction”)

Such Transaction of Lending Money is the case where the Company lends money solely to TSB, whereby other shareholders of ACE do not lend money to TSB in proportionate to their shareholdings. Financial Support for Associate Company Transaction is not the transaction of acquisition of assets pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 (2008) Re: Rule on Entering into Material Transactions Deemed as Acquisition or Disposal of Asset (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposal of Asset B.E. 2547 (2004) (as amended) (“Notifications on Acquisition or Disposal of Assets”). In addition, from the consultation with the legal advisor of the Company (the “Legal Advisor”), the Legal Advisor has an opinion that TSB is not a connected person of the Company since TSB does not have the major shareholder or controlling person as the major shareholder, executive, controlling person or the person who will be nominated to be an executive or controlling person of the Company or any person related to such person. Accordingly, when the Company does not enter into the transaction with the connected person, therefore, when the Company does not enter into a transaction with a connected person, such transaction is not a connected transaction pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 (2008) Re: Rules on

Connected Transactions (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) (as amended) (“Connected Transactions Notifications”)

However, as such transaction is the loan in the significant amount, the Company, for the transparency purpose, thus proposes such transaction, together with the report on the opinion of the independent financial advisor to the meeting of the shareholders for their further consideration and approval. The Board of Directors agreed that the following actions should be taken:

- 1) Disclosing the information memorandum relating to the transaction to the SET
- 2) Appointing an independent financial advisor to perform any relevant duties, whereby the report on the opinion of the independent financial advisor shall be delivered to the shareholders for their consideration at the same time as the invitation to the shareholders’ meeting.
- 3) Propose the agenda to the meeting of the shareholders to obtain the approval for entering into the transaction which shall be approved with the vote of not less than three-fourths of the total votes of the shareholders attending the meeting and entitled to vote, excluding the votes of shareholders having vested interest.

Due to the plan to use the proceeds from the Private Placement Transaction and the Financial Support for Associate Company Transaction, which is TSB, TSB will use the proceeds from the loan for use in investment and expansion of public transport services as follows:

- 1) The Purchase of Preferred Shares in ACE Transaction not exceeding 700.00 million Baht.
- 2) Acquire entire business of E Transport Holding Company Limited (“ ETH”) from EMH which EMH hold 99.99 percent of ETH and EMH is a subsidiaries companies of Energy Absolute Public Company Limited (“EA”) hold 99.99 percent not exceeding 6,000.00 million Baht.
- 3) Acquire all shares in Exa Logistics Company Limited (“EXA”) and Raja Road Company Limited (“RJR”) not exceed 200.00 million Baht.
- 4) Partially pay for E-bus for service according to the license (“E-bus Purchase Transaction”) not exceeding 2,000.00 million Baht and
- 5) To build parking garage, office and invest in tools and equipment for maintenance together with to invest in single network bus-ferry and working capital not exceeding 350.00 million Baht.

Moreover, the investment and the expansion of public transportation is significant. Therefore, for the transparency of the transactions, the Company present the mentioned transactions together with IFA’s opinion for the shareholders to consider approving the mentioned transactions to comply with the discussion between the Company and relevant authorities. The IFA must give an opinion regarding the reasonableness of the Private Placement Transaction and Financial Support for Associate Company Transaction which have the main use of the loan as follow: 1) Acquire entire business of ETH, 2) Acquire all shares in EXA and RJR, and 3) E-Bus Purchase Transaction in this report as well.

1.2 Transaction Date

The Company will enter into the Private Placement Transaction not exceeding 1,313 million shares at the purchase price of 7.062 Baht per shares, or equivalent to not exceed 9,272.41 million Baht, The Purchase of Preferred Shares in ACE Transaction and the Financial Support to Associate Company in the amount of 8,550.00 million Baht after the Extraordinary General Meeting of Shareholder No.1/2022 have approve the transactions and the SEC approve the Private Placement Transaction to Specific Investors which should be concluded within September 2022.

1.3 Relevant Parties and Relationship to the Company

1.3.1 Private Placement Transaction

The draft agreement is in the process of being drafted and negotiated between the Company and Specific Investors.

1.3.2 The Purchase of Preferred Shares in ACE Transaction

Purchaser : Beyond Securities Public Company Limited (“BYD” or “the Company”)
Seller and relationship to the Company : As at 30 June 2022, Ms. Kulpornpath Wongmajarapinya (“Ms. Kulpornpath”) is the holder of 45.70 million ordinary shares and 0.714 million preference shares in ACE, representing 51 percent of the registered capital of ACE.

Ms. Kulpornpath is also the holder of 240.79 million shares in the Company, representing 8.36 percent of the registered and paid-up capital of the Company, and is not considered a major shareholder according to the relevant rules.

Preference Shares¹⁵ is an instrument issued by a public company limited (Plc.) with the characteristics of being a half-creditor and half-owner of the company. The preferred shareholders participate in the ownership of the business just like ordinary shares with the right to receive the return and the right to receive the capital back after the business dissolution before the ordinary shareholders.

The rights and benefits of the preferred shares continue to be as specified in the Articles of Association of ACE, i.e.,

- Voting right: 1 preferred share has 1 voting right
- Right to receive dividend: In every dividend payment, the preferred share shall obtain the dividend before shareholders holding ordinary shares and the proportion of dividend obtained shall be not less than 99 percent of the dividend paid in each time.

¹⁵ Sources : the types of equity instruments available to trade in Stock Exchange of Thailand (The Stock Exchange of Thailand – SET) and Market for Alternative Investment – mai from the website of Stock Exchange of Thailand (https://www2.set.or.th/th/products/equities/equities_p1.html?printable=true)

- Right to obtain the part of capital in return: holders of the preferred shares have priority right to obtain the proportion of assets in return to their investment before the holders of ordinary shares.

ACE issued preferred shares pursuant to the special resolution of the Extraordinary General Meeting of Shareholders No. 1/2021, held on 18 August 2021, specifying the details of the preferred shares in the Articles of Association of ACE. The important preferred right is the right to receive dividends of not less than 99 percent of the dividends paid. As a result, all ordinary shares will receive not more than 1 percent of the dividend payment, even though ordinary shares and preferred shares have the same par value, the Company will receive a 74.25 percent dividend if ACE pays a dividend.

The determination of the consideration value is due to negotiation and agreement between the Company and the seller, which the Company considers on the basis of the fair value valuation of ACE's ordinary shares, as valued by Finnex Advisory Company Limited (“Financial Advisor”) with the Dividend Discounted Model (DDM) method that the shareholders of ACE's preferred will receive in the future at the rate of 99 percent of the dividends paid each time, whereas ACE has a policy to pay dividends to all shareholders as required by law.

In this regard, the Financial Advisor considers the valuation of ACE's investment in other businesses. ACE's profits are mainly derived from dividend income from TSB and interest income from invested companies. The core business that ACE is investing in is TSB, a public transit operator that focuses on electric bus services to reduce energy costs and expand additional investments to build a network of services in a manner that connects both land and sea travel, including plans to generate revenue from advertising through the system and channels of the TSB group and business alliance.

1.3.3 Financial Support for Associate Company Transaction

Lender : Beyond Securities Public Company Limited (“BYD” or “the Company”)
Borrower and : Thai Smile Bus Company Limited (“TSB”), which is an indirect associate relationship with the company of the Company. The Company holds shares through ACE Corporation Company Limited (“ACE”). The Company hold shares in ACE in a total proportion of 49 percent (and will increase to 49.39 percent),
In this regard, TSB is not a connected person of the Company

Information of TSB

(1) Board of Director

List of the Board of Directors as of 30 June 2022 is as follows:

1. Miss Kulpornpath Wongmajarapinya
2. Miss Anchana Laomanachareon
3. Miss Omsin Siri (Director representing the Company)
4. Miss Pathita Milindhajinda (Director representing the Company)

(2) Shareholders

Shareholders according to the List of shareholders' names as of 1 February 2022 are as follows:

Shareholders		No. of Shares	Shareholding Percent
1.	Miss Kulpornpath Wongmajarapinya	100	0.00011
2.	Miss Pathita Milindhajinda	100	0.00011
3.	ACE Incorporation Company Limited ("ACE")	90,999,800	99.99978
Total		91,000,000	100

Information of ACE

(1) Board of Director

List of the Board of Directors as of 30 June 2022 is as follows:

1. Miss Omsin Siri (Director representing the Company)
2. Miss Pathita Milindhajinda (Director representing the Company)
3. Miss Kulpornpath Wongmajarapinya
4. Miss Anchana Laomanachareon

(2) Shareholders

Shareholders according to the List of shareholders' names as of 1 February 2022 are as follows:

Shareholders		No. of Shares		Shareholding Percent
		Ordinary shares	Preferred shares	
1.	Beyond Securities Public Company Limited	43,903,950	686,000*	48.9999
2.	Mr. Wirawong Mahakun	50	-	0.0001
3.	Miss Kulpornpath Wongmajarapinya	45,696,000	714,000*	51.0000
Total		89,600,000	1,400,000	100

Remark

* In this meeting of the Board of Directors of the Company No. 6/2022 on 30 June 2022 resolved to propose to the Extraordinary General Meeting of the Company to consider and pass the resolution to purchase additional 357,000 preferred shares from Ms. Kulpornpath and as result of such transaction, the Company will hold 49.39 percent of shares in ACE and Ms. Kulpornpath will hold 50.61 percent of shares as follows:

Shareholders		No. of Shares		Shareholding Percent
		Ordinary shares	Preferred shares	
1.	Beyond Securities Public Company Limited	43,903,950	1,043,000	49.3922
2.	Mr. Wirawong Mahakun	50	-	0.0001
3.	Miss Kulpornpath Wongmajarapinya	45,696,000	357,000	50.6077
Total		89,600,000	1,400,000	100.00

1.3.4 Transaction related to Financial Support to Associate Company

TSB will use to loan for investment and expansion of public transportation

(1) Acquire entire business of ETH from EMH which EMH hold 99.99 percent of ETH not exceeding 6,000.00 million Baht.

Purchaser : Thai Smile Bus Company Limited (“TSB”)
 Seller and relationship to : EA Mobility Holding Company Limited (“EMH”) as the Seller hold 99.99 the Company percent of ETH and EMH is a subsidiary which Energy Absolute Public Company Limited holds 99.99 percent of the shares.

(2) Acquire all shares in EXA and RUR

Purchaser : Thai Smile Bus Company Limited (“TSB”)
 Seller and relationship to : K.Connect Logistics Company Limited (“KC”) or a juristic person the Company designated by KC as the Seller where KC is not a connected person of the Company. In addition, Ms. Kulpornphat is also a shareholder of KC in the amount of 0.58 million shares, representing 82.85 percent of KC's paid-up capital, which does not qualify as a major shareholder under the relevant BYD criteria.

The Meeting of the Board of Directors of TSB No. 2/2022 on 28 June 2022 approved TSB to acquire shares of EXA and RJR in the amount does not exceed 200.00 million Baht, both of the companies which have been selected for the license of six routes. Currently, TSB is negotiating the price and terms of the contract. The concession period of 2 routes of EXA and 4 routes of RJR is 7 years, starting from 28 April 2022 to 27 April 2029.

Information of KC

(1) Board of Director

List of the Board of Directors as of 8 July 2022 is as follows:

1. Miss Kulpornpath Wongmajarapinya

(2) Shareholders

Shareholders according to the List of shareholders' names as of 8 July 2022 are as follows:

Shareholders		No. of shares	Shareholding percent
1.	Miss Kulpornpath Wongmajarapinya	580,000	82.86
2.	Miss Kanyaphatson Maneechote	70,000	10.00
3.	Miss Karnjana Odthon	50,000	7.14
Total		700,000	100.00

Information of EXA

(1) Board of Director

List of the Board of Directors as of 15 June 2022 is as follows:

1. Mr. Karan Dansiri

(2) Shareholders

List of the Board of Directors as of 15 June 2022 is as follows:

Shareholders		No. of shares	Shareholding percent
1.	K. Connect Logistic Company Limited	1,299,998	99.9998
2.	Miss Thisinat Thitithanattakul	1	0.0001
3.	Mr. Pongphuk Maneechote	1	0.0001
Total		1,300,000	100.00

Information of RJR

(1) Board of Director

List of the Board of Directors as of 15 June 2022 is as follows:

1. Mrs. Chorthip Noimanee

(2) Shareholders

List of the Board of Directors as of 15 June 2022 is as follows:

Shareholders		No. of shares	Shareholding percent
1.	K. Connect Logistic Company Limited	1,599,998	99.9999
2.	Mrs. Chorthip Noimanee	1	0.0001
3.	Mr. Pongphuk Maneechote	1	0.0001
Total		1,600,000	100.00

(3) E-Bus Purchase Transaction not exceed 2,000.00 million Baht

Purchaser : Thai Smile Bus Company Limited (“TSB”)

Seller and relationship to the Company : Nex Point Public Company Limited (“NEX”) as a seller whereby the seller is an investor in the production of large electric vehicles and is a distributor of electric buses in which EA Mobility Holding Company Limited (“EMH”) holds 40.01 percent of shares.

Information of EMH

(1) Board of Director

List of the Board of Directors as of 7 June 2022 is as follows:

1. Mr. Somphote Ahunai
2. Mr. Amorn Saphaweeekul
3. Miss Supaporn Ahunai
4. Mr. Wasu Klomkliang

(2) Shareholders

List of the Board of Directors as of 7 June 2022 is as follows:

Shareholders		No. of shares	Shareholding percent
1.	Energy Absolute Public Company Limited	693,346,997	100.00

Shareholders		No. of shares	Shareholding percent
2.	Mr. Somphote Ahunai	1	00.00
3.	Mr. Amorn Saphaweeekul	1	00.00
4.	Mr. Wutthilerd Chiannilkulchai	1	00.00
Total		693,347,000	100.00

1.4 Summary of the Key Term of the Agreement for the Transaction

1.4.1 Private Placement Transaction

The draft agreement is in the process of being drafted and negotiated between the Company and Specific Investors.

1.4.2 Financial Support for Associate Company Transaction

a) Key Information of the draft conditions of the financial loan between the Company and TSB

The IFA received the draft conditions of the financial loan between the Company and TSB as of 30 June 2022. The draft conditions of the financial loan between the Company and TSB has not yet been signed by the parties. Therefore, the terms and conditions in the draft conditions of the financial loan agreement between the Company and TSB may not be the last terms and conditions agree by both parties. The IFA has provided opinions on the terms and conditions of the draft conditions of the financial loan agreement that the IFA received on 30 June 2022 only. If there are significant change in the key term of financial loan agreement between the Company and TSB. The IFA cannot give an opinion or be responsible for future changes. If there are any material changes in the agreement that affects the shareholders and the Company.

Lender	Beyond Securities Public Company Limited (“BYD” of the “Company”)
Borrower	Thai Smile Bus Company Limited (“TSB”), which is an indirect associate company of the Company. The Company holds shares through ACE Corporation Company Limited (“ACE”). The Company hold shares in ACE in a total proportion of 49 percent (and will increase to 49.39 percent), In this regard, TSB is not a connected person of the Company
Purpose	To support the business expansion investment project of TSB
Loan facility amount	Not exceeding 8,550 million Baht
Collateral	45.70 million ordinary shares and 0.36 million preferred shares of ACE held by Ms. Kulpornpath Wongmajapinya.

The term of loan (lending period)	8 years, whereby no repayment of principal will be made in the first year (with a grace period for the first year) but the interest shall be paid since the first year. Afterwards, the total repayment period is 7 years (84 months) and the Company will lend the money only after receiving the payment from the specific investors (private placement).
Principal grace period	12 months
Interest rate	Based on the interest rates of Minimum Loan Rate (fixed period) of Bangkok Bank Public Company Limited (Minimum Loan Rate: MLR) + not more than 1.50 percent*, the total interest rate will not exceed 7.00 percent per year.
Conditions on the use of loan ¹⁶	<ol style="list-style-type: none"> 1. Interest is required to be paid monthly (effective rate). 2. The proceeds shall only be utilised for the agreed purpose. 3. There shall be a monthly performance report in comparison with the project investment plan, for which the loan is granted, to BYD. 4. In collaboration with BYD, arranging the internal control system and there shall be internal audit by independent expert according to the audit plan which the board of directors of TSB approves. 5. TSB will arrange the auditor approved by the Office of the SEC to audit the financial statements and prepare the financial statements according to PAEs standard, 6. TSB will incorporate the check and balance process into the management structure by which TSB will propose the shareholders’ meeting to consider and appoint not less than 3 independent

¹⁶ From questioning the Company about additional conditions related to the loan on incurring additional debt? And will it be the creditor who gets paid first?” The Company said it couldn’t have this because TSB needed to borrow more money for car leasing.

	<p>directors to monitor the business in the standard comparable to the listed company in the SET.</p> <p>7. The connected transaction with the related business or person(s) or the business which or person(s) who may have conflict of interest will be based on the arm’s length basis which will not lead to the inappropriate and unreasonable transfer of benefits. The transaction occurred shall be disclosed in every quarterly financial statement of TSB.</p>
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*Remark: The details of the loan agreement are under negotiation with the counterparty.

b) Key information of the draft Entire Business Transfer Agreement between TSB and ETH

The IFA received the draft Entire Business Transfer Agreement between TSB and ETH as of 7 July 2022. The draft Entire Business Transfer Agreement between TSB and ETH has not yet been signed by the parties. Therefore, the terms and conditions in the draft Entire Business Transfer Agreement between TSB and ETH may not be the last terms and conditions agree by both parties. The IFA has provided opinions on the terms and conditions of the draft Entire Business Transfer Agreement between TSB and ETH that the IFA received on 7 July 2022 only. If there are significant change in the key term of draft Entire Business Transfer Agreement between TSB and ETH. The IFA cannot give an opinion or be responsible for future changes. If there are any material changes in the agreement that affects the shareholders and the Company.¹⁷

Transferee	Thai Smile Bus Company Limited (“TSB”)
Transferor	E Transport Holding Company Limited (“ETH”)
Purpose	To enter into the transaction of entire business transfer of ETH. Whereby ETH is the company that EA Mobility Holding (“EMH”) holds 99.99 percent of shares and EMH is the subsidiary that Energy Absolute Public Company Limited (“EA”) holds 99.99 percent of shares. The entire business will be transferred to TSB (which is the indirect associate company of Beyond Securities Public Company Limited

¹⁷ From discussion with the Company regarding key issues from due diligence audits by legal advisors, some of the issue has been partially revised and some is under negotiation as additional conditions precedent.

	<p>(“BYD”)). Such entire business of ETH includes the ordinary shares of</p> <p>(1) Smart Bus Company Limited (“SMB”) of which the Transferor owns 9,999,998 shares (nine million nine hundred ninety-nine thousand nine hundred ninety-eight shares) with a par value of 100 Baht (one hundred Baht) per share, or equivalent to 99.99 (ninety-nine point nine nine percent) of the total number of shares; and</p> <p>(2) E Smart Transport Company Limited (“EST”) of which the Transferor owns 40,099,997 shares (forty million ninety-nine thousand nine hundred ninety-seven shares) with a par value of 10 Baht (ten Baht) per share, or equivalent to 99.99 (ninety-nine point nine nine percent) of the total number of shares.</p>
Purchase Price	Not exceeding 6,000.00 million Baht by which TSB will pay a consideration to EMH in cash prior to receiving the entire business transfer of ETH.
Purchased Shares	<p>Ordinary shares;</p> <p>1) 9,999,998 ordinary shares of SMB, with a par value of 100 Baht (one hundred Baht) per share, or equivalent to 99.99 percent (ninety-nine point nine nine percent) of the total number of shares; and</p> <p>2) 40,099,997 ordinary shares of EST, with a par value of 10 Baht (ten Baht) per share, or equivalent to 99.99 percent (ninety-nine point nine nine percent) of the total number of shares.</p>
Conditions Precedent	<p><u>Conditions Precedent to Obligation of Transferee (“TSB”)</u></p> <p>1. Representations and warranties of the Transferee specified in Enclosure No.1 Part 2 are all accurate and true on the execution date of this Agreement and on the date that the sale and purchase are completed; and</p> <p>2. The Transferee does not breach the obligations that the Transferee is required to perform under this Agreement prior to and on the date that the sale and purchase are completed.</p>

	<p>3. The Transferee obtains the lawful approvals from the board of directors and/or the shareholders of the Transferee as specified by law for the following matters:</p> <p>(aa) The purchase and receipt of entire business transfer of the Transferor (including the purchased shares) from the Transferor.</p> <p>(bb) Other actions for the performance of the obligations of the Transferee under this Agreement and for the sale and purchase to be completed.</p> <p>4. BYD obtains the lawful approvals from the board of directors and/or the shareholders of BYD as specified by law for the following matters:</p> <p>(aa) The increase of registered capital of BYD by issuing and offering not exceeding 990.80 million newly-issued shares, with a par value of 5 Baht per share, at the share purchase price of 7.062 Baht per share to EA Mobility Holding Company Limited (“EMH”).</p> <p>(bb) The allocation of 990.80 newly-issued ordinary shares of BYD to EMH, totalling 6,997,029,600 Baht, which is equivalent to 23.63 percent of the paid-up capital of the Company after the increase of the paid-up capital.</p> <p>5. BYD applies for the registration of the resolution on the registered capital increase of BYD as specified in Clause (1) (d) (aa) to the Department of Business Development, Ministry of Commerce.</p> <p>6. BYD registers the issuing of BYD’s shares according to the number and conditions specified in Clause 3.1 (1) (d) to EMH to the registrar of BYD (Thailand Securities Depository Company Limited), including filing the request to register the amendment to the paid-up capital of BYD to the</p>
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	<p>Department of Business Development, Ministry of Commerce.</p> <p>7. BYD obtains the permission to offer the newly-issued shares to EMH by the Office of the SEC in accordance with the criteria specified in the Notification of Capital Market Supervisory Board No. Tor Jor. 72/2015 Re: Permission for Listed Companies to Offer Newly Issued Shares to Specific Investors dated 28 October 2015 (as amended).</p> <p>8. The Transferee is not an income tax debtor with tax arrears of the Revenue Department on the date that the sale and purchase are completed, except the Transferee provides the bank guarantee or collateral security for the tax arrears and the expense to execute such debt.</p>
	<p><u>Conditions Precedent to Obligation of Transferor (“ETH”)</u></p> <p>1. Representations and warranties of the Transferor specified in Enclosure No.1 Part 1 are all accurate and true on the execution date of this Agreement and on the date that the sale and purchase are completed.</p> <p>2. The Transferor does not breach the obligations that the Transferor is required to perform under this Agreement prior to and on the date that the sale and purchase are completed.</p> <p>3. The Transferor obtains the lawful approvals from the board of directors and/or the shareholders of the Transferor as specified by law for the following matters:</p> <p>(aa) The sale and transfer of entire business of the Transferor (including the purchased shares) to the Transferee.</p> <p>(bb) Other actions for the performance of the obligations of the Transferor under this Agreement and for the sale and purchase to be completed.</p> <p>4. EA obtains the lawful approval from the board of directors of EA as specified by law for the sale and transfer of entire business of the Transferor to the Transferee.</p>

	<p>5. SMB and EST (the “Conglomerate”) obtain the lawful approvals from the board of directors and/ or the shareholders of the Conglomerate as specified by law for the acknowledgement of the resignation of current directors and the appointment of new directors and the amendment of directors’ authority of the Conglomerate as proposed by the Transferee.</p> <p>6. The Transferor is not an income tax debtor with tax arrears of the Revenue Department on the date that the sale and purchase are completed, except the Transferor provides the bank guarantee or collateral security for the tax arrears and the expense to execute such debt.</p>
Other Conditions Precedent	<p>1. There will be no material adverse effects to SMB and EST (the “Conglomerate”).</p> <p>2. There is no new law issued or amended by the government or any government agencies after the execution date of this Agreement which makes or will make the purchase of purchased shares or other transactions undertaken in relation to this Agreement become against the law.</p>
Failure of Condition Precedent	<p>Unless otherwise specified in this Agreement, in case where any of the conditions precedent is not successful on the date the sale and purchase are completed, the Party who is not in default shall be entitled to terminate this Agreement by sending the written notice to the other Party. This Agreement shall be immediately terminated when the other Party receives such termination notice. In case where this Agreement is terminated as the condition precedent is not successful, each Party shall not have any rights to claim for damages from each other, except for the damages arising from that any one of the Parties cannot perform according to the condition precedent to the obligation of such party from the unsuccessful condition precedent.</p>
Indemnification	<p>1. Each Party (the “Party Indemnifying Loss”) will reimburse the damages and other expenses to the other Party (the “Party Suffering Loss”) according to the amount of</p>

	<p>damages incurring to the Party Suffering Loss, including the tax in connection with the business transfer under this Agreement, costs of legal action arising from or in connection with the default of this Agreement, breach of representation or non-performance of any agreement, obligation or term of the Party Indemnifying Loss (collectively as a “Loss”) whether the Party Suffering Loss will claim for the Loss prior to or after the date that the business transfer is completed or not.</p> <p>2. The Party Indemnifying Loss agrees to indemnify Loss according to what the Party Suffering Loss claims for within 30 (thirty) days from the date that the Party Indemnifying Loss receives the written notice from the Party Suffering Loss. In this regard, the written claim for the indemnification shall be according to the conditions specified in this Agreement.</p>
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c) Key information of the E-Bus sale and purchase agreement between TSB and NEX dated 15 June 2022

The IFA received the E-Bus sale and purchase agreement between TSB and NEX dated 15 June 2022 as of 7 July 2022. The IFA has provided opinions on the terms and conditions of the E-Bus sale and purchase agreement between TSB and NEX dated 15 June 2022 that the IFA received on 7 July 2022 only. If there are significant change in the E-Bus sale and purchase agreement between TSB and NEX dated 15 June 2022. The IFA cannot give an opinion or be responsible for future changes. If there are any material changes in the agreement that affects the shareholders and the Company

Purchaser	Thai Smile Bus Company Limited (“TSB”)
Seller	NEX Point Public Company Limited (“NEX”) whereby the seller is an investor in the production of large electric vehicles and is a distributor of electric buses in which EA Mobility Holding Company Limited (“EMH”) holds 40.01 percent of shares.
Purposes	To purchase 154 electric buses, consisting of <ul style="list-style-type: none"> - NEX XML6115JEV model, 302.14 kWh, in total of 150 buses, at the price of 6.50 million Baht per bus

	- NEX XML6115JEV model, 151.07 kWh, in total of 4 buses, at the price of 5.80 million Baht per bus
Total purchase price	Approximately 998.20 million Baht
Number of purchased buses	154 electric buses
Payment conditions or instalment payment	TSB has already ordered 154 buses and paid the deposit of 231.00 million Baht. The remaining amount of purchase price payment will be due when the receipt of bus delivery is completed, which is expected to be within August 2022. For the remaining number of buses which are required to be procured to reach the minimum number, it is in the process of negotiating to agree on the order conditions with the manufacturer.

d) Key information of the draft E-Bus sale and purchase agreement between TSB and NEX dated 5 July 2022

The IFA received the E-Bus sale and purchase agreement between TSB and NEX dated 5 July 2022 as of 10 July 2022. The IFA has provided opinions on the terms and conditions of the E-Bus sale and purchase agreement between TSB and NEX dated 5 July 2022 that the IFA received on 10 July 2022 only. If there are significant change in the E-Bus sale and purchase agreement between TSB and NEX dated 5 July 2022. The IFA cannot give an opinion or be responsible for future changes. If there are any material changes in the agreement that affects the shareholders and the Company

The Purchaser	Thai Smile Bus Company Limited (“TSB”)
The Seller	Nex Point Public Company Limited (NEX)
Purposes	To purchase 604 electric buses. The model of buses is: - NEX XML6615JEV model, 151.07 kWh, at the price of 5.80 million Baht per bus
Total purchase price	Approximately 3,503.20 million Baht
Number of purchased buses	604 electric buses
Payment conditions or instalment payment	TSB will order 604 electric buses by placing the deposit of 148.00 million Baht. The remaining amount of purchase price payment will be due when the receipt of bus delivery is completed. Currently, it is in the process of negotiating to agree on the payment installation condition and order condition with the

	manufacturer and bus delivery is expected to be within October 2022.
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e) Key Term of Share Purchase of EXA and RJR Agreement

The IFA has not received the Draft Share Purchase Agreement of EXA and RJR as of 7 July 2022.

Referring to the Meeting of the Board of Directors of TSB No. 2/2022 on 28 June 2022 approved TSB to acquire shares of EXA and RJR in the amount does not exceed 200.00 million Baht, both of the companies which have been selected for the license of six routes. The concession period of 2 routes of EXA and 4 routes of RJR is 7 years, starting from 28 April 2022 to 27 April 2029.

Currently, TSB is negotiating the price and terms of the contract.

1.5 General Characteristic of the Transaction

Characteristic of the Transaction

- **Private Placement Transaction**

The Company will allocate 1,313.00 million newly-issued ordinary shares of the Company or equivalent to 31.32 percent of the Company’s paid-up capital after the increase in the paid-up capital to interested investors. Detail as follow:

1. EA Mobility Holding Co., Ltd. for 990.80 million newly-issued shares or equivalent to 23.63 percent of the Company’s paid-up capital after the increase in the paid-up capital
2. Mr. Palin Lojanagosin for 70.77 million newly-issued shares or equivalent to 1.69 percent of the Company’s paid-up capital after the increase in the paid-up capital
3. Mr. Luchai Phukhan-Anan for 251.43 million newly-issued shares or equivalent to 6.00 percent of the Company’s paid-up capital after the increase in the paid-up capital

The three Specific Investors are the investors who can support and accommodate the business of the Company both in terms of business ally and/or as source of important capital if the Company has a need for money and mass public transportation service of TSB and subsidiaries in which ACE, which is an associate company of the Company, holds 100 percent of shares, and have sufficient financial stability and sources of fund for the subscription for the newly-issued ordinary shares of the Company as follows:

- EA Mobility Holding Co., Ltd. (“EMH”) is a subsidiary which Energy Absolute Public Company Limited holds 100 percent of the shares, EMH as a subsidiary of EA, which is person who can support and accommodate the business of the Company and mass public transportation service of TSB and subsidiaries because EMH is in the company in the group of energy and electric vehicles business operator with readiness in term of capital, technology, personnel to support the business operation of TSB Group to have the capacity to invest in business expansion to grow and generate more returns for shareholders. In addition, EMH’s holding shares in the Company and the selling of the entire business of E Transport Holding Co., Ltd. (“ETH”) to TSB also enable TSB to be the owner of the bus operations of Smart Bus Co., Ltd. (“SMB”) and the passenger ferry business of E Smart Transport Co., Ltd. (“EST”) which It is a strategy to reduce competitors

and became the largest public transport operator with private buses and boats in the country which has a positive effect on further marketing planning.

- Mr. Palin Lojanagosin is a businessman with high experience in the field of advertising and has business relationships with a wide range of entrepreneurs. This will be an important factor to generate incomes from advertising on the space of vehicles of TSB Group. Therefore, he is the person who can support and accommodate the business of the Company and mass public transportation service of TSB and subsidiaries
- Mr. Luchai Phukhan-Anan is a business man with high experienced in business relationships and has the potential to support the capital by being a shareholder who acquired new shares when the Company lacked the financial liquidity in 2020 and continues to support the generation of income of both securities by being a major customer, including inviting individuals to become the Company's customers (with the trading condition and service rate which are the same as other normal larger customer, without providing any additional privilege discount than the discount the Company charges from other normal large customers) and consistently provides support to TSB Group businesses. Currently, Mr. Luchai Phukhan-Anan holds 5.20 percent of shares in the Company (after the increase in the paid-up capital to shareholders according to their shareholding proportion) and when combined with the shares to be subscribed, will result in the shareholding of 9.57 percent of the paid-up capital after PP allocation. Therefore, he is the person who can support and accommodate the business of the Company and mass public transportation service of TSB and subsidiaries.

The Company determines the offering price for the 1,313.00 million newly-issued ordinary shares offered to the specific investors at 7.062 Baht per share. Such price is negotiated and agreed between the Company and the interested investors with reference to the market price. After considering the process, procedure and period of time for the negotiation and actions before the investment of the specific investors, the Company views that there will be relevant persons from various sides and many relevant persons. For the transparency purpose, together with protecting the best interests of the Company, the Board of Directors of the Company deemed appropriate to specify a specific share price and proceed according to the rules and procedures of the Company to request the approval from the Meeting of the Board of Directors No. 5/2022 on 23 May 2022 prior to the request for the approval from the shareholders' meeting, which additional information will be quickly disclosed when there is a clarity.

The offering price of the newly-issued shares of the Company at 7.062 Baht per share is an offering of newly-issued ordinary shares at the price with a discount not exceeding 10 percent of the market price and is in compliance with the criteria specified in the Notification Tor Jor. 72/2558.

Market price refers to the weighted average price of the Company's ordinary share in the SET dating back 7 consecutive business days prior to the date that the Board of Directors passed the resolution to propose the Extraordinary General Meeting of Shareholders No. 1/2022, covering the period from 11 to 20 May 2022, which is equal to 7.847 Baht, (information from SETSMART (www.setsmart.com) of the Stock

Exchange of Thailand). In this regard, such weighted average price is the average price of the trading of such share in each day, which is pursuant to the criteria specified by the SEC.

- **the Purchase of Preferred Shares in ACE Transaction**

The Company will purchase 0.357 million preference shares in ACE from the Seller, representing 0.3901 percent of the registered capital of ACE at the price of 1,960.78 Baht per share, valued in total not exceeding 700.00 million Baht. After the Purchase of Preference Shares in ACE, ACE’s shareholding structure will be as follows:

Name of Shareholders	No. of shares before the transaction		Percent	No. of shares after the transaction		Percent
	Ordinary shares	Preference shares		Ordinary shares	Preference shares	
1. Beyond Securities Public Company Limited	43,903,950	686,000	48.9999	43,903,950	1,043,000	49.39
2. Mr. Wirawong Mahakhun	50	-	0.0001	50	-	0.0001
3. Ms. Kulpornpath Wongmajarapinya*	45,696,000	714,000	51.0000	45,696,000	357,000	50.61
Total	89,600,000	1,400,000	100	89,600,000	1,400,000	100

* Ms. Kulpornpath Wongmajarapinya, become a shareholder of ACE by purchasing ordinary shares of 51,000 Baht at a price of 510,000 Baht (purchased at the par value of 10 Baht) on 16 April 2021. Ms. Kulpornpath Wongmajarapinya has consistently purchase the increase capital in proportion to her shareholding. This includes an increase in capital to purchase preferred shares, whereby the Company no longer sell shares in ACE to Ms. Kulpornpath Wongmajarapinya.

The rights and benefits of the preferred shares continue to be as specified in the Articles of Association of ACE, i.e.,

- Voting right: 1 preferred share has 1 voting right
- Right to receive dividend: In every dividend payment, the preferred share shall obtain the dividend before shareholders holding ordinary shares and the proportion of dividend obtained shall be not less than 99 percent of the dividend paid in each time.
- Right to obtain the part of capital in return: holders of the preferred shares have priority right to obtain the proportion of assets in return to their investment before the holders of ordinary shares.

ACE issued preferred shares pursuant to the special resolution of the Extraordinary General Meeting of Shareholders No. 1/2021, held on 18 August 2021, specifying the details of the preferred shares in the Articles of Association of ACE. The important preferred right is the right to receive dividends of not less than 99 percent of the dividends paid. As a result, all ordinary shares will receive not more than 1 percent of the dividend payment, even though ordinary shares and preferred shares have the same par value, the Company will receive a 74.25 percent dividend if ACE pays a dividend.

The determination of the consideration value is due to negotiation and agreement between the Company and the seller, which the Company considers on the basis of the fair value valuation of ACE's ordinary shares, as valued by Finnex Advisory Company Limited (“Financial Advisor”) with the Dividend Discounted Model (DDM) method that the shareholders of ACE's preferred will receive in the future at the rate of 99 percent of the dividends paid each time, whereas ACE has a policy to pay dividends to all shareholders as required by law.

In this regard, the Financial Advisor considers the valuation of ACE's investment in other businesses. ACE's profits are mainly derived from dividend income from TSB and interest income from invested companies. The core business that ACE is investing in is TSB, a public transit operator that focuses on electric bus services to reduce energy costs and expand additional investments to build a network of services in a manner that connects both land and sea travel, including plans to generate revenue from advertising through the system and channels of the TSB group and business alliance.

- **Financial Support for Associate Company Transaction**

The Company will provide support an investment projects to expand the business of Thai Smile Bus Company Limited (“TSB”), by providing the financial assistance by lending the money to TSB, which is an indirect associate company of the Company. The Company holds ordinary shares and preferred shares in ACE Corporation Company Limited (“ACE” in a total proportion of 49 percent (and will increase to 49.39 percent after the additional purchase of 357,000 preferred shares from Ms. Kulpornpath Wongmajarapinya if the Extraordinary General Meeting of the Company No. 1/2022 has approved the transaction), whereby ACE holds 100 percent of the total number of shares in TSB. In this regard, the Company will lend money of 8,550.00 million Baht to TSB

The Company will enter the Financial Support for Associate Company Transaction after the Extraordinary General Meeting of Shareholders No. 1/2022 of the Company on 11 August 2022 has approved the Private Placement Transaction and is expected to be completed by September 2022.

1.6 Details of the asset acquired

- **Private Placement Transaction**

No assets acquire from this transaction

- **the Purchase of Preferred Shares in ACE Transaction**

0.357 million preference shares in ACE from the Seller, representing 0.3901 percent of the registered capital of ACE at the price of 1,960.78 Baht per share, valued in total not exceeding 700.00 million Baht

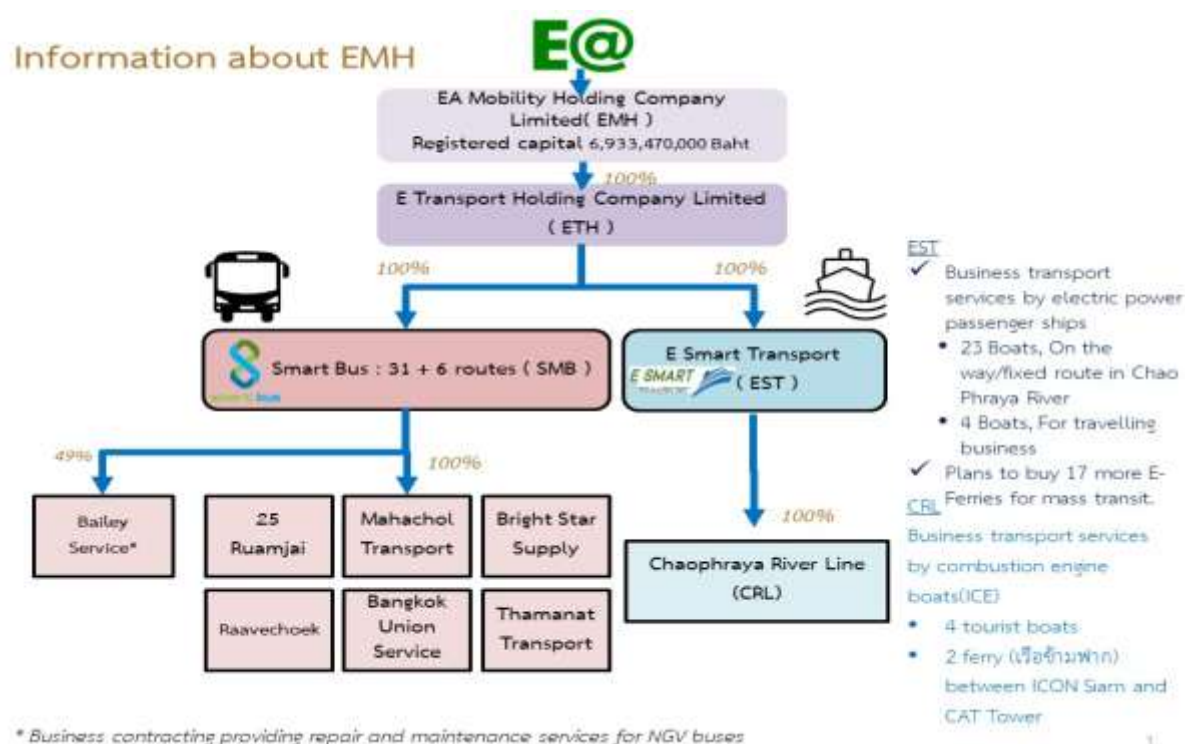
- **Financial Support for Associate Company Transaction**

TSB will utilise the proceeds received from loan in the amount of 8,550.00 million Baht for investment and expansion of mass public transport services as follows

Detail of the investment projects of TSB	Unit: million Baht
1. Acquire entire business of ETH	6,000.00
2. Acquire all shares in EXA and RJR	200.00
3. Partially pay for E Bus which have to be procured to meet the minimum number required by the Department of Land Transport	2,000.00
4. To build parking garage, office and invest in tools and equipment for maintenance	100.00
5. To invest in single network bus-ferry	200.00
6. Working Capital	50.00
Total	8,550.00

If the shareholder’s meeting approve the Private Placement Transaction and the Financial Support for Associate Company Transaction, the Company will acquire following assets from TSB entering into the transactions as follow :

1. Acquire entire business of ETH



* BLS engages in the business of maintenance and repair of engine systems and automotive parts 51 percent of shares held by SPP Intelligence Company Limited which are the subsidiary company of Nex Point Public Company Limited (“NEX”)

As ETH holds 99.99 percent of the registered capital in SMB and EST, the acquisition of shares which are the extension of investment in the business of public bus and ship transport.

● Information of E Transport Holding Company Limited or ETH

(1) Business operation information

Date of incorporation	3 March 2022
Juristic person registration number	0105565040433
Type of business	A holding company that does not mainly invest in financial business.
Office address	89, AIA Capital Center, 16 th Floor, Ratchadapisek Road, Dindaeng Sub-District, Dindaeng District, Bangkok
Registered capital	280.00 million Baht
Paid-up capital	279.92 million Baht, some share are paid up at the rate of 25 percent
Number of shares	28.00 million shares
Par value	10.00 Baht per share

(2) Board of Director

List of the Board of Directors as of 17 June 2022

1. Mr. Amorn Saphaweeikul
2. Ms. Supaporn Ahunai
3. Mr. Vasu Klomklang

Authorised directors are two directors jointly sign together to bind the company.

(3) Shareholders

Shareholders according to the List of shareholders’ names as of 21 April 2022 are as follows:

Shareholders		Number of shares	Shareholding percentage
1.	EMH	27,999,997	100
2.	Mr. Amorn Saphaweeikul	1	0
3.	Ms. Supaporn Ahunai	1	0
4.	Mr. Vasu Klomklang	1	0
		28,000,000	100

● Information of Smart Bus Company Limited or SMB

(1) Business operation information

Date of incorporation	12 December 2018
Juristic person registration number	0115561030883
Type of business	Passenger transportation with fixed route public buses in Bangkok Metropolis and vicinity
Office address	40 La Unique Building, 2 nd Floor, Tessaban Rangsan Nuea Road; Ladyao Subdistrict, Chatuchak District, Bangkok

Registered capital	1,000.00 million Baht
Paid-up capital	1,000.00 million Baht
Number of shares	10.00 million shares
Par value	100.00 Baht per share

(2) Board of Director

List of the Board of Directors as of 17 June 2022

1. Mr. Amorn Saphaweeul
2. Mr. Vasu Klomklang

Authorised directors are two directors jointly sign together with the company’s seal affixed.

(3) Shareholders

Shareholders according to the List of shareholders’ names as of 30 April 2022 are as follows:

Shareholders		Number of shares	Shareholding percent
1.	ETH	9,999,998	100
2.	Mr. Amorn Saphaweeul	1	0
3.	Mr. Vasu Klomklang	1	0
			100

• Information of E Smart Transport Company Limited or EST

(1) Business operation information

Date of incorporation	7 August 2019
Juristic person registration number	0105562136260
Type of business	Renting out, providing service and being hired to manage the building, berth area, port and pier
Office address	89, AIA Capital Center, 16 th Floor, Ratchadapisek Road, Dindaeng Sub-District, Dindaeng District, Bangkok
Registered capital	401.00 million Baht
Paid-up capital	350.10 million Baht
Number of shares	40.10 million shares
Par value	10.00 Baht per share

(2) Board of Director

List of the Board of Directors as of 17 June 2022

1. Mr. Somphote Ahunai
2. Mr. Amorn Saphaweeul
3. Mr. Wutthilerd Chiannilkulchai
4. Cdr. Parinya Rakwatin

Authorised directors are two directors jointly sign together with the company’s seal affixed.

(3) Shareholders

Shareholders according to the List of shareholders’ names as of 25 April 2022 are as follows:

Shareholders		Number of shares	Shareholding percent
1.	ETH	40,099,997	100
2.	Mr. Somphote Ahunai	1	0
3.	Mr. Amorn Saphaweeikul	1	0
4.	Mr. Wutthilerd Chiannikulchai	1	0
		40,100,000	100

Nature of business operation

ETH operates the business of holding shares in SMB and EST. The details of which are as follows:

- SMB operates the business of passenger transportation with fixed route public buses in Bangkok Metropolis and vicinity whereby SMB obtains the licenses to operate fixed route bus business from the Department of Land Transport for 37 routes. 6 subsidiaries of SMB also obtain the licenses to operate fixed route bus business from the Department of Land Transport for 6 routes and one associate company operating the maintenance of the bus of the group with modern technology for the NGV buses which can expand the maintenance services to electric buses in the future.
- EST operates the business of fixed route passenger boat transportation in Chao Phraya River whereby EST obtains the licenses from the Marine Department for 2 routes in total of 20 licenses, and in the process of applying for the license for 1 route, which EST will obtain another 3 licenses. EST has one subsidiary which operate the ferry business with internal combustion engine.

Key financial information of ETH, SMB and EST

ETH Unit: Million Baht	Q1 2022
	Consolidated financial statement
Statement of Financial Position	
Total assets	3,279.20
Total liabilities	3,283.16
Issued and paid-up capital	0.03
Unappropriated profit	(3.99)
Non-controlling interest	-
Total shareholders’ equity	(3.96)
Statement of Income	
Total revenue	-
Total expenses	-

Net profit	(3.99)
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Remark ETH was established on 3 March 2022.

SMB Unit: Million Baht	2019	2020	2021	Q1 2022
	Standalone financial statements	Standalone financial statements	Consolidated financial statements	Consolidated financial statements
Statement of Financial Position				
Total assets	2,635.41	2,721.20	2,446.66	2,331.68
Total liabilities	2,329.66	2,557.99	2,345.25	2,364.82
Issued and paid-up capital	370.00	600.00	1,000.00	1,000.00
Unappropriated profit	(64.26)	(436.79)	(898.59)	(1,033.14)
Non-controlling interest	-	-	-	-
Total shareholders' equity	305.74	163.21	101.41	(33.14)
Statement of Income				
Total revenue	62.39	533.59	357.14	104.56
Total expenses	94.01	827.76	406.17	118.17
Net profit	(64.21)	(372.53)	(461.80)	(134.55)

EST Unit: Million Baht	2019	2020	2021	Q1 2022
	Standalone financial statements	Standalone financial statements	Standalone financial statements	Consolidated financial statements
Statement of Financial Position				
Total assets	0.25	176.06	764.26	863.41
Total liabilities	0.06	56.34	491.19	615.73
Issued and paid-up capital	0.25	135.25	351.00	351.00
Unappropriated profit	(0.06)	(15.52)	(77.93)	(103.32)
Non-controlling interest	-	-	-	-
Total shareholders' equity	0.19	119.73	273.07	247.68
Statement of Income				
Total revenue	-	0.02	1.90	1.48
Total expenses	(0.06)	(15.49)	(62.40)	25.83
Net profit	(0.06)	(15.46)	(62.40)	(26.10)

Such transaction is not the transaction of acquisition of assets pursuant to the Acquisition or Disposal of Assets Notifications since TSB is an associated company and not a subsidiary of the Company. Therefore, the Company has no duty to comply with the Acquisition or disposition of assets Notifications. However, as such transaction is the loan in the significant amount, the Company, for the transparency purpose, thus proposes such transaction, together with the report on the opinion of the independent financial advisor to the meeting of the shareholders for their further consideration and approval.

2. Acquire all shares in EXA and RJR

● Information of Exa Logistics Company Limited or EXA

(1) Business operation information

Date of incorporation	25 November 2021
Juristic person registration number	0105561468614
Type of business	Operates the bus passenger transport business in Bangkok and its vicinities
Office address	41/248 Bang Khae, Bang Khae, Bangkok 10160
Registered capital	13.00 million Baht
Paid-up capital	13.00 million Baht
Number of shares	1.30 million share
Par value	10.00 Baht per share

(2) Board of Director

List of the Board of Directors as of 15 June 2022 is as follows:

1. Mr. Karan Dansiri

Authorised directors are director sign together to bind the company.

(3) Shareholders

List of the Board of Directors as of 15 June 2022 is as follows:

	Shareholders	No. of shares	Shareholding percent
1.	K. Connect Logistic Company Limited	1,299,998	99.9998
2.	Miss Thisinat Thitithanattakul	1	0.0001
3.	Mr. Pongphuk Maneechote	1	0.0001
	Total	1,300,000	100.00

Nature of business operation

Operates the bus passenger transport business in Bangkok and its vicinities and have been selected for the license of two routes.

Key financial information of EXA

EXA Unit : million Baht	Year 2021
	financial statements
Statement of Financial Position	
Total assets	13.00
Total liabilities	0.014
Issued and paid-up capital	13.00
Total shareholders' equity	12.99
Statement of Income	
Total revenue	0.00
Total expenses	(0.014)
Net profit	(0.014)

● Information of Raja Road Company Limited or RJR

(1) Business operation information

Date of incorporation	25 November 2021
Juristic person registration number	0105564168339
Type of business	Operates the bus passenger transport business in Bangkok and its vicinities
Office address	41/249 Bang Khae, Bang Khae, Bangkok 10160
Registered capital	16.00 million Baht
Paid-up capital	16.00 million Baht
Number of shares	1.60 million shares
Par value	10.00 Baht per share

(2) Board of Director

List of the Board of Directors as of 15 June 2022 is as follows:

1. Mrs. Chorthip Noimanee

Authorised directors are director sign together to bind the company.

(3) Shareholders

List of the Board of Directors as of 15 June 2022 is as follows:

	Shareholders	No. of shares	Shareholding percent
1.	K. Connect Logistic Company Limited	1,599,998	99.9999

	Shareholders	No. of shares	Shareholding percent
2.	Mrs. Chorthip Noimanee	1	0.0001
3	Mr. Pongphuk Maneechote	1	0.0001
	Total	1,600,000	100.00

Nature of business operation

Operates the bus passenger transport business in Bangkok and its vicinities and have been selected for the license of four routes.

Key financial information of RJR

RJR Unit : million Baht	Year 2021
	financial statements
Statement of Financial Position	
Total assets	16.00
Total liabilities	0.0014
Issued and paid-up capital	16.00
Total shareholders' equity	15.99
Statement of Income	
Total revenue	0.00
Total expenses	(0.014)
Net profit	(0.014)

3. E-Bus Purchase transaction to meet the minimum number required by the Department of Land Transport

TSB is a company investing in the business of public bus transport service by which TSB had previously obtained the licenses for 10 routes and has a plan to put 337 electric buses (E-Bus) to provide service to the public within 2023. Currently, 112 E-Buses have been in service for 8 routes (the other 2 routes i.e. Paknam – Bang Pakong Power Plant and Phra Khanong (Onnut Station) – National House Authority 2 (Bang Phi) are under awaiting the readiness to use E Bus to provide services). TSB thus has an investment plan to procure additional 225 E-Buses, of which the total value is approximately 1,553.00 million Baht

Afterwards on 24 March 2022, the Department of Land Transport sent a letter to inform TSB that the Central Land Transport Control Board passed a resolution to approve the Central Registrar to issue a license to operate fixed route transport by a vehicle used for transporting passengers in the areas of Bangkok and provinces having connected routes totalling 71 routes to TSB. In this regard, TSB is required to complete the procedure of registration and vehicle tax for its vehicles, including arranging the transport services according to the conditions within 180 days from the date of issuing the transport operation license or

approximately within October 2022. TSB is required to procure a maximum of 2,130 E-Buses for 71 routes, totalling approximately 14,697 million Baht. In this regard, in 2022, TSB has a necessity to make an investment to procure E Bus to meet the minimum number required by the Department of Land Transport as follows: (SMB still does not have a plan to purchase buses in 2022)

Necessity to procure E Bus	Minimum number	Total value
8 existing routes of TSB Group	96	662,400,000
71 new routes of TSB	758	5,230,200,000
2 routes of EXA	19	131,100,000
4 routes of RUR	23	158,700,000
Total	896	6,182,400,000

Budgets for the procurement of E Bus to meet the minimum number of procurements within 2022 which TSB will use the proceed to partially pay for the E Bus and for the working capital, totalling 2,000.00 million Baht.

In addition, TSB still has to invest in related areas, comprising a parking garage of 100.00 million Baht and an investment in the ticketing system of approximately 200.00 million Baht, including reserves for other expenses of investment projects and some working capital. In addition to borrowing money from BYD, TSB will source financing from loans from financial institutions, as well as loans from car trading from trading partners¹⁸ or credit term that corresponds to TSB's ability to repay

1.7 Transaction type and Transaction Size

- **Private Placement Transaction**

No transaction size calculation for Private Placement Transaction

- **the Purchase of Preferred Shares in ACE Transaction**

The Purchase of Preference Shares in ACE Transaction is considered an acquisition of assets in accordance with the Notifications on Asset Acquisition or Disposition. The transaction value is calculated by reference to the Company's consolidated financial statements ended 31 March 2022 which has been reviewed by the Company's certified public accountant. The details of the calculation are as follows

The transaction value can be calculated based on each calculation basis, as follows:

Criteria	Calculation Formula	Calculation Formula	Transaction Value (Percent)
1. Value of net tangible assets	<u>Net tangible assets of the business acquired</u> x % acquired	1,781 MB x 0.39% / 1,547 MB	0.45

¹⁸ TSB is negotiating on the details of commercial terms in relation to the payment of the price of buses to the dealers and also negotiating with the financial institution and credit facility provider, i.e. Siam Commercial Bank Plc. and Sumitomo Mitsui Auto Leasing & Service (Thailand) Co., Ltd.

Criteria	Calculation Formula	Calculation Formula	Transaction Value (Percent)
	Net tangible assets of the listed company		
2. Net after-tax profit from the normal course of business operation	Calculation cannot be made because BYD and ACE have a negative net profit.		
3. Total value of consideration	<u>Value of transaction received x 100</u> Total assets of the listed company	700 MB / 1,553 MB	45.07
4. Value of securities issued by the listed company in consideration of the assets to be acquired	No new shares issued		

The calculated highest transaction value, according to the calculation above, is 45.07 percent based on the total value of consideration, which is the calculation basis resulting in the highest transaction value by reference to the Company’s consolidated financial statements ended 31 March 2022 which has been reviewed by the Company’s certified public accountant. The transaction is categorised into Class 2 Transaction according to the Notifications on Asset Acquisition or Disposition. Therefore, the Company has a duty to comply with the Notifications on Asset Acquisition or Disposition, which includes the following duties:

- 1) To disclose information in relation to the transaction to the SET according to Schedule (1) to the Notifications on Asset Acquisition or Disposition;

2) To serve a written notice on its shareholders within 21 days from the date of disclosure of information to the SET. The written notice must contain at least the information as specified in 1, 2, 3, 5 (3), 7 and 8 of Schedule (2) to the Notifications on Asset Acquisition or Disposition.

However, as the Purchase of Preferred Shares in ACE Transaction is a strategic investment of the Company and is in a significant amount, for the transparency purpose, the Company will propose such transaction to the meeting of the shareholders for their further consideration and approval. Therefore, the Company will deliver the information memorandum with items pursuant to schedule (2) 1, 2, 3, 5 (3), 7 and 8 of the Acquisition or Disposal of Assets Notifications together with the notice to the Extraordinary General Meeting of Shareholders No. 1/2022 pursuant to the timeline for delivering the notice to the meeting of the shareholders instead for being used by the shareholders when making a consideration for passing a resolution to approve the transaction.

- **Financial Support for Associate Company Transaction**

No calculation for transaction size for such Transaction of Financial Support for Associate Company is the case where the Company lends money solely to TSB, whereby other shareholders of ACE do not lend money to TSB in proportionate to their shareholdings. Such transaction is not the transaction of acquisition of assets pursuant to the Acquisition or Disposal of Assets Notifications.

In addition, from the consultation with the legal advisor of the Company (the “Legal Advisor”), the Legal Advisor has an opinion that TSB is not a connected person of the Company since TSB does not have the major shareholder or controlling person as the major shareholder, executive, controlling person or the person who will be nominated to be an executive or controlling person of the Company or any person related to such person. Accordingly, when the Company does not enter into the transaction with the connected person, therefore, when the Company does not enter into a transaction with a connected person, such transaction is not a connected transaction pursuant to the Connected Transactions Notifications.

However, as such transaction is the loan in the significant amount, the Company, for the transparency purpose, thus proposes such transaction, together with the report on the opinion of the independent financial advisor to the meeting of the shareholders for their further consideration and approval. The Board of Directors agreed that the following actions should be taken:

- 1) Disclosing the information memorandum relating to the transaction to the SET
- 2) Appointing an independent financial advisor to perform any relevant duties, whereby the report on the opinion of the independent financial advisor shall be delivered to the shareholders for their consideration at the same time as the invitation to the shareholders’ meeting.
- 3) Propose the agenda to the meeting of the shareholders to obtain the approval for entering into the transaction which shall be approved with the vote of not less than three-fourths of the total votes of the shareholders attending the meeting and entitled to vote, excluding the votes of shareholders having vested interest.

1.8 Total value of consideration and payment method

- **Private Placement Transaction**

The Company will enter into the Private Placement Transaction not exceeding 1,313.00 million shares at the purchase price of 7.062 Baht per shares, or equivalent to not exceed 9,272.41 million Baht. The Specific investor will pay for the Private Placement shares in cash after the Extraordinary General Meeting of Shareholder No.1/2022 have approve the transactions and the SEC approve the Private Placement Transaction to Specific Investors which should be concluded within September 2022.

- **The Purchase of Preferred Shares in ACE Transaction**

After the Extraordinary General Meeting of Shareholder No.1/2022 have approve the transactions for the Company will purchase 0.357 million preference shares in ACE from the Seller, representing 0.3901 percent of the registered capital of ACE at the price of 1,960.78 Baht per share, valued in total not exceeding 700.00 million Baht including after the conditions precedent as may appear in the share purchase agreement and/or other related contracts have been completed. The transaction is expected to be completed within August 2022. The Company will pay for the Preference share of ACE by cash.

- **Financial Support for Associate Company Transaction**

Financial Support for Associate Company Transaction in the amount of 8,550.00 million Baht for which 45.70 million ordinary shares and 0.36 million preferred shares of ACE owned by Miss Kulpornpath are placed as the collateral.

The total value of the Financial Support for Associate Company Transaction is not more than 11,268.19 million Baht, consisting of the principal of 8,550.00 million Baht and the interest at the rate of not more than 7 percent per annum, totaling not more than 2,718.19 million Baht.

1.9 Criteria used for the determination of the total value of consideration

- **Private Placement Transaction**

The Company may allocate the shares at one or multiple occasions and the price of the newly-issued ordinary shares is determined at 7.062 Baht per share, or equivalent to not exceeding 9,272.41 million Baht. Such price is negotiated and agreed between the Company and the interested investors with reference to the market price. After considering the process, procedure and period of time for the negotiation and actions before the investment of the specific investors, the Company views that there will be relevant persons from various sides and many relevant persons. For the transparency purpose, together with protecting the best interests of the Company, the Board of Directors of the Company deemed appropriate to specify a specific share price and proceed according to the rules and procedures of the Company to request the approval from the Meeting of the Board of Directors No. 5/2022 on 23 May 2022 prior to the request for the approval from the shareholders’ meeting, which additional information will be

quickly disclosed when there is a clarity. The Company will undertake all steps in accordance with the relevant regulations.

The offering price of the newly-issued shares of the Company at 7.062 Baht per share is an offering of newly-issued ordinary shares at the price with a discount not exceeding 10 percent of the market price and is in compliance with the criteria specified in the Notification Tor Jor. 72/2558. The Board of Directors of the Company has considered the best interests of the Company which the Company may receive from new shareholding and the support of the specific investors to the Company and TSB. Therefore, the Board of Directors of the Company views that there is a suitable reason for determining the offering price with discount of 10 percent of the calculated market price. The Board of Directors has also considered the market conditions at such time in determining the discount.

Market price refers to the weighted average price of the Company’s ordinary share in the SET dating back 7 consecutive business days prior to the date that the Board of Directors passed the resolution to propose the Extraordinary General Meeting of Shareholders No. 1/2022, covering the period from 11 to 20 May 2022, which is equal to 7.847 Baht, (information from SETSMART (www.setsmart.com) of the Stock Exchange of Thailand). In this regard, such weighted average price is the average price of the trading of such share in each day, which is pursuant to the criteria specified by the SEC.

- **The Purchase of Preferred Shares in ACE Transaction**

The determination of the value of consideration is reached by way of negotiation and agreement between the Company and the Seller. The Company’s consideration is based on valuation of the fair value of ACE’s ordinary shares, appraised by Finnex Advisory Co., Ltd. (the “Financial Advisor”) using the Dividend Discount Model (DDM) to calculate the dividend to be received in the future by the holders of preference shares of ACE at the ratio of 99 percent of each dividend paid and relying on ACE’s dividend payout policy specifying that dividends shall be paid to all shareholders to the maximum extent allowed by law.

The Financial Advisor’s valuation takes into account ACE’s business which is to invest in other businesses. ACE’s profit is therefore mainly derived from dividend income from TSB and interest income from the businesses in which ACE invests. The main business in which ACE invests is TSB which is engaged in the mass public transportation services business, focusing on the provision of services by electric passenger buses to reduce power costs, and TSB has expanded to invest in the construction of a service network that connects both land and water travels and has a plan to generate income from advertising through TSB group’s systems and channels and its business alliances. This valuation still does not include the value of TSB’s business that will rise from the business acquisition transactions of ETH, RJR and EXA.

The results of the valuation of the preference shares by the Financial Advisor can be summarised below:

Method of Share Valuation	Value of ACE's Shares (Baht per share)	Value of the Company (Million Baht)
1. Book Value Approach	8.32	757.27
2. Adjusted Book Value Approach	9.45	860.07
3. Dividend Discount Model*	1,960	Base case 8,620.99 Best case 9,934.03 Worst case 7,499.12

Remarks: Under the Dividend Discount Model, only the preference shares entitled to dividends are taken into account in the valuation.

- **Financial Support for Associate Company Transaction**

1) Acquire of entire business of ETH

The valuation of fair value of the ordinary shares of ETH by sum-of-the-part method has the median of 6,151.76 million Baht estimated by Finnex Advisory Company Limited (Financial Advisor)

fair value of the ordinary shares of ETH		Growth Rate of cash flow after the last year of the valuation increase (decrease) from the base case				
		(0.50%)	(0.25%)	-	0.25%	0.50%
Discount rate added (reduced) from the base case	(0.50%)	6,578.56	6,828.78	7,095.82	7,381.44	7,687.65
	(0.25%)	6,132.61	6,362.82	6,607.99	6,869.65	7,149.52
	-	5,713.96	5,926.18	6,151.76	6,392.01	6,648.41
	0.25%	5,320.26	5,516.26	5,724.23	5,945.28	6,180.72
	0.50%	4,949.41	5,130.75	5,322.83	5,526.64	5,743.27

2) Acquire all shares of EXA and RJR

The Meeting of the Board of Directors of TSB No. 2/2022 on 28 June 2022 approved TSB to acquire shares of EXA and RJR in the amount does not exceed 200.00 million Baht, both of the companies which have been selected for the license of six routes. Currently, TSB is negotiating the price and terms of the contract.

3) E-Bus Purchase transaction to meet the minimum number required by the Department of Land Transport (896 buses)

Budgets for the procurement of E Bus to meet the minimum number of procurements within 2022 which TSB will use the proceed to partially pay for the E Bus and for the working capital, totalling 2,000.00 million Baht.

1.10 Sources of funds for the Transaction

- **Private Placement Transaction**

The Company may allocate the shares at one or multiple occasions and the price of the newly-issued ordinary shares is determined at 7.062 Baht per share, or equivalent to not exceeding 9,272.41 million Baht.

- **The Purchase of Preferred Shares in ACE Transaction**

For the Purchase of Preferred Shares in ACE Transaction, the Company will use the fund from the Private Placement Transaction in the amount not exceeding 700.00 million Baht after the Extraordinary General Meeting of Shareholder No. 1/2022 approve the transaction.

- **Financial Support for Associate Company Transaction**

The Company will use the fund from Private Placement Transaction in allocate the shares at one or multiple occasions and the price of the newly-issued ordinary shares is determined at 7.062 Baht per share, or equivalent to not exceeding 9,272.41 million Baht. As a source of fund for this Transaction.

1.11 Benefit from the Transaction

- **Private Placement Transaction**

Please see the detail of the benefit to the Company and Shareholder of the Company in the Invitation Package to Extraordinary General Meeting of Shareholder No. 1/2022 Enclosure No. 6

- **The Purchase of Preferred Shares in ACE Transaction**

Please see the detail of the benefit to the Company and Shareholder of the Company in the Invitation Package to Extraordinary General Meeting of Shareholder No. 1/2022 Enclosure No. 8

- **Financial Support for Associate Company Transaction**

Please see the detail of the benefit to the Company and Shareholder of the Company in the Invitation Package to Extraordinary General Meeting of Shareholder No. 1/2022 Enclosure No. 7

1.12 Conditions precedent for entering into the Transaction

For Private Placement Transaction and Financial Support for Associate Company Transaction and Agenda No. 2-5 in the Extraordinary General Meeting of Shareholder No. 1/2022

1. The Board of Director/ Shareholder of the Company must approve the capital increase of the Company’s register capital to amount of 9,315.00 million Baht by issuing the new share of 1,863.00 million shares at par value of 5 Baht per shares to accommodate Private Placement Transaction and the adjustment of rights for of BYD-W6.
2. The Board of Director/ Shareholder of the Company must approve the Financial Support for Associate Company in the amount of 8,550.00 million Baht for which 45.70 million ordinary shares and 0.36 million preferred shares of ACE owned by Miss Kulpornpath are placed as the collateral.
3. the Company is also required to obtain the approval for the offering of the newly-issued ordinary shares to the specific investors (Private Placement) from the Office of the Securities and Exchange Commission (the “SEC”) as specified in Notification Tor Jor. 72/2558.

As for the Purchase of Preferred Shares in ACE Transaction is considered an acquisition transaction of the Company in accordance with Asset Acquisition or Disposition Notifications. The Company, therefore, has a duty to comply with the Notifications on Asset Acquisition or Disposition, which is the following duties:

- 1) To disclose information in relation to the transaction to the SET according to Schedule (1) of the Notifications on Asset Acquisition or Disposition;
- 2) To serve a written notice on its shareholders within 21 days from the date of disclosure of information to the SET. The written notice must contain at least the information as specified in 1, 2, 3, 5 (3), 7 and 8 of Schedule (2) of the Notifications on Asset Acquisition or Disposition.

However, as the Purchase of Preferred Shares in ACE is a strategic investment of the Company and is in a significant amount, for the transparency purpose, the Company will propose such transaction to the meeting of the shareholders for their further consideration and approval. Therefore, the Company will deliver the information memorandum with items pursuant to schedule (2) 1, 2, 3, 5 (3), 7 and 8 of the Notifications on Acquisition or Disposal of Assets together with the notice to the Extraordinary General Meeting of Shareholders No. 1/2022 pursuant to the timeline for delivering the notice to the meeting of the shareholders instead for being used by the shareholders when making a consideration for passing a resolution to approve the transaction.

Agenda 2 to agenda 5 are related agendas, so if one of the agendas is not approve by the shareholder’s meeting, other agendas which have previously been approved by the shareholder’s meeting will be dismissed and the meeting will not consider any further related agendas and assume that approval of the matters as shown in agenda 2 to agenda 5 are not approved by the shareholder’s meeting.

1.13 Opinion of the Board of Director

Please see the detail of Opinion of the Board of Director in the invitation package to Extraordinary General Meeting of Shareholder No.1/2022

1.14 Opinion of Audit Committee that is different from opinion of the Board of Director

Please see the detail of Opinion of Audit Committee and/or directors of the Company which is different from the Board of Director in the invitation package to Extraordinary General Meeting of Shareholder No.1/2022.

1.15 Parties having interest and/or being a conflict person in the transaction

a) Director having interest in the transaction

None

b) Shareholding having interest in the transaction

For Agenda 4 the Purchase of Preferred Shares in ACE Transaction and Agenda 5 Financial Support for Associate Company in the Extraordinary General Meeting of Shareholder No. 1/2022

Information of shareholder of BYD as of 14 July 2022 that have no rights to vote in Agenda 4 and Agenda 5 as follow:

Shareholder	No. of Shares (million shares)
Miss Kulpornpath Wongmajarapinya	240.79

Part 2 Reasonableness of entering into the transaction and the impact of entering into the transaction

2.1 Reasonableness of the issuance of newly issued ordinary shares to specific investors (Private Placement)

2.1.1. Objectives and necessity for entering into the transaction “PP Capital Increase”

As the Board of Directors Meeting No. 5/2022 held on 23 May 2022 resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2022 to allocate not exceeding 1,313 million newly-issued ordinary shares of BYD to specific investors (Private Placement) (“PP Capital Increase”), with the par value of 5 Baht per share, or equivalent to 31.32 percent of the paid-up capital of BYD after the increase of the paid-up capital through PP. The price of newly-issued ordinary shares is determined at 7.062 Baht per share, or equivalent to 90.00 percent of the market price, calculated from the weighted average trading price of historical 7-trading days between 11-20 May 2022 equal to 7.847 Baht per share, with a total value of 9,272.41 million Baht. The newly-issued ordinary shares will be allocated to specific investors as follows:

Names of the Specific Investors	Number of shares to be subscribed	Percent of the paid-up capital ^{1/}	Value (Baht)
1. EA Mobility Holding Co., Ltd (“EMH”)	990,800,000	23.63	6,997,029,600
2. Mr. Parin Lojanagosin	70,770,000	1.69	499,777,740
3. Mr. Luchai Phukhan-Anan	251,430,000	6.00	1,765,500,000
Total	1,313,000,000	31.32	9,272,406,000

1/ percent of the paid-up capital of BYD after the increase of the paid-up capital to PP

The objective of issuing new ordinary shares to PP is to support current business and future projects of ACE Incorporation Company Limited (“ACE”), the associated company in which BYD holds 49 percent of the paid-up capital, and Thai Smile Bus Company Limited (“TSB”), in which ACE holds 100 percent of the paid-up capital. This is because TSB needs capital financing for expanding the bus service business under the fixed route transport business license with vehicles used to transport passengers in Bangkok and provinces with continuity routes. (“Transport Licenses”) that TSB has already operated 8 routes and received additional licenses in March 2022 for another 71 routes. The condition of the transport license is TSB needs to be ready for operation within 180 days from the date of issuance of the transport license or by October 2022. Therefore, TSB needs to find funding for investment in buses and parking garages so that TSB can run the operation on time.

TSB has plans to operate the bus service business with electric buses (“E-Bus”) to serve the passengers. The amount of E-Bus needed is not less than 2,130 buses making investing in expanding the business quite high. The total value of the E-Bus investment is approximately 14,697 million Baht. By October 2022, TSB needs to purchase E-Bus totalling 896 buses to be sufficient for the minimum amount

specified in the transport license, disclosed in the information memorandum of BYD about the offering of the newly-issued ordinary shares to PP dated 30 June 2022.

Therefore, in the point of view of the Independent Financial Advisor (“IFA”), expanding the business of TSB, which is an indirect associate of BYD, is necessary to raise funding sources according to the conditions specified in the transport licenses. The capital increase through PP will help BYD have a source of funds to support TSB’s business expansion. However, the PP capital increase has advantages, disadvantages, and risks. The IFA has given opinions on both matters as described in Section 2, No. 2.1.2 – 2.1.8 below.

At the same time, TSB plans to expand its business further by acquiring the Entire Business Transfer (EBT) of E Transport Holding Company Limited (“ETH”) from EMH, making TSB a shareholder of Smart Bus Company Limited (“SMB”) and E Smart Transport Company Limited (“EST”), which operate public buses and public passenger ships, respectively, to increase competitiveness. Also, BYD is looking to invest more in ACE to obtain results. The return will increase in the future. Therefore, the BYD’s PP capital increase this time has the purposes of using the capital as follows:

- (1) To purchase the additional preferred shares in ACE from Ms. Kulpornpath in total of 0.357 million shares at the par of 10.00 Baht per share, or equivalent to not exceeding 700.00 million Baht.
- (2) To provide financial assistance to TSB, which is an associate company of BYD, in the form of long-term loans totalling 8,550.00 million Baht with a repayment period of 8 years. The first 12 months is a grace period in which only interest will be paid with no principal repayment. And in the next 84 months (month 13-96), TSB will pay both interest and principal repayment. This long-term loan is secured by the ordinary shares and preferred Shares of ACE, including the ordinary shares of 45.696 million shares and the preferred shares of 0.357 million shares, or equivalent to 50.22% ordinary shares and 0.39% preferred shares, or totally equivalent to 50.61% of ACE paid-up capital.

2.1.2. Comparing the advantages and disadvantages of PP with other sources of funding.

The Independent Financial Advisor (“IFA”) has compared the PP capital increase with other sources of funding including the issuing and offering of newly-issued ordinary shares to the existing shareholders in proportion to their respective shareholdings (Right Offering) (“RO”), issuing and offering of newly-issued ordinary shares for public offering (“PO”), loan from financial institutions, and issuing long-term debentures. The advantages and disadvantages can be summarized as follows:

Sources of funding	Advantages	Disadvantages
Equity Financing		
1. Private Placement (PP)	<ul style="list-style-type: none"> - Lower cost of financing - No interest rate risk - There’s no legal obligation to pay dividend 	<ul style="list-style-type: none"> - Existing shareholders will be affected by the Dilution Effect - The market share price may be diluted after issuing new shares

Sources of funding	Advantages	Disadvantages
	<ul style="list-style-type: none"> - Lower transaction cost than RO and PO - Raising capital faster than RO and PO - Get the desired amount of money in the given time frame - Fewer documents needed and fewer processes - If the offer price is according to the market price, the company can submit documents to the SEC Office and offer for sale without a license and registration statement - Can consider allocating to specific investors as the company wants. - Easier to negotiate terms and prices 	<ul style="list-style-type: none"> - May cause conflicts of interest in the future - If the PP share price is lower than 90 percent of the weighted average market price of the past 15- trading days, the investors may be restricted from selling securities (Silent Period) within the period specified by the SET.
2. Right Offering (RO)	<ul style="list-style-type: none"> - Lower cost of financing - No Dilution Effect and can maintain the shareholding proportion of the existing shareholders - Lower transaction cost than PO - No interest rate risk 	<ul style="list-style-type: none"> - There is a risk of unsuccessful fund raising because the existing shareholders did not exercise their rights as expected - The company may lose the benefit from having to offer RO shares at a price below the market (Discount) - may cause the share price in the market to fall after the capital increase - There are restrictions on capital increase more than PP and PO such as the capital amount that can be increased
3. Public Offering (PO)	<ul style="list-style-type: none"> - Lower cost of financing - No interest rate risk 	<ul style="list-style-type: none"> - Higher transaction cost than RO and PP - Existing shareholders will be affected by the Dilution Effect

Sources of funding	Advantages	Disadvantages
		<ul style="list-style-type: none"> - The market share price may be diluted after issuing new shares - Public disclosure of the company information and investment plans may be required. - There is a risk of unsuccessful fund raising - The documents and operating procedures are more complicated than the PP, requiring permission to apply and submit a registration statement with the SEC.
Debt Financing		
4. Loan from financial institutions	<ul style="list-style-type: none"> - No Dilution Effect - Gaining the tax benefits - The creditor has no partner in the business. making it possible to maintain the freedom of doing business - No long-term commitments. The transaction will end when the interest and principal are paid in full. - Line of Credit - Public disclosure of the company information and investment plans are not required. The company can maintain the Trade Secret. 	<ul style="list-style-type: none"> - Higher cost of financing - There's a burden to pay off loans and interest which is a legal obligation - Higher financial risk - Create a negative image of the company which may spoil the opportunity to attract investors in the future. - May have to place collateral and having a risk of losing collateral - Conditions are more strict - Unable to set loan terms by company's itself - Having interest rate risk
4. Long-term debentures	<ul style="list-style-type: none"> - No Dilution Effect - Gaining the tax benefits - The creditor has no partner in the business. making it possible to maintain the freedom of doing business - Conditions are less strict than loan from financial institutions 	<ul style="list-style-type: none"> - Higher cost of financing - There's a burden to pay off loans and interest which is a legal obligation - Higher financial risk - Public disclosure of the company information and investment plans may be required.

Sources of funding	Advantages	Disadvantages
	<ul style="list-style-type: none"> - The company can set loan terms - Can add special privileges to attract investors, such as conversion rights, etc. 	<ul style="list-style-type: none"> - There is a risk of unsuccessful fund raising - Having interest rate risk - No Line of Credit

Considering the advantages and disadvantages of PP capital increase compared to other forms of fund raising, the opinion of the IFA is that raising capital through the issuance of PP shares is a reasonable approach since it can be fully funded within a specified time and can only be considered allocated to a group of investors who can support the business of TSB, an associate company of BYD.

2.1.3. Advantages of entering into the “PP Capital Increase” transaction

2.1.3.1. Increase competitiveness with other public bus service providers in Bangkok and provinces with continuous routes through business alliances

In this PP capital increase, BYD offered to sell the newly issued shares to 3 investors. The investor who will receive the most allotment of the newly issued shares is EA Mobility Holding Company Limited (“EMH”), which is an indirect subsidiary of the Company Energy Absolute Public Company Limited (“EA”), amounting to 990.8 million shares in totalling 6,997.03 million Baht, or equivalent to 23.63 percent of BYD's paid-up capital after PP capital increase. EMH is a holding company that invests in the electric vehicle business line and the business related to electric vehicles, including the public transportation business with electric vehicles. In addition, EA has a group of related business, including business development, production and distribution of batteries, and service business of charging stations. Moreover, EA is investing in developing business in the business line of production and distribution of electric vehicles. Thus, EA has a business that relates to electric vehicles from upstream to downstream. Therefore, EA is a group that has the potential to help promote and support TSB's business. TSB operates a public transportation service business with E-Bus and has a cost of charging service fees. Furthermore, E-Bus maintenance cost is one of the main operating costs of TSB. EA is possibly becoming a partner who will allow TSB to have lower costs and more efficient business operations.

At the same time, BYD will use capital from PP capital increase of 8,550.00 million Baht for long-term loan to TSB. TSB will use such loans of 6,000.00 million Baht to acquire the entire business of E Transport Holding Company Limited (“ETH”) from EA Mobility Holding Company Limited (“EMH”), in which EMH holds 100% of the total registered capital of ETH. ETH has invested in 2 core businesses, including e Smart Company Transport Company Limited (“EST”), which operates a public passenger boat service on the Chao Phraya River, and Smart Bus Company Limited (“SMB”), which operates a public bus service in Bangkok and its vicinity (the same business as TSB) (Please see the EA structure as shown in Figure 1, the structure before and after the transaction)

Therefore, the investment by TSB will reduce competition between TSB and SMB, who are indirect subsidiaries of EA, creating the competitive potential for larger business sizes. In addition to the capital support from the acquisition of PP shares, EA can support TSB in various dimensions such as electric vehicle technology, procurement of E-Bus, charging services, and personnel with in-depth knowledge of the business, etc. Therefore, the IFA believes that PP capital increase by offering shares to EMH and partially using the capital increase to acquire the entire business of ETH is good for TSB to increase competitiveness by having strong business alliances and not being a competitor to EA, which is ready in terms of capital, technology and business related to electric vehicle and electric power business throughout the value chain. IFA has assessed BYD's share price compared to the offering price. The BYD's share price assessed by the IFA is 1.38 – 10.22 Baht per share. Compared to the offering price for PP at 7.062 Baht per share, it is in the range of the independent financial advisor's appraisal price. Therefore, the offer price is reasonable. And if considering the advantages, disadvantages, and risks of raising capital through PP and using the money to provide financial assistance to TSB in expanding the business, TSB may be able to generate good profits in the future and help create an opportunity to be competitive. Moreover, this transaction expects to generate a good return on investment for BYD in the future. Therefore, entering into this transaction is reasonable.

2.1.3.2. Get the desired amount of money in the given time frame

From the fact that TSB received a notice from the Department of Land Transport on 24 March 2022 that the Central Land Transport Control Board has approved the Central Registrar to issue a fixed road transport license. (“Transportation License”) with vehicles used to transport passengers in Bangkok and provinces with contiguous routes in a total of 71 routes, TSB must bring cars to process the registration and vehicle tax and arrange to operate according to the conditions within 180 days from the date of issuance of the transport license or by October 2022. Therefore, TSB has set a budget for purchasing the minimum number of E-Bus required by 2022. TSB plans to use the proceeds from borrowing from BYD to purchase some E-Bus and part of working capital totalling 2,000 million Baht.

The opinion of IFA is that the PP Capital Increase of 1,313 million shares, which will be offered for sale at the price of 7.062 Baht per share in a total value of 9,272.41 million Baht, will enable BYD to seek capital increase as needed. Since there has been an agreement with investors for both the number of shares and the investment value for each investor, the period of the process of obtaining permission from the shareholders' meeting and the SEC to increase PP capital will can be determined for sure. BYD will schedule an Extraordinary General Meeting of Shareholders to consider and approve the PP capital increase on 11 August 2022. And BYD may take time to seek approval from the SEC and know the result of applying for approval within 5-working days after submitting the documents for approval of the PP capital increase to the SEC. The request for the PP capital increase will be completed by the end of August 2022 and BYD will immediately lend the money to TSB.

In 2022, TSB will be required to purchase 896 E-Bus according to the minimum number of vehicles specified in the transport license conditions. The total value is approximately 6,182.40 million Baht.

However, the E-Bus that TSB purchased on 15 June 2022, in the amount of 154 buses, and on 5 July 2022, in the amount of 604 buses, or totalling 758 buses, has already been deposited and the remaining cost of purchasing the E-Bus will be financed by borrowing from financial institutions as well as loan leasing from car sellers and account payables. The first batch of 154 buses is scheduled for delivery within August 2022 and the other batch of 604 buses is scheduled for delivery by October 2022. For 758 buses, this is the number of vehicles that have fulfilled the minimum number for 71 new routes. However, by 2022, TSB still needs to purchase 138 more E-Bus to meet the minimum number of buses including 96 buses for the existing 8 routes, 19 buses for EXA, and 23 buses for RJR. TSB will use funds from BYD borrowing as a deposit for the 138 vehicles by 2022, and in the future, TSB plans to purchase 2,130 E-Bus to reach the maximum number of buses specified by the Department of Land Transport for 71 routes.

2.1.3.3. BYD has the opportunity to earn interest on loan to TSB, receive dividends and the return on investment in ACE as a result of TSB's business expansion

BYD has held 49.00 in ordinary and preferred shares in ACE, and ACE has held 100.00 percent investment in TSB, thus making BYD an indirect shareholder of TSB as well. Please see the BYD structure in Figure 1.

After entering the capital increase transaction through PP, BYD will receive a capital increase totalling 9,272.41 million Baht. BYD has the objectives of using funds, which are:

- 1) To purchase the additional preferred shares in ACE from Ms. Kulpornpath in total of 0.357 million shares at the par of 10.00 Baht per share, or equivalent to not exceeding 700.00 million Baht. After the transaction, BYD will hold ACE's preferred shares as follows:

Shareholders	Number of Preferred shares	Percent (%)	Number of Ordinary shares	Percent (%)	Total shares	Percent of total shares (%)
1. BYD	1,043,000	74.5	43,903,950	48.99	44,946,950	49.39
2. Ms. Kulpornpath Wongmajarapinya	357,000	25.5	45,696,000	51.00	46,053,000	50.61
3. Mr. Wirawong Mahakun	-	-	50	0.0001	50	0.00
Total	1,400,000	100.00	89,600,000	100.00	91,000,000	100.00

BYD disclosed the key benefits of ACE's preferred shares as follows:

- Right to receive dividends: In every dividend payment, the preferred share shall obtain dividend before ordinary shareholders and receive dividends in the proportion of not less than 99.00 percent of the dividends paid each time as specified in the Articles of Association of ACE dated 20 August 2021, where ACE holds 100 percent of TSB's total registered capital.
- Voting right: 1 preferred share has 1 voting right (equivalent to ordinary share)
- Right to obtain the part of capital in return: holders of the preferred shares have priority right to obtain the proportion of assets in return to their investment before the holders of ordinary shares.

ACE was registered in 2018 and has increased its capital by issuing preferred shares in a total of 2 rounds on 18 August 2021 and 15 November 2021. BYD has acquired the preferred shares as follows: and after BYD enters into the transaction to purchase 375,000 additional preferred shares from Ms. Kulpornphat, BYD will have total preferred shares of ACE, which is 74.5 percent of total preferred shares, and thus make BYD holds ordinary and preferred shares in ACE, totalling 49.39 percent of ACE's total shares.

- 2) To provide financial assistance to TSB in the form of a long-term loan amounting to 8,550.00 million Baht. TSB has the objective of using funds as in Table 1. (Please see details of financial assistance in Section 2, item 2.2. 1 and the advantages, disadvantages, and risks of providing financial assistance in section 2, item 2.2.4 – 2.2.8)

The IFA believes that if the performance of TSB and its subsidiaries (both pre-existing subsidiaries¹⁹ and post-investment²⁰ for the purpose of using funds as mentioned before) can provide public buses and public boats as anticipated, BYD will gain the benefits in the form of interest income, totalling approximately 2,718.19 million Baht (according to Table 3 Loan Table) from loans to TSB. Moreover, BYD will have the opportunity to receive dividends from ACE. The IFA expects ACE to begin paying dividends in 2031. Since ACE and TSB do not have a clear dividend policy, according to executive interviews, ACE and TSB will pay dividends when they have sufficient cash flow after debt settlement in each period. The dividend payout ratio is proportional to its preferred shareholding and ordinary shareholding. If TSB has good operating performance and has sufficient cash flow to pay dividends to ACE (as TSB is 100 percent held by ACE) and ACE can pay dividends to BYD further, BYD will receive no less than 74.25²¹ percent of ACE's dividends (from its preferred shares and ordinary shares of ACE, as mentioned above). The IFA believes that if BYD earns expected interest and dividend income, it will be a significant BYD income relative to BYD's current income (income from BYD's securities business in 2021 is 108.09 million Baht, and IFA estimates that BYD will be able to receive dividends from ACE in 2031 - 2036, amounting to 881.69 - 2,538.57 million Baht). As a result, BYD's profitability performance improved and benefited BYD and BYD shareholders.

In addition, the IFA believes that from the financial projection assessed by the IFA, if there is no change in external and internal factors affecting the operating results of TSB and its subsidiaries, the earnings

¹⁹ 8 Company includes 1. B.B. Rich (Thailand) Company Limited (“BBR”) 2. Sawakechat Company Limited (“SC”) 3. T. Mani Transportation Company Limited (“TMN”) 4. Ampairungroj Company Limited (“ARR”) 5. Leekpai Transport Company Limited (“LKS”) 6. Chareonbus Company Limited (“CB”) 7. Chaiyakorn Transportation Company Limited (“CK”) 8. Santimitr Transportation Company Limited (“STM”)

²⁰ 12 Company includes 1. E Smart Transport Company Limited (“EST”) 2. Chaophraya River Line Company Limited (“CRL”) 3. Smart Bus Company Limited (“SMB”) 4. Bangkok Union Service 524 Company Limited (“BUS”) 5. Bright Start Supply (1999) Company Limited (“BSS”) 6. Mahachol Transport Company Limited (“MY”) 7. Raavechoek Company Limited (“RWC”) 8. Sai 25 Ruamjai Company Limited (“S25”) 9. Thammanat Transport Company Limited (“TT”) 10. Beli Service Company Limited (“BLS”) 11. Exa Logistics Company Limited (“EXA”) 12. Raja Road Company Limited (“RJR”)

²¹ Calculated from 99.00 percent of ACE dividend x $\left(\frac{\text{Preferred shares held by BYD 1.043 million shares}}{\text{Total preferred shares 1.400 million shares}} \right) + 1.00 \text{ percent of ACE dividend x } \left(\frac{\text{ordinary shares held by BYD 43.903 million shares}}{\text{Total ordinary shares 89.6 million shares}} \right)$

are expected to be in line with expectations. As a result, TSB and ACE's share value has a chance to rise. This will benefit BYD's potential to profit from its investment in ACE if, in the future, BYD sells ACE's shares at a higher value than BYD's investment.

2.1.3.4. BYD's Capital Structure improved

After PP, BYD will have more shareholders' equity. Details of the increase compared to the financial information from the financial statements as of 31 March 2022 are as follows:

Financial Statement (Unit: million Baht)	As of 31 March 2022		After PP	
	Consolidated Financial Statement	Separate Financial Statement	Consolidated Financial Statement	Separate Financial Statement
Registered Capital	9,171.76	9,171.76	22,788.38	22,788.38
Issued and paid - up Share Capital	7,198.36	7,198.36	20,961.71	20,961.71
Capital Surplus	(4,574.44)	(4,574.44)	3,203.91	3,203.91
Retained Earnings				
Legal Reserve	-	-	-	-
Unallocated	(1,075.32)	(1,035.81)	(1,075.32)	(1,035.81)
Total Equity	1,398.50	1,438.01	23,090.30	23,129.81
Total Liabilities	154.78	154.78	154.78	154.78
Key Financial Ratio				
Debt-to-Equity Ratio	0.11	0.11	0.01	0.01

From the financial information in the above table, it can be seen that BYD will have better issued and paid-up capital and shareholders' equity from 7,198.36 million Baht and 1,398.50 million Baht to 20,961.71 million Baht and 23,090.30 million Baht, respectively. Moreover, the debt-to-equity ratio will improve from 0.11x to 0.01x, which IFA considers a stronger capital structure would benefit BYD in securing financing from financial institutions or instruments. At the same time, the IFA believes that if BYD receives repayment from TSB under the loan terms, it will increase BYD's cash flow to maintain BYD's net liquid capital (NC) and will be better because BYD will receive cash from the PP to help increase liquidity and reduce restrictions on BYD's securities business such as stock borrowing and lending (SBL), Underwriting or Margin Loans, etc. Furthermore, it will help reduce the risk of breaching BYD's net liquidity capital (NC) regulations due to an improvement in capital funds. The most important risk is the internal governance process to comply with the relevant rules. The expected cash received from the PP capital increase amounted to 9,272.41 million Baht and BYD will lend this money to TSB for 8,550.00 million Baht. The Net Capital Ratio (NCR) as of 20 July 2022 is at 792.23 percent. However, lending to TSB will not affect the current NCR as the cash lent to TSB is new money raised from PP capitalization. to the current NCR. However, investment in TSB is not considered a liquid asset.

2.1.4. Disadvantages of entering into the “PP Capital Increase” transaction

2.1.4.1. Effect of the PP capital increase on the existing shareholders after PP Capital Increase

In entering into the PP transaction, BYD will offer to sell the newly issued ordinary shares to 3 investors amounting to 1,313.00 million shares. Since the existing shareholders are not entitled to subscribe to such newly issued shares, hence, this PP capital increase will cause the reduction of voting rights and shareholding proportion of the existing shareholders (Control Dilution). Moreover, there will be the effect on the market price of the shares (Price Dilution) and the effect on the profit sharing per share (Earning Dilution). The details are as follows:

Issued and paid - up Share Capital (Existing Shares)	2,879,342,444 Shares (As of 30 June 2022)
Newly-issued shares to PP	1,313,000,000 Shares
Control Dilution	$= \text{Newly-issued shares} / (\text{Existing Shares} + \text{Newly-issued Shares})$ $= 1,313,000,000 / (3,244,675,585^{1/} + 1,313,000,000)$ $= 28.81\%$

1/ Including the newly issued shares from the exercise of rights to purchase newly issued shares from warrants to purchase shares of BYD (“BYD-W6”)

Market Share Price Before PP	= 7.847 Baht (calculated from the weighted average trading price of historical 7-trading days between 11-20 May 2022)
The Offer Price to PP	= 7.062 Baht (equivalent to 90.00 percent of the Market share Price)
Market Share Price After PP	$= (\text{Market share price before PP} \times \text{Existing shares}) + (\text{Offer Price to PP} \times \text{Newly-issued shares to PP}) / (\text{Existing Shares} + \text{Newly-issued Shares})$ $= \frac{(3,244,675,585^{1/} \times 7.847) + (1,313,000,000 \times 7.062)}{(3,244,675,585 + 1,313,000,000)}$ $= 7.621 \text{ Baht}$
Price Dilution	$= (\text{Market share price before PP} - \text{Market share price after PP}) / \text{Market share price before PP}$ $= (7.847 - 7.621) / 7.847$ $= 2.88\%$

From the above calculation, the IFA is of the opinion that the PP capital increase will affect the existing shareholders of BYD as follows:

- a) The impact of the reduction of voting rights and shareholding ratio (Control Dilution): After entering the PP transaction, the existing shareholders' voting rights and their shareholding percentage will reduce by 28.81 percent. Although no investor will have a shareholding percentage equal to or greater than 25 percent of BYD's paid-up capital after the PP capital increase, EMH will have a shareholding percentage

of 23.63 percent of BYD's paid-up capital after the PP capital increase. Consequently, this affects the exercise of voting rights in the shareholders' meeting to consider the important matters and requires a minimum of approval votes more than three-fourths of the voting rights of those attending the meeting and having the right to vote. If some shareholders do not attend the shareholders' meeting, this could cause EMH's voting rights to be more than one-quarter compared to the total number of voting rights present and eligible to vote. If EMH does not vote in line with most shareholders, it may cause the consideration of such important items to be disapproved.

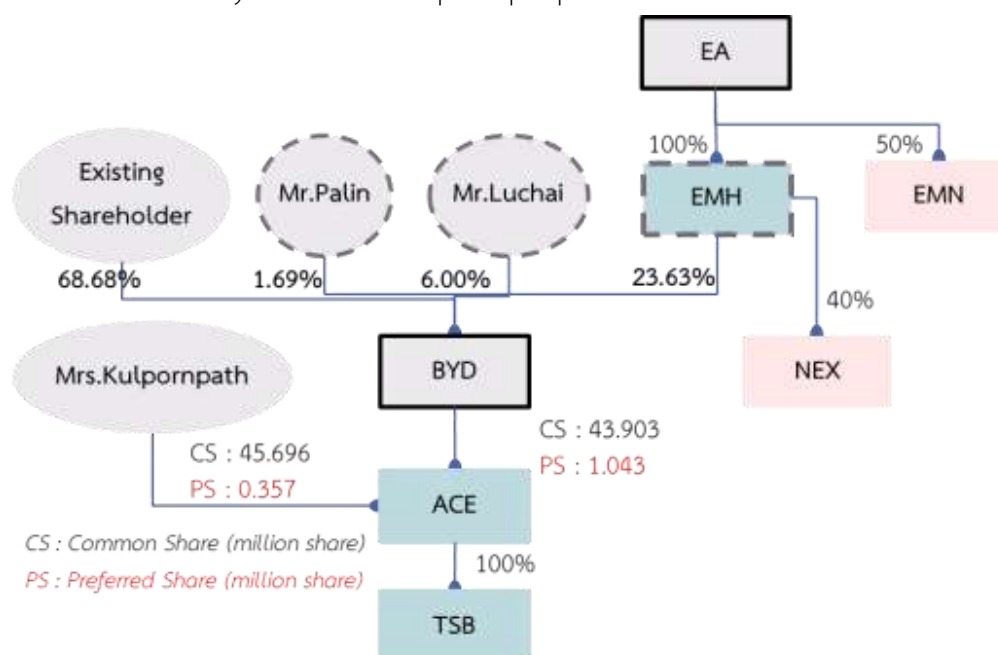
- b) Price Dilution Effect: The IFA has considered the price dilution effect and found that BYD has set the offering price at 90 percent of the market price before the BOD meeting (the weighted average trading price of historical 7-trading days between 11-20 May 2022). It can be seen that the stock market price was not greatly affected by the discount at the level of 2.88 percent
- c) Earning Dilution Effect: The IFA believes that the PP capital increase may affect BYD's existing shareholders as earnings per share decrease because the profit share will be allocated to all shareholders in proportion to their shareholding. However, BYD currently has continuous operating losses and accumulated losses. As a result, it is not possible to calculate the impact of the decrease in profit sharing, but if BYD has better future performance or BYD receives a dividend from ACE, as a result, BYD shareholders may have the opportunity to get profit share, most of which are in the form of dividends in proportion to their shareholding. Existing shareholders who have a reduced stake will also receive a reduced share of the profit or dividend.

2.1.4.2. There is a potential future conflict of interest between BYD and TSB and EA and its related companies

One of the objectives of the PP capital increase is to provide financial assistance in the form of a long-term loan to TSB. TSB has an objective to allocate a loan amounting to 2,000 million Baht for purchasing E-Bus to provide licensed public transport services according to the transport license approved for both TSB and its subsidiaries. Moreover, TSB will allocate 6,000 million Baht for completing the acquisition of ETH will result in EST and SMB, which operates a public passenger ship business, and provide public bus services, respectively, being a subsidiary of TSB, while EMH will subscribe to additional shares from this PP capital increase, accounting for 23.63% of BYD's paid-up capital after the PP capital increase. EMH is an indirect subsidiary of EA as discussed in Section 2, Item 2.1.2.1 above.

Although TSB will acquire ETH's entire business to eliminate conflicts of interest from operating since TSB and SMB provide the same service, the opinion of the IFA is that EA has business and investment related to battery Electric vehicles and electric charging which is a business related to the business of TSB, currently, TSB agrees to purchase E-Bus from Nex Point Public Company Limited (“NEX”), which is an indirect associate of EA from which EMH holds ordinary shares in NEX accounted for 40.01 percent of NEX's paid-up capital (shareholder information from www.set.or.th as of 11 March 2022) and TSB used the service of

charging electricity provided by Mahanakhon Energy Company Limited (“EMN”), which is EA's subsidiaries also hold 100% of EMN's ordinary shares of EMN's paid-up capital.



However, the IFA has considered the purchase price of the E-Bus from NEX compared to the market price from other suppliers both domestically and internationally (Please see details in Section 2, Item 2.3.3) and consider the rates of electric charging service from EMN and other service providers in the market. (Please see details in Section 2, Item 2.3.5.5)

Therefore, after the PP capital increase, there is a chance that the interests of EA and EMH, BYD's major shareholders, and TSB's interests as BYD's associates and BYD's beneficiaries of financial assistance will arise in conflicts of interest in the future. This means that EA and EMH will consider the interests of the business within EA to receive a share of the profits greater than the share of profits earned by holding BYD ordinary shares since EA's stake is in the hundreds. 40 to 100 percent of the paid-up capital, while EMH's stake in BYD and the share of profit that BYD will receive from its investment in TSB will not exceed 17.60 percent (23.63 percent of 74.5 percent of the total number of preferred shares of ACE). TSB's actions in which EA is a partner may not benefit BYD in the best interests of BYD if EMH, as a majority shareholder of BYD, takes any action to take part in a material decision of the BYD and TSB. For example, requiring the selection of EA products or services without comparison with other vendors or service providers, imposing commercial terms or pricing to maximize EA's benefit, and may affect the profits of TSB, etc.

The IFA is of the opinion that Entering into the transaction may have potential conflicts of interest in the future. The IFA has considered BYD's disclosure of risk management and governance guidelines for TSB and ACE in accordance with the document “Information about the PP capital increase to specific investors” in item 2.3 on “Opportunity to generate income for the company and the impact expected in

the event of project failure and the risk of project implementation”. Thus, BYD's risk management approach in relation to future conflicts of interest can be summarized as follows:

- 1) Ordering E-Bus from EA or earning income from advertising costs related to shareholders. It uses the principle of comparing trading conditions with other manufacturers and service providers who can be confident in the quality of the products, the provision of warranty services, etc., compared to the manufacturer and other unrelated service providers (Arm's Length Basis) to maintain the best interests of BYD.
- 2) BYD will work with TSB to establish a strong internal control system. Moreover, there will be an independent internal auditor to inspect the operation and report to the BOD of TSB. In addition, TSB is in the process of restructuring the board of directors to have independent directors oversee its operations to be ready to submit to the stock exchange in the future.
- 3) Controlling costs and operating expenses to ensure that TSB's performance is as expected.
- 4) Send representatives of BYD to closely monitor the operations in both ACE and TSB.

In this regard, the IFA is of the opinion that BYD's risk management approach is necessary as a measure to prevent potential future conflicts of interest. However, the IFA further suggested that the directors of TSB, who are the representative of BYD, should report to the BOD of BYD regularly for transactions with potential conflicts of interest and preventive measures that are taken to prevent conflicts of interest for that particular transaction, and, also, set the internal control system plan and internal control audit results of TSB to BYD's Audit Committee on a regular basis.

2.1.4.3. BYD has a default risk from lending to TSB

From the PP capital increase, BYD aims to use the money to provide financial assistance to TSB in the form of long-term loan totalling 8,550.00 million Baht with a repayment period of 8 years. The first 12 months is a grace period in which only interest will be paid with no principal repayment. And in the next 84 months (months 13-96), TSB will pay both interest and principal repayment. The principal will be repaid at 101.79 million Baht per month and the interest rate is quoted on the Minimum Loan Rate ("MLR") of Bangkok Bank Public Company Limited plus not more than 1.50 percent per annum, with the total interest rate not exceeding 7.00 percent per annum. Operations and cash flow If the TSB is unable to repay the loan or repay the loan on time which can consider the risks from lending to TSB in Section 2, item 2.2.8.

2.1.5. Advantages of not entering the “PP Capital Increase” transaction

2.1.5.1. No Dilution Effect on existing shareholders

If BYD does not enter the PP transaction, the existing shareholders of BYD will not be affected by the decrease in their voting rights and shareholding (Control Dilution), the market price dilution (Price Dilution), and Earning Dilution as mentioned in Section 2, item 2.1.4.1 above.

2.1.5.2. No default risk from TSB lending

In case BYD's shareholders' meeting does not approve the PP capital increase transaction or the SEC does not approve the PP capital increase, financial assistance to TSB, an associated company, will not occur. Since it is a binding condition, the IFA believes that if BYD does not enter the PP transaction, BYD will not be able to provide loans to TSB. Therefore, there is no risk of such a transaction.

2.1.5.3. Reduces the risk of conflicts of interest between TSB and BYD shareholders

If BYD does not enter the PP capital increase transaction, the 3 investors will not be BYD shareholders and EMH will not be a major shareholder of BYD. Therefore, EA and EMH are not categorized as individuals who may have a conflict of interest with BYD. The IFA is of the opinion that an entry between BYD and EA and EMH or a transaction between TSB and EA and EMH will not be considered a conflict-of-interest transaction.

2.1.6. Disadvantages of not entering the “PP Capital Increase” transaction

2.1.6.1. TSB lost an opportunity to increase competitiveness

If BYD does not enter the PP capital increase transaction, EMH is not a major shareholder of BYD and BYD is unable to provide financial assistance to TSB. Consequently, TSB will need to find other funding sources to be used for planned investments. (Please refer to the details of the purpose of using the loan in Part 2, item 2.2.1). The opinion of the IFA is that TSB may not be able to find sufficient funding sources due to the high loan amount compared to TSB's financial position and performance. Moreover, TSB may not be able to acquire ETH, and SMB, which operates public bus services, will remain under EA that competes with TSB and TSB may not be fully assisted by EA for businesses related to electric vehicle service. Therefore, the IFA believes that if BYD is not entering into the PP capital increase transaction, it will cause TSB to lose the opportunity to increase competitiveness through the integration of business with SMB and the assistance of EA business across the value chain as discussed in Section 2, item 2.1.3.1 above.

2.1.6.2. Other methods of raising capital may have an impact on the financial plan

If BYD does not raise capital through the PP capital increase, BYD may consider raising capital by other methods, such as the issuance and offering of newly issued ordinary shares to be allocated to the existing shareholders in proportion to their respective shareholdings (Right Offering) (“RO”) or issuing and offering for sale of newly issued ordinary shares for public offering (Public Offering) (“PO”) or issuing and offering warrants to purchase shares. However, it will take longer than PP to process until the capital increase is received, which may not be in time for BYD since TSB plans to use funds for the purchase of E-Bus to meet transportation license requirements by October 2022. In addition, by raising capital through RO, PO, or warrant issuance, there is a chance that BYD will not receive the required capital increase due to shareholder investment decisions. The IFA believes that other ways to raise capital will take longer than the PP capital increase and there is a chance that the capital will not be fully funded. This will affect BYD and TSB's spending plans as discussed above.

BYD needs to provide financial assistance to TSB because Ms. Kulpornphat is an ordinary person who is not yet ready to provide financial assistance. Moreover, BYD sees the potential for TSB after TSB got

transport licensed to operate an additional 71 routes as a key turning point in expanding the business faster than ever. In addition, BYD can find funding by raising PP capital and lending to TSB since BYD is being an indirect shareholder in TSB. If BYD doesn't help, TSB may only find some funding that may not be sufficient for the business under the transport license.

2.1.6.3. BYD's capital structure and maintenance of BYD's net liquid fund (NC) would be impacted

Since raising capital through equity financing will be the limitations as stated above, BYD may need to find other funding sources such as borrowing from financial institutions or issuing and offering for sale of debt instruments, etc. However, the IFA believes that the cost of financing through debt financing, such as borrowing from financial institutions or issuing and offering for sale of debt securities, will be higher since there will be more interest expenses and may affect BYD's capital structure. As a result, BYD's debt will increase by Baht 8,550.00 million Baht, resulting in the debt-to-equity ratio increasing from 0.11x (data from BYD's consolidated financial statements as of 31 March 2022) to 6.22x (adjusted total liabilities information from BYD's consolidated financial statements as of 31 March 2022). Comparing BYD's debt-to-equity ratio to the average debt-to-equity ratio of listed companies in the financial industry, Finance and Securities Sector (FIN), as of 31 March 2022 (Source: SET SMART) is equal to 3.29x. Hence, the IFA believes that if BYD seeks funding from financial institutions or issues and offers debt securities, it will cause the debt-to-equity ratio to be much higher than the industry average and significantly affect BYD's capital structure.

In addition, seeking funding from borrowing and issuing and offering debt securities will affect BYD, which operates the securities business as its core business. As a result, BYD will not be able to maintain its net liquid capital (NC) as legally required due to the high proportion of debt. Consequently, IFA considers that the failure to enter into the PP capital increase transaction and cause BYD to seek funding from financial institutions borrowing or issuing and offering debt securities is a detriment to BYD.

2.1.7. Risks of entering the “PP Capital Increase” transaction

2.1.7.1. Risk of a failed PP capital increase

The PP capital increase must have an approval process under relevant announcements, rules, and laws before BYD can determine the date for the offering of capital increase shares to investors. The approval processes are as follows: the shareholders' meeting must approve by a vote of not less than three-fourths of the shareholders attending the meeting and having the right to vote, and BYD needs to ask for permission to offer for sale of newly issued ordinary shares allocated to private placement from the SEC because the resolution of the shareholders' meeting determines the offering price. Moreover, BYD needs to submit the documents including notice of the BOD meeting, checklist items, minutes of the shareholders' meeting that resolved to approve the PP capital increase, and the application fee of 50,000.00 Baht, etc.

Therefore, the IFA believes that BYD still has a risk that PP capital increase will not be successful if the shareholders' meeting does not approve the transaction, or the SEC does not allow to issue and offer for sale of newly issued ordinary shares to be allocated to the private placement.

2.1.7.2. Risk from holding shares in ACE is considered to be another business of a Securities Company.

BYD is at risk of being guilty of Article 98 of the Securities Act B.E. Securities as a securities business operator and derivatives business operator, Section 98 (7) of the Securities Act prohibits a Securities Company (“associate”) from purchasing or possessing shares unless a) is an acquisition due to: securities trading underwriting or other securities business as specified in the notification of the Capital Market Supervisory Board; or b) is an acquisition with a waiver from the SEC Office in accordance with the rules, conditions and procedures prescribed in the notification of the Capital Market Supervisory Board, including Section 98 (8) Securities companies are prohibited from engaging in any business that is not a licensed securities business unless permission has been granted by the Capital Market Supervisory Board.

Currently, the Capital Market Supervisory Board prescribes rules for licensing other businesses. However, the set permission are for each type of business, such as being a beneficial, being a trustee, etc., and is generally permitted if the Securities Company has complied with the following conditions:

- 1) It is a business that does not have risks or has a system to control risks sufficiently regarding risks to customer assets, securities positions, or securities settlement and settlement systems; and
- 2) is a business that does not create or has a system to effectively manage conflicts of interest with the securities business of the Securities Company or Securities Company’s customers; and
- 3) It is a related business and helps to support the securities business according to the type of license to be more complete and comprehensive. or manage human resources, places, or tools of the Securities Company to achieve full benefits.

The above conditions include engaging in other businesses of Securities Companies that invest in other businesses, whether directly or indirectly, more than 50 percent of the total capital of that business. It is deemed to be permitted by the Capital Market Supervisory Board only if the business meets the above conditions and the Securities Company has submitted details and scope of other business operations together with the letter of consent of that business for the SEC Office to inspect the business operation with the SEC Office before the Securities Company invests in such business more than the above proportion or before the said business commences in the case where the Securities Company is the establishment of such business.

In this regard, the SEC is in the process of amending rules for other business operators of securities business operators and derivatives business operators to be in line with the change in technological and investor behaviour. Therefore, Securities Company have to adjust. to be able to compete with other. However, from the general license conditions, in some cases the Securities Company will expand to other businesses using high capital with high risk or is not a business related to the licensed securities business which will affect the core business and confidence in the capital market as a whole, the SEC will therefore

propose to improve the rules. The key elements of the criteria related to entering into this transaction are as follows:

(1) Business model operation in one form or another

(1.1) Securities Company operating other businesses within the Securities Company itself.

(1.2) Securities Company operate other business by

- i. Securities Company holding shares in any company, directly or indirectly, from 20 percent of the paid-up capital of that company (the SEC Office amended from more than 50 percent to 20 percent due to Accounting standards are considered acquisition of shares in an entity with at least 20 percent of the voting power, directly or indirectly, is presumed to have the power to participate in decision-making regarding the financial and operating policies of the entity. that business), or
- ii. Securities Company has significant control over such businesses such as having representatives in the company's directors or other management teams that are equivalent to the board of directors of the business .

(2) Criteria for permission to operate other businesses subject to the following conditions:

(2.1) The business that can be operated must be a business related to the licensed securities business and act as follows

i. For General Conditions

- 1. In the case that it is a business that has rules or other laws that require the Securities Company to be able to operate with permission, such as being a securities registrar being a trustee, etc.
- 2. In the case of investment value (both shareholding, debt securities, lending, etc.) in other businesses less than or equal to 1,000 million Baht and not more than 50 percent of the securities fund's capital, the Securities Company shall notify the SEC Office at least 5 business days prior to commencement of the said business. Securities Company must prepare for business operations as prescribed by the SEC.
- 3. In the case of other businesses from the use of personnel resources, tools, and equipment such as renting a place, providing back-office services, etc.

ii. In case the investment value is significant

In the case of investment value in other businesses is more than 50 percent of the Securities fund's capital, but not more than 1,000 million Baht. It is Generally permitted with the conditions that the Securities Company must submit information, documents, evidence relating to other businesses and the work system prescribed to the SEC Office and before starting the business must have a letter agreeing to the SEC Office to examine companies that operate other businesses) and if the SEC Office does not protest within 15 working days. In the event that the SEC Office makes an objection, it will propose to the Capital Market Supervisory Board for further consideration.

iii. In case of high investment value

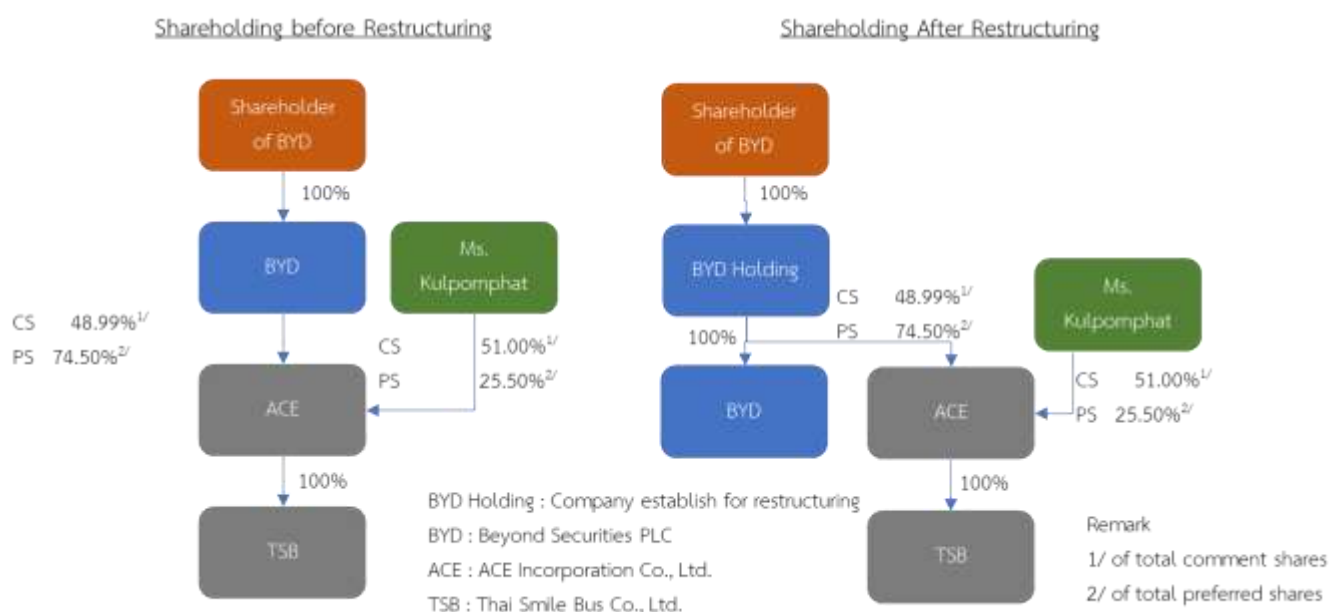
In case the investment value in other businesses is more than 1,000 million Baht, before start operating the business, the Securities Company must submit an application, information of other business, and work system to the Office of SEC. (In case that Securities Company hold share in other business, the Securities Company must have a letter to consent to have the SEC investigate the business.) The Capital Market Supervisory Board will notify the result of its consideration within 60 days from the date the SEC has received the request.

Consequently, BYD's investment in ordinary and preferred shares in ACE, which accounts for 49.39 percent of ACE's total register capital, does not constitute an investment in any other business of a Securities Company according to the Capital Market Supervisory Board. However, if the new rules for undertaking other business of Securities Companies come into force. This will make BYD's investment in ACE, which accounts for more than 20 percent of ACE's paid-up capital, to be classified as another business, pursuant to (1) Form of Business (1.2) (i), including BYD sent representative to be directors of both ACE and TSB, and plans to closely oversee TSB, which could also be construed as an investment in another business under (1.2)(ii).

When an investment in ACE may be classified as another business of a Securities Company, BYD may be required to apply for approval in accordance with (2) Other Business Licensing Criteria (2.1) (iii) in case of high investment value because BYD has both investment value in total ACE shares and loans to TSB exceed 1,000 million Baht, therefore, BYD is required to obtain approval from the Capital Market Supervisory Board for other securities business operations. The independent financial advisor views there is a possibility of disapproval as TSB's business may conflict with the rules that other Securities Company should be related businesses and help to promote securities business. As a result, BYD might have to cancel its investment in ACE shares.

Setting up a Holding Company

The Independent Financial Advisor considers that BYD should undertake a restructuring of the Group to ensure flexibility and compliance with applicable rules and laws, as well as to reduce the risk that investment in ACE will be considered another business of a Securities Company. BYD should establish a holding company to hold direct shares in both BYD and ACE which will make BYD does not hold shares in any other company. Therefore, there is no need to worry about changes in the rules of conducting other businesses of securities companies. The group structure before and after the establishment of the Holding Company is as follows



Prepared by Independent Financial Advisor

The above shareholding structure, It is solely the opinion of the Independent Financial Advisor to provide shareholders with a view to the potential structure to resolve BYD's shareholding problem. However, the future structure of BYD shall be propose for the Shareholders' meeting for approval.

In addition, the important structure of the Holding Company is the offering of the Holding Company's shares to the existing shareholders of BYD and the purchase of BYD shares from the shareholders. and the Holding Company's shares will be listed on the stock exchange along with the delisting of BYD's shares from the stock exchange (Delisting). The Holding Company must reapply to the Stock Exchange to list the shares in the same way as new shares.

2.1.8. Summary of the reasonableness of the transaction “PP Capital Increase”

Considering the advantages, disadvantages, and risks of entering into the PP capital increase transaction, the IFA is of the opinion that entering into the transaction is beneficial for the shareholders and the Company more than negative impacts that may occur in the future. BYD is expected to receive interest in the amount of 2,718.19 million Baht (please see additional details of the payment schedule in section 2, item 2.2.9.) and will begin to receive dividends from ACE amounting to 200.64 million Baht in 2031 as BYD will have sufficient funds to expand the business of TSB, BYD's associate company, during the specified period. As well as having potential investors to help support TSB's business, TSB has higher competitiveness. Therefore, it increases the opportunity for BYD to receive a good return on investment. However, BYD needs to set measures to prevent conflicts of interest and to provide clarity and fairness to all concerned parties, which is one of the plans that BYD has revealed for this transaction. Therefore, entering into such a transaction is reasonable.

2.2 Reasonableness of the lending transaction to TSB

2.2.1. Objectives and necessity for entering into the transaction “Lending to TSB”

From the resolution of the Board of Directors No. 6/22, proposed to the Extraordinary General Meeting of Shareholders to consider and approve the financial assistance to TSB (“Lending to TSB”) in the amount of 8,550.00 million Baht, with 45.696 million ordinary shares and 0.357 million preferred shares of ACE that Ms. Kulpornphat Wongmacharpinya all held as collateral.

BYD is required to provide loans to TSB to support TSB's business expansion. To comply with the transport license and to increase the competitiveness. The detail of using funds are as follows:

The objective of using funds of TSB	Amount (Unit: million Baht)
1) Acquiring the entire business (Entire Business Transfer) of ETH from EMH in which EMH owns 100 percent of ETH and EMH is a subsidiary of EA in which EA holds 100 percent	6,000.00
2) Purchasing some of the E-Bus according to the transport licensed for TSB and its subsidiaries	2,000.00
3) Acquiring all ordinary shares of EXA Logistics Company Limited (“EXA”) and Racha Road Company Limited (“RJR”), who are licensed to operate 6 other routes	200.00
4) Investing in e-Ticket Project (Single Network – Single Price – Single Management Project)	200.00
5) Investing in building garages, offices, and maintenance work	100.00
6) For working capital reserve	50.00
Total	8,550.00

Therefore, the IFA is of the opinion that it is necessary for TSB to lend a long-term loan to TSB to be used for the purposes mentioned above. However, lending to TSB has both advantages, disadvantages, and risks of entering into the transaction. IFA then analyses the reasonableness of interest rates, advantages, disadvantages, and risks of lending to TSB next.

2.2.2. Reasonableness of loan interest rates

The IFA has determined the interest rate for the loan to TSB based on the terms outlined in the material terms of the Draft Loan Terms between BYD and TSB, the latest IFA received as of 30 June 2022 (Please See Section 1.4.2 (a) for more details of the Draft Loan Terms between BYD and TSB), stating that the interest rate of the loan will be based on Minimum Loan Rate (MLR) of Bangkok Bank Public Company Limited plus not more than 1.50 percent per annum, but not exceed 7.00 percent per annum. The MLR rate of Bangkok Bank Public Company Limited for June 2022 (Source: www.bot.or.th) is at 5.25 percent per annum plus 1.50 percent per annum, hence, will be 6.75 percent per annum. The IFA compared the agreed interest rate with the interest rate of return since it is a loan to TSB and BYD will receive a return in the

form of interest on the loan and also compared with the rate of return on other investments as follows: 1) the deposit interest rate, 2) 7-year yield on government bonds, 3) average MLR rate of 4 major commercial banks, 4) historical rate of return on investment in BYD's financial instruments, and 5) interest rate from the lending securities business (Margin Loan) of BYD, which can be compared with the following information:

Agreed Interest Rate: referred to MLR of BBL + 1.5% but not exceeding 7%	$5.25\%^{1/} + 1.5\% = 6.75\%$
The deposit interest rate ^{2/}	0.125% - 2.000%
7-year yield on government bonds ^{3/}	2.75%
Average MLR rate of 4 major commercial banks ^{4/}	5.39%
Historical rate of return on investment in BYD's financial instruments ^{5/}	1.46%
Interest rate from the lending securities business (Margin Loan) of BYD ^{6/}	5.45%

Remarks:

- 1/ Source: Bank of Thailand (www.bot.or.th) collected as 29 June 2022
- 2/ Source: Bank of Thailand (www.bot.or.th) collected as 29 June 2022
- 3/ Source: : Thai Bond Market Association (www.thaibma.or.th) collected as 29 June 2022
- 4/ Source: Bank of Thailand (www.bot.or.th) collected as 29 June 2022
- 5/ Source: Historical financial data of BYD from 2019 to Quarter 1, 2022
- 6/ Source: The financial projection of BYD

After considering, it was found that the interest rates on loans to TSB are higher than all IFA comparisons, which indicates that the above rate is higher loan interest rate yield in general and BYD's historical rate of return. Therefore, the IFA considers that the loan interest rate is appropriate for the current period.

However, the IFA has noted that BBL's MLR interest rate is slightly lower than the average MLR rate of the four major commercial banks. Moreover, setting a maximum borrowing rate of not more than 7.00 percent per annum, BYD may lose the opportunity to receive higher returns if BBL's MLR interest rate is higher than 5.50% per annum, especially during the period when the IFA believes that there is a tendency that the policy interest rate and borrowing rate will increase. (Please see details on interest rate volatility risk in Section 2, item 2.2.8.3). If BYD can negotiate to cancel the loan interest rate conditions at a maximum of 7.00 percent per annum, BYD will reduce the risk of an increase in interest rates

2.2.3. The adequacy of the projected cash flow for loan repayment

The IFA has prepared a cash flow projection for repayment of interest and principal on the loan to TSB based on a grace period of 12 months as informed by BYD's management. The IFA found that TSB had sufficient cash flow to pay off BYD borrowings. However, at the beginning of borrowing and investing, TSB may have low cash flow after repayment under the above conditions since it is a period of high investment, while the revenue cannot be fully realized in all service routes. The transport license granted by TSB is

only 7 years, and if cannot be renewed, it will affect repayment as the final repayment will be in the 8th year of the loan. (Please see more details in Section 2, item 2.2.9 TSB Loan Table)

In this regard, the IFA considers TSB's cash flow, including the return on investment in subsidiaries. (both existing before and after the transaction) in the form of dividends only for subsidiaries with remaining free cash flow and accepting debt repayment of loans to subsidiaries, even though TSB gave loans after entering into the transaction. And inter-related liabilities arising from the acquisition of ETH's entire business, TSB is entitled to receive loan payments from EST and SMB in the total amount of 2,683.72 million Baht because the IFA assumes the payment to be gradually paid when there is sufficient cash flow.

	2022	2023	2024	2025	2026	2027	2028	2029
TSB Operating Cashflow	596.79	881.63	2,107.79	2,581.08	2,824.56	3,173.63	3,552.02	4,263.94
TSB Investing Cashflow	(11,499.15)	(8,346.20)	-	-	-	-	(89.60)	(773.80)
TSB financing Cashflow								
Loan to Related Company								
- Loan Drawdown	(177.00)	(670.00)						
+ Loan Repayment Received	0.79	1,106.86	709.39	410.07	310.79	311.58	496.13	182.02
Loan Drawdown from BYD and Financial Institution								
+ From BYD	8,550.00							
+ From Financial Institution	3,699.69	6,949.59	(1,094.39)	(1,609.34)	(1,725.64)	(1,850.35)	(1,987.90)	(1,946.95)
Net Cash before BYD Loan Repayment	1,171.12	(78.13)	1,722.79	1,381.80	1,409.71	1,634.86	1,970.64	1,725.21
BYD Loan Repayment (Principle Amount)	-	(407.14)	(1,221.43)	(1,221.43)	(1,221.43)	(1,221.43)	(1,221.43)	(1,221.43)
Cash (Deficit) Surplus	1,171.12	(485.27)	501.36	160.37	188.28	413.43	749.22	503.78
Accumulated Cash (Deficit) Surplus	1,171.12	685.85	1,187.21	1,347.58	1,535.86	1,949.29	2,698.51	3,202.29

	2030	2031	2032	2033	2034	2035	2036
TSB Operating Cashflow	4,990.49	5,425.35	6,296.10	6,547.65	5,172.68	5,218.48	1,264.19
TSB Investing Cashflow	(1,151.20)	-	-	-	5.94	-	-
TSB financing Cashflow							
Loan Related Company							
- Loan Drawdown	-	-	-	-	-	-	-
+ Loan Repayment Received	3.09	0.00	0.00	0.00	0.00	-	-
Loan Drawdown from BYD and Financial Institution							
+ From BYD	-	-	-	-	-	-	-
+ From Financial Institution	(754.69)	(29.16)	0.00	0.00	0.00	31.12	0.00
Net Cash before BYD Loan Repayment	3,087.69	5,396.20	6,296.10	6,547.65	5,178.61	5,249.59	1,264.19
BYD Loan Repayment (Principal Amount)	(814.29)	-	-	-	-	-	-

	2030	2031	2032	2033	2034	2035	2036
Cash (Deficit) Surplus	2,273.41	5,396.20	6,296.10	6,547.65	5,178.61	5,249.59	1,264.19
Accumulated Cash (Deficit) Surplus	5,475.69	10,871.89	17,167.99	23,715.64	28,894.25	34,143.85	35,408.04

The above cash flow projection is estimated by the IFA to provide shareholders with an overview of the analysis of lending to TSB to understand the nature of the transactions arising from such financial assistance. And the IFA has considered the level of confidence for lending to TSB in their ability to repay the loan. There are uncertainties that could cause the cash flows of TSB and its subsidiaries to differ materially from the above estimates, such as vehicle delivery plans, performance, economic conditions, etc., which such uncertainties will depend on TSB's management to ensure that all operations are on target and BYD receives good loan repayment and a good return on investment. (Please see more details in section 2, item 2.3.9) TSB's cash flow, including return on investment in subsidiaries, is showing that TSB has the ability to repay loan to BYD.

2.2.4. Advantages of entering into the transaction “Lending to TSB”

2.2.4.1. There is a source of funds for the expansion of TSB, an associate of BYD

Providing financial assistance to TSB in the amount of 8,550.00 million Baht, TSB will be able to use the funds for the purposes of TSB's investment projects. (Please see details of TSB's investment projects in Section 1, item 1.3.4)

Therefore, lending to TSB is beneficial to provide TSB with sufficient funds for TSB's business expansion, both in the form of mergers and acquisitions, expansion of services of TSB and its subsidiaries, and adding more routes. The IFA expects that the investment projects will enable TSB to grow by leaps and bounds in terms of operating assets and revenue from public bus and boat services from the number of routes and the number of electric vehicles available and provide more services. Also, there is the opportunity to share resources for high efficiency and build competitiveness. If TSB's performance is as expected, TSB will be able to generate good profits and have financial strength. Consequently, this will result in BYD getting a good return on its indirect investment in TSB.

2.2.4.2. BYD has the opportunity to obtain a return on loans to TSB at a rate greater than BYD's historical return on investment

The Information Memorandum of BYD RE: "Financial Assistance to Associated Companies" specifies the interest rate for a loan agreement between BYD and TSB by referring to the Minimum Loan Rate (MLR) of Bangkok Bank Public Company Limited plus not more than 1.50 percent per annum but not exceed 7.00 percent per annum. MLR Rate of BBL for June 2022 is at 5.25% per annum (Source: Bank of Thailand www.bot.or.th) plus 1.50% per annum, equal to 6.75 percent per annum. The loan period is 8 years requiring payment every month. During the first 12-month grace period, only interest will be paid at 49.88 million Baht per month, with no principal repayment. And in the 13th – 96th month, both interest and principal will be paid. If the loan interest rate is set at the rate of 6.75 percent per year, the effective interest rate will be equal to 6.86 percent per year.

The IFA has considered the rate of return on investment in financial instruments of BYD to compare with borrowing rates. It was found that BYD has invested in financial instruments, which is an investment in debt securities, equity, and funds, with an average return of 1.55% per annum for the period from 2019 to the first quarter of 2022 since BYD's change in management structure during the year 2020 - 2021. Therefore, the data in the range of Between 2019 - 2021 and the 1st quarter of 2022 are historical financial information that IFA believes reflect the current rate of return on investment as shown in the table below

	2019	2020	2021	Q1 2022
Historical Return on Investment in financial instruments	7.21%	-7.72%	6.23%	0.49%
Average Return on Investment	1.55%			

Source: Financial Statements of BYD and calculated by IFA

Consequently, lending to TSB will yield a better return than the investment in BYD's financial instruments in the past.

2.2.4.3. BYD has the opportunity to earn a return on investment in ACE

By providing financial assistance to TSB, TSB will be able to invest in projects to expand the business as mentioned above. The IFA is of the opinion that it will benefit BYD in obtaining return on investment as mentioned in Section 2 item 2.1.3.3 above.

2.2.4.4. BYD has other sources of income other than income from securities business

By lending to TSB, BYD will receive interest from TSB every month, with a total value of not more than 2,718.19 million Baht. During the first 12-month grace period, only interest will be paid at 49.88 million Baht per month, without repayment of principal. And in the 13th – 96th month will be the payment of principal and interest. The principal will be repaid equally every month at 101.79 million Baht per month. The interest for the 13th month is approximately 49.88 million Baht and will gradually decrease according to the decreasing principal value until the interest value for the last month is approximately 0.59 million Baht. (Please see details of the repayment schedule in Section 2, item 2.2.9.) Earning interest on loans to TSB will provide BYD with a source of income other than income from the securities business, which is the core of BYD which has a highly competitive business today and provide BYD with high profits.

2.2.4.5. BYD as a creditor has the right to receive repayment of debt before returning the investment to the shareholders

Providing a loan to TSB makes BYD becomes a creditor for the loan amounting to 8,550.00 million Baht. If TSB's performance does not meet the target, TSB will be unable to repay its debt. The IFA is of the opinion that BYD as a creditor will have the right to claim, sue, or file a lawsuit for TSB to pay the debt according to the amount of outstanding debt and sell assets at auction to pay off debts to creditors in full first. Then, TSB will be able to divide the remaining assets after debt repayment to shareholders. That's

good for BYD because it gives BYD a better chance of getting a refund than raising capital in ACE or TSB if TSB's performance doesn't meet targets and it shuts down.

2.2.5. Disadvantages of entering into the transaction “Lending to TSB”

2.2.5.1. BYD may lose the benefit of investing the money in other businesses or assets with higher returns

The interest rate for loan to TSB is referred to the Minimum Loan Rate (MLR) of Bangkok Bank Public Company Limited plus not more than 1.50 percent annually, but not be higher than 7.00 percent annually. The MLR Rate of BBL for June 2022 is 5.25 percent (Source: Bank of Thailand www.bot.or.th). Hence, the interest rate on loans to TSB will be 6.75 percent per year at 5.25 percent per year + 1.50 percent per year, even if the IFA believes that the interest rate is higher. At this time, it is regarded as a suitable interest rate. However, investing in other assets with comparable risk levels or lower levels of risk, including real estate investment trusts or debt securities of listed companies, could produce larger returns than interest-rate loans to TSB.

IFA, therefore, believes that BYD may lose the opportunity to invest in other assets. However, BYD's investments may have restrictions on maintaining net liquid capital. Therefore, it may not be able to invest in certain assets that may affect the maintenance of the net liquid capital. Including if BYD invests in other assets, it will result in TSB being unable to expand its business as planned, which may affect investment in ACE.

2.2.5.2. BYD may lose interest from an increase in interest rates

Setting the maximum borrowing rate of not more than 7.00 percent per annum may affect BYD in losing the opportunity to receive interest returns according to economic conditions and is inconsistent with BYD's cost of financing in the event of an increase in interest rates. The IFA has considered the fact that the current state of the economy has caused inflation to rise, which influences inflation around the world. Inflation control methods are in place in many nations. The result was a depreciation of the Baht. IFA believes that to address the current economic volatility, the Bank of Thailand may take steps to increase the policy interest rate. (Please refer to Section 2, item 2.2.8.3 for more information on interest rate volatility risk.)

The IFA consequently anticipates that there may be a chance for interest rates on loans from financial institutions to rise. This could increase the likelihood that the interest rate on TSB lending, which is calculated as MLR + 1.50 percent, will be higher than 7.00 percent annually and could make BYD less interested in obtaining more money if the interest rate on the loan is capped at 7.00 percent annually.

2.2.5.3. TSB may not be able to pay debts as scheduled

According to management information, BYD is expected to pay just interest at a rate of 49.88 million Baht per payment for the first 12 months of the Grace Period. There is no repayment of the principle. Additionally, interest and principal will both be paid in the 13th through 96th month. The independent financial advisor has computed the interest and principal payment for each period, resulting in a monthly

principal payment of 101.79 million Baht. (For more information, see Section 2, item 2.2.9). It demonstrates that TSB is expected to make equal payments of principal and interest each period totalling Baht 641.49 million. At the same time, the IFA has prepared a cash flow projection for TSB's principal repayment and found that at the beginning of borrowing and investing, TSB may have low cash flow after repaying the loan in accordance with the above conditions because it is a period of high investment while the full revenue cannot be realized in each service route.

Therefore, the IFA believes that TSB may not be able to return the loan to BYD on time. Hence, BYD and TSB should agree on the terms of loan payments that are as close as possible to what will happen to ensure that the terms are applicable and do not contravene the loan agreement's provisions, particularly the loan payback.

2.2.5.4. The collateral may not be of sufficient value to pay off the debt

In granting this loan to TSB, the conditions of the collateral were determined by Ms. Kulpornphat Wongmacharpinya (“Ms. Kulpornphat”) took all the shares of ACE held by Ms. Kulpornphat consisting of 45.696 million ordinary shares and 0.357 million preferred shares, representing 50.61% of ACE's registered and paid-up shares, pledged as collateral with ACE's total book value of 842.65 million Baht as of 31 March 2022. When compared to the value of the loan to TSB of 8,550 million Baht, the value of the shares used as collateral will be much lower than the lending value.

However, IFA believes that with this loan, TSB will invest in TSB's projects as mentioned above. If TSB's performance does not meet expectations, it will result in TSB being unable to repay its loan to BYD, as well as affecting the value of TSB and ACE's businesses, which may continue to decline until they are unable to pay debt and unable to continue the business. IFA believes that when BYD as a creditor must enter the litigation process to take out collateral for auction, the business and share values of TSB and ACE may be reduced to no longer valued or significantly less than the outstanding liabilities.

2.2.5.5. Potentially loss by borrowing rates below the appropriate interest rate to offset TSB's credit risk

The MLR of Bangkok Bank Public Company Limited plus a maximum of 1.50 percent annually was used to determine whether the loan interest rate is good with enough collateral, etc., and an interest rate + spread shows that the borrower poses a greater risk than a reliable, large customer, such as poor financial standing, lack of collateral, etc., leading to an increase in interest to offset the risk taken by the borrower. Due to factors like TSB's financial situation, ability to generate money, and ability to service its debt, TSB has a larger credit risk than its high-net-worth clients, which is reflected in the higher interest rate on loans it makes to MLR.

However, the IFA has an additional opinion that TSB's credit risk is assessed in the same way that a commercial bank is assessed to determine the interest rate on the loan. The loan interest rate to TSB is considered by banks may be higher than the MLR + 1.5% interest rate. Each bank is assessed both financially (Quantitative) and qualitative on the topic that each bank focuses on. This is a part that makes the interest

rates on loans received from each bank different. In addition to the different financial costs of each bank and the fact that TSB has just started the business of providing electric public buses including high-value investment, IFA believes that the collateral is insufficient to cover the borrowing limit. The loan interest rate that TSB will receive, at the bank's discretion, may be higher than the MLR + 1.5% borrowing rate, jeopardizing BYD's chances of getting a higher loan rate. Considering that TSB has asked for a line of credit from the bank, it has been offered a loan interest rate that is +1.5% higher than MLR.

2.2.6. Advantages of not entering the transaction “Lending to TSB”

2.2.6.1. No default risk

If BYD has not entered into a loan transaction to TSB, then BYD will not be a TSB creditor and will not be affected by any default risk.

2.2.6.2. BYD can invest money in securities businesses or other financial assets that may receive better returns

If BYD receives funds from the PP capital increase but is unable to enter into a loan transaction with TSB, as a result, BYD may use the money for the PP capital increase, but BYD is required to invest the money to generate returns for shareholders. The IFA believes that BYD can still use the PP capital increase in BYD's core business such as securities business or investment in other assets with a yield that is better than or close to the interest rate that BYD receives.

2.2.7. Disadvantages of not entering the transaction “Lending to TSB”

2.2.7.1. If BYD receives money from the PP capital increase, BYD needs to find other investment opportunities in order to provide good returns to BYD shareholders

If BYD receives funds from the PP capital increase but is unable to enter into a loan transaction with TSB, as a result, BYD may use the money for the PP capital increase. IFA considers that if BYD is unable to bring such funds to invest in any business or assets with a good rate of return, It will affect the shareholders because the PP capital increase will affect the shareholders both the voting rights (Control Dilution) and the profit sharing (Earning Dilution) as discussed in Section 2, item 2.1.4.1 above and may affect the fundamentals of the share price from lower earnings per share.

2.2.7.2. TSB may be subject to a confiscated transport license if funding is not available in a timely manner

Since the Department of Land Transport ("Transportation License") has granted TSB a fixed route transport license, with 71 licenses usable for new routes for a period of seven years from April 2022 through April 2029, with the conditions that TSB must be operated within 180 days, or by October 2022 to achieve the minimum requirement specified by the Department of Land Transport. Thus, TSB must spend on purchasing E-Bus to meet the required minimum number of buses for new routes as well as for the remaining 8 routes. TSB presently has 79 transport permits in total, all of which are required to complete the required number of vehicles.

The IFA believes that failure to provide loans to the TSB may result in the TSB being unable to provide sufficient and timely financing. It will affect TSB in procuring E-Bus under the said transport license. According to the conditions of the transport license, if TSB fails to comply with the conditions within the specified time and causes the deterioration of benefits to the people The Central Registrar will proceed with the procedure for revocation of the transport operating license under Section 46 of the Land Transport Act B.E. transport. As a result, TSB may be subject to confiscation of all transport operating permits, in a total of 79 licenses, which will prevent TSB from continuing its business. And will affect BYD for indirect investment return on TSB.

2.2.7.3. TSB lost an opportunity to increase competitiveness

Please see Section 2, item 2.1.6.1.

2.2.7.4. BYD may lose its stake in ACE directly or indirectly if ACE or TSB look for additional joint ventures

If lending to TSB is not feasible, TSB may find another joint venture with funding potential and be ready to invest in a limited time. The IFA believes that this approach will enable TSB to operate the business under a transport license. However, it will affect BYD's shareholding and voting rights (Control Dilution) and will affect the profit sharing (Earning Dilution). Moreover, Existing holdings are affected by a substantially reduced stake, which is up to ACE or TSB in negotiations with investors for the offering price of ACE or TSB's capital increase shares.

2.2.8. The risk of entering into the transaction “Lending to TSB”

2.2.8.1. Default Risk

From the loan to TSB of 8,550.00 million Baht, the payment terms are set to be monthly. The first year (months 1-12) is a grace period, only interest will be paid with no principal repayment. For 13-96 months (84 months total) will pay both interest and principal repayment. The principal will be repaid equally every month at 101.79 million Baht per month based on the repayment schedule information obtained from TSB on 25 July 2022 (Please see details of the repayment schedule in Section 2, item 2.2.9). However, the IFA has received only the essence of the draft loan terms between BYD and TSB. (Please see section 1.4.2 for more details (a))

The financial status of TSB as of 31 March 2022 can be summarized as follows:

Financial Data	2021	Q1/2022
Cash and cash equivalents (million Baht)	2.48	240.69
Total current assets (million Baht)	54.41	624.45
Total current liabilities (million Baht)	53.87	130.45
Liquidity Ratio (Times)	1.01	4.78
Earning before finance cost and income tax (million Baht)	(60.93)	(10.12)

Financial Data	2021	Q1/2022
Interest expenses/financial costs (million Baht)	15.63	15.22
Interest Coverage Ratio (Times)	(3.90)	(0.66)

From the above table, it can be seen that TSB's liquidity ratio as of 31 March 2022 was 4.78 times which increases from 1.10 times in 2021, reflecting that TSB's ability to settle the short-term debt has increased. However, TSB's interest coverage ratio for 2021 and the first quarter of 2022 is at -3.90 and -0.66 times, respectively. The negative interest coverage ratio reflects TSB's improved debt service coverage with future investment plans whether it will have a good performance and be able to repay the debt or not. The IFA has prepared a cash flow projection to consider the adequacy of cash flow for debt repayment. (Please refer to the estimation details in Part 2, item 2.2.3)

Because TSB and its subsidiaries plan to make significant investments in the years 2022–2024 if the operating results are below target, the IFA believes that TSB is at risk of defaulting on payments owed to it. TSB is still unable to generate adequate money for routine operations and is obligated to repay the debt in accordance with the loan terms, in addition to having investments that exceeded the plan. A payment that comes as near to the eventual outcome as possible, to guarantee that the requirements can be carried out and do not conflict with the loan agreement's provisions, particularly the loan repayment. The IFA believes that It is a condition that is reasonable and suitable for entering into the transaction. This is because most of the conditions are beneficial to BYD. Moreover, in entering into the loan agreement between BYD and TSB this time, BYD will be able to enter the transaction only after the Extraordinary General Meeting of Shareholders No. 1/2565 has been approved to enter Financial Assistance Transactions to TSB only.

However, if the terms of the loan between BYD and TSB change significantly, BYD should notify the BYD shareholders of the change either through a notice via the BYD website or through the website of the Stock Exchange of Thailand. Otherwise, if the changes are significant and have a significant impact on BYD, IFA believes that BYD should present to the shareholders' meeting to consider the new transaction before BYD can do so. (Please see more details in Part 2, Clause 2.4.2 (a))

2.2.8.2. Risk that TSB's performance will not be as expected

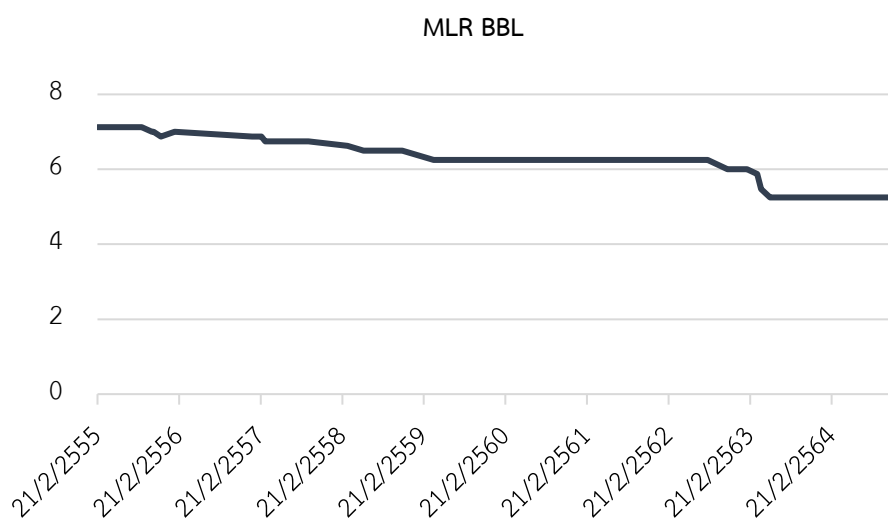
From the fact that TSB operates a public bus service business under a fixed route transport license from the Department of Transport. Initially, there are 8 routes available, but additional licenses for 71 routes are pending the purchase of E-Bus for 180 days to be implemented. Moreover, TSB plans to acquire ETH EXA and RJR, which will allow TSB to have more transport licenses for no less than 42 routes, a total of 121 routes, and must have at least 896 E-Bus in service, according to the minimum number specified in the transport license. In addition, the acquisition of ETH gives TSB the business of operating a public passenger ship under a fixed route transport license. For passenger boats on the Chao Phraya River, 2 routes, will start receiving electric passenger boats from 2022 onwards until having 44 electric boats, including 35 passenger boats, 5 tourist boats, and 4 reserve boats.

The IFA believes that although TSB has experience in public bus service ahead of the current investment projects, the size of the business will grow exponentially from the IFA's estimates. Revenue from TSB's public bus services is expected to increase as the number of E-Bus increases and as people return to normal life after the coronavirus outbreak (COVID-19). There may be obstacles or problems in management, including the public boat business that TSB does not currently have experience with. If TSB can handle everything with experience, expertise, and professionalism from the route supervision by the end of 2021 will enable TSB to achieve good operating results as targeted. At the same time, TSB's performance also depends on external factors such as the Coronavirus Disease 2019 (COVID-19) epidemic, which the team must use its ability to resolve the situation. The IFA has considered the risks of TSB's business operations in Section 3, item 3.1.1.5.2.4, in order to take into account the risks of TSB's performance.

2.2.8.3. Risk from interest rate volatility

The maximum interest rate on loans is limited to 7.00 percent per year and is established at the MLR of Bangkok Bank Public Company Limited plus not more than 1.50 percent per year, which influences BYD's interest income as well as how borrowing interest rates are set. Bangkok Bank Public Company Limited has modified the MLR interest rate in accordance with historical data as follows:

BBL's MLR interest rate chart from February 21, 2012 - December 7, 2021.



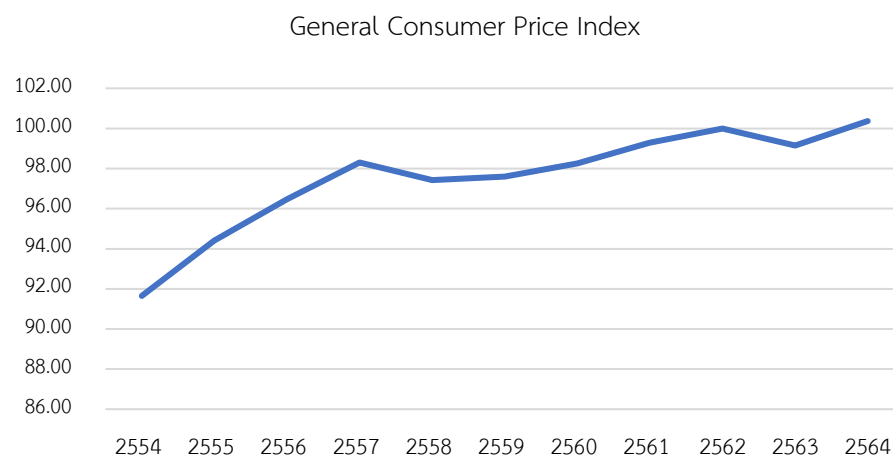
Source: Bangkok Bank Public Company Limited

In addition, the key factor in adjusting the MLR of Bangkok Bank Public Company Limited is the policy interest rate set by the Bank of Thailand. The movements in the past are as follows:



Source: Bank of Thailand

At the same time, IFA has considered the trend of interest rate adjustment from the fact that inflation is rising around the world for various reasons and changes in the Thai Baht exchange rate influence the interest rate policy of the Bank of Thailand with the following trends:



Source: Bank of Thailand / Base = Year 2019

However, from the announcement of the Monetary Policy Committee (MPC) meeting on 8 June 2022, the Committee voted 4 to 3 to maintain the policy rate at 0.50 percent per annum, with 3 votes agreeing to raise it. The policy interest rate is 0.25 percent per annum. The Committee assessed that the Thai economy would continue to expand and have a better chance of recovery than previously assessed from domestic demand and an increase in the return of foreign tourists. Headline inflation is likely to increase and stay at a higher level longer than previously estimated from higher oil prices and longer-than-expected transmission costs. Looking ahead, the Committee assessed that the Thai economy is likely to continue to recover. This was due to a much better-than-expected recovery in private consumption, especially in the service sector. In addition, the number of foreign tourists is likely to continue to increase due to the opening of the country and abroad. In addition, there were signs of

improvement in the labour market and household income, which were followed by a relaxation of epidemic control measures and a recovery in economic activity. continuously Though projections for inflation over the medium term haven't changed substantially in the past despite the COVID-19 spread, inflation moving forward. However, it is increasingly vulnerable because of oil costs globally. evaluated Considering costs that may be significant and more rapid than anticipated, as well as demand pressures that can become more intense after an economic recovery. The Committee will keep an eye on cost transmissions and inflation developments. The MPC found that the risks associated with inflation and economic recovery were more obvious. As a result, it believes that the current level of very supportive monetary policy will need to be decreased in the future altering inflation. The conclusion of this meeting sends the message that a policy rate increase is imminent. from economists' analysis. The MPC is anticipated to progressively increase the policy rate to 1.25 percent annually starting in 2022.

This tendency of rising interest rates indicates that BYD might profit from rising interest rates in the future. This is so even while the interest rate under the loan agreement between BYD and TSB is based on floating interest, or the MLR rate, it is only allowed to rise to a maximum of 7.00% annually. The interest income of BYD did not rise in line. Additionally, because the loan has a long period, BYD loses the chance to reinvest the money at a time when interest rates are higher. Therefore, it implies that BYD might eventually obtain yields that are lower than those of the market.

From the above information, the IFA believes there is a chance that the interest rate will go up or down over the course of the loan. This will have an impact on BYD's interest revenue.

2.2.9. Calculation of loan payments

The IFA considers the repayment of loan (Loan Table) to TSB in accordance with the terms of lending to TSB as disclosed by BYD as follows:

Unit: million Baht

Year	Beginning Balance	Principal Repayment	Interest Paid	Total Payment	Ending Balance
2022	8,550.00	-	199.50	199.50	8,550.00
2023	8,550.00	407.14	594.94	1,002.08	8,142.86
2024	8,142.86	1,221.43	530.81	1,752.24	6,921.43
2025	6,921.43	1,221.43	445.31	1,666.74	5,700.00
2026	5,700.00	1,221.43	359.81	1,581.24	4,478.57
2027	4,478.57	1,221.43	274.31	1,495.74	3,257.14
2028	3,257.14	1,221.43	188.81	1,410.24	2,035.71
2029	2,035.71	1,221.43	103.31	1,324.74	814.29
2030	814.29	814.29	21.38	835.66	0.00

Source: Latest information that IFA received from TSB on 25 July 2022.

The principal repayment per period is 101.79 million Baht and there will be a total interest payment of 2,718.19 million Baht.

$$\begin{aligned}\text{The Effective Interest Rate} &= \left(1 + \frac{i}{n}\right)^n - 1 \\ &= \left(1 + \frac{0.07}{12}\right)^{12} - 1 = \underline{7.23\%}\end{aligned}$$

However, when considering along with the interest income that will be received in each period, as shown in the table, the effective interest rate is 7.23 percent per year, which is higher than the specified interest rate (Nominal Rate).

2.2.10. Summary of the reasonableness of the transaction “Lending to TSB”

Considering the advantages, disadvantages, and risks of the loan transaction to TSB, IFA is of the opinion that the transaction is more beneficial to BYD and BYD shareholders than the impact or risk that may arise. In the future, BYD will lend money to an entity that BYD will be able to manage and can expect to generate good profits in the future. This will also help create an opportunity for TSB to be competitive and expect to generate a good return on investment for BYD in the future. Therefore, entering into such a transaction is reasonable.

2.3 Reasonableness of the TSB’s asset acquisition transaction

2.3.1. Objectives and necessity for entering into the transaction “Acquisition of TSB Assets”

From the fact that BYD will provide financial assistance to TSB, an associated company, in the form of a loan of Baht 8,550.00 million Baht, TSB has a plan to use the money as disclosed in Section 2, item 2.2.1. It is a significant amount compared to BYD’s financial position. According to BYD’s consolidated financial statements as of 31 March 2022, the value represents 85 percent of total assets after the PP capital increase and 37 percent of the equity of the shareholders after the PP capital increase, respectively, when considering the objectives and investment necessary for each project can be summarized as follows:

TSB’s Investment Plans	Objectives and necessity of investment
1) Acquiring the entire business (Entire Business Transfer) of ETH from EMH in which EMH owns 100 percent of ETH and EMH is a subsidiary of EA in which EA holds 100 percent.	Since EMH has been allocated 23.63 percent of BYD’s registered capital after the PP capital increase, SMB, a subsidiary of ETH, operates a public bus service like TSB. Thus, acquiring the entire business of ETH will eliminate conflicts of interest and get a partner from the allocation of ordinary shares to EMH.
2) Purchasing some of the E-Bus according to the transport licensed for TSB and its subsidiaries.	TSB and its subsidiaries are necessary to procure an E-Bus to operate the bus under the conditions of the transport operating license as stated above in item 2.1.1 and item 2.1.3.2.

TSB's Investment Plans	Objectives and necessity of investment
3) Acquiring all ordinary shares of EXA Logistics Company Limited (“EXA”) and Racha Road Company Limited (“RJR”), who are licensed to operate 6 other routes.	As EXA and RJR have received the same transport licenses as TSB, the investment aims to increase the number of TSB service routes through the sharing of resources and increase competitiveness.
4 Investing in e-Ticket Project (Single Network – Single Price – Single Management Project)	After the entire business transfer, TSB is required to provide efficient service and management. Therefore, there is a project to develop an electronic ticketing system for shared use within the group, both public bus services, and public passenger ships. TSB expects the system to help prevent fare leaks that occur in paper ticket collection systems.
5) Investing in building garages, offices, and maintenance work.	As the number of service routes increases, TSB is required to provide parking garages, electric charging station installation, and the necessary buildings to be able to provide full service.
6) For working capital reserve	TSB requires funds to cover investments or expenses that may occur beyond those projected.

IFA consequently evaluates the rationality of TSB's asset acquisition by evaluating the investment worthiness from the goals and requirements of each project. Consider the reasonableness of purchasing an E-Bus, the benefits, drawbacks, and risks of making the purchase, as well as the dangers associated with operating a public bus service company and public boats. This is due to the fact that it is a brand-new enterprise that is distinct from BYD's primary line of business, the securities industry for the consideration of shareholders.

2.3.2 Reasonableness of acquisition of entire business of ETH

Based on the plan to invest in the entire business of ETH with a total value of 6,000.00 million Baht, the independent financial advisor has prepared a cash flow projection of the ETH business, consisting of EST, SMB and BLS, to assess the value of the business and study the cost-effectiveness of the investment. The IFA assesses the value of ETH using the Sum of the Parts (“SOTP”) approach as follows:

Company	Assessment Approach	Value (million Baht)	Value per share (Baht per share)
ETH	Book Value Approach	(3.96)	(158.40)
EST	Discounted Cash Flow Approach	932.23 – 1,024.32	23.25 – 25.54
CRL	Book Value Approach	33.70	51.85

Company	Assessment Approach	Value (million Baht)	Value per share (Baht per share)
SMB	Discounted Cash Flow Approach	3,941.66 – 4,480.33	43.31 – 49.23
BLS	Discounted Cash Flow Approach	720.35 – 742.81 (Investment ratio 49.00%, held by SMB 49.00%)	7,203.49 – 7,428.06
Total (SOTP)		5,623.98 – 6,277.20	200.86 – 244.19

At the same time, the IFA has considered the estimated return on investment using the Internal Rate of Return method and the payback period method, which can be calculated as follows:

	Investment Proportion (%)	2565F	2566F	2567F	2568F	2569F	2570F	2571F	2572F	2573F	2574F	2575F	2576F	2577F
EST	100.00	(493.34)	139.98	171.36	169.45	194.39	51.49	166.11	162.84	182.28	107.24	1,358.41		
SMB	100.00	(71.54)	(1,087.34)	(1,486.83)	(2,069.44)	372.53	1,361.87	1,792.26	1,843.60	1,720.07	1,849.70	1,656.29	1,952.61	7,171.77
BLS	49.00	38.02	38.02	38.02	38.02	38.02	38.02	38.02	38.02	38.02	38.02	38.02	38.02	621.85
Investment		(6,000.00)												
Net cashflow		(6,526.86)	(909.34)	(1,277.45)	(1,861.98)	604.94	1,451.37	1,996.39	2,044.46	1,940.36	1,994.96	3,052.71	1,990.63	7,793.62

From the above table, The IFA calculates the Internal Rate of Return equal to 10.23 percent and has a payback period of 4.41 years. The IFA is of the opinion that such an investment with an investment value of 6,000.00 million Baht is still at a level that is worth the investment. Therefore, it is reasonable. However, shareholders please refer to the details of advantages, disadvantages, and risks of acquiring TSB's assets in Section 2, item 2.3.5 – 2.3.9 for consideration of the transaction.

2.3.3 Reasonableness of purchasing E-Bus

From the fact that TSB has joined the application for a license to operate fixed route transport in the Bangkok area. and provinces with additional continuous routes ("Transportation license"), which later the Department of Land Transport notified on 24 March 2022, that the Central Land Transport Control Board has approved the transport operation license to TSB for 71 routes. The duration of transportation is 7 years, starting from April 2022 until April 2029, according to the conditions of the transport license, and TSB must bring the vehicle into operation within 180 days or within October 2022. TSB is, therefore, necessary to invest in purchasing E-Bus to meet the minimum amount determined by the Department of Land Transport. TSB has a plan to purchase E-Bus from NEX Point Public Company Limited (“NEX”), which operates a large-scale electric vehicle manufacturing business and is a distributor of electric passenger buses (E-Bus). NEX is a company in which EA holds shares of NEX, with EMH accounting for 40.01 percent of NEX's total paid-up capital (Shareholder information as of 11 March 2022, from www.set.or.th) (Please see details of the EA structure in Figure 1).



In this regard, after the PP capital increase, EMH will be a major shareholder of BYD in the proportion of 23.63 percent of the registered capital after the PP capital increase. BYD will lend TSB to TSB to take part of the loan amounting to 2,000.00 million Baht will be used as a deposit for booking E-Bus. The rest of the purchase price of E-Bus will be used as a source of funds from borrowing from financial institutions as well as loans from car sellers and trade accounts payable²².

However, E-Bus that TSB purchased on 15 June 2022, amounting to 154 cars, and on 5 July 2022 of 604 cars, a total of 758 cars, the deposit has been paid in full. For the remainder of the E-Bus purchase cost, it will be financed by borrowing from financial institutions. as well as loans from car sellers and account payables. The first batch of 154 buses is scheduled for delivery within August 2022 and the other 604 buses are scheduled for delivery by October 2022. For 758 cars, this is the number of vehicles that have fulfilled the minimum number for 71 new routes. However, by 2022, TSB will still need to purchase 138 more E-Bus to meet the minimum number of vehicles for the existing 8 routes of 96, for EXA of 19, and 23 RJR.

Since the PP capital increase and the purchase of E-Bus are transactions with EA, IFA has considered the purchase of E-Bus with NEX compared with other sellers who have no longer irrelevant, whether purchasing TSB's E-Bus from NEX is comparable, or does TSB have a better benefit than purchasing from other vendors (Arm's Length Basis) or not.

The IFA considers information from TSB executives that receive from vendors and searches for information from the Internet. The key points can be summarized as follows:

Domestic Suppliers

²² TSB is in the process of negotiating the commercial condition details on the payment for the prices of E Buses to the seller, as well as the negotiation with some financial institutions and credit providers, i.e., Siam Commercial Bank Public Company Limited and Sumimoto Mitsui Auto Leasing & Service (Thailand) Company Limited.

<u>Model</u>	(XML6115JEV) 302.14 kWh ²³	(XML6115JEV) 151.07 kWh ²⁴	6106BEV 301 kWh	BYD K9	C-Bus
Supplier	NEX Point PCL	NEX Point PCL	Supplier No. 3	Supplier No. 4	Supplier No. 5
Offer Price (After discount and Tax)	6.50 million Baht	5.80 million Baht	6.5 million Baht	From 8 million Baht	7.00 million Baht
Battery Capacity	302.14 kWh	151.07 kWh	301 kWh	324 kWh	207 kWh
Warranty terms	7 years for main parts	7 years for main parts	2 years or 200,000 Kilometres	N/A	Battery 5 years or 100,000 km.
Production Capacity (per year)	6,000 units	6,000 units	N/A	600-900 units	2,800 units

Source : TSB

International Suppliers

<u>Model</u>	HT6125BEV09	LKS6105GEV1	DFA6100CBEV	EQ6120CBEVT	MNGT6129BEVB
Supplier	Supplier No. 6	Supplier No. 7	Supplier No. 8	Supplier No. 9	Supplier No. 10
Selling Price (before tax)	8.24 million Baht	2.72 million Baht	5.09 million Baht	7.02 million Baht	6.63 million Baht
Selling Price (after tax)	13.13 million Baht	4.33 million Baht	8.10 million Baht	11.17 million Baht	10.55 million Baht
Battery Capacity	315.07 kWh	175.3 kWh	315.9 kWh	228 kWh	294.91 kWh
Warranty terms	N/A	N/A	N/A	1 year or 50,000 Kilometres	N/A
Production Capacity (per year)	1,200 units	20,000 units	15,000 units	5,000 units	1,200 units

Source: www.alibaba.com

The IFA considers that the important factors in selecting the seller are the offering price, the warranty of the battery and the ability to deliver the vehicle, etc.

The Offering Price, it can be seen that NEX's offer price is the lowest, and TSB can negotiate a price for additional discounts on bulk orders. As a result, the offering price after the discount is worth 6,500,000 Baht per car for a model with a battery capacity of 302.14 kWh and a value of 5,800,000 Baht for a model with a battery capacity of 151.07 kWh. It was found that the selling price of an E-Bus of 10.5-12 meters with a battery size between 200 - 300 kWh for those sold in Thailand will be between 7-8 million Baht and for sale in the People's Republic of China, which is a major manufacturer and distributor and has exported and sold abroad, including Thailand, is between 77,500 – 235,000 US dollars (information from www.alibaba.com as of 10 June 2022) or 2.72 – 8.24 million Baht (exchange rate at 35.079 Baht per 1 US dollar, data from www.bot.or.th which is the information as of June 15, 2022, which is the date that TSB entered into an E-

²³ TSB purchased 150 buses in the E-Bus purchase agreement dated 15 June 2022.

²⁴ TSB purchased 4 buses in the E-Bus purchase agreement dated 15 June 2022 and 604 buses in the E-Bus purchase agreement dated 5 July 2022 and expect to order this model for future supply of E-Bus.

Bus purchase agreement with a trader). The selling price in Thailand is, therefore, higher than the price presented above. Also, there may be high shipping costs and longer delivery times, which may lead to TSB receiving the E-Bus later than scheduled and there may be problems with after-sales service and warranty.

Warranty Terms. the table above shows that the warranty terms are different. For the NEX E-Bus there is a 7-year warranty on the main parts, i.e., the battery, while the 3rd seller offers a 2-year warranty, or 200,000 kilometres and the 5th seller have a battery warranty of 5 years or 100,000 kilometres, while the E-Bus from the 4th and 6th -10th suppliers do not specify the terms of the warranty.

The ability to deliver the car. From the table above, it can be seen that the production capacity of NEX is 6,000 units per year. The 4th-10th seller has a production capacity of 600 - 900 units, 2,800 units, 1,200 units, 20,000 units, 15,000 units, 5,000 units and 1,200 units respectively.

In conclusion, NEX's E-Bus is low price while having the highest warranty period for the main parts i.e. the battery. It also has enough capacity to meet TSB's E-Bus demand to meet the minimum by October 2022.

In addition, the IFA considers that there are other factors important to the selection of E-Bus, such as battery technology, payment terms and the credibility of the manufacturer and seller, etc. The IFA has searched the information and found that 1) the battery technology of NEX's E-Bus is suitable for use and is popularly used today. Payment of NEX is due in 2 instalments: the first instalment when contracting for a car worth 0.25 – 1.50 million Baht and the second instalment when delivering the E-Bus, the amount equal to the remaining value of the offering price after deducting discounts, which the IFA considers that it is a normal condition for purchasing high-value products. The first instalment must be paid at the time of the contract to ensure the seller is confident that the buyer will actually receive the goods, and 3) the IFA believes NEX is reliable enough to produce and deliver the vehicle on schedule as an EA company with strong financial strength and expertise in both electric power generation battery production and electric charging for electric vehicles compared to other sellers will be a seller who focuses on importing for distribution that may not be able to provide full technical services or a domestic manufacturer that does not have a battery factory which is an upstream business. The IFA, therefore, views NEX has an advantage. Although NEX's E-Bus does not use EA batteries as it is a higher technology than the E-Bus, it will reassure buyers that if there are production issues, the E-Bus should be resolved better than other suppliers. That is the importer and distributor or a manufacturer with no ongoing business.

Therefore, IFA is of the opinion that purchasing E-Bus from NEX is appropriate and comparable to other companies or TSB has better benefits than purchasing from other sellers.

2.3.4 Reasonableness of the purchase of EXA and RJR shares

Based on the plan to invest in the business of EXA and RJR with a total value of not more than 200.00 million Baht, the IFA has prepared a cash flow projection of the EXA and RJR business to assess the business value and study the cost-effectiveness of the investment. The independent financial advisor assesses the value of EXA and RJR as follows:

Company	Assessment Approach	Value (million Baht)	Value per share (Baht per share)
EXA	Discounted Cash Flow Approach	40.97 – 50.29	31.52 – 38.68
RJR	Discounted Cash Flow Approach	121.90 – 141.63	76.19 – 88.52
Total		162.87 – 191.92	107.71 – 127.20

At the same time, the IFA has considered the estimated return on investment using the Internal Rate of Return method and the payback period method, which can be calculated as follows:

	Investment Proportion (%)	2565F	2566F	2567F	2568F	2569F	2570F	2571F	2572F
EXA	100.00	(99.08)	11.06	13.43	14.53	15.49	19.86	20.50	3.42
RJR	100.00	(118.72)	16.53	18.88	19.81	20.61	24.83	25.69	8.33
Investment		(200.00)							
Net Cashflow		(417.80)	27.59	32.31	34.34	36.10	44.69	46.19	11.76

	Investment Proportion (%)	25735F	2574F	2575F	2576F	2577F	2578F	2579F
EXA	100.00	27.82	32.78	33.76	35.18	36.79	43.18	195.73
RJR	100.00	19.72	23.80	24.64	25.79	27.10	32.37	21.19
Investment								
Net Cashflow		47.54	56.58	58.40	60.98	63.89	75.55	216.92

From the above table, IFA calculates the Internal Rate of Return equal to 7.68% and a payback period of 11.37 years. The IFA is of the opinion that such an investment with an investment value of 200.00 million Baht is not worth for investment because it is higher than the value that the financial advisor appraised. The investment in EXA and RJR is the acquisition of licenses to operate 6 routes, while TSB will need to invest or provide financial assistance to EXA and RJR to provide E-Bus for the 6 routes. Buying shares at that value with additional investment is, therefore, not worth the investment. If TSB is still in negotiations with the seller, it is best to negotiate a price that is worthwhile and a good return on investment. In this regard, shareholders, please refer to the details, advantages, disadvantages, and risks of acquiring assets of TSB more in Section 2, item 2.3.5 – 2.3.9 for consideration of the transaction.

2.3.5 Advantages of entering into the transaction “Acquisition of TSB Assets”

2.3.5.1 Increase business expansion opportunities and enhance competitiveness

TSB has a business nature of passenger transportation by bus and ETH is a holding company with subsidiaries divided into 2 companies, including EST, which operates a boat transportation service on the Chao Phraya River consisting of passenger ships and tour boats; and SMB, which operates in the business of passenger transportation by buses. In addition, SMB holds a 49 percent stake in BLS, which operates bus maintenance services with long-term contracts and is mainly available for buses in SMB. Moreover, when SMB switches to E-Bus, BLS will change their service switches to E-Bus as well, which does not require additional investment since the maintenance of the E-Bus is not as complicated and complicated as a

combustion engine car. Therefore, the acquisition of assets this time means that the acquisition of all ETH businesses is like a synergistic expansion into a business with the same operating characteristics. This is an opportunity to increase income and enhance the potential for sustainable growth as well as help TSB expand its business into the public boat service business. It is in line with the objective of TSB to connect the public transport service network by bus-boat.

2.3.5.2 Opportunity to earn a return on investment if the performance is as expected

The IFA is of the opinion that, from the financial projection of the IFA, if there is no change in external and internal factors affecting the operating results of TSB and its subsidiaries, earnings are expected to be in line with expectations. If the above objectives for TSB's investment are met, BYD can expand its investment in TSB's business as an indirect shareholder. and BYD is a long-term creditor which can spread the risk from the company's business and help promote BYD's efficiency in doing business. TSB has seen steady growth in the public transport business with E-Bus, TSB has received licenses for 71 additional bus routes, and has also acquired ETH, the largest public transportation operator. This reduces the competition of competitors with large market share and increases the efficiency of TSB by indirect shareholders through ACE, and BYD as a creditor, the financial assistance will also benefit.

2.3.5.3 It is an expansion of business in response to the global trend and in accordance with government policy

Nowadays, global business trends are aware and focus on environmental impacts in both government and business sectors. The government has implemented measures to support the use of electric vehicles in a concrete way for both tax measures and Electric Vehicle Discount Measures, The investment promotion measure (BOI) includes asking for cooperation from government agencies to use electric vehicles. Therefore, the acquisition of assets of TSB in this transaction is aimed at conducting business in electric buses and electric boats which is in line with future business trends with the concept of environmental conservation. Furthermore, people are paying more attention to environmental conservation. Therefore, consumers are more likely to choose to use electric buses and boats. It represents an opportunity for greater revenue growth and an opportunity to increase the value of TSB in the future.

2.3.5.4 Benefit from economy of scale

Entering into this asset acquisition transaction can create synergy between TSB and the companies that TSB will invest in because TSB plans to invest in the Single Network-Single Price- Single Management Project worth approximately 200.00 million Baht to connect the transportation network of buses-boats of TSB and its subsidiaries in order to satisfy customer service with fares that are not too burdensome. Resources are shared for the management of the bus-boat service network and the electronic ticket collection system (e-Ticket). The technology will be used to operate and control the standard of transportation, such as creating a Web Admin to manage the Big Data system and analyse the data of the bus-boat system and passenger service usage information that is convenient, accurate, and can be

processed immediately (Real Time), including the use of the e-Ticket system for transparency which will reduce leakage from fare collectors and able to manage costs effectively.

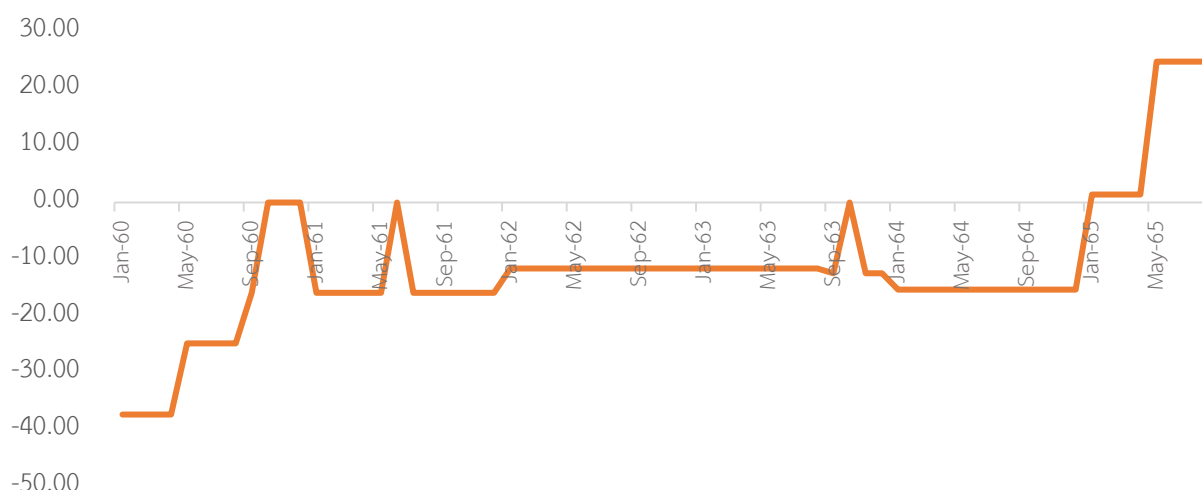
Additionally, TSB will raise the number of public buses operating within the group from 112 buses to more than 2,000 buses as well as 44 public passenger ships after entering into this asset acquisition deal. TSB is able to pool resources like garages and staff, the management system, central support personnel, etc. Because of economies of scale, which result in cheaper unit service prices, TSB will gain when comparing costs and expenses per ship or per vehicle. Putting money into the relevant fixed assets is worthwhile.

2.3.5.5 Creates a competitive advantage over competitors in the clean energy passenger transport business

Since TSB, SMB, and EST's main operating assets are E-Bus and E-Ferry, which are electric engines. It has lower fuel and maintenance costs than a combustion engine. And batteries are backed by a 7-year manufacturer's warranty covering a battery life of the same 7 years, reflecting the higher profitability of competitors in the public transport industry today and in the future. Since the price of fuel tends to continue to increase, the price of electric power is also likely to increase but at a lower level. Nowadays, SMB still operates with NGV combustion engine buses, however, according to an interview with SMB executives, SMB plans to switch to E-Bus in the future as well and will switch to all E-Bus by 2025. TSB will continue to lend money from BYD to SMB as a deposit for the purchase of the E-Bus and the remainder of the purchase price of the E-Bus. It will use the source of funds from borrowing from financial institutions as well as loans from car sellers and accounts payable²⁵ same as that of TSB.

In this regard, TSB has entered into a charging service agreement with EMN, a subsidiary of EA (Please see EA's structure in Figure 1) and a private electricity supplier and service provider. (The cost of installing the charging station is invested by EMN.) It is a 2-year long-term service contract and is charged according to the energy consumption. When more electricity is used, the cost per unit will be lower. The average cost of electricity for electric buses is 5.00 Baht per unit per kilowatt-hour. (Kilowatt-hour: kWh). EST has also entered into a contract to purchase electricity from EMN as a long-term service contract until 2031, with a ladder fee as well. The average cost of electricity for an electric boat is 4 Baht/kWh per unit. It is the electricity purchased from the Electricity Generating Authority of Thailand (EGAT). In the future, if the contract is renewed during the time the variable electricity (FT) price increases, as a result, the cost of EA is higher, which may result in the contract fee being charged higher. On the other hand, if the FT fee is reduced, the contract fee may also be lower.

²⁵ TSB is in the process of negotiating the commercial condition details on the payment for the prices of E Buses to the seller, as well as the negotiation with some financial institutions and credit providers, i.e., Siam Commercial Bank Public Company Limited and Sumimoto Mitsui Auto Leasing & Service (Thailand) Company Limited.



Source: Metropolitan Electricity Authority (www.mea.or.th)

At the same time, the IFA considers such charging service rates by comparing the prices of EMN's services with other service providers in the market. The peak range is 5.1 – 7.9 Baht/kWh and the off-peak range is 2.4 – 4.59 Baht/kWh. However, the above prices do not include variable electricity (FT). Therefore, the IFA believes that EMN service rates are cost-effective and reasonable.

2.3.6 Disadvantages of entering into the transaction “Acquisition of TSB Assets”

2.3.6.1 High investment

As a result of this asset acquisition transaction, TSB will acquire ETH by means of an Entire Business Transfer (EBT), totalling approximately 6,000 million Baht, which is a significant investment amount. In the past, TSB's source of funds came mainly from loans from directors. However, TSB's source of funds for this transaction came from long-term loans from BYD, which makes TSB a burden of borrowing and finance costs. The reference interest rate is the interest rate of the Minimum Loan Rate (MLR) of Bangkok Bank Public Company Limited plus no more than 1.50 percent per annum, however, the total interest rate will not exceed 7.00 percent per annum and make a systematic long-term financial plan. In this investment, TSB expects an internal rate of return (IRR) of 10.23 percent and a payback period of 4.41 years.

2.3.6.2 EST and SMB still have operating losses

TSB will acquire the entire business of ETH by means of an Entire Business Transfer (EBT) where ETH has important assets, namely the ordinary shares of its subsidiaries, which are EST and SMB. as assets of TSB, so TSB will have the right to receive a return on dividend income. It will be recognized as revenue of TSB. ETH also has assets in the loan receivable segment, which is a loan to EST and SMB. After entering into the transaction, both EST and SMB will become TSB's debtor instead. Therefore, TSB is entitled to receive this debt repayment as well. As expected, with low profits or losses, EST and SMB may not be able to pay dividends as planned and be unable to repay loan debt and financial costs. As a result, TSB's revenues will decline, which may result in a lower TSB's ability to repay its borrowings and finance costs. This may impose a burden on TSB to increase its operating income to be able to generate enough income

to pay off debts, loans, and finance costs. To prevent future defaults, the IFA has considered ETH's historical financial statements, including EST and SMB from 2019 to the first quarter of 2022 as follows:

Income Statement (Unit: million Baht)	SMB				EST	
	2019	2020	2021	Q1/2022	2021	Q1/2022
Revenue	58.22	529.18	357.14	104.56	1.9	1.48
Cost of goods sold	57.57	524.36	406.17	118.17	36.49	21.17
Selling, General and Administration Cost	14.21	29.86	32.33	9.16	26.80	4.65
Depreciation	22.22	267.85	318.50	79.43	-	-
Profit (loss) before interest and tax	(35.78)	(292.94)	(399.87)	(102.20)	(61.39)	(24.35)
Net Profit (Loss)	(64.21)	(372.53)	(461.80)	(134.55)	(62.40)	(26.09)

According to ETH's historical performance data, ETH's subsidiaries, including EST and SMB, have experienced continuous losses in the past as SMB was founded in 2018 and started operations in 2019, while EST was founded in 2019, however, the first phase of EST's operation was a free trial of the E-Ferry service, so there was no operating income. Subsequently, both EST and SMB were affected by COVID-19. This led to fewer people traveling and lockdown measures, which dramatically reduced revenues and resulted in continued losses for both EST and SMB. EST posted losses in 2021 and Q1 2022 equal to 62.40 million Baht and 26.09 million Baht, while SMB has a loss in 2019 – 2021 and the first quarter in 2022 equal to 64.21 million Baht, 372.53 million Baht, 461.80 million Baht, and 461.80 million Baht, respectively. However, in 2022, it is expected that the economic situation will reverse better after COVID-19, businesses as a whole tend to recover, and more people return to travel. Therefore, it is expected that in 2022, both EST and SMB will increase their income and begin to be profitable again in 2023 and 2027, respectively, according to the IFA's estimate, and will be able to grow and generate more profit continuously in the future. In addition, after entering into the transaction, TSB will be a shareholder of EST and SMB, giving TSB the right to receive dividends from the operating profits of EST and SMB. Therefore, if EST and SMB performance performs as expected and continues to generate profits, TSB will receive more dividend income. According to the IFA's projection, it is estimated that EST and SMB will begin to be able to pay dividends in the year 2024 of 17.84 million Baht and 2029 of 81.39 million Baht, respectively.

However, if the results of EST and SMB do not meet expectations, this may cause TSB's return on investment to not meet the plan as well. And if the results of EST and SMB are not profitable and there are ongoing losses, TSB may not receive a dividend and repayment as a debtor of EST and SMB. Consequently, this may decrease TSB's total income and may result in TSB not having enough money to pay off borrowings and finance costs. And there is a chance that there will be a problem of default in the future.

2.3.6.3 There are costs that are bound by the SMB

Nowadays, SMB still uses air-conditioned buses using natural gas (NGV) fuel, which has a high cost of energy and maintenance costs since the engine has to be maintained according to usage, unlike E-Bus which has low maintenance costs due to the use of electricity and motor. As of June 2022, the NGV value is 15.59 Baht per kilogram. The NGV price growth rate for the past 20 years is at 3.63 Baht per year. The FT value for June 2022 is at 24.77 satang per unit.

In addition, SMB has obligations with BLS, which is a passenger vehicle repair and maintenance contract, which SMB wishes BLS to be a contractor for repairing and maintaining approximately 500 natural gas (NGV) air-conditioned passenger vehicles for 14 years till 2034. From the financial statements prepared by the Company's management, it was found that in 2021 SMB had a proportion of repair and maintenance costs at 25.53% of SMB's total income.

2.3.7 Advantages of not entering the transaction “Acquisition of TSB Assets”

2.3.7.1 TSB has no risk of loss on investment

If TSB does not enter into the asset acquisition transaction this time, TSB will not have any risk of loss from an investment. This was a result of EST and SMB's performance that did not meet expectations. Considering the historical financial statements of EST and SMB (as shown in the table in Section 2, item 2.3.6.2), it was found that in the past, both EST and SMB had continually accumulated losses. If EST and SMB cannot improve efficiency in generating revenue and being unable to control expenses, EST and SMB may continue to lose losses in the future.

2.3.7.2 TSB has a fund to acquire more E-Bus

If TSB does not enter the asset acquisition transaction this time, TSB will have the remaining funds for acquiring additional E-Bus. The available funds and TSB's borrowing plan will allow TSB to invest in E-Bus only at the minimum amount specified by the Department of Land Transport. Therefore, if TSB does not enter into an asset acquisition transaction, TSB will have more capital and can provide additional E-Bus, which will give TSB operating assets to increase the opportunity and efficiency of TSB's income generation, and may have remaining capital to invest in other investment projects such as systems e-Ticket, etc. In addition, TSB's increase in E-Bus also increases the likelihood that TSB will receive a license renewal at the expiration date.

2.3.7.3 TSB has funds to buy licenses from other operators

If TSB does not enter this asset acquisition transaction, TSB will be able to use this capital to acquire licenses from other operators that may be more efficient and capable. However, the objective of TSB's investment is to become a major player in the passenger transport industry to increase market share. Currently, Major players in the market include Bangkok Mass Transit Authority (BMTA), SMB, and TSB. After entering into the transaction, TSB will become one of the operators in the public transport industry and

will have the opportunity to gain market share in the future to 35.26²⁶ percent of the total number of transport licenses for operating in Bangkok and provinces on continuous routes. In addition, TSB's acquisition of ETH also has another benefit that cannot be obtained from other operators such as the bargaining power with the trading partners since both TSB and EST, which is an E-Ferry service provider, use the service to charge the electricity from the same counterparty, EMN. Therefore, after entering into the transaction, TSB will have more bargaining power with trading partners and may be able to negotiate a lower cost of service.

However, EST currently has no plans to purchase additional E-Ferry, which EST purchased on 30 May 2022 is sufficient. The total number of E-Ferry purchases of 17 boats is scheduled for delivery in Q1 2023 with a total value of approximately 505.50 million Baht. EST will use the source of funds from borrowing from financial institutions that have already received a credit line of 720.00 million Baht since 27 April 2022 with a weighted average loan interest rate of 3.09 percent per year.

2.3.8 Disadvantages of not entering the transaction “Acquisition of TSB Assets”

2.3.8.1 A conflict of interest arises because SMB, a subsidiary of ETH, operates the same business as TSB

Currently, TSB and SMB operate similar businesses, which are public transport service providers. After entering into the transaction, there is a chance that a related party transaction may occur and may cause a conflict of interest in the future. Therefore, TSB has a duty to supervise any related party transaction that may occur in the future and must disclose it to comply with the regulations of the Stock Exchange of Thailand to prevent the transfer of benefits that may occur in the future.

2.3.8.2 TSB lost an opportunity to grow and expand in the business with a high growth opportunity

If TSB does not enter the asset acquisition transaction this time, TSB may lose the opportunity to grow in the passenger transport business and lose the opportunity to expand business in businesses with high growth opportunities due to economic recovery. After the relaxation of COVID-19 measures in the country, the population of working age and school age is necessary to go to work and going to school. Thus, the overall passenger numbers in Bangkok have significantly recovered. In addition, the energy factor has been less pressured by the change in natural gas energy costs and the cost of oil energy has changed. The cost of electricity is more economical. Moreover, the promotion of renewable energy in the country is an important factor that will enable TSB to gain benefits such as tax benefits when purchasing an EV vehicle, and the green field business will receive financial cost benefits. The number of bus service competitors is declining as changes in oil and gas prices increase the cost of services. As a result, the number of buses on the road has significantly decreased. As a result, it increases the opportunity for TSB to receive more passengers from the reduced number of buses on the road.

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Calculated

from

Existing routes of TSB (8)+ New routes of TSB (71)+ Total routes of EXA and RJR (6) + Total routes of SMB (37)
The total number of routes that the Department of Land Transport has allowed under the new route reform plan in 2019 (269)+ in 2022 (77)

2.3.8.3 TSB lost an opportunity to increase competitiveness and an opportunity to increase market share

If TSB does not enter into this asset acquisition transaction, TSB may lose the opportunity to obtain licenses to operate other transport routes that TSB does not possess. Business expansion after the economic recovery will have a rate that is higher than normal (Abnormal Profit), which will affect growth opportunities due to insufficient capacity to support future growth and TSB may loss of opportunities to increase market share from competitors that have dropped from the COVID-19 situation and the energy price crisis, oil costs and higher natural gas in the future.

2.3.8.4 TSB lost the opportunity to increase profits from economies of scale

If TSB does not enter the asset acquisition transaction this time, TSB will not benefit from the economies of scale. TSB faces competition from ETH, which is an indirect subsidiary of EA. TSB will not benefit from the economy of scale of the planned investment, especially in the Single Network-Single Price-Single Management Project, which reflects the increased unit investment cost. This asset acquisition transaction can create synergy between TSB and EMH because TSB's business strategy in the future has a plan to invest in the Single Network-Single Price- Single Management Project worth approximately 200 million Baht to connect the transportation network by car-boat to satisfy customer service with fares that are not too burdensome, improve service quality, and increase confidence in safety as well as generate additional income from advertising and other additional revenues. The process will develop management and service delivery by applying advances in technology to lay the foundation of operations and control the standards of operation. For example, creating a Web Admin to manage Big Data systems and for more convenient data analysis, creating an e-Ticket system for transparency and cost management. and developing Customer Experience and Customer Relationships, such as accumulating points through Application and LINE OA, etc. Relatively high investment is required. But after entering into this asset acquisition transaction, TSB will benefit from economy of scale, reflecting the lower investment cost per unit. It also improves efficiency and operational capability as a result of sharing knowledge among businesses. This will increase TSB's competitiveness.

2.3.9 Risks of “Acquisition of TSB Assets”

2.3.9.1 The risk of facing liquidity problems (Liquidity Risk)

TSB may face liquidity problems and need to borrow more. Since BYD plans to use the proceeds from the PP capital increase to provide financial assistance to TSB. TSB plans to Acquire 28 million ordinary shares of ETH, or equivalent to 100 percent of ETH paid-up capital, with a total value of approximately 6,000 million Baht. And another part is required to purchase additional E-Bus for use in both existing routes of 8 subsidiaries of TSB and the new route group of 71 routes, totalling approximately 896 vehicles by 2022. Hence, TSB will need a large amount of capital to be sufficient and able to invest according to the investment plan. Financial assistance by lending from BYD totalling 8,550.00 million Baht, which will not be sufficient for all investments, causing TSB to use other funding sources from financial institutions for leasing

E-Bus and additional cash for working capital, which may cause TSB to lack liquidity and face liquidity problems. Therefore, TSB may be burdened with higher principal and financial costs in the future.

However, if TSB is unable to borrow directly through a financial institution, BYD may have to provide additional financial assistance to the TSB, which could further affect BYD's liquidity shortfall as well, and may increase the default risk.

2.3.9.2 The risk of not receiving electric vehicles as planned

According to the investment plan of SMB and EST, they will have to acquire electric vehicles, comprising 1,250 E-Bus by 2025 and 17 E-Ferry by 2023. If the delivery delays, this will cause SMB and EST to start to operate slowly causing business damage and directly affecting the performance of SMB and EST to be not as expected. And it could make TSB's return on investment less than expected. In this investment plan, EST will use the source of funds from borrowing from financial institutions. As for SMB, it plans to invest in E-Bus. TSB will take the capital from BYD borrowing and use it to lend to SMB to use as a deposit for E-Bus and the remainder of the portion of the bus, SMB will use the source of funds from borrowing from financial institutions as well as loans from car sellers and trade accounts payable²⁷ as well as TSB.

2.3.9.3 The possibility that the license will not be renewed

SMB currently holds licenses to operate fixed route transport vehicles that transport passengers on all 37 routes. The transport license will be valid for seven years after it is issued. SMB's license is set to expire in 2026 for 7 routes and other 24 routes will expire in 2027. The criteria for granting fixed route transport licenses in Bangkok and its environs are divided into two categories: basic criteria and quality criteria. Those wishing to apply for a business license must meet the basic criteria for the proposal to be considered in accordance with the service quality assessment criteria. The fundamental criteria are as follows: Preliminary qualifications of those eligible to apply for a transport operating license, as well as consideration of the vehicle body, storage location, repair, and maintenance. For service quality assessment criteria will take into account the car's body, storage location, repair and maintenance, bus management strategy, vehicle and passenger safety plans, as well as the applicant's financial stability.

Based on these criteria, TSB may face a license renewal denial and cannot continuously operate in Bangkok and its surrounding areas. However, the approval of the renewal of the transport operating license is at the discretion of the Department of Land Transport.

The Steamboat License is valid for a period of 5 years. EST currently holds a Steamboat License that expires in 2027 with the following conditions: cleanliness, must be maintained Port and ship security must be always maintained, provide sailing services along the route specified, service will be provided on the specified date and time, do not raise the fare before being permitted by collecting the fare along the

²⁷ TSB is in the process of negotiating the commercial condition details on the payment for the prices of E Buses to the seller, as well as the negotiation with some financial institutions and credit providers, i.e., Siam Commercial Bank Public Company Limited and Sumimoto Mitsui Auto Leasing & Service (Thailand) Company Limited.

specified route. If the violation violates even one of the specified conditions, the licensee will face legal action and his or her license may be revoked. EST will be unable to operate the steamship if the license is revoked or does not renew. However, if EST does not violate the conditions listed above, EST might be able to renew its transportation license.

2.3.9.4 The risk of fluctuating in energy costs

Fuel and natural gas prices have continued to rise since the crisis of the Russian-Ukrainian conflict in 2022. As a result of the prolonged war and increased countermeasures between the West and Russia, the industrial sector was forced to bear the burden of direct and indirect costs by more than 20%. The European Union (EU) has decided to suspend 90 percent of Russian oil imports by the end of this year.

The main factors that determine the price of crude oil in the world market can be divided into (1) Demand factors that have historically been influenced by the global economy, which tends to slow, as a result of the trade war.

(2) Factors of supply that are influenced by geopolitical factors in oil-producing countries, which frequently have protracted political problems that lead to violence, which can lead to a shortage of oil.

(3) The fact that oil has become a financial asset in which investors can trade even without receiving crude oil. Overall, the commodities market's liquidity has improved. However, it increased the volatility of oil prices.

Concerns about the global recession have an impact on oil demand resulting in a drop in crude oil prices. However, the long-term forecast indicates an upward trend. The situation with the oil price adjustment, on the other hand, may need to be closely monitored.



Source: GIS Report Published 10 February 2022 (www.gisreportsonline.com)

For TSB and EST, there is a long-term charging contract with EMN, and fixed rates are set on a ladder basis according to the contract. The average electricity cost for E-Bus is 5 Baht/kWh per unit, while the cost for E-Ferry is 4 Baht/kWh per unit. As a result, TSB and EST are not vulnerable to fluctuations in Thailand's energy costs during the contract's term. However, there is a risk when the contract expires and will have to be renewed. If this happens, in the future, costs of energy have risen. Suppliers may raise their

service fees, causing TSB and EST to incur additional operating costs. However, if the cost of energy has decreased, a supplier may also reduce their service fees.

SMB currently operates buses powered by natural gas (NGV) combustion engines, which are directly affected by fuel price fluctuations. However, SMB will transition to all E-Bus by 2025 which is potentially reducing the risk of fluctuating energy costs.

2.3.9.5 The risk from the economic situation and the epidemic

Because of the uncertainty of the epidemic and the mutation of COVID-19 that spreads more quickly, the effectiveness of the COVID-19 vaccine has been reduced. This prompted the government to take steps to distribute vaccines to boost immunity and lower morbidity and mortality rates. In the past, the spread of COVID-19 had a wide-ranging impact in the health, social, economic, industrial, and service sectors, particularly in the public transportation industry. This is primarily due to people's new lifestyle (New Normal) and the need for social distance. Some people are concerned about taking public transportation, such as a car or a boat due to congestion and encountering a large number of people. The government's previous policy to control the spread of COVID-19 by refraining from public activities, including public transport services in the highest controlled areas of Bangkok and its surroundings since in the period of 21.00 - 04.00 and the number of passengers is not more than 50.00 percent of the total number of seats to efficiently screen passengers in accordance with public health measures. As a result, the limited time of service of public buses and boats affecting the operating results of TSB and ETH was reduced.

However, TSB and ETH have solid business plans to deal with the epidemic situation and COVID-19 mutation, as well as to instil confidence in passengers to use the service by implementing government measures such as passenger screening before boarding cars and public transportation. There is an alcohol gel service inside the car and boat, seat distancing, and issuing measures to protect employees from infection and prevent clusters in the workplace by requiring all employees to receive at least two doses of the COVID-19 vaccine and wear a mask while working. And always keep the bus clean inside by spraying the disinfectant every time in both buses and boats. TSB and ETH also monitor government policies and the impact of the COVID-19 epidemic to find ways to deal with it.

2.3.9.6 The risk from reliance on employee skills

TSB has a plan to expand investment in ETH in order to keep the company's growth rate to continue to grow as well as to create added value for the company. ETH is a holding company that invests in SMB, which operates a public transportation business, and EST, which operates a public transport business in the Chao Phraya River. Thus, TSB has to prepare human resources to support the expansion of the business, especially the driver boatman and reception staff on public buses and boats to meet the needs for operation. Drivers must have a type 2 or type 3 driving license from the Department of Land Transport. The primary responsibilities that a driver should have are as follows: be able to inspect the vehicle's condition to ensure that it is ready for departure, drive according to the schedule along the specified route or to the specified destination., and be able to drive in accordance with traffic rules and safety, etc. And because the

transportation services market is highly competitive. Resulting in high demand for employees in such positions. Aside from buses and public passenger ships, one vehicle must have a bus driver or boat driver and one receptionist. If the driver or receptionist is unable to provide service, they will be unable to travel on that trip affecting the company’s revenue. If the company’s human resource management planning is incompatible with the business expansion plan, employee shortages may occur.

To handle the growing number of automobiles, TSB will need to hire more employees. However, all employees under EST and SMB will continue to work in both businesses as usual after ETH's whole takeover transaction, which all of them are qualified workers who already have knowledge and expertise in the field.

2.3.9.7 The risk of not receiving a loan

TSB has an investment plan to expand the business by undertaking the acquisition of ETH and purchasing additional E-Bus for use in the implementation of the investment plan to meet the requirements of the Department of Land Transport. For such investment, TSB will receive financial assistance from BYD in the amount of a loan of 8,550.00 million Baht. From TSB's financial situation as of 31 March 2022, a debt-to-equity ratio is 0.97 times. In addition, TSB has a loss in 2021 and a loss for the three-month period ended 31 March 2022. If loans are not granted to TSB, borrowing from other sources of funding may be subject to interest payments with a high-interest rate. This results in a huge financial burden. If TSB does not get a loan from BYD, it may have to postpone its investment in ETH, which will affect ETH's ability to invest in EST and SMB.

2.3.10 Summary of the reasonableness of the transaction “Acquisition of TSB Assets”

The IFA believes that a variety of investment projects are necessary for the growth of TSB's business after considering the benefits, drawbacks, and dangers of the asset acquisition transaction. Most of them are reasonable, except for the purchase of EXA and RJR shares where the IFA believes that the purchase price is higher than the assessed price, the IFA has considered the reasonableness of the purchase of EXA and RJR shares as stated in 2.3.4 and considered Fairness of Prices in Section 3, item 3.3 and 3.4. However, when compared to the total project value, the said transaction accounted for 2.34 percent of the loan transaction value to TSB (investment amount of 200.00 million Baht per loan amount of 8,550.00 million Baht). If TSB can manage to achieve efficient use of resources to meet the goal of purchasing such shares to obtain additional service routes, it will also result in improved overall performance. As a result, the IFA believes that the acquisition of assets of TSB will benefit from TSB's investment in expanding its business through more service routes. There are enough buses and boats to provide services under the transport license and TSB will be able to compete and generate good returns for BYD in the future. Hence, entering into such transactions is reasonable.

2.4 Reasonableness of the contract related to entering into this transaction

2.4.1 The issuance of newly issued ordinary shares to specific investors (Private Placement)

- The contract is in the process of being drafted and negotiated between the company and specific investors. -

2.4.2 Financial Assistance Transactions to Associated Companies

a) The essence of the draft loan terms between BYD and TSB

The IFA received the most recent draft of BYD and TSB's loan terms as of 30 June 2022. Since the counterparties have not signed the draft loan terms between BYD and TSB, the draft loan terms between BYD and TSB might not be the final condition reached by the parties. However, the IFA has only considered based on the conditions in the draft loan terms received from BYD and TSB as of 30 June 2022. If the essence of the draft loan terms between BYD and TSB changes after the IFA receives the documents, the IFA will be notified. The IFA cannot express an opinion or accept responsibility for future changes if there are significant changes that affect shareholders and BYD.

The IFA considered several conditions in the draft loan terms between BYD and TSB. It is a reasonable and appropriate condition for entering into the transaction. This is because the majority of the conditions are favourable to BYD. Furthermore, BYD will be able to enter into the loan agreement between BYD and TSB this time only after the Extraordinary General Meeting of Shareholders No. 1/2565 has approved to enter the Financial Assistance Transactions with TSB only.

However, if the terms of the loan between BYD and TSB change significantly, BYD should notify the shareholders of the change either through a notice via the BYD website or through the website of the Stock Exchange of Thailand. Otherwise, if the changes are significant and have a significant impact on BYD, the IFA believes that BYD should present to the shareholders' meeting to consider the new transaction before BYD can do so.

Conditions of the draft loan terms between the BYD and TSB		Opinion of the IFA
Collateral	45.70 million ordinary shares and 0.36 million preferred shares of ACE held by Ms. Kulpornpath Wongmajarapinya.	The IFA is of the opinion that this is <u>inappropriate</u> as the value of the loan from BYD is significant. TSB should provide collateral for this financial assistance. However, if BYD is required to make a claim on TSB to pay the debt, TSB's business is incapable of repaying the debt and represents a decrease in the value of ACE's share since TSB is 100 percent held by ACE. Moreover, if TSB is unable to continue the business until it stops, this will affect the value of ACE shares that may fall to no value

Conditions of the draft loan terms between the BYD and TSB		Opinion of the IFA
		as well. Therefore, the IFA is of the opinion that BYD should further negotiate with TSB to provide additional collateral for the loan to cover the amount BYD lends in order to hedge potential risks to BYD in the event that TSB is unable to repay loan.
Loan terms	8 years, whereby no repayment of principal will be made in the first year (with a grace period for the first year) but the interest shall be paid since the first year. Afterwards, the total repayment period is 7 years (84 months) and the Company will lend the money only after receiving the payment from the specific investors (private placement).	Please see details of the IFA opinion in Section 2, item 2.4.2, regarding the reasonableness of the contract conditions.
Grace Period	12 months	The IFA believes that this is <u>appropriate</u> because in the beginning TSB will invest in many aspects and the return received may not meet the target set by TSB. This could lead to insufficient cash flow for repayment. However, BYD has stipulated that TSB must report the plan's results to BYD on a monthly basis, which would be useful in monitoring TSB's spending plans and preventing potential risks.
Interest Rate	Based on the interest rates of Minimum Loan Rate (fixed period) of Bangkok Bank Public Company Limited (Minimum Loan Rate: MLR) + not more than 1.50 percent*, the total interest rate will not exceed 7.00 percent per year.	The IFA is of the opinion that it is <u>inappropriate</u> because it is the interest rate with the maximum ceiling. And given that inflation is likely to continue to rise, BYD may lose its chances of getting higher interest rates or lose the opportunity to invest the money in other ways to generate better returns than lending to TSB.

Conditions of the draft loan terms between the BYD and TSB		Opinion of the IFA
Terms of use of the loan	1. Interest is required to be paid monthly (effective rate).	The IFA is of the opinion that it is <u>appropriate</u> because it is a general loan condition that stipulates the repayment period, which BYD will still receive interest on the remaining principal amount.
	2. The proceeds shall only be utilised for the agreed purpose.	The IFA is of the opinion that this is <u>appropriate</u> because the amount BYD lends is a significant proportion. Therefore, the borrowed money should only be used for the purposes agreed upon to prevent the risks that may arise from misuse of money.
	3. There shall be a monthly performance report in comparison with the project investment plan, for which the loan is granted, to BYD.	The IFA believes that this is <u>appropriate</u> , as the amount BYD lends is a substantial proportion. Therefore, the TSB should report the plan against the project investment plan borrowed to BYD every month so that BYD can closely monitor and safeguard BYD's interest in obtaining reimbursement. And if there are any actions taken by TSB that do not go as planned, they will be closely monitored and corrected by BYD.
	4. In collaboration with BYD, arranging the internal control system and there shall be internal audit by independent expert according to the audit plan which the board of directors of TSB approves.	The Independent Financial Advisor is of the opinion that this is appropriate as the amount BYD lends is a significant proportion. Therefore, TSB should establish an internal control system. There is an internal audit by independent experts in accordance with an audit plan approved by the TSB's BOD.
	5. TSB will arrange the auditor approved by the Office of the SEC to audit the financial statements and prepare the	The IFA is of the opinion that this is <u>appropriate</u> as the amount BYD lends is a significant proportion. Therefore, TSB should arrange for an auditor approved by the SEC to audit the financial statements and

Conditions of the draft loan terms between the BYD and TSB		Opinion of the IFA
	financial statements according to PAEs standard,	prepare financial statements in accordance with PAEs so that the financial information is presented with reliability, accuracy and completeness.
	6. TSB will incorporate the check and balance process into the management structure by which TSB will propose the shareholders' meeting to consider and appoint not less than 3 independent directors to monitor the business in the standard comparable to the listed company in the SET.	The IFA is of the opinion that this is <u>appropriate</u> , as the amount BYD lends is a significant proportion. Therefore, TSB should provide a management structure to enable checks and balances. And it will be proposed to the shareholders' meeting to consider appointing at least 3 independent directors to perform corporate governance duties at a standard comparable to those listed on the Stock Exchange of Thailand.
	7. The connected transaction with the related business or person(s) or the business which or person(s) who may have conflict of interest will be based on the arm's length basis which will not lead to the inappropriate and unreasonable transfer of benefits. The transaction occurred shall be disclosed in every quarterly financial statement of TSB.	The IFA is of the opinion that this is <u>appropriate</u> as the amount BYD lends is a material proportion. As a result, TSB is cautious when engaging in related transactions with businesses or individuals who are related or may have conflicts of interest. It is based on an arm's length basis, which ensures that no unreasonable and unreasonable benefits are transferred. And TSB should disclose the transactions that occur in TSB's financial statements every quarter and present them to the independent committee for consideration of those transactions.

*Remarks : Details of the terms of the lending agreement are under negotiation with the counterparties. Therefore, there may be changes after the independent financial advisor has commented on the conditions in this IFA's opinion report.

b) The essence of the draft full business transfer agreement between TSB and ETH

The IFA received the latest version of the Draft Entire Business Transfer Agreement between TSB and ETH as of 7 July 2022. However, it has not been signed by the counterparties. Therefore, the terms of

the Entire Business Transfer Agreement between TSB and ETH may not be the final terms agreed upon by the parties. The IFA has provided an opinion based on the terms of the Entire Business Transfer Agreement between TSB and ETH received on 7 July 2022 only. If the essence of the Draft Entire Business Transfer Agreement between TSB and ETH changes after the date the IFA receives the documents changes and affects shareholders and BYD, the IFA cannot provide an opinion or be responsible for future changes.

If the terms of the Entire Business Transfer Agreement between TSB and ETH have significantly changed, the change should be communicated to the company's shareholders either announcing on the company's website or on the Thai Stock Exchange's website. Otherwise, if the change is critical and will have a significant impact on the company, the IFA suggested that BYD should present the new transaction to the shareholders' meeting for consideration before proceeding.

Conditions of the draft Entire Business Transfer Agreement between TSB and ETH		Opinion of the IFA
Conditions Precedent to Obligation of Transferee (“TSB”)		
Conditions Precedent	1. Representations and warranties of the Transferee specified in Enclosure No.1 Part 2 are all accurate and true on the execution date of this Agreement and on the date that the sale and purchase are completed; and	The IFA is of the opinion that this is <u>appropriate</u> , as a guarantee is important and has the effect that TSB is able to take action or be subject to legal action.
	2. The Transferee does not breach the obligations that the Transferee is required to perform under this Agreement prior to and on the date that the sale and purchase are completed.	The IFA is of the opinion that it is <u>appropriate</u> as it is an important transaction, BYD should proceed with care related to transactions.
	3. The Transferee obtains the lawful approvals from the board of directors and/or the shareholders of the Transferee as specified by law for the following matters:	
	(aa) The purchase and receipt of entire business transfer of the Transferor (including the	The IFA is of the opinion that it is <u>appropriate</u> because BYD is obliged to act in accordance with applicable laws and regulations. This includes seeking approval from the shareholders' meeting for entering into the

Conditions of the draft Entire Business Transfer Agreement between TSB and ETH		Opinion of the IFA
	purchased shares) from the Transferor.	asset acquisition transaction to allow BYD shareholders to participate in decision-making. And since it is a transaction that is material that may affect the shareholders in both the operating results, investments, liquidity of BYD and the direction of TSB's business in the future. Therefore, the shareholders should be considered and take part in the decision for the approval of the this transaction.
	(bb) Other actions for the performance of the obligations of the Transferee under this Agreement and for the sale and purchase to be completed.	The IFA is of the opinion that this is <u>appropriate</u> as TSB must strictly perform its duties under the Business Transfer Agreement in order to complete the transaction with care.
	4. BYD obtains the lawful approvals from the board of directors and/or the shareholders of BYD as specified by law for the following matters:	
	(aa) The increase of registered capital of BYD by issuing and offering not exceeding 990.80 million newly-issued shares, with a par value of 5 Baht per share, at the share purchase price of 7.062 Baht per share to EA Mobility Holding Company Limited (“EMH”).	The independent financial advisor is of the opinion that it is <u>appropriate</u> because companies listed on the Stock Exchange of Thailand must be carried out in accordance with relevant laws and regulations. This includes seeking shareholder approval for the allotment of the Company's newly issued shares to specific investors (PP) and increasing registered capital to allow BYD shareholders to participate in decision-making Items that may have conflicts of interest because they may affect the shareholders' operating results, investments, liquidity, and the future direction of BYD's business. As a result, the

Conditions of the draft Entire Business Transfer Agreement between TSB and ETH		Opinion of the IFA
		shareholders should be considered and involved in the decision to approve the transaction.
	(bb) The allocation of 990.80 newly-issued ordinary shares of BYD to EMH, totalling 6,997,029,600 Baht, which is equivalent to 23.63 percent of the paid-up capital of the Company after the increase of the paid-up capital.	The IFA is of the opinion that it is <u>appropriate</u> because companies listed on the Stock Exchange of Thailand must be carried out in accordance with relevant laws and regulations. This includes seeking approval from the shareholders' meeting for the allotment of the Company's newly issued shares to specific investors (PP) and the increase of registered capital to allow BYD shareholders to participate in decision-making Items that may have conflicts of interest because they may affect both BYD's operating results, investments, liquidity, and future business practices. As a result, the shareholders should be considered and involved in the decision to approve the transaction.
	5. BYD applies for the registration of the resolution on the registered capital increase of BYD as specified in Clause (1) (d) (aa) to the Department of Business Development, Ministry of Commerce.	The IFA believes it is <u>appropriate</u> to complete the capital increase transaction under law and regulations, BYD must submit the registration application completely and under standard business transaction procedures.
	6. BYD registers the issuing of BYD's shares according to the number and conditions specified in Clause 3.1 (1) (d) to EMH to the registrar of BYD (Thailand Securities Depository Company Limited), including filing the request to register the amendment to the paid-up capital of	The IFA believes it is <u>appropriate</u> to complete the capital increase transaction under law and regulations, BYD must submit the registration application completely and under standard business transaction procedures.

Conditions of the draft Entire Business Transfer Agreement between TSB and ETH		Opinion of the IFA
	BYD to the Department of Business Development, Ministry of Commerce.	
	7. BYD obtains the permission to offer the newly-issued shares to EMH by the Office of the SEC in accordance with the criteria specified in the Notification of Capital Market Supervisory Board No. Tor Jor. 72/2015 Re: Permission for Listed Companies to Offer Newly Issued Shares to Specific Investors dated 28 October 2015 (as amended).	The independent financial advisor is of the opinion that it is <u>appropriate</u> because companies listed on the Stock Exchange of Thailand Must proceed under the Notification of Capital Market Supervisory Board No. Tor Jor. 72/2015 Re: Permission for Listed Companies to Offer Newly Issued Shares to Specific Investors dated 28 October 2015 (as amended) to show that the offering of newly issued shares to a private placement complies with laws and regulations related.
	8. The Transferee is not an income tax debtor with tax arrears of the Revenue Department on the date that the sale and purchase are completed, except the Transferee provides the bank guarantee or collateral security for the tax arrears and the expense to execute such debt.	The IFA is of the opinion that it is <u>appropriate</u> because entering into the Entire Business Transfer Transaction from ETH has the main goal of keeping TSB from having to bear tax from the transaction. Therefore, having this condition benefit TSB and TSB shareholders in preventing tax risks that may arise from doing business in the past.
Conditions Precedent to Obligation of Transferor (“ETH”)		
	1. Representations and warranties of the Transferor specified in Enclosure No.1 Part 1 are all accurate and true on the execution date of this Agreement and on the date that the sale and purchase are completed.	The IFA is of the opinion that this is <u>appropriate</u> as ETH's endorsement is important and effective for TSB's legal action. Therefore, it is beneficial to BYD as a shareholder of TSB.
	2. The Transferor does not breach the obligations that the Transferor is required to perform under this Agreement prior to and on the date	The IFA is of the opinion that it is <u>appropriate</u> as it is a hedge against entering into the transaction and benefits TSB and BYD as TSB's shareholders.

Conditions of the draft Entire Business Transfer Agreement between TSB and ETH		Opinion of the IFA
	that the sale and purchase are completed.	
	3. The Transferor obtains the lawful approvals from the board of directors and/or the shareholders of the Transferor as specified by law for the following matters:	
	(aa) The sale and transfer of entire business of the Transferor (including the purchased shares) to the Transferee.	The IFA is of the opinion that this is <u>appropriate</u> as ETH is required to operate in accordance with relevant laws and regulations. This includes seeking approval from the Board of Directors and the shareholders' meeting of ETH to enter into the transaction. It is beneficial to BYD and is a protection against legal risks that may arise from entering into the transaction.
	(bb) Other actions for the performance of the obligations of the Transferor under this Agreement and for the sale and purchase to be completed.	The IFA is of the opinion that it is <u>appropriate</u> because it is beneficial to BYD and ETH in entering the transaction and is a hedge against legal risks that may arise from entering the transaction.
	4. EA obtains the lawful approval from the board of directors of EA as specified by law for the sale and transfer of entire business of the Transferor to the Transferee.	The IFA is of the opinion that it is <u>appropriate</u> since the sale and transfer of ETH business must be approved by the Board of Directors and the shareholders of ETH, EA, which is the main shareholder of ETH, for the transaction to be valid and must be in accordance with the law. Therefore, this condition is beneficial to BYD.
	5. SMB and EST (the “Conglomerate”) obtain the lawful approvals from the board of directors and/ or the shareholders of the Conglomerate as	The IFA is of the opinion that it is <u>appropriate</u> because the business transfer will change the structure of SMB and EST under TSB and acknowledge the amendment of the

Conditions of the draft Entire Business Transfer Agreement between TSB and ETH		Opinion of the IFA
	specified by law for the acknowledgement of the resignation of current directors and the appointment of new directors and the amendment of directors’ authority of the Conglomerate as proposed by the Transferee.	directors' powers and appointment of new directors to reduce conflicts of stakeholders including the current Board of Directors involved in the decision for the approval of the said transaction. Therefore, the IFA considers that it is beneficial to BYD and is in accordance with the normal conditions of the business transaction for changing directors after the completion of the transaction.
	6. The Transferor is not an income tax debtor with tax arrears of the Revenue Department on the date that the sale and purchase are completed, except the Transferor provides the bank guarantee or collateral security for the tax arrears and the expense to execute such debt.	The IFA is of the opinion that it is <u>appropriate</u> because the whole business transfer transaction from ETH has the main goal of ensuring that the counterparty does not have any tax problems from entering the transaction. Therefore, the presence of this condition is beneficial to both parties within the hedging of future tax risks.
Other Conditions Precedent	1. There will be no material adverse effects to SMB and EST (the “Conglomerate”).	The IFA is of the opinion that it is <u>appropriate</u> because the transaction is intended to acquire the businesses of EST and SMB. Therefore, if there is a significant negative impact on SMB and EST, BYD must consider the acquisition transaction again as it may affect BYD. The IFA considers this condition to be beneficial to BYD.
	2. There is no new law issued or amended by the government or any government agencies after the execution date of this Agreement which makes or will make the purchase of purchased shares or other transactions undertaken in	The IFA believes that this is a <u>normal transaction condition</u> . If the government or any government agency changes the law after the date of the contract, it will result in any trading of the traded shares or any transaction relating to unlawful contracts, which BYD cannot control.

Conditions of the draft Entire Business Transfer Agreement between TSB and ETH		Opinion of the IFA
	relation to this Agreement become against the law.	
Failure of Condition Precedent	Unless otherwise specified in this Agreement, in case where any of the conditions precedent is not successful on the date the sale and purchase are completed, the Party who is not in default shall be entitled to terminate this Agreement by sending the written notice to the other Party. This Agreement shall be immediately terminated when the other Party receives such termination notice. In case where this Agreement is terminated as the condition precedent is not successful, each Party shall not have any rights to claim for damages from each other, except for the damages arising from that any one of the Parties cannot perform according to the condition precedent to the obligation of such party from the unsuccessful condition precedent.	The IFA believes that this is <u>appropriate</u> because it benefits BYD while protecting TSB from the risk of damages arising from termination or termination. As a result, in order to avoid future risks, the management of TSB and BYD must conduct a thorough examination of the Entire Business Transfer Agreement.

c) The essence of the E-Bus purchase agreement between TSB and NEX

(1) The essence of the draft E-Bus purchase agreement between TSB and NEX dated 15 June 2022

The IFA received the E-Bus purchase agreement between the Company and NEX dated 15 June 2022. This issue is the E-Bus purchase agreement between the Company and NEX dated 15 June 2022. The IFA received the latest version dated 7 July 2022. The IFA has made an opinion based on the conditions of the E-Bus Purchase Agreement between the Company and NEX dated 15 June 2022, received as of 7 July 2022 only. If the essence of the E-Bus Sale and Purchase Agreement between the Company and NEX dated 15 June 2022 is changed after the date that the IFA receives the documents and affects the shareholders and the company, The IFA cannot provide an opinion or be responsible for future changes.

The IFA has considered the conditions under the E-Bus Purchase Agreement between TSB and NEX dated 15 June 2022. The IFA is of the opinion that it is a condition that is reasonable and suitable for entering into the transaction. This is because most of the conditions are beneficial to the Company. The Company needs to wait for the resolution of the Extraordinary General Meeting of Shareholders No. 1/2022 on the agenda of financial assistance to TSB before it can proceed to negotiate the conditions.

However, if the remaining payment terms and conditions for delivery under the E-Bus Purchase Agreement between TSB and NEX dated 15 June 2022 are significantly changed, the company should notify the company's shareholders of the change either notified via the website of the company or via the website of the Stock Exchange of Thailand. Otherwise, if the change is very important and has a significant impact on the company, The IFA suggested that BYD should present to the shareholders' meeting to consider entering into the new transaction before proceeding.

Purchase agreement between TSB and NEX dated 15 June 2022		Opinion of the IFA
Total purchase price	Approximately 998.20 million Baht	Please see details in the IFA's Opinion Report in Section 2 , item 2 . 3 . 3 Reasonableness of purchasing E-Bus.
Terms and Conditions	TSB has already ordered 154 buses and paid the deposit of 231.00 million Baht. The remaining amount of purchase price payment will be due when the receipt of bus delivery is completed, which is expected to be within August 2022. For the remaining number of buses which are required to be procured to reach the minimum number, it is in the process of negotiating to agree on the order conditions with the manufacturer.	The IFA is of the opinion that TSB deposit conditions have been completed. Therefore, the IFA is unable to comment on such deposit. However, the conditions for delivery E-Bus are in the process of negotiating. The IFA is of the opinion that TSB should wait for clarity from the resolution of the Extraordinary General Meeting of Shareholders before negotiating payment terms and conditions for car acceptance. And the management of the company must exercise great caution to protect the interests of the company and its shareholders.

(2) The essence of the draft E-Bus purchase agreement between TSB and NEX dated 5 July 2022

The IFA received the Draft E-Bus Purchase Agreement between the Company and NEX dated 5 July 2022. However, the IFA received the latest edition on 10 July 2022, which is a draft E-Bus purchase agreement between TSB and NEX that has not yet been signed by the counterparty. The IFA has made an opinion based on the conditions of the E-Bus Purchase Agreement between the Company and NEX dated

5 July 2022, received as of 10 July 2022 only. If the essence of the E-Bus Sale and Purchase Agreement between the Company and NEX dated 5 July 2022 is changed after the date that the IFA receives the documents and affects the shareholders and the company, The IFA cannot provide an opinion or be responsible for future changes.

The IFA has considered the conditions under the E-Bus Purchase Agreement between TSB and NEX dated 5 July 2022. The IFA is of the opinion that it is a condition that is reasonable and suitable for entering into the transaction. This is because most of the conditions are beneficial to the Company. The Company needs to wait for the resolution of the Extraordinary General Meeting of Shareholders No. 1/2022 on the agenda of financial assistance to TSB before it can proceed to negotiate the conditions.

However, if the remaining payment terms and conditions for delivery under the E-Bus Purchase Agreement between TSB and NEX dated 5 July 2022 are significantly changed, the company should notify the company's shareholders of the change either notified via the website of the company or via the website of the Stock Exchange of Thailand. Otherwise, if the change is very important and has a significant impact on the company, The IFA suggested that BYD should present to the shareholders' meeting to consider entering into the new transaction before proceeding.

Purchase agreement between TSB and NEX dated 5 July 2022		Opinion of the IFA
Total purchase price	Approximately 3,503.20 million Baht	Please see details in the IFA's Opinion Report in Section 2, item 2.3.3 Reasonableness of purchasing E-Bus.
Terms and Conditions	TSB will order 604 electric buses by placing the deposit of 148.00 million Baht. The remaining amount of purchase price payment will be due when the receipt of bus delivery is completed. Currently, it is in the process of negotiating to agree on the payment installation condition and order condition with the manufacturer and bus delivery is expected to be within October 2022.	The IFA is of the opinion that TSB deposit conditions have been completed. Therefore, the IFA is unable to comment on such deposit. However, the conditions for delivery E-Bus are in the process of negotiating. The IFA is of the opinion that TSB should wait for clarity from the resolution of the Extraordinary General Meeting of Shareholders before negotiating payment terms and conditions for car acceptance. And the management of the company must exercise great caution to protect the interests of the company and its shareholders.

d) The essence of the EXA and RJR share purchase agreements

The IFA has not received the Draft Share Purchase Agreement of EXA and RJR as of 7 July 2022, referring to the resolution of the Board of Directors' Meeting of TSB No. 2/2022 held on 28 June 2022. TSB will acquire shares of EXA and RJR at the value of not more than 200 million Baht, and both companies have been selected to receive licenses for a total of 6 routes. Currently, TSB is negotiating the price and conditions of the contract. Therefore, IFA is unable to comment on the terms of the EXA and RJR share purchase agreements. The IFA has made the best effort to follow up, inquire, and follow up on the draft of the EXA and RJR share purchase agreement to include in this IFA's opinion report.

However, the IFA is of the view that the shareholders should inquire about the conditions of the share purchase agreement of EXA and RJR at the Extraordinary General Meeting of Shareholders No. 1/2022 to be held on 11 August 2022 for transparency and shareholders have received complete information before considering and approving this transaction, which is a consequence of the transaction to provide financial assistance to TSB in Agenda 5 in the invitation to the Extraordinary General Meeting of Shareholders No. 1/2022.

2.5 Opinion of the Independent Financial Advisor on the ETH Legal Affairs Audit Report by HAK

Summary of the review of ETH's legal affairs by Hunton Andrews Kurt (Thailand) Co., Ltd. Legal Counsel (“HAK”) on issues under negotiation to determine the contract terms.

After reviewing the due diligence reports of ETH, EST, CRL, and SMB, IFA believes that if it is about expiring licenses to operate businesses of ETH and companies in the TSB group, it should be defined as a precedent or a precedent condition in the share purchase agreement for ETH, the seller to ensure that all licenses are renewed before the transaction is complete. Furthermore, when considering the loan agreement that SMB currently has. The IFA has the same opinion as HAK that TSB should notify the company to consider negotiating the contract amendment under this transaction and the change of sponsor from entering the transaction. In addition, when considering lawsuits with relatively high damage value, IFA is of the opinion that TSB should stipulate the contents of the share purchase agreement for ETH to be liable and liable if TSB suffers damages from SMB damages or is penalized in group 2 and 3 cases, as suggested by HAK, to the company as follows:

Issues under negotiation to set the terms in the contract	Legal Advisor's Opinion
Issues from checking the status of EST	
License issues	
1. A voyage permits - EST is in the process of applying for a voyage permit for the MSF18, MSF19 and MSF20 for the City Line route.	HAK is of the opinion that the precedent or precedent in the share purchase agreement should be made for the seller to obtain EST a tourism business license for the MSF24, MSF25 and MSF26 vessels.

Issues under negotiation to set the terms in the contract	Legal Advisor's Opinion
<p>2. License to operate a tourism business</p> <ul style="list-style-type: none"> - EST is in the process of applying for a tourism business license for the cruise ship MSF24, MSF25 and MSF26. 	<p>HAK is of the opinion that the precedent or precedent in the share purchase agreement should be made for the seller to obtain EST a tourism business license for the MSF24, MSF25 and MSF26 vessels.</p>
<p>3. Permission to plant mooring poles</p> <ul style="list-style-type: none"> - EST has been granted permission from the Nonthaburi Regional Harbour Office to lay mooring poles for a period of 12 months from the date of issuance of the permit for laying buoys and mooring equipment as follows: <ul style="list-style-type: none"> 1. Around the Chao Phraya River in front of Salali Temple Title deed no. 154908, Bang Phai Subdistrict, Mueang Nonthaburi District Nonthaburi Province which is due on 9 March 2022. 2. Title Deed No. 4016, Tha Sai Subdistrict, Mueang Nonthaburi District Nonthaburi Province, which is due on 23 August 2022. 3. Title deed no. 8826, Sai Ma Sub-district, Mueang Nonthaburi District Nonthaburi Province which is due on 4 January 2023. 4. Title deed no. 234799 and 234800, Sai Ma Subdistrict, Mueang Nonthaburi District Nonthaburi Province which is due on 7 April 2023. 5. On the east bank of the Chao Phraya River In front of the land title deed no. 4167, Wat Phraya Krai Sub-district, Bang Kho Laem District, Bangkok. which is due on 23 January 2023. 6. Around the Chao Phraya River in front of Salali Temple Title deed no. 154908, 	<p>HAK is of the opinion that a prerequisite in the Share Purchase Agreement should be provided to the seller for EST to deliver the renewal documents for mooring poles, buoys and mooring machines for expired and near-expiring items.</p>

Issues under negotiation to set the terms in the contract	Legal Advisor's Opinion
<p>Bang Phai Subdistrict, Mueang Nonthaburi District Nonthaburi Province</p> <p>7. Title Deed No. 4016, Tha Sai Subdistrict, Mueang Nonthaburi District Nonthaburi Province which will expire on August 23, 2022.</p>	
<p>4. Letter of permission to use the marina</p> <p>- EST delivers a letter of authorization to use other marinas along the route that has not yet been authorized.</p>	<p>HAK is of the opinion that a precedent or precedent in the share purchase agreement should be made for the seller to require EST to deliver the authorization letter for the use of other port ports along the authorized route in full.</p>
<p>Loan agreement</p>	
<p>1. ADB Facility Agreement, with contract parties is Asian Development Bank, with credit line 160.00 million Baht (the line of Asian Development Bank) and USD 3,600,000 (line of Clean Technology Fund).</p> <p>2. TEXIM Facility Agreement with the counterparty is Export-Import Bank of Thailand, amount 160.00 million Baht.</p> <p>3. JICA Facility Agreement, with the counterparty is Japan International Cooperation Agency, amount USD 4,900,000</p> <p>4. Common Terms Agreement with contract parties are Asian Development Bank, Japan International Cooperation Agency and Export-Import Bank of Thailand (as Lender, Intercreditor Agent and Security Agent).</p> <p>5. Equity Support Deed with contract parties are EA (as Sponsor), ETH (as Corporate Shareholder) and Export-Import Bank of Thailand (as Intercreditor Agent and Security Agent).</p>	<p>However, in this loan contract, there are provisions that will affect entering into this transaction, for example:</p> <p>1. Testimonials and guarantees that requires 27,999,997 shares or 99.99 percent of ETH to be held by EMH.</p> <p>2. According to the Equity Support Deed contract, EA is a Sponsor with important functions such as paying or providing ETH to pay Equity Contribution.</p> <ul style="list-style-type: none"> ○ Payment or arrange for ETH to pay for Battery Replacement Contribution when the delivery of the vessel is complete. ○ 5 years after delivery or after the warranty period of Battery System, whichever comes first ○ Guarantee in the amount of USD 10,600,000 for USD limit and THB 400,000,000 for THB limit. ○ Restrictions on the transfer of shares and control in EST, directly or indirectly. <p>In addition, there are additional observations:</p>

Issues under negotiation to set the terms in the contract	Legal Advisor's Opinion
<p>All financial contracts are governed by English law and have been informed that EST has not currently drawn any of the above contractual limits.</p>	<ol style="list-style-type: none"> 1. The ADB Facility Agreement, TEXIM Facility Agreement, and JICA Facility Agreement require that the Front End Fee be paid within the first withdrawal date or 60 days from the date of signing the contract, whichever comes first. (Date of contract signing 27 April 2022). However, it is in the process of asking if the Front-End Fee has been paid or not, but has not received any information. 2. The Common Terms Agreement stipulates that P&L Insurance in the event of death or permanent disability is 300,000 Baht per person and medical expenses 50,000 Baht per person, while EST's insurance meets the minimum requirements of the law, i.e. death or permanent disability, 100,000 Baht per person and medical expenses 15,000 Baht per person. <p>HAK is of the opinion that it is hereby notified to consider negotiating the contract in accordance with this transaction and the change of sponsor.</p>
Issues from checking the status of CRL	
<ol style="list-style-type: none"> 1. License or insurance expired <ul style="list-style-type: none"> - The Chao Phraya River Line 2, 3, 4 and Chao Phraya Ferry have a boat license, ship inspection certificate and expiration insurance. In addition, HAK is not receiving the license to operate a regular steamboat for inspection. 	<p>HAK is of the opinion that any license or insurance expiration that has not yet been obtained should be followed up for inspection.</p>
<ol style="list-style-type: none"> 2. Two passenger boat service contracts (E-ferry) made with ICONSIAM Co., Ltd. 	<p>HAK is of the opinion that ICONSIAM Co., Ltd. attaches importance to EMH's shareholding to the point of termination of the contract. If the purchaser wants EST to accept the transfer of rights in both contracts from CRL, it may be necessary to discuss further with ICONSIAM Co., Ltd. and</p>

Issues under negotiation to set the terms in the contract	Legal Advisor's Opinion
	determine the precedent conditions in the share purchase agreement.
3. Some rental contracts are not subject to stamp duty.	HAK is of the opinion that it should be a precedent in the share purchase agreement for the seller to proceed for the SMB to complete the stamp duty.
Issues from checking the status of SMB	
<p>1. Certification costs</p> <p>- The HAK office found that a letter dated November 1, 2019, requesting a reimbursement of 600,000 Baht for a certification to facilitate the Bangkok Mass Transit Authority in implementing an assignment agreement and issuing right certification. From the inquiry of such expenses, there has not been any progress notification.</p>	HAK is of the opinion that in the share purchase agreement, the seller warrants and warrants that any entry into the contract, including the licensing of SMBs, is valid and lawful. It also holds the Seller liable and liable if SBM is damaged or penalized for the improper or unlawful entry of any contract, including the licensing of SMB.
<p>2. Lawsuits</p> <p>The HAK office found that SMBs have a large number of lawsuits, which are divided into:</p> <ol style="list-style-type: none"> 1 lawsuit filed by SMB against the Bangkok Mass Transit Authority 24 cases filed by the Bangkok Mass Transit Authority against SMB (damages approximately 264.40 million Baht) 3 cases filed by other operators against SMB (approximately 52.18 million Baht for damages), 1 lawsuit against the injured party against SMB <p>However, all cases do not affect SMB's business license.</p>	HAK is of the opinion that in the share purchase agreement, the seller must be liable and liable if the SMB suffers damages or is punished in the 2nd and 3rd class cases.

Part 3 Appropriateness of Price and Terms of the Transaction

3.1 Appropriateness of Price and Terms of the Transaction of BYD

According to the Board of Directors' Meeting of Beyond Securities Public Company Limited (“BYD”) No. 6/2022, which was held on 30 March 2022, was passed a resolution to propose to the meeting of the shareholder of BYD to consider and approve the allocation of 1,313.00 million newly-issued share of BYD or equivalent to 31.32 percent of the Company’s paid-up capital after the increase in the paid-up capital and the Board of Directors' Meeting of Beyond Securities Public Company Limited No.5/2022, held on 23 May 2022, has passed a resolution to approve the allocation of BYD’s newly-issued share to interested investors who can support current business and future projects of BYD and TSB to achieve the goals according to the workplan.

The number of offering shares to each investor will not result in the shareholding of any investor equal to or more than 25 percent of the paid-up capital of BYD after the increase of the paid-up capital. The offering of newly-issued ordinary shares of BYD is the offering of newly-issued ordinary shares at the price of 7.062 Baht per share or a total value not more than 9.27 million Baht.

The IFA has considered the appropriateness of the fair value of BYD, which Securities and Derivatives Brokerage, based on information and operating assumptions from the interview of executive management and staffs, relevant contracts, appraisal report, financial statement, reviewed and audited by the SEC-approved auditor, other document relevant with the transaction, site visit and other public information on website of SET (www.set.or.th) or SEC (www.sec.or.th).

The IFA opinion on the fairness of the price is rendered under the assumption that all information obtained is correct and complete and based solely on the economic situation prevailing at the time of preparing this report. Therefore, any material changes in these factors could affect the steel production, normal business operation, or financial projection of BYD which may affect decision of the shareholder to consider the appropriateness and fairness of the value of BYD.

The IFA has considered the appropriateness of the share price and the business value by 5 approaches, which are;

1. Book Value Approach
2. Adjusted Book Value Approach
3. Market Value Approach
4. Market Comparable Approach
 - 4.1 Price to Book Value Approach Ratio: P/BV Ratio
 - 4.2 Price to Earning Approach Ratio: P/E Ratio
5. Sum of the Parts: SOTP

Valuation of fair price of BYD

3.1.1 Book Value Approach

Evaluate the Company’s fair value employing this approach will consider the value at certain point in time. The IFA refer to financial statement as at 31 March 2022, reviewed by SEC-approved auditor, and it is the latest financial statement. Based on financial statement, the IFA can appraise the book value of BYD as follows;

(Unit: million Baht)

Paid-up capital	7,198.36
Discount on capital stock	(4,574.44)
Retained Earnings (Deficit)	
Legal and Statutory Reserves	N/A
Unappropriated	(1,035.81)
Other component of shareholders equity	(150.10)
Equity Attributable to Equity Holders of the Parent	1,438.01
Number of Paid-up Share as of 31 March 2021 (million Shares)	1,439.67
Book Value per Shares (Baht)	1.00

Therefore, evaluating BYD share value under this approach result in the share price of 1.00 Baht per share (Par value is 5.00 Baht per share) or BYD’s fair value of 1,438.01 million Baht. However, the book value approach only reflects financial statement of BYD as at certain period of time and neglecting company’s ability to operate the businesses. In addition, this approach does not reflect company financial liquidity. Therefore, the IFA has opinion that the book value approach couldn’t reflect the fair value of BYD.

3.1.2 ADJUSTED BOOK VALUE APPROACH

In valuing the business by Adjusted Book Value Approach. The IFA has considered the value of the total assets of the Company minus all liabilities including obligations and liabilities that may arise in the future which appears in the internal financial statements of BYD as of 31 March 2022 reviewed by SEC-approved auditor. Then adjusted the value with the transaction that occurred after dated in financial statement such as Premium or discount on the investment asset and Tax saving from losses carried forward. The detail of adjustment items are as follows;

Premium on the investment asset

The Company has asset that have been appraised only for E-Bus. The Company has appointed Ktac Appraisal and Services Company Limited (“independent appraiser”), which is an independent appraiser who has been approved by the SEC to appraise this price. The independent appraiser has assessed the value of 112 E-Bus registered with the Department of Land Transport located at 46/7 Rungroj Thanakul Building, Floor 11-12, Ratchadaphisek Road, Huai Khwang Subdistrict, Huai Khwang District, Bangkok owned by ACE Incorporation Company Limited (“ACE”) to determine the fair value of the asset according to an appraisal

of the assets on 31 January 2022 for public purposes, details, assumptions, and assessments can be found in more detail in Appendix 25.

According to the information in the asset valuation report of an independent appraiser. The independent appraiser has chosen the Market Valuer and the Replacement Cost New valuation method based on the receipt that is the criteria for Assessment for Market Value Determination and estimate the value of assets in current condition under the conditions and limitations of the appraisal report because some vehicles have just been registered with the Department of Land Transport so the depreciation is not deducted, resulting in the E-Bus as the asset appraisal by the independent appraiser, the value is 852.32 million Baht. However, IFA has opinion that an assessment method is inappropriate because it is based on the price from the receipt only. The discount received from the purchase of the E-Bus received is not taken into account.

It can be summarized against the book value of ACE and its subsidiaries as of 31 March 2022 as follows;

(Unit: million Baht)

Details of assets of ACE and its subsidiaries	Book Value	Appraised Value	Appraised Value higher/(lower) than Book value
Appraised fixed assets			
E-Bus	745.90	852.32	106.42
Total appraised fixed assets	745.90	852.32	106.42
Unappraised fixed assets^{1/}			
Land, buildings and equipment	56.49		
Vehicle	3.35		
Total unappraised fixed assets	59.84		
Total land, buildings and equipment	805.74		106.42
The proportion that BYD invests in ACE			49.00
Appraised Value higher/(lower) than Book Value in proportion to the investment			52.14

1/ IFA did not receive the appraisal report

IFA considers detail of appraised fixed assets consist of 112 E-Buses with Book Value as of 31 March 2022, equal to 745.90 million Baht and Appraised Value higher than Book value of 106.42 million Baht. BYD invests 49 percent in ACE shares. Therefore, IFA has adjusted the Company's shareholders' equity by

increasing from Appraisal Value higher than Book value of assets in proportion to the investment in ACE shares amounting to 52.14 million Baht. However, IFA has opinion that an assessment method is inappropriate because it is based on the price from the receipt only. The discount received from the purchase of the E-Bus received is not taken into account.

Tax saving from losses carried forward

BYD and its subsidiaries has accumulated tax losses for operating losses in the year 2017 – 2021 which accumulated tax losses can be used to reduce corporate income tax burden up to 2026 as follows;

(Unit: million Baht)

List of company		Tax year	Year end	Accumulated tax losses	Tax benefits ^{1/}	Direct and indirect investment (%)	Tax benefits in proportion to the investment
Beyond Securities Public Company Limited	BYD	2560	2565	50.02	10.00		10.00
		2561	2566	62.15	12.43		12.43
		2562	2567	30.00	6.00		6.00
		2563	2568	162.38	32.48		32.48
		2564	2569	333.49	66.70		66.70
ACE Incorporation Company Limited	ACE ^{2/}	2562	2567	4.33	0.87	49.00	0.43
		2563	2568	4.10	0.82		0.40
Thai Smile Bus Company Limited	TSB ^{3/}	2563	2568	1.07	0.21	49.00	0.10
		2564	2569	9.03	1.81		0.89
Ampairungroj Company Limited	ARR ^{4/}	2562	2567	0.83	0.17	49.00	0.08
		2563	2568	0.01	0.00		-
		2564	2569	1.45	0.29		0.14
B.B.Rich (Thailand) Company Limited	BBR ^{4/}	2560	2565	2.05	0.41	49.00	0.20
		2561	2566	2.18	0.44		0.22
		2562	2567	1.46	0.29		0.14
		2563	2568	1.33	0.27		0.13
		2564	2569	4.15	0.83		0.41
Chaiyakorn Transportation Company Limited	CK ^{4/}	2560	2565	3.98	0.80	49.00	0.39
		2561	2566	3.32	0.66		0.32
		2562	2567	1.63	0.33		0.16
		2564	2569	1.21	0.24		0.12
Chareonbus Company Limited	CB ^{4/}	2560	2565	0.54	0.11	49.00	0.05
		2561	2566	0.44	0.09		0.04
		2562	2567	0.13	0.03		0.01
		2563	2568	0.19	0.04		0.02
		2564	2569	4.47	0.89		0.44
Leekpai Transport Company Limited	LKS ^{4/}	2564	2569	6.24	1.25	49.00	0.61

(Unit: million Baht)

List of company		Tax year	Year end	Accumulated tax losses	Tax benefits ^{1/}	Direct and indirect investment (%)	Tax benefits in proportion to the investment
T.Manit Transportation Company Limited	TMN ^{4/}	2563	2568	5.72	1.14	49.00	0.56
		2564	2569	4.81	0.96		0.47
Sawakechat Company Limited	SC ^{4/}	2564	2569	0.53	0.11	49.00	0.05
Santimitr Transport Company Limited	STM ^{5/}	2564	2569	0.63	0.13	39.20	0.05
Total tax during 2560 - 2564				703.85	140.77		134.06

1/ Corporate income tax rate of 20.00 percent

2/ Held by BYD representing 49.00 percent

3/ Held by ACE representing 100.00 percent

4/ Held by TSB representing 100.00 percent

5/ Held by TSB representing 80.00 percent

BYD and its subsidiaries has accumulated tax losses for operating losses in the year 2017 – 2021 equal to 703.85 million Baht which can be used to reduce corporate income tax burden in proportion to the investment amounting to 134.06 million Baht. The tax benefits can be used until 2026 which will gradually expire each year. Therefore, IFA has considered adjusting Book Value increased from tax benefits from accumulated tax losses of 134.06 million Baht.

Adjusted Book Value Approach

From the valuation of the fair market value of the asset, the value of the Company based on adjusted book value approach can be summarized as follows;

Detail	Amount (million Baht)
Shareholder Equity as at 31 March 2022	1,438.01
Add: Premium on asset appraisal	52.14
Tax saving from losses carried forward	134.06
Adjusted Book Value	1,624.21
Number of Paid-up Share as at 31 March 2022 (million shares)	1,439.67
Book Value per Share (Baht per share)	1.13

Therefore, Book Value per Share of BYD as assessed by Adjusted Book Value Approach equal to 1.13 Baht per share or Adjusted Book Value amounting to 1,624.21 million Baht. Adjusted Book Value method

shows only the current share value of the company. This represents the fundamental value of the company at that time. However, Adjusted Book Value Approach only represents the current value of the company which only reflect the fundamental of the company at only certain point in time. Moreover, regardless of the discount the company receives from the purchase of E-Bus, the valuation method in the independent appraiser report takes into account the Replacement Cost New approach, which only references the value from the receipt. IFA has opinion that the Adjusted Book Value method is inappropriate.

3.1.3 MARKET VALUE APPROACH

The IFA assessed the value by considering the weighted average market price because BYD is listed Company since 8 August 2001 in finance and securities industry. The weighted average market price of BYD shares is calculated by the IFA every 7 days, 1 month, 3 months, 6 months, and 1 year until 31 March 2022.

IFA has calculated the weighted average market price of BYD shares as follows;

	Period	Trading volume (million shares)	Trading amount (million Baht)	Average market price (Baht per share)
7 days	23 Mar 22 - 31 Mar 22	21.51	219.80	10.22
1 month	1 Mar 22 - 31 Mar 22	16.52	155.26	9.40
3 month	4 Jan 22 - 31 Mar 22	18.25	182.87	10.02
6 month	1 Oct 21 - 31 Mar 22	22.91	193.04	8.43
1 year	1 Apr 21 - 31 Mar 22	19.64	129.41	6.59

In addition, the value from the weighted average market price of BYD shares during the period of 7 days to 1 year (between April 1, 2021 - March 31, 2022), the Company's share value will be 6.59 - 10.22 baht per share.

The valuation of the business of the company can be calculated as follows;

Detail	Amount/Value
Number of Paid-up Share as at 31 March 2565 (million shares)	1,439.67
Average market price (Baht per share)	6.59 – 10.22
The fair value of the company (million Baht)	9,485.00 – 14,710.95

From above table, the fair value of the company assessed by Market Value approach equals to 6.59 – 10.22 Baht per Share or 9,485.00 – 14,710.95 million Baht. Then, evaluate the share price this approach relying on market price of the companies that reflect to demand and supply of stock in the stock exchange. However, the market value approach does not consider the insufficient funds for TSB's business expansion and external factors that affect TSB's future profits. Therefore, the IFA opinion that evaluating value of the company using Market Value approach are inappropriate for this transaction.

3.1.4 MARKET COMPARABLE APPROACH

- Price to Book Value Approach Ratio: P/BV Ratio

This valuation approach is based on book value of BYD as at 31 March 2022, reviewed by SEC-approved audit with multiply with average P/BV ratio of selected listed companies in the media and publishing sector. The IFA has considered the SET or MAI listed Company which operates the business of finance and securities. There are 9 companies in this market comparable approach that IFA has an opinion these companies can refer in appropriate. For more information please see in Appendix 26. Thus, the averages P/BV of the listed Company are as follows;

Symbol	1 month	3 month	6 month	1 year
TNITY	1.58	1.72	1.36	1.12
UOBKH	0.74	0.83	0.75	0.75
FSS	1.20	1.36	1.18	1.11
CGH	0.92	1.10	0.97	0.89
AIRA	3.66	3.76	3.77	3.68
ASP	1.51	1.59	1.55	1.48
MST	1.43	1.51	1.49	1.46
KGI	1.80	1.83	1.82	1.86
GBX	1.09	1.15	1.08	1.04
Average	1.55	1.65	1.55	1.49

Source: SETSMARTS as at 31 March 2022

The average P/BV is between 1.49 – 1.65 times. Hence, the IFA can calculate the value of the company as follow;

Transaction	value/amount
Shareholders' Equity as of 31 March 2022 (million Baht)	1,438.01
Listed and Paid-up share as at 31 March 2022 (million Share)	1,439.67
Book Value per Share (Baht per Share)	1.00
Average P/BV (Times)	1.49 – 1.65
Stock price (Baht per Share)	1.49 – 1.65
Value of the Company (million Baht)	2,139.94 – 2,374.32

From above table, the fair value of the company assessed by P/BV approach equals to 2,139.94 – 2,374.32 million Baht or 1.49 – 1.65 Baht per Share. Therefore, the IFA opine that evaluating value of the company using P/BV approach may not be appropriate for this transaction.

- **Price to Earning Approach Ratio: P/E Ratio**

IFA evaluates the share value of BYD by using earnings per share of the Company as shown on the latest consolidated financial statements for the last 12-month period end 31 March 2022, audited by a certified public accountant and multiply by average of P/E Ratio of peer companies. However, the IFA

cannot evaluate the share value using the P/E Ratio Approach of the Company because the Company has net loss in the past 12 months ended 31 March 2022 equal to (108.41) million Baht.

3.1.5 SUM-OF-THE-PARTS

The valuation of the fair value of BYD's shareholders' equity in proportion to their investment by the Sum of the Parts method is the valuation of the fair value of the shareholders' equity of each subsidiary of BYD to reflect the fair value of BYD's shareholders' equity in accordance with the structure that the Company will invest in this time. The independent financial advisor chooses a valuation method in accordance with BYD's business as appropriate.

After valuing each business related to BYD, the independent financial advisor will multiply the fair value of the equity of each business by the proportion of the ordinary shares held by BYD in each company. To reflect the fair value of BYD's shareholders' equity. The details of the valuation of each company are as follows;

No.	Company	Symbol	Proportion of investment (%)	Valuation Method
Business group 1				
1	Beyond Securities Public Company Limited	BYD	-	Discounted Cash Flow Approach (DCF)
Business group 2				
2	ACE Incorporation Co.,Ltd.	ACE	49.00	Dividend Discount Method (DDM)
Business group 3				
3	Thai Smile Bus Co.,Ltd.	TSB	49.00 (held by ACE 100%)	Discounted Cash Flow Approach (DCF)
4	Santimit Transport Co.,Ltd.	STM	39.20 (held by TSB 80%)	Discounted Cash Flow Approach (DCF)

The first business group is the securities business group, BYD. Therefore, BYD's valuation is based on the present value of net cash flows (DCF) based on BYD's operations.

The second business group is the holding company, which is ACE. From the ACE structure, the main income is dividend income from investments in TSB. Therefore, ACE's valuation is based on the Dividend Discount Method (DDM).

The third business group is the public transportation business group, with TSB investing 100.00% in ordinary shares of BBR, SC, TMN, APP, LKS, CB, and CK and 80.00% of STM, with the main assets being public buses. As the Group's future earnings and performance affect BYD's business value, the IFA assesses the value using the net present value of cash flows (DCF).

The independent financial advisor assessed the fair value of each company as stated above as follows;

3.1.5.1 The valuation of fair value of BYD

The independent financial advisor has considered the appropriateness of the share price and business value by using Discounted Cash Flow Approach.

The present value method of cash flows calculates the present value of the expected future cash flows from the business and adjusts it at an appropriate discount rate. In the valuation of the shareholders' equity of the business, IFA has prepared financial projections based on key assumptions over a period of 14 years (from 1 April 2022 – 31 December 2035). This estimate is based on the assumption that BYD operates in securities business and invests in ACE, which currently earns primarily on interest income from 122 E-Bus hire purchases per TSB with contracts expiring in 2029. However, the IFA considers that the forecast period will continue until 2035 to be consistent with the timing of operations of ACE and TSB. Therefore, the independent financial advisor considers that the projection period It's an excellence time for BYD to continue showing its cash flow from its business operations. The business has been operated until it is at a stable stage or has cash flow from operations at a stable level. Including considering factors affecting cash flow such as revenue, costs, expenses, investments, working capital, loans, and capital structure, etc. Moreover, the IFA examined BYD's assumptions as well as interviews with management and relevant staff, which is based on the assumption that the company will continue to operate indefinitely. There were no significant changes (Going-Concern Basis) and receiving financial assistance, including in accordance with the current economic situation.

Therefore, If the economy's external situation and BYD's internal situation change significantly, it will affect BYD's operations and the assumptions used to determine fair value.

The independent financial advisor has set the key assumptions of BYD's financial projections as follows;

Key Assumptions of Financial Projections

a) Revenue

BYD operates a securities brokerage firm as well as futures contracts BYD's primary income sources are interest, commissions, profits, returns from financial instruments, fees, and services

Interest earned

Interest earned consists of interest income from loans to buy securities (Credit Balance) and interest income from loans to subsidiaries. For the year 2019 - 2021 and the Q1/2022 have interest income equal to 61.24 million Baht, 27.38 million Baht, 14.42 million Baht and 4.89 million Baht, respectively. The interest rate on loans to purchase securities is 5.45 percent per year as of the Q1/2022, and the interest income from loans to purchase securities is 4.89 million Baht. However, the IFA has set interest income from securities purchase loans as a full-year adjustment from interest income from loans to buy securities in the Q1/2022 and use some of the capital increase from the capital increase for the year 2022. RO totalling 708.73 million Baht in May 2022. Then fixed to reflect BYD's current business practices throughout the

projection period. and set an average interest rate and margin loans of 5.45 percent per annum for the duration of the projection period to reflect BYD's business performance without changing the business plan.

Revenue from brokerage

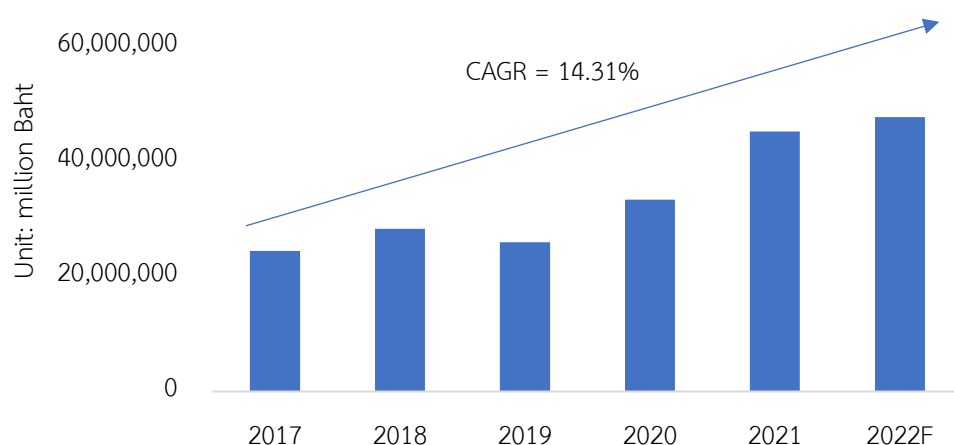
Revenue from brokerage is divided into two categories: revenue from brokerage of ordinary shares and revenue from brokerage fees for trading financial derivatives. The following assumptions have been set by the independent financial advisor for projecting commission income;

- revenue from brokerage of ordinary shares

For the years 2019 – 2021 and the Q1/2022, BYD has revenue from brokerage of ordinary shares equal to 39.55 million Baht, 24.41 million Baht, 17.70 million Baht and 8.49 million Baht, respectively. The IFA calculates the market share by comparing the turnover of BYD's ordinary shares to the total turnover of the stock exchange. The received market share (Market Share) for the years 2019 - 2021 and the Q1/2022 is 0.125 percent, 0.063 percent, 0.039 percent, and 0.174 percent, respectively, with the following details;

	2019	2020	2021	Q1/2022
Total Trading Value (million Baht)	25,957,707	33,342,958	45,233,600	11,933,706
Market Shares (%)	0.125	0.063	0.039	0.174
Trading Value of BYD (million Baht)	32,502.32	21,142.79	17,520.70	20,788.87
Average Fee Rate (%)	0.13	0.12	0.11	0.05
Revenue from brokerage (million Baht)	39.55	24.41	17.70	8.49

In 2017 – 2021 and the projected year 2022, Thailand has a total securities trading value of 24,455,496 – 47,735,823 million Baht or a compound annual growth rate (CAGR) of 14.31 percent per year.

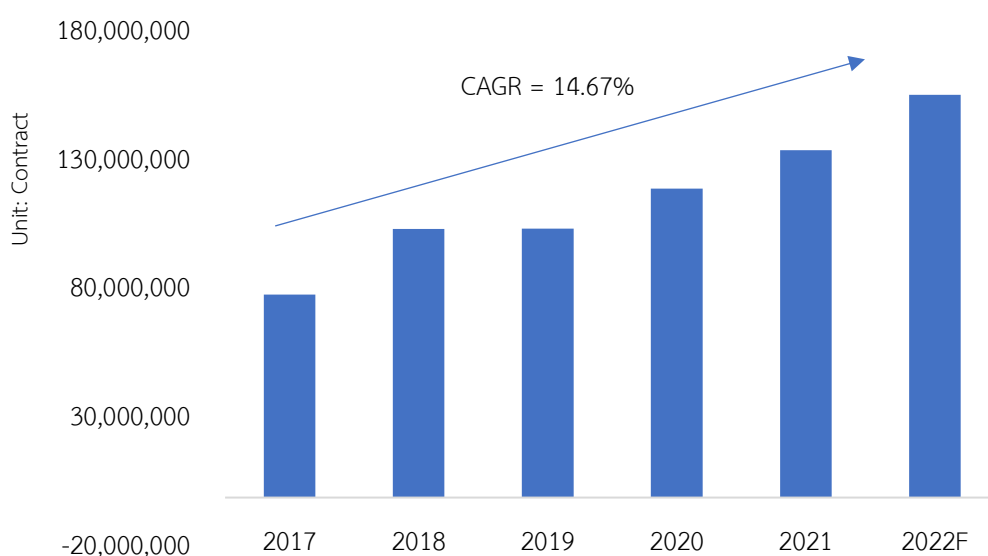


As a result, based on the compound annual growth rate (CAGR) of the trading value of securities in Thailand from 2017 to 2021 (Source: SETSMART) and projections for 2022, the IFA estimates the SET's total trading volume growth rate from 2022 onwards to be 14.31 percent. BYD's market share will be fixed at 0.174 percent (equivalent to the market share in the Q1/2022) for the duration of the forecast period. The average fee rate is 0.10 percent, referring to the average fee rate from 2019 to 2021 and the Q1/2022 to reflect BYD's overall business operation with no changes to the business plan.

- revenue from brokerage fees for trading financial derivatives

revenue from brokerage fees for trading financial derivatives consist of Revenue from Brokerage-Derivative, Revenue from Trading Fee Derivative, and Revenue from Clearing Fee Derivative. For the years 2019 – 2021 and the Q1/2022 BYD earns 10.60 million baht in brokerage fees for trading financial derivatives, 7.11 million Baht, 20.21 million Baht, and 4.54 million Baht, respectively. IFA calculates market share by comparing BYD derivatives turnover to total derivatives turnover gain market share in 2020* - 2021 and the Q1/2022, which are 0.214 percent, 0.598 percent, and 0.546 percent, respectively. From considering the trading volume of financial derivatives in 2017 – 2021 and the projection for 2022 is 78.99 – 135.12 million Baht contracts or equivalent to a compound growth rate (CAGR) of 14.67 percent per year.

*Note: The IFA does not receive information on the trading value of financial derivatives of the company in 2019.



Source: Futures Exchange (Thailand) Public Company Limited (www.tfex.co.th)

As a result, the IFA has set the annual growth rate of derivatives trading volume at 14.67 percent based on the CAGR of derivatives trading value from 2017 to 2021 (Source: Futures Exchange (Thailand) Public Company Limited) and projections for the year 2022. For the average fee rate estimated from the average during the years 2019 - 2021 and the Q1/2022, equal to 26.42 percent of revenue from brokerage

fees for trading financial derivatives. As a result, the IFA estimates that the average brokerage fee for derivative financial instruments will be 26.42 percent throughout the projection period beginning in 2022. To reflect BYD's overall business transactions without making any changes to the business plan. In this regard, BYD's market share remains constant throughout the forecast period at 0.546 percent (equivalent to the market share in the first quarter of 2022).

Revenue from fee and service

Revenue from fee and service consist of revenues from underwriting, revenues as a financial advisor, and revenues from bond underwriting fees. The following assumptions have been set by the IFA for the projection of revenue from fee and service;

- Revenues from underwriting

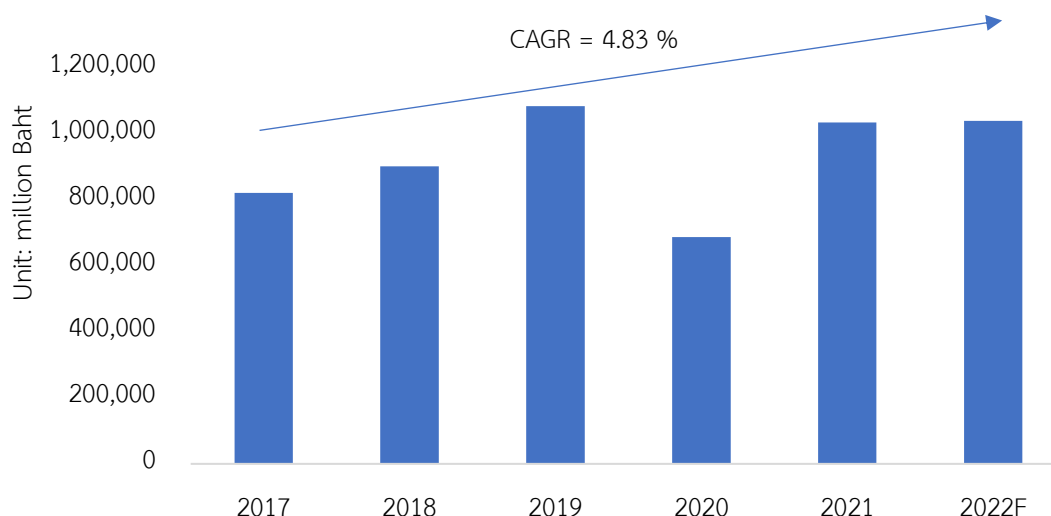
Revenues from underwriting Mainly from private bond underwriting. In 2020 – 2021 and the Q1/2022, BYD has revenue from underwriting BYD securities of 6.88 million Baht, 3.67 million Baht, 3.67 million Baht and 1.95 million Baht, respectively. The slope share is calculated by the IFA by comparing the total value of the bond transaction to the total value of the country's private bond issue. The market share (Market Share) for 2020-2021 and the Q1/2022 is 0.40 percent, 0.142 percent, and 0.300 percent, respectively, with the following details;

Unit : million Baht	2020	2021	Q1/2022
Total Issued Value of Domestic Private Debentures (million Baht)	687,433	1,034,572	259,886
Market Share (%)	0.400	0.142	0.300
Revenue from underwriting	6.88	3.67	1.95
Fee Rate ^{1/} (%)	0.25	0.25	0.25
Total BYD's Item Value ^{2/}	2,750.07	1,467.54	780.05

Noted: 1/ The market underwriting fee for bonds (Marker Price) is 0.25 percent of the transaction value.

2/ Information from the calculation of the IFA

Thailand's private sector raised 687,433 - 1,039,544 million Baht in debentures between 2017 and 2021, representing a compound annual growth rate (CAGR) of 4.83 percent per year.



Source: Thai Bond Market Association (www.thaibma.or.th)

As a result, based on the compound annual growth rate (CAGR) of the capitalization value through corporate bonds in Thailand, the IFA estimates the growth rate of the debenture issuance transaction from 2023 onwards to be 4.83 percent, and BYD's market share to be fixed at 0.30 percent (equal to the market share in the first quarter of 2022) throughout the forecast period. The average fee rate is 0.25 percent of the transaction value. In reference to the market rate of underwriting fees for debentures (Marker Price)

- Revenues as a financial advisor

BYD's financial advisory revenue in 2019 - 2021 and the first quarter of 2022 was 24.08 million baht, 7.08 million baht, 0.65 million baht, and 1.05 million baht, respectively. BYD has revenue as a financial advisor in 2019 - 2021 and the Q1/2022 was 24.08 million Baht, 7.08 million Baht, 0.65 million Baht, and 1.05 million Baht, respectively. The average number of cases per year is 2.65. As a result, the IFA has set the number of cases at 3 case per year for the duration of the projection period and revenue as a financial advisor is 1.50 million baht per case According to information provided by BYD management.

- Revenues from bond underwriting fees of ACE

Estimated debenture underwriting fee income of 0.50 percent of debenture value According to BYD management information, the debentures are valuable at 800.00 million Baht, resulting in a debenture underwriting fee income of 4.00 million Baht per year from 2022 to 2027, depending on the maturity of the debentures.

Profit and Return on Financial Instruments

Profit and Return on Financial Instruments consisted of profit (loss) from investments and derivatives, which were 49.65 million Baht, (40.79) million Baht, 30.06 million Baht, and 0.55 million Baht, respectively, from 2019 to March 2022, with an average rate of return of 1.46 percent. The investment in the Q1/2022 consisted of 290.97 million Baht in unsecured investments and 31.60 million Baht in

investments placed as collateral and without the transferee's right to sell or place a guarantee. The investment was 322.57 million Baht, and BYD received a capital increase of 1,439.67 million baht in May 2022. As a result, the IFA opinion that if BYD does not have a plan to expand its business, it will invest a portion of the fund. The remaining funds will be held in cash and cash equivalents to maintain BYD's liquidity status. The IFA estimates the year 2022 projection by taking the total investment in the Q1/2022 plus some capital increase amounting to 800 million Baht, totalling 1,090.97 million Baht, then fixed throughout the projection period and determined to have an average rate of return equal to 1.46 percent of the investment, taking into account the average rate of return on investment from 2019 to 2021 and the Q1/2022 to accurately reflect the operating results.

The total revenue projection from April 2022 - December 2035 is shown as follows;

Unit: million Baht	2019	2020	2021	2022F	2023F	2024F
Total revenue	253.81	44.00	112.66	241.10	256.62	274.33
Growth Rate (%)	N/A	(82.66)	156.04	114.00	6.44	6.90

Unit: million Baht	2025F	2026F	2027F	2028F	2029F	2030F
Total revenue	290.56	313.65	340.03	370.15	404.57	443.89
Growth Rate (%)	5.91	7.95	8.41	8.86	9.30	9.72

Unit: million Baht	2031F	2032F	2033F	2034F	2035F
Total revenue	488.81	540.15	598.81	665.85	742.48
Growth Rate (%)	10.12	10.50	10.86	11.20	11.51

b) Administrative Expense (not including depreciation)

Administrative expenses consisted of staff expenses, fees and services paid, and other expenses. IFA has set assumptions for estimating administrative expenses as follows;

Staff Expenses

Staff expenses include salaries, fixed costs associated with employees, variable costs associated with employees, director expenses, and other employee-related expenses.

- Salaries

Salary-related expenses at BYD were 109.68 million Baht, 69.64 million Baht, 52.75 million Baht, and 13.54 million baht, respectively, for 2019 - 2021 and Q1/2022. Employee turnover has been discovered since 2020, and BYD will hire more people. However, BYD does not provide such information. As a result, IFA has set a salary growth rate of 4 percent in 2022 to reflect past expenses and a growth rate of 3.00 percent from 2023 onwards by BYD policy throughout the projection period.

- Variable costs associated with employees

For the years 2019 - 2021 and the Q1/2022, Employee incentives (Incentive) and profit sharing are equal to 26.22 million Baht, 11.60 million Baht, 5.60 million Baht, and 3.53 million Baht, respectively, with

BYD determining the policy to pay Incentive equal to 25 percent of revenue. Brokerage and profit share of 40 percent of profit and return on financial instruments. As a result, the IFA sets the Incentive pay out ratio at 25 percent of commission income and profit sharing at 40 percent of profit and return on financial instruments by referring to the company's policy throughout the forecast period.

- Director expenses

For the years 2019-2021 and Q1/2022, directors' expenses were 4.63 million Baht, 6.39 million Baht, and 1.42 million Baht, respectively. According to the minutes of the 2022 Annual General Meeting of Shareholders Agenda 6, the meeting resolved to approve annual director remuneration of no more than 7 million Baht in 2022. According to management information, BYD has determined that the remuneration for directors in 2022 will be 0.45 million Baht per month. As a result, the IFA determined that the rate of director expenses was 3.00 percent for the duration of the projection period to maintain the rate of salary growth.

Fees and services paid

Fees and services paid consisted of Various website membership fees, license fees, etc., which are divided into fixed and variable costs.

- Fixed fees and services

Fees and service payments were 4.62 million Baht, 2.62 million Baht, 3.33 million Baht, and 0.72 million Baht in 2019 - 2021 and the Q1/2022, respectively. As a result, the IFA estimates the fixed fees and service payments in 2022 by adjusting the full year from the fixed expenses for the Q1/2022 and 2023, which are projected to grow at 2.50 percent per year. The Bank of Thailand's headline inflation rate for 2023 because the IFA considers that the current economic situation tends to increase inflation due to rising oil price factor. Based on the Bank of Thailand's compounded annual growth rate (CAGR) of headline inflation 2007-2021, the growth rate of fees and service payments is expected to be 1.48 percent per year beginning in 2024. The IFA predicts that various factors affecting the adjustment of inflation to normal after 2023.

- Variable fees and services

Variable fees and services include commissions and fees paid in 2019 - 2021 and the Q1/2022, with fees and service payments totalling 30.56 million Baht, 22.01 million Baht, 20.44 million Baht, and 6.85 million Baht, respectively. According to management information, IFA requires that commissions equal to 15 percent of underwriting revenue and fees paid equal to 36 percent of commission income since 2022.

Other expenses

Other expense consisted of fixed expense, rental expense, specific business tax expenses, and other expenses.

- Fixed expenses

Fixed expenses consisted of maintenance cost, utility cost, audit fee, and legal advisory fees, etc. Total fixed expenses in 2019 - 2021 and the Q1/2022 were 63.55 million Baht, 38.50 million Baht, 42.64 million

Baht, and 7.93 million Baht, respectively. As a result, the IFA estimates the fixed fees and service payments in 2022 by adjusting the full year from the fixed expenses for the Q1/2022 and 2023, which are projected to grow at 2.50 percent per year. The Bank of Thailand's headline inflation rate for 2023 because the IFA considers that the current economic situation tends to increase inflation due to rising oil price factor. Based on the Bank of Thailand's compounded annual growth rate (CAGR) of headline inflation 2007-2021, the growth rate of fees and service payments is expected to be 1.48 percent per year beginning in 2024. The IFA predicts that various factors affecting the adjustment of inflation to normal after 2023.

- **Rental Expenses**

BYD charges rental fees for two office space leases, service contracts, and car rental contracts. The Independent Financial Advisor estimates the actual rental cost incurred under the contract expect that BYD will immediately renew the contract upon its expiration by specifying a floor rental growth rate of 5.00 percent per 3 years, referring to the rental increase rate specified in the contract.

- **Specific business tax expenses**

Throughout the projection, IFA estimates by requiring specific business tax expenses equal to 3.30 percent of interest income.

c) Depreciation and Amortization

Depreciation and Amortization consisted of Leasehold improvements Furniture, fixtures and office equipment, etc., based on BYD's accounting policies that are depreciated on a straight-line basis over their useful life.

Leasehold improvements Furniture	3,5,10 years
Fixtures and office equipment	2,3,5 years

d) Capital expenditure

BYD has no plans to invest in any assets, so IFA projects no capital expenditure.

e) Corporate income tax

Throughout the forecast, the corporate income tax rate is 20 percent of the profit before tax.

f) Working Capital

BYD's working capital is deduced from clearing house receivables and securities companies. Securities and derivatives business receivables accounts payable to clearing houses and securities companies, as well as securities and derivatives business payables, are as follows for the years 2019 - 2021 and the Q1/2022;

Unit: million Baht	2019	2020	2021	Jan - Mar 2565
Accounts receivable from clearing houses and securities companies	45.85	39.54	14.20	10.08
Securities and derivatives business receivables	101.83	37.83	53.09	270.34

Unit: million Baht	2019	2020	2021	Jan - Mar 2565
Accounts payable to clearing houses and securities companies	2.74	1.24	-	9.77
Securities and derivatives business payables	83.38	33.81	32.02	35.62

According to the consideration of IFA, The value shown in the financial statements was accurate. It is the net balance resulting from securities purchases and sales that must be settled within the second business day following the trading date (T+2) because BYD's future business plans have not changed, to be valued as of 31 March 2022 and to remain constant throughout the projection period.

Financial projections from 2022 - 2035 with details as follows;

Unit: million Baht	2019	2020	2021	Jan – Mar 2022	2022F	2023F	2024F	2025F	2026F
Revenue from commission	52.11	32.90	39.18	14.52	105.28	120.42	137.74	157.55	180.21
Revenue from fee and service	84.94	23.14	9.43	4.25	21.73	22.11	22.50	18.92	19.35
Interest income	61.24	27.38	14.42	4.89	38.63	38.63	38.63	38.63	38.63
Profit and Return on Financial Instruments	49.65	(40.79)	30.06	0.55	75.46	75.46	75.46	75.46	75.46
Profit from sale of investment in associates and subsidiaries	-	-	15.00	-	-	-	-	-	-
Other income	5.87	1.38	4.57	1.29	-	-	-	-	-
Total Revenues	253.81	44.00	112.66	25.50	241.10	256.62	274.33	290.56	313.65
Employee benefit expenses	152.14	97.06	68.28	19.09	137.41	170.67	178.29	186.63	195.79
Fees and services paid	35.18	24.63	23.78	7.57	41.94	47.52	53.85	61.09	69.36
Expected credit losses (reversal)	-	150.13	27.86	(7.13)	-	-	-	-	-
Other expenses	124.37	99.11	140.02	15.14	56.99	45.30	43.17	43.81	44.34
Total Expense	311.69	370.93	259.94	34.67	236.33	263.49	275.32	291.54	309.49
Profit (Loss) from operation	(57.88)	(326.92)	(147.27)	(9.17)	4.77	(6.88)	(0.99)	(0.98)	4.16
Financial Cost	(18.53)	(12.44)	(1.33)	(0.64)	(2.63)	(2.88)	(3.29)	(3.77)	(4.31)
EBIT	(76.41)	(339.37)	(148.61)	(9.81)	2.14	(9.76)	(4.28)	(4.75)	(0.15)
Income tax	(0.04)	(0.12)	0.38	0.05	(0.43)	-	-	-	-
Net Loss	(76.45)	(339.49)	(148.23)	(9.76)	1.71	(9.76)	(4.28)	(4.75)	(0.15)

Unit: million Baht	2027F	2028F	2029F	2030F	2031F	2032F	2033F	2034F	2035F
Revenue from commission	206.14	235.79	269.70	308.49	352.87	403.63	461.69	528.10	604.06
Revenue from fee and service	19.80	20.28	20.78	21.31	21.85	22.43	23.03	23.67	24.33
Interest income	38.63	38.63	38.63	38.63	38.63	38.63	38.63	38.63	38.63
Profit and Return on Financial Instruments	75.46	75.46	75.46	75.46	75.46	75.46	75.46	75.46	75.46
Profit from sale of investment in associates and subsidiaries	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-
Total Revenues	340.03	370.15	404.57	443.89	488.81	540.15	598.81	665.85	742.48
Employee benefit expenses	205.86	216.98	229.27	242.89	258.03	274.88	293.68	314.70	338.25
Fees and services paid	78.81	89.60	101.93	116.02	132.13	150.53	171.58	195.63	223.13
Expected credit losses (reversal)	-	-	-	-	-	-	-	-	-
Other expenses	42.46	43.18	43.77	44.29	45.07	45.17	45.72	46.50	47.16
Total Expense	327.13	349.76	374.96	403.21	435.22	470.58	510.98	556.83	608.54
Profit (Loss) from operation	12.90	20.40	29.61	40.68	53.59	69.57	87.83	109.02	133.95
Financial Cost	(4.93)	(5.65)	(6.46)	(7.39)	(8.46)	(9.68)	(8.11)	(9.27)	(10.60)
EBIT	7.97	14.75	23.15	33.29	45.13	59.89	79.72	99.75	123.35
Income tax	(1.59)	(2.95)	(4.63)	(6.66)	(9.03)	(11.98)	(15.94)	(19.95)	(24.67)
Net Loss	6.37	11.80	18.52	26.63	36.11	47.91	63.78	79.80	98.68

Source : Estimated information by IFA

g) Terminal Value

The terminal value is calculated by Perpetuity Growth Model because BYD has no policy to change the business plan in the future. Therefore, the IFA has set a cash flow growth rate after the projected period at 0.00 percent per annum.

h) Discount Rate

IFA uses Weighted Average Cost of Capital (WACC) to represent discount rate so as to calculate the present value of free cash flow because the capital structure of financial and securities business consists of funds from shareholders' equity and interest-bearing debts and liabilities, WACC is calculated based on the weighted average of the cost of debt (Kd) and the cost of funds from shareholders' equity (Ke) as follows;

$$WACC = K_e \times E/(D+E) + K_d \times (1-T) \times D/(D+E)$$

where

- K_e = Cost of capital from equity equal to 12.48 percent
- K_d = Based on the interest-bearing interest rate of ACE's long-term bonds, BYD's average interest-bearing loan or debt interest rate is 7.15 percent per year, which is a lease for an office and a car. It has an average interest rate of 3.39 percent when compared to the interest rate of good large customers. The average term (Minimum Loan Rate: MLR) for four commercial banks is 5.39 percent (Bank of Thailand, www.bot.or.th). However, when the financial cost of ACE debentures issued in 2022 is estimated to be 7.15 percent per year, the interest rate on ACE debentures is reasonable because it is the BYD Group's cost of finance and reflects the interest expense, which is the true cost of finance.
- T = Corporate income tax rate equal to 20 percent.
- D/E = The average interest-bearing liabilities/total shareholders' equity as at 31 March 2022 of BYD is 0.0103 times as detailed in Appendix 26.

Including the IFA determines the value of K_e using the Capital Asset Pricing Model (CAPM) principle, which has the formula for calculating K_e as follows;

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

where as

- R_f = Risk-free rate, an IFA based on the yield on 15-year government bonds as of 31 March 2022 that is 3.07 percent per annum, with the assumption that business continues to continue (Going Concern Basis) (Source: www.thaibma.or.th)
- Beta (β) = The coefficient is 1.41 times. The variance of price changes relative to the Stock Exchange of Thailand (SET Index) based on BYD's Beta for the previous year until 31 March 2021, for which the IFA opinion that BYD's own Beta selection and the timing is appropriate. This is due to the time elapsed between the COVID-19 epidemic and people's return to their normal lives. The current capital structure of BYD reflected in stock trading.
- R_m = The IFA considers the period that reflects the economic cycle and corresponds to the forecast period to be the average return on investment in the Thai Stock Exchange for the past 15 years until 31 March 2022, which is 9.73 percent per year (Source: SETSMART and the independent financial advisor's calculations).

The calculation for K_e is shown in the table below for the cost of equity financing as follows;

Variables from the formula CAPM	Ratio
Risk free rate (R_f)	3.07%

Risk Premium ($R_m - R_f$)	9.73% - 3.07%
Beta (β)	1.41
Cost of Equity (K_e) from CAPM	12.48%

The IFA opinion that the calculated K_e value can reflect the equity risk associated with investing in BYD.

The WACC calculation is shown in the table below as the Weighted Average Cost of Finance (WACC).

Variables from the formula WACC	Ratio
D/E	0.0103
1-T	80.00%
Cost of Debt (K_d)	7.15%
Cost of Equity (K_e)	12.48%
WACC	12.41%

Based on the previous assumptions BYD's cash flow and fair value can be calculated as follows;

Unit: million Baht	Apr - Dec 2022F	2023F	2024F	2025F	2026F	2027F	2028F
NOPAT	14.42	(6.88)	(0.99)	(0.98)	4.16	14.49	23.35
+ depreciation	11.58	5.20	3.01	2.96	2.93	0.52	0.52
- investment	-	-	-	-	-	-	-
+/- working capital	219.25	18.41	21.05	24.06	27.50	31.44	35.93
Free Cash Flow to Firm	245.25	16.74	23.06	26.04	34.60	46.45	59.80
PV of Cash Flow	224.54	13.62	16.69	16.75	19.79	23.62	27.04
Unit: million Baht	2029F	2030F	2031F	2032F	2033F	2034F	2035F
NOPAT	34.24	47.34	62.62	81.54	103.77	128.97	158.62
+ depreciation	0.52	0.52	0.52	0.00	0.00	0.00	0.00
- investment	-	-	-	-	-	-	-
+/- working capital	41.07	46.95	53.66	61.34	70.12	80.15	91.61
Free Cash Flow to Firm	75.83	94.81	116.80	142.88	173.89	209.12	250.23
Terminal Value							2,016.39
PV of Cash Flow	30.48	33.88	37.11	40.36	43.67	46.69	49.67
PV of Terminal Value							400.21
Enterprise Value							1,024.12

	(million Baht)
Enterprise Value	1,024.12
Add: cash and cash equivalent as of 31 March 2022	395.45
Add : Proceeds from RO capital increase in May 2022	1,439.67
Less : Latest interest-bearing liabilities as of 31 March 2022	14.36

	(million Baht)
Present value of cash flows - net as of 31 March 2022 (BYD shareholders' equity)	2,844.88

According to the DCF method of fair value valuation, the fair value of BYD as of 31 March 2022 is 2,844.88 million Baht. Furthermore, the independent financial advisor has performed a sensitivity analysis on the stock price because changes in the Discounted Rate and Terminal Growth Rate have a significant effect on the change in the estimated fair value. As a result, IFA determines the appropriate volatility range. The Sensitivity Analysis results are detailed below;

		Discounted Rate or WACC (%)		
		11.91	12.41	12.91
Terminal Growth Rate (%)	(0.50)	2,842.88	2,827.45	2,813.18
	0.00	2,861.68	2,844.88	2,829.38
	0.50	2,882.13	2,863.76	2,846.88

The sensitivity analysis shows that by changing the Discounted Rate, the company's share value will range between 2,813.18 - 2,882.13 million Baht.

BYD's future business performance and profitability are factored into the present value of net cash flows. It is a forecast based on the present value of expected future net cash flows by referring to previous operations as well as considering the trend of future operations. As a result, it can better reflect true value than other valuation methods. The IFA opinion that the present value of net cash flow approach is appropriate for this valuation.

3.1.5.2 The valuation of fair value of ACE

The IFA has considered the fair value of ACE business using the Discounted Cash Flow Approach and the Dividend Discount Model.

3.1.5.2.1 Discounted Cash Flow Approach

The present value method of cash flow calculates the present value of the expected future cash flows from the business and adjusts it using an appropriate discount rate. IFA has prepared financial projections for a 12-year period (1 April 2022 – 31 March 2034) based on key assumptions. Hire purchase interest received. This is a contract in which ACE purchases all 112 E-Bus and leases them to TSB's eight subsidiaries. The hire purchase contract has a contract term of 7 years and a total of 20 contracts. The contract begins in 2021 and will last until 2029. However, ACE will continue to operate until 2034 in order to comply with the period of operation of TSB, an ACE subsidiary, after which it will cease operations. The remaining assets at the end of the second cycle become Terminal Value after the business license expires in the second cycle. As a result, the IFA opinion that now is the ideal time for ACE. IFA calculates the free cash flow that a business can generate, such as revenues, expenses, working capital, loans, and capital structure, etc. to calculate the Free Cash Flow to Equity using references and assumptions obtained from the company as well as interviews with executives and relevant officers.

However, if the economic situation, both externally and internally, has changed significantly and has an impact on ACE's operations, the assumptions used to calculate fair value will also change.

The IFA has set the key assumptions of ACE's financial projections as follows;

Key Assumptions of Financial Projections

a) Revenues

ACE operates as a holding company that is a 49.00 percent associate of BYD. ACE has an investment in a subsidiary, namely TSB, which operates the business of passenger transportation by E-Bus from leasing Interest income, discounts received, and other income.

Interest income from hire purchase

Estimated interest income from hire purchase, which is the recognition of income under the lease agreement between ACE and TSB's subsidiaries for all 112 E-Bus as follows;

- (1) B.B. Rich (Thailand) Company Limited (BBR)
- (2) Sawakechat Company Limited (SC)
- (3) T.Manit Transportation Company Limited (TMN)
- (4) Ampairungroj Company Limited (ARR)
- (5) Leekpai Transport Company Limited (LKS)
- (6) Chareonbus Company Limited (CB)
- (7) Chaiyakorn Transportation Company Limited (CK)
- (8) Santimitr Transport Company Limited (STM)

A total of 20 contracts, each with a contract term of seven years, based on the operating licenses of eight subsidiaries for a total of eight routes, with all contracts beginning at the end of 2021 and ending in the Q1/2029.

Unit: million Baht	2021A	Jan – Mar 2022A	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F
Interest income from hire purchase	11.81	13.36	51.29	45.01	38.21	30.88	22.98	14.48	5.34	0.03

The projected total revenue from 2022 - 2034 is as follows;

Unit: million Baht	2019A	2020A	2021A	Jan – Mar 2022A	2022F	2023F	2024F	2025F	2026F
Interest income from hire purchase	-	-	11.81	13.36	51.29	45.01	38.21	30.88	22.98
Total Revenues	2.03	4.26	53.32	18.77	51.29	45.01	38.21	30.88	22.98

Unit: million Baht	2027F	2028F	2029F	2030F	2031F	2032F	2033F	Jan – Mar 2034F
Interest income from hire purchase	14.48	5.34	0.03	-	-	-	-	-
Total Revenues	14.48	5.34	0.03	-	-	-	-	-

Source : Estimated information by IFA

b) Administrative Expenses

Administrative Expenses consisted of Fixed costs, Bondholder Agent Fee, Impairment loss, staff expenses, and other expenses. From 2019 to the Q1/2022 administrative expenses are summarized as follows:

Unit: million Baht	2019	2020	2021	Jan – Mar 2022
Total administrative expenses	2.70	1.99	3.57	0.79
Growth Rate (%)	N/A	(26.18)	79.45	11.10 ^{1/}

noted: 1/ Adjusted annual growth rate

Fixed Costs

Fixed Cost consisted of audit fees, legal advisory fees, other fees, and service charges etc. Fixed expenses was 1.11 million Baht, 0.68 million Baht, 2.52 million Baht, and 0.19 million Baht in 2019 - 2021 and Q1/2022, respectively. As ACE's business plan has not changed, the IFA estimates fixed costs for 2022, adjusted for the full year from fixed expenses for Q1/2022. The growth rate for 2023 is set at 2.50 percent from the projected fixed expenses in 2022, referring to the Bank of Thailand's 2023 headline inflation projection, because the IFA estimates that the current economic situation tends to increase inflation due to rising oil price factors. Fees and service payments will grow at a 1.48 percent annual rate beginning in 2024, based on the Bank's compounded annual growth rate (CAGR) of 2007-2021 headline inflation to reflect long-term growth. The IFA predicts that various factors will affect the adjustment of inflation to normal after 2023.

Bondholder Agent Fee

On 6 January 2022, ACE issued debentures worth 800.00 million Baht, due on 6 January 2025, and agreed to appoint a debenture holder representative to act on behalf of the debenture holders and maintain the debenture holders' interests. It was agreed to pay 2.8 million Baht in compensation to the debenture holder representative (excluding VAT). Once all of the bonds have been fully redeemed, the bondholder's agency agreement will expire in 2025. However, ACE intends to issue additional debentures if it is unable to redeem all of the original debentures by 2025. These debentures will be issued in an amount not exceeding 600.00 million baht, with a maturity of three years and the same terms as the original debentures. The contract is valid from 6 January 2025 to 6 January 2028. As a result, the IFA expects that ACE will continue to enter into a contract to appoint a shareholder representative until the debentures mature in 2028.

Staff expenses

Staff expenses consisted of salaries and employees benefit. ACE's employee expenses for 2019 - 2021 and Q1/2022 were 1.51 million Baht, 1.20 million Baht, 0.28 million Baht, and 0.07 million Baht, respectively. As a result, in order to comply with ACE's policies for the duration of the estimate, IFA has set the growth rate at 3.00 percent.

Estimated administrative expenses from 1 April 2022 – 31 March 2034 are as follows;

Unit: million Baht	2019A	2020A	2021A	Jan – Mar 2022	2022F	2023F	2024F	2025F	2026F
Administrative Expenses	2.70	1.99	3.57	0.79	2.24	2.28	2.30	4.46	1.40

Unit: million Baht	2027F	2028F	2029F	2030F	2031F	2032F	2033F	Jan – Mar 2034F
Administrative Expenses	1.42	1.44	1.47	1.49	1.51	1.53	1.55	0.39

Source : Estimated information by IFA

c) Financial Costs

ACE issued a 3-year debenture with a face value of 800 million Baht and a fixed rate of 7.15 percent on 6 January 2022. The debentures will be paid off on 6 January 2025. However, ACE intends to issue additional debentures if it is unable to redeem all of the original debentures by 2025. These debentures will be issued in an amount not exceeding 600 million Baht with the same fixed interest rate (Flat Rate) of 7.15 percent for three years, from 6 January 2025 to 6 January 2028.

Unit: million Baht	Jan – Mar 2022	2022F	2023F	2024F	2025F
ACE debentures worth 800 million Baht, with a flat rate of 7.15 percent and a maturity period of three years (6 January 2022 - 6 January 2025).					
Face Value	800.00	800.00	800.00	800.00	800.00
Number of days of interest (days)	84	365	365	365	6
Interest paid in the period	13.16	57.20	57.20	57.20	0.94

Unit: million Baht	2026F	2027F	2028F	2029F
ACE debentures worth 600 million Baht, with a flat rate of 7.15 percent and a maturity period of three years (6 January 2022 - 6 January 2025).				
Face Value	600.00	600.00	600.00	600.00
Number of days of interest (days)	359	365	365	6
Interest paid in the period	42.19	42.90	42.90	0.71

d) Corporate income tax

Throughout the forecast, the corporate income tax rate is 20 percent of the profit before tax.

e) Working Capital

Because ACE currently has its main income from hire purchase business for TSB's subsidiaries and does not operate any other business. The debtor under the hire purchase contract is obliged to pay interest and principal according to the time specified in the contract. Furthermore, ACE's lease receivables have never had a history of default and ACE has made no policy changes related to working capital. As a result, the IFA estimates ACE's average collection period based on the lease agreement's term.

f) Depreciation and Amortization

ACE does not have any fixed assets. As a result, there is no depreciation or amortization. ACE's business plans have not changed. As a result, the IFA estimates no depreciation and amortization.

g) Capital expenditure

ACE has no plans to invest in any assets, so IFA projects no capital expenditure.

Summary of ACE's financial projections for the years 2022 – 2034 are as follows;

Unit: million Baht	2019A	2020A	2021A	Jan – Mar 2022A	2022F	2023F	2024F	2025F	2026F
Interest income from hire purchase	-	-	11.81	13.36	51.29	45.01	38.21	30.88	22.98
Total Revenues	2.03	4.26	53.32	18.77	51.29	45.01	38.21	30.88	22.98
Administrative Expenses	2.70	1.99	3.57	0.79	2.24	2.28	2.30	4.46	1.40
Total Expenses	2.70	52.39	23.57	0.79	2.24	2.28	2.30	4.46	1.40
Profit (Loss) from operation	(0.67)	(48.13)	29.74	17.98	49.05	42.73	35.91	26.42	21.58
Financial Costs	3.69	6.45	6.89	14.59	57.20	57.20	57.20	43.14	42.90
EBIT	(4.36)	(54.58)	22.85	3.38	(8.15)	(14.47)	(21.29)	(16.71)	(21.32)
Income tax	-	-	-	-	-	-	-	-	-
Net Loss	(4.36)	(54.58)	22.85	3.38	(8.15)	(14.47)	(21.29)	(16.71)	(21.32)

Unit: million Baht	2027F	2028F	2029F	2030F	2031F	2032F	2033F	Jan – Mar 2034F
Interest income from hire purchase	14.48	5.34	0.03	-	-	-	-	-
Total Revenues	14.48	5.34	0.03	-	-	-	-	-
Administrative Expenses	1.42	1.44	1.47	1.49	1.51	1.53	1.55	0.39
Total Expenses	1.42	1.44	1.47	1.49	1.51	1.53	1.55	0.39
Profit (Loss) from operation	13.06	3.90	(1.43)	(1.49)	(1.51)	(1.53)	(1.55)	(0.39)
Financial Costs	42.90	14.30	14.30	14.30	14.30	14.30	14.30	14.30
EBIT	(29.84)	(10.40)	(15.73)	(15.79)	(15.81)	(15.83)	(15.85)	(14.69)
Income tax	-	-	-	-	-	-	-	-
Net Loss	(29.84)	(10.40)	(15.73)	(15.79)	(15.81)	(15.83)	(15.85)	(14.69)

Source : Estimated information by IFA

h) Terminal Value

The financial advisor expects that ACE will not continue its business after the estimate period. As a result, it is valueless after the projection period because the IFA estimates ACE's finances based on leasing contracts expiring in 2029, the IFA requires ACE to have no Terminal Value and will continue to operate until 2034. The IFA mandates that ACE have no Terminal Value and that it continue to operate until 2034. In accordance with the operating period of TSB, an ACE subsidiary, the IFA requires ACE, along with TSB, to cease operations after 2034. The cash flows from cash balances and asset disposals of an ACE will be equal to the residual book value minus liabilities.

i) Discount Rate

Because it is calculated from the free cash flow of shareholders (Free Cash Flow to Equity: FCFE), the IFA uses Cost of Capital as the discount rate to calculate the net present value of cash flows. The IFA determines the value of K_e using the Capital Asset Pricing Model (CAPM), which has the formula for calculating K_e as follows;

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

where as

R_f = Risk-free rate, an IFA based on the yield on 15-year government bonds as of 31 March 2022 that is 3.07 percent per annum, with the assumption that business continues to continue (Going Concern Basis) (Source: www.thaibma.or.th)

Beta (β) = The coefficient is 1.41 times. The variance of price changes relative to the Stock Exchange of Thailand (SET Index) based on BYD's Beta for the previous year until 31 March 2021 because BYD is an associate of ACE, holds 49.00 percent stake.

R_m = The IFA considers the period that reflects the economic cycle and corresponds to the forecast period to be the average return on investment in the Thai Stock Exchange for the past 15 years until 31 March 2022, which is 9.73 percent per year (Source: SETSMART and the independent financial advisor's calculations).

The calculation for K_e is shown in the table below for the cost of equity financing as follows;

Variables from the formula CAPM	Ratio
Risk free rate (R _f)	3.07%
Risk Premium (R _m – R _f)	9.73% - 3.07%
Beta (β)	1.41
Cost of Equity (K _e) from CAPM	12.48%

Based on the previous assumptions, The free cash flow to equity (FCFE) and the fair value of ACE can be calculated as follows;

Unit: million Baht	Apr – Dec 2022F	2023F	2024F	2025F	2026F	2027F	2028F
NOPAT	31.08	42.73	35.91	26.42	21.58	13.06	3.90
+ depreciation	-	-	-	-	-	-	-
- investment	-	-	-	-	-	-	-
+/- working capital	(517.95)	96.04	102.84	109.30	117.13	125.64	130.79
Free Cash Flow to Firm	(437.83)	138.77	138.75	135.72	138.72	138.69	134.68
- Financial Costs	57.20	57.20	57.20	43.14	42.90	42.90	14.30
+ Tax	-	-	-	-	-	-	-
+ Net borrowing	682.66	-	-	(200.00)	-	-	(400.00)
Free Cash Flow to Equity	187.63	81.57	81.55	(107.42)	95.82	95.79	(279.62)
PV of Cash Flow	171.79	66.40	59.02	(69.11)	54.81	48.71	(126.42)

Unit: million Baht	2572F	2573F	2574F	2575F	2576F	Jan - Mar 2577F
NOPAT	(1.43)	(1.49)	(1.51)	(1.53)	(1.55)	(0.39)
+ depreciation	-	-	-	-	-	-
- investment	-	-	-	-	-	-
+/- working capital	5.02	-	-	-	-	-
Free Cash Flow to Firm	3.58	(1.49)	(1.51)	(1.53)	(1.55)	(0.39)
- Financial Costs	14.30	14.30	14.30	14.30	14.30	14.30
+ Tax	-	-	-	-	-	-
+ Net borrowing	14.30	-	-	-	-	-
Free Cash Flow to Equity	3.58	(15.79)	(15.81)	(15.83)	(15.85)	(14.69)
Terminal Equity Value						623.38
PV of Terminal Value	1.44	(5.64)	(5.02)	(4.47)	(3.98)	(3.58)
Enterprise Value						152.00
PV of Terminal Value						335.95

According to the DCF fair value valuation, the fair value of ACE on 31 March 2022 is 335.95 million Baht.

In addition, the IFA performed a sensitivity analysis of the stock price by adjusting the value of the discounted rate (Discounted Rate) or K_e due to a change in the Discounted Rate.

It has a significant effect on the change in the assessed fair value. As a result, IFA determines the appropriate volatility range. The Sensitivity Analysis results are detailed below;

Discounted Rate or K_e (%)	11.98	12.48	12.98
Fair Value (million Baht)	342.50	335.95	329.74

The results of the sensitivity analysis by changing the discount rate, the company's share value will be between **329.74 – 342.50 million Baht**.

Discounted Cash Flow Approach is a method for estimating ACE's future business performance and profitability. It is a forecast based on the present value of expected future net cash flows. However, after the lease with TSB that the ACE's subsidiary has expires, there will be no leasing to other businesses and the company will only operate as a holding company for shares in other juristic persons (holding company). According to the structure, ACE's primary source of income is dividend income from TSB investments. As a result, ACE's opinion is that the Discounted Cash Flow Approach is inappropriate for this valuation.

3.1.5.2.2 Dividend Discount Model

After adjusting for an appropriate discount rate over a 12-year period, the Dividend Discount Model calculates the present value of future dividends that ACE will be able to pay. The IFA forecast financial projections based on key assumptions (from April 1, 2022 - March 31, 2034). This is because the projections are based on the operating period of TSB, a 100 percent subsidiary of ACE, and assume that TSB dividend income will be ACE's primary source of revenue. When ACE becomes profitable and has sufficient cash, it will pay a 49 percent dividend to BYD, a subsidiary and holding company. Dividend income from TSB will be recognized starting in 2027 and continuing through 2034. ACE will stop operating in the year 2034. As a result, there is no estimate of the terminal value based on the assumption that TSB will cease operations. ACE receives no dividend income, which is the primary source of revenues. As a result, the IFA opinion that now is the ideal time for ACE. IFA calculates the free cash flow that a business can generate, such as revenues, expenses, working capital, loans, and capital structure, etc. to calculate the Cash Available for Dividend by using references and assumptions obtained from the company, as well as interviews with executives and relevant officers, which are based on the assumption that the business continues to operate continuously and that no significant changes have occurred (Going-Concern Basis), including in accordance with the economic conditions

However, if the economic situation external situation and the internal situation of ACE has changed significantly and affects the operations of ACE and affects the assumptions that determine fair value in this way will also change.

The independent financial advisor has set the key assumptions of ACE's financial projections as follows:

Key Assumptions of Financial Projections

a) Dividend income

Independent funds estimate that TSB will be profitable and able to pay dividends from 2030 until 2034, which can be summarized as follows:

Unit : million Baht	2030F	2031F	2032F	2033F	Jan-Mar 2034F
Dividend income - TSB	198.86	302.09	320.18	345.24	98.66

The independent financial advisor has set the assumptions for estimating the dividend payment. The dividend will be paid in the proportion of 90 percent of the profit for the period and deduct statutory reserves. The rest is left for working capital. This depends mainly on the economic conditions and future operations from the financial projections based on the above assumptions. It was found that ACE will not be able to pay dividends in 2027-2030 due to accumulated loss at the end of the period as of December 31, 2030 of 18.00 million baht, thus not having enough cash to pay dividends (Cash Available for Dividend). However, from 2031 until By 2034, ACE will have enough cash and will be able to pay dividends.

Summary of ACE's dividend payment forecast for the year 2022 - 2034 is as follows:

Unit : million Baht	2019	2020	2021	Jan-Mar 2022	2022F	2023F	2024F	2025F	2026F
Retained earnings - at the beginning of the period	-	(4.49)	(93.58)	(70.73)	(70.73)	(78.32)	(92.22)	(112.94)	(129.09)
Profit (Loss) for the period	(4.49)	(54.58)	22.85	3.38	(7.59)	(13.90)	(20.72)	(16.14)	(20.74)
Dividend payment	-	-	-	-	-	-	-	-	-
Legal reserve	-	-	-	-	-	-	-	-	-
Retained earnings - at the ended of the period	(4.49)	(93.58)	(70.73)	(67.35)	(78.32)	(92.22)	(112.94)	(129.09)	(149.83)

Unit : million Baht	2570F	2571F	2572F	2573F	2574F	2575F	2576F	Jan - Mar 2577F
Retained earnings - at the beginning of the period	(149.83)	(179.10)	(175.52)	(176.37)	(18.00)	32.33	51.75	70.42
Profit (Loss) for the period	(29.27)	3.58	(0.85)	158.37	240.93	255.38	275.42	78.73
Dividend payment	-	-	-	-	(200.64)	(258.94)	(294.45)	(134.24)
Legal reserve	-	-	-	-	10.03	22.98	37.70	44.41

Unit : million Baht	2570F	2571F	2572F	2573F	2574F	2575F	2576F	Jan - Mar 2577F
Retained earnings - at the ended of the period	(179.10)	(175.52)	(176.37)	(18.00)	32.33	51.75	70.42	59.33

Source : Estimated information by independent financial advisor

b) Residual Value

After the forecast period, the IFA expects ACE will not continue its operations after the projected year. This is because the Independent Financial Advisor estimates ACE's finances based on the lease agreement will expire in 2029 and will continue to operate until 2034 to be consistent with the operating period of TSB, ACE's subsidiary. The Independent Financial Advisor requires that ACE cease operations after 2034, along with TSB, and therefore imposes Residual Value as Equity. The independent financial advisor has an opinion as stated in Clause 3.1.5.2.2.

c) Discount Rate

The IFA uses the cost of capital from equity (Cost of Capital: K_e) as the discount rate to calculate the net present value of cash flows. Because it is calculated from the free cash flow of shareholders (Free Cash Flow to Equity: FCFE), the IFA determines the value of K_e by using the Capital Asset Pricing Model (CAPM), which has the formula for calculating K_e as follows:

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

where as

R_f = Risk-free rate of return, an independent financial advisor based on The yield of 15-year government bonds as of 31 March 31 2022 is 3.07 percent per annum, with the assumption that the business continues to continue (Going Concern Basis) (Source: www.thaibma.or.th)

Beta (β) = 1.41 times is the coefficient The variance of the price change compared to the Stock Exchange of Thailand (SET Index) IFA therefore calculates the Beta value by choosing the Beta value of BYD, which is a company listed on the Stock Exchange of the past 1 year to the 31 March 2021, as BYD is an associate of ACE, holds 49 percent stake.

R_m = Average return on investment in the Stock Exchange of Thailand for the past 15 years until 31 March 31 2022, which is 9.73 percent per year (Source: SETSMART and the independent financial advisor's calculations), which the IFA considers that is the period that reflects the economic cycle and corresponds to the forecast period

The calculation for K_e is shown in the table below for the cost of equity financing as follows:

Variables from the CAPM formula	Ratio used
Risk free rate (R_f)	3.07%
Risk Premium ($R_m - R_f$)	9.73% - 3.07%
Beta (β)	1.41

Variables from the CAPM formula	Ratio used
Cost of Equity (Ke) from CAPM	12.48%

From the assumptions given above, the present value of the dividend and the fair value of ACE can be calculated as follows:

Unit : million baht	20314F	2032F	2033F	Jan - Mar 2034F
Dividends payment	200.64	258.94	294.45	134.24
Present value of dividends	63.74	73.14	73.94	32.73
Total fair value of dividends				243.55
Residual Value				969.33
Present value of final value				236.36
Total present value of cash flows				479.91

From the fair value valuation by DDM method, the fair value of ACE as at March 31, 2022 is equal to 479.91 million baht.

In addition, the independent financial advisor has conducted a sensitivity analysis of the stock value. by adjusting the value of the discount rate (Discount Rate) or Ke, Since the change in the Discount Rate has a significant effect on the change in the estimated fair value. IFA therefore determines the appropriate volatility range. The results of the Sensitivity Analysis are detailed below.

Discount Rate or Ke(%)	11.98	12.48	12.98
Fair Value (million baht)	505.08	479.91	456.10

The results of the sensitivity analysis by changing the Discount Rate, the company's share value will be between 456.10 – 505.08 million baht.

Calculation using the discounted dividend method (DDM) is the right method. This is because in 2021 – 2029, ACE will have the main income from leasing interest to TSB's subsidiaries which is the revenue recognition under contract and ACE does not do leasing business with any other company. However, ACE operates its main business by holding shares in other companies (Holding Company) and holds 100.00 percent of shares in TSB. After TSB has good performance and profits until it can pay dividends since 2028, ACE has income. The principal is the dividend received from TSB. IFA is of the opinion that the valuation using the discounted dividend approach is appropriate for ACE's valuation.

3.1.5.2.3 Summary of ACE's share or business valuation

Valuation approach	Fair Value of Business (Million Baht)	Financial advisor opinion
1. Discounted Cash Flow Approach (DCF)	329.74 – 342.50	In-appropriate
2. Dividend Discount Approach (DDM)	456.10 – 505.08	Appropriate

However, the fair assessment of the business in each method has different advantages and disadvantages as follows:

1. Discounted Cash Flow Approach (DCF)

The present value cash flow method is a method that considers the future business and profitability of ACE. It is a valuation based on the present value of the expected future net cash flows. ACE used to engage in hire purchase business for TSB's subsidiaries, which generated its main income as interest income from hire purchases. However, after the expiration of the hire purchase contract with TSB's subsidiary, ACE will not have hire purchases to other businesses. Therefore, the present value method of this cash flow is not appropriate.

2. Dividend Discount Approach (DDM)

The dividend discount method is a method of valuing the business from the dividends that the entity pays. ACE operates its business by holding shares in another entity (Holding Company) and earns its main income from the dividend income from its investment in TSB be appropriate. Therefore, the Independent Financial Advisor chooses the Dividend Discount Method (DDM) in evaluating the fair value of ACE's business, resulting in the fair value of the business 456.10 – 505.08 million baht.

3.1.5.3 Fair valuation of TSB and its subsidiaries

The IFA has considered the appropriateness of the share price and business value by using the Discounted Cash Flow Approach.

The present value method of cash flow is to calculate the present value of the expected cash flows from the business in the future and adjust them at an appropriate discount rate. In the valuation of the shareholders' equity of the business this time. IFA has prepared financial projections based on key assumptions over a period of 12 years (from April 1, 2022, to March 31, 2034). This is the period during which the TSB expires the first round of business licenses ("license") and renews the license again. In this regard, the request for renewal of the transport operation license shall be submitted to the Department of Land Transport. By considering the discretion of the officer in renewing the transport license The IFA is of the opinion that the first round of transportation license renewal is highly probable given that the vehicle has only been used for 7 years and is still in continuous working condition. Including the relatively high investment value, it will cause TSB to be used as a reason for applying for a transport license renewal. However, after the second round of transportation licenses, IFA is of the opinion that the renewal is uncertain both because of the government's policy and the condition of the service vehicle. Therefore, TSB will not renew the transport license. Therefore, the estimation period is 12 years.

In addition, IFA has analyzed the assumptions obtained from TSB and from interviews with management and relevant staff. As a result, the shareholders' equity (equal to total assets minus total liabilities, which in this case are cash and cash equivalents and working capital) at the end of the second round of transportation licenses is Residual Value because the business ceased due to license renewal uncertainty. Therefore, the IFA does not estimate the continuing operations after such a period. This is not caused by a failure in doing business. Therefore, the business has assets that still have value that can be used as investments to find additional returns. The IFA is based on information from the book From

Innovation to Cash Flows: Value Creation by Structuring High Technology Alliances, which states one of the methods of residual value calculation is book value for banking and financial institutions. However, IFA views that although TSB is not a financial institution, the book value at the end of the projection is positive. Furthermore, TSB is under the indirect management of BYD, which is a financial institution that operates a securities business. Therefore, it is appropriate to set the residual value equal to the book value to appropriately reflect the business value at the end of the estimate period.

However, if the economic and external situations change significantly and affect TSB's operations, as well as the assumptions that determine fair value in this way, the fair value will also change.

The IFA has set important assumptions of TSB's financial projection as follows:

a) Revenue from sale and service

TSB operates in the business of providing public transportation services. Received a license to provide electric bus services (E-Bus) in the Bangkok Metropolitan Region, a total of 7 routes, and provide billboard services mounted on the E-Bus, which at present TSB has provided a total of 7 E-Bus to provide services. Routes totalling 96 E-Bus (the other 2 routes are pending the availability of E-Bus) and TSB plans to invest in 145 additional E-Bus for these 7 routes to be in accordance with the number of vehicles for servicing under the license.

Public transport service income

- Number of passengers

Due to the COVID-19 epidemic situation, public transport services have been affected. As a result, the average number of tickets per buses per day for January through May 2022 is 179 per buses per day.

	Jan – Mar 2022	Apr – Dec 2022F	2024F	2025F	2026F	2027F
Number of trips per buses per day (trip)	7.95	7.95	7.95	7.95	7.95	7.95
Number of tickets per trip (tickets)	23.20	32.53	33.02	33.51	34.02	34.53
Growth rate	N/A	40.00	3.64	3.64	3.64	3.64
Number of tickets per buses per day (tickets)	179	251	251	260	270	280

	2028F	2029F	2030F	2031F	2032F	2033F	2034F
Number of trips per buses per day (trip)	7.95	7.95	7.95	7.95	7.95	7.95	7.95
Number of tickets per trip (tickets)	35.05	35.51	36.10	36.65	37.20	37.75	38.34
Growth rate	3.64	3.64	3.64	3.64	3.64	3.64	3.64

	2028F	2029F	2030F	2031F	2032F	2033F	2034F
Number of tickets per buses per day (tickets)	290	300	311	323	334	346	359

Source: Statistical data of TSB and subsidiaries that the company gathered during Jan. 2022 - May 2022.

From the information of the Bangkok Mass Transit Authority ("BMTA") for the years 2018–2020 (source: <https://bmta.co.th/th/content/annual-report-2020>), it was found that the BMTA's average ticket sales volume is 276–407 tickets per vehicle per day. And from the questionnaire of the management of TSB, it was found that by June 2022, the number of tickets sold had increased significantly. The IFA therefore considers that the growth rate for June–December 2022 should be set at 40.00 percent from the average number of tickets during January–May 2022 at 179 tickets per vehicle per day (IFA considers using average data from January–May 2022 since TSB has just started operations in late 2021 and therefore historical data may not reflect TSB's current operations, therefore chooses data in that period) and from 2023 onwards to have a growth rate of 3.64 percent per year, referring to the growth rate of the number of tickets per buses per day 2013–2019 of the Centre for Information and Communication Technology, Office of the Permanent Secretary, Ministry of Transport (Data source: <https://datagov.go.th>).

	2561	2019	2020
Number of tickets per day (million tickets)	1.050	1.063	0.773
Number of operating buses per day (bus)	2581	2835	2812
Number of tickets per bus per day (tickets)	406.819	374.956	275.048

Source: BMTA

● Fare

Fares for TSB buses are set at 15 Baht, 20 Baht, and 25 Baht, depending on the passenger's travel distance, according to the Department of Land Transport. including discount ticket prices from government welfare. TSB has an average fare per ticket for January–May 2022 equal to 18.92 Baht per ticket, and the IFA has considered adjusting the fares. It was found that the conditions of the transport license There is no set fare hike. However, from the past data on bus fare adjustments, it was found that the Central Land Transport Control Board resolved to adjust the fares last in 2019 and the previous one in 2015, with each increase of approximately 2 Baht for air-conditioned buses of the same type as TSB. Adjust fare rates at the same time for all routes. Therefore, the IFA has set the fare adjustment every 4 years and increases the fare by 2 Baht each time from the average fare per TSB ticket starting in 2023. Due to the situation, With the COVID-19 outbreak, TSB has been granted a relax time to supply the minimum number of E-Bus in accordance with the license. However, the relax time will expire in October 2022. TSB plans to acquire additional E-Bus and will begin accepting E-Bus buses in 2022 to meet the minimum license requirement of 174 vehicles. However, TSB clearly intends to purchase additional E-Bus from that number in the future.

The IFA therefore sets the maximum number of E-Bus available to be 241 vehicles for the remainder of the projection period.

Number of buses	2022F	2023F
Beginning year	96	174
Increase	78	67
Ending year	174	241

Source: Company info

Advertising income

Revenue from billboards mounted on the E Bus the IFA expects the rental rate for advertising space to be 7,700 Baht per month per vehicle. This is a fixed rate that TSB expects to be able to negotiate with out-of-home media providers. It is also the SMB rental rate agreed with the same out-of-home media provider. However, the IFA considers that if TSB procures its customers by itself, it will be able to charge the rental rate at the market price of between 15,000 and 20,000 Baht per month per buses. (Source: Advertising & Sign Producing Association, "ASPA") However, in the case of TSB self-sourcing, there is a chance that the utilization rate will be lower. Service providers' utilization rate in the advertising industry the investigation revealed that out-of-home media providers are targeting an average utilization rate for all media in 2022 of 60 percent. (Source: "Opportunity Day" investor presentation in Q1/2022) as a result, the average monthly income per vehicle of TSB in the case of self-sourcing may be less than 60 percent lower than the market price. revenue generated by billboards mounted on E-Bus IFA expects the rental rate of advertising space to be 92,400 Baht per year per vehicle. This is the rate that TSB expects to be able to negotiate with out-of-home media providers. However, IFA has compared the rental rates of SMB and found that the rental rates are close to those that SMB has agreed with the contractors. One out-of-home media service provider Therefore, the said rate is at an appropriate level.

The revenue from sales and services from the year 2022 – March 31, 2034, are as follows:

Unit: million Baht	2022F	2023F	2024F	2025F	2026F	2027F	2028F
Bus Service Income	148.44	395.98	468.01	484.17	502.05	570.41	592.02
Advertising Income	10.07	19.64	22.27	22.27	22.27	22.27	22.27
Total Revenue	158.51	415.62	490.28	506.43	524.32	592.68	614.28
Number of buses (bus)	174	241	241	241	241	241	241
Number of tickets per buses per day (ticket)	251	251	260	270	280	290	300
Fare price (Baht)	18.92	20.92	20.92	20.92	20.92	22.92	22.92

Source: Estimated information by IFA

Unit: million Baht	2029F	2030F	2031F	2032F	2033F	Jan – Mar 2034F
Bus Service Income	612.00	635.22	715.30	743.28	768.80	196.38
Advertising Income	22.27	22.27	22.27	22.27	22.27	5.57
Total Revenue	634.26	657.48	737.57	765.55	791.07	201.95

Unit: million Baht	2029F	2030F	2031F	2032F	2033F	Jan – Mar 2034F
Number of buses (bus)	241	241	241	241	241	241
Number of tickets per buses per day (ticket)	311	323	334	346	359	372
Fare price (Baht)	22.92	22.92	24.92	24.92	24.92	24.92

Source: Estimated information by IFA

b) Cost of sales and service (Exclude depreciation and amortization)

The cost of sales and services consists of energy costs for charging electricity, buses maintenance, The driver's and receptionist's fees, Fee for parking space rental, Parking attendant, costs insurance premiums, buses taxes, the cost of parking garages, etc.

The IFA has set the assumptions on cost of sales and services as follows:

Energy costs for charging electricity

The cost of charging energy is determined by the energy consumption rate of the E-Bus and the charging service rate. The energy consumption rate of the E-Bus is calculated from the average distance per buses per lap and the energy consumption per kilometres. The IFA is based on licensed distances, and from TSB's January-May 2022 data, the average distance per trip is 30 kilometres. and has an average energy consumption rate of 0.7 kilowatt-hours per kilometres. At the same time, the IFA considers the charging rates from the service agreements of the charging service providers and the energy cost data from January to May 2022. Therefore, the charge rate is set at 5 Baht per kilowatt-hour. The IFA considers the growth of energy prices indicates that prices have a chance to rise. However, when TSB has an increase in the number of E-Bus, it will have to use more electricity. TSB will pay a lower rate according to the terms of the service contract. Therefore, the IFA has determined that the charging service fee is 5 Baht per kilowatt-hour throughout the projection period.

Buses maintenance costs

TSB maintains the E-Bus by outsourcing service providers. Both the coolant changes for the battery cooling system and mileage buses maintenance changing tires, maintenance of batteries and electrical systems in the buses, etc. The IFA therefore estimates the cost of maintenance for TSB's vehicles at 300 Baht per buses per day based on the quotation. and because there is no condition to increase the service fee. Therefore, the IFA determines that the rate is fixed throughout the projection period.

The driver's and receptionist's fees

Driver and receptionist expenses in the first quarter of 2022 were 10.56 million Baht, with 144 drivers and 139 receptionists. The number of staff is based on data from the first quarter of 2022 that best reflects current TSB operations. TSB's employee compensation policy assumes to increase the number of drivers and reception staff as the number of E-Bus increases and to set a growth rate of 3 percent per year, based on TSB's employee compensation policy. In addition, TSB plans to implement an electronic ticketing

system (E-Ticket) and is expected to be fully operational in 2024, because of which TSB will terminate its reception staff. since that period.

The cost of renting a parking space

The IFA estimates the cost of renting the garage space as specified in the actual land lease agreement. All land lease agreements are for a period of 7 years. IFA expects that TSB will be able to renew the land lease immediately upon the expiration of the contract. by specifying that the rental growth rate of the parking garage space is equal to 10.00 percent per year, referring to the rental increase rate as stipulated in the land lease agreement. The number of garages is sufficient for the service line, and there is enough space even if there will be more buses in the future.

Parking attendant costs

Parking garage employee expenses consist of salary, provident fund, welfare, etc. TSB has parking garage employee expenses in the first quarter of 2022 equal to 2.87 million Baht or 11.48 million Baht for 2022, which is a full-year adjustment from garage staff expenses for the first quarter of 2022 and sets the growth rate of garage staff expenses at 3.00 percent to comply with the policy of the TSB for the duration of the projection.

The cost of insurance premiums and taxes

IFA estimates the cost of insurance premiums and tax per registration by referring to TSB's insurance and tax policies equal to 2,069 Baht per buses per month and 1,650 Baht per buses per year, respectively. The IFA considers that the current economic situation tends to increase inflation by 2.50 percent from the 2022 premium, referring to the Bank of Thailand's 2023 headline inflation projection for 2023, as the IFA considers that the high oil price factor. From 2024 onwards, the premium growth rate is set at 1.48 percent per year, based on the compounded annual growth rate (CAGR) of headline inflation for 2007–2021 to reflect long-term growth. and the IFA predicts that various factors that affect inflation will adjust to normal after 2023.

Parking garage costs

Parking garage costs include utilities. cost of consumables and ticket printing costs, etc. The parking garage expenses for the first quarter of 2022 are 1.66 million Baht. The IFA therefore determines the parking garage expenses for the year 2022 ng garage expenses for the first quarter of 2022 are 1.66 million Baht. The IFA therefore determines the parking garage expenses for the year 2022 to be 6.64 million Baht, which is a full-year adjustment from expenses. Parking garages for the first quarter of 2022 and 2023 are set to grow at 2.50 percent from the estimated 2022 parking garage costs based on the Bank of Thailand's 2023 headline inflation projection for 2023. Independent Finance considers that the current economic climate tends to increase inflation because of rising oil prices, and from 2024 onward it is projected to grow at 1.48 percent per year, based on compounded annual growth. The IFA predicts that various factors that influence inflation will adjust to normal after 2023.

The cost of sales and services is estimated from the year 2022–March 31, 2034, as follows:

Unit: million Baht	2022F	2023F	2024F	2025F	2026F	2027F	2028F
Sales and service costs (net of depreciation and amortization)	216.51	437.04	433.81	436.37	438.69	438.77	403.29
Proportion to Sale (%)	136.59	105.15	88.48	86.17	83.67	74.03	65.65

Unit: million Baht	2029F	2030F	2031F	2032F	2033F	Jan – Mar 2034F
Sales and service costs (net of depreciation and amortization)	392.75	315.94	299.03	302.04	293.42	61.01
Proportion to Sale (%)	61.92	48.05	40.54	39.45	37.09	30.21

Source: Estimated information by IFA

c) Selling and administrative expenses (Exclude depreciation and amortization)

Major selling and administrative expenses include salaries and office employee benefits, utility bills, office supplies, travel expenses, other fees, etc. The IFA has set assumptions for estimating selling and administrative expenses as follows:

Expenses related to head office staff

Expenses for head office employees consist of salaries, provident funds, welfare, etc. As a result, the IFA estimates the cost of parking garages for 2022 to be 19.16 million Baht, a full-year adjustment from parking garage expenses for the first quarter of 2022, for which TSB believes the number of employees is sufficient for future management. Therefore, there is no plan to increase the number of employees. The IFA has set the rate of increase of expenses for head office staff since 2023 at 3.00 percent per year, referring to TSB's employee compensation policy.

Marketing expenses

Marketing expenses for the first quarter of 2022 were 0.06 million Baht, or 1.10 percent of public transport service income. Based on the estimated expenses from TSB's management, IFA therefore determines marketing expenses for the years 2023 onwards in proportion to public transport service income equal to 1.10 percent of public transport service income.

Fixed expenses

Fixed expenses consist of rent, utilities, telephone expenses, office equipment, audit fees, travel expenses, insurance premiums, and other expenses, etc. TSB has fixed expenses of 1.92 million Baht for the first quarter of 2022. The IFA therefore determines fixed expenses for the year 2022 to be equal to 7.68 million Baht per year, which is a full-year adjustment from Fixed expenses for the first quarter of 2022 and 2023 are set to grow at 2.50 percent from the projection of fixed expenses in 2022, referring to the Bank of Thailand's 2023 headline inflation projection for 2023. According to IFA, the current economic climate tends to increase inflation due to rising oil prices, and the growth rate is set at 1.48 percent per year beginning in 2024, based on a non-linear annual growth rate. The Compound (CAGR) of headline inflation for 2007–2021

to reflect long-term growth and the IFA predicts that various factors that affect inflation will adjust to normal after 2023.

Office rental fee

Office rental fees consist of building rental fees, cleaning fees, and other expenses. TSB has signed a one-year lease agreement with a monthly rental rate of 5,000 Baht. The IFA determines the growth rate of 10.00 percent per 3 years to be consistent with the land lease agreement that TSB has leased to the individual. outside for a parking garage

Selling and administrative expenses (excluding depreciation and amortization) in the years 2022 – 31 March 2034 can be summarized as follows:

Unit: million Baht	2022F	2023F	2024F	2025F	2026F	2027F	2028F
Selling and administrative expenses (after depreciation and amortization)	28.53	32.01	33.51	34.42	35.37	36.89	37.92
Growth (%)	N/A	12.21	4.68	2.72	2.74	4.29	2.80

Unit: million Baht	2029F	2030F	2031F	2032F	2033F	Jan - Mar 2034F
Selling and administrative expenses (after depreciation and amortization)	38.95	39.33	41.05	42.22	43.38	11.12
Growth (%)	2.72	0.98	4.38	2.84	2.75	-74.37

Source: Estimated information by IFA

d) Depreciation and Amortisation

Depreciation and amortization consist of depreciation expenses such as buses, batteries, buses repair stations, ticket systems, and property, plant, equipment, etc., based on estimates by the accounting department in accordance with accounting policies that are depreciated on a straight-line basis over time.

EV Buses	7	Years
Battery	7	Years
Terminal	20	Years
Single Tickets System	5	Years
Property and land	3 -5	Years

e) Capital Expenditure

TSB plans to invest in an electronic ticketing system (E-Ticket) worth 200.00 million Baht in 2022 and plans to invest in E-Bus in 2022 will invest in a total of 78 buses at 5.80 million Baht, or 452.40 million Baht each. In 2023, an investment of 67 buses at 5.80 million Baht per vehicle amounts to 388.60 million Baht. In addition, there will be an investment of 0.80 million Baht per battery replacement in 2028, 2029, and 2030 at 89.60 million Baht, 62.40 million Baht, and 53.60 million Baht, respectively.

f) Corporate Income Tax

During the forecast period, the corporate income tax rate has been 20 percent of profit before tax.

g) Working Capital

The financial advisor estimates the average collection period and average repayment period. estimated from TSB's financial data for the first quarter of 2022 to reflect TSB's current performance.

Account Receivable	Average	23	Days
Account Payable	Average	67	Days

h) Financial Cost

The company plans to borrow during the years 2022–2023 for a down payment of 0.50 million Baht per vehicle. According to the plan to invest in buying a buses during the years 2022–2023 and negotiate with partners to prepare a financial lease contract with a lease term of 7 years, ticketing system and garage The interest rate is 7.00 percent per year, referring to the borrowing rate from the loan agreement.

Financial projections from April 2022 - March 2034 are as follows:

Unit: million Baht	2019	2020	2021	Jan - Mar 2022	2022F	2023F	2024F	2025F	2026F
Sale and Service Revenue	102.88	74.02	40.21	22.70	158.51	415.62	490.28	506.43	524.32
Cost of Sale and Service	95.14	59.28	53.45	43.72	216.51	437.04	433.81	436.37	438.69
Selling and Administration expenses	14.94	57.77	55.89	6.93	28.53	32.01	33.51	34.42	35.37
Operating income (loss)	(11.32)	(52.95)	(72.92)	0.19	(86.53)	(53.43)	22.96	35.64	50.26
Interest	0.7	0.78	11.3	12.29	47.40	78.08	77.03	64.15	50.31
Earning before tax	(9.97)	(45.28)	(80.42)	(12.10)	(133.93)	(131.51)	(54.06)	(28.51)	(0.05)
Tax	0.06	0.12	-	-	-	-	-	-	-
Net Income	(10.03)	(45.4)	(80.42)	(12.10)	(133.93)	(131.51)	(54.06)	(28.51)	(0.05)

Unit: million Baht	2027F	2028F	2029F	2030F	2031F	2032F	2033F	Jan – Mar 2034F
Sale and Service Revenue	592.68	614.28	634.26	657.48	737.57	765.55	791.07	201.95
Cost of Sale and Service	438.77	403.29	392.75	315.94	299.03	302.04	293.42	61.01
Selling and Administration expenses	36.89	37.92	38.95	39.33	41.05	42.22	43.38	11.12
Operating income (loss)	117.02	173.08	202.56	302.21	397.49	421.29	454.27	129.82
Interest	35.43	19.47	6.16	0.63	-	-	-	-
Earning before tax	81.59	153.60	196.40	301.58	397.49	421.29	454.27	129.82

Unit: million Baht	2027F	2028F	2029F	2030F	2031F	2032F	2033F	Jan – Mar 2034F
Tax	16.32	30.72	39.28	60.32	79.50	84.26	90.85	25.96
Net Income	65.27	122.88	157.12	241.26	317.99	337.03	363.42	103.86

Source : Data for 2019-2021 are from BOL; data for January-March 2022 are from the company's budget; data for 2022F-2034F are estimates made by IFA.

i) Residual Value

TSB value at the end of the projection period There will be cash flows from cash balances and asset disposals equal to the residual book value minus liabilities. Due to the expiration of the license, the company no longer needs to keep the assets for its operations. In addition, there is no policy to change investments in the future. Therefore, IFA has determined that the residual value is equal to the shareholders' equity. The IFA has an opinion as stated in Clause 3.1.5.3.

j) Discount Rate

The IFA uses the Weighted Average Cost of Capital (WACC) as the discount rate to calculate the present value of the cash flows. Due to the capital structure of the mass transit business consisting of equity capital and interest-bearing loans and liabilities, WACC is calculated from the weighted average cost of debt (Kd) and cost of equity interest (Ke) as follows:

$$WACC = Ke \times E/(D+E) + Kd \times (1-T) \times D/(D+E)$$

Where as

Ke = Cost of capital from equity equal to 10.95 percent

Kd = Cost of liabilities, which are mostly leased liabilities, carries an interest rate of 7.42 percent per year.

T = Corporate income tax rate equal to 20.00 percent

D/E = The average interest-bearing liabilities/total shareholders' equity as of March 31, 2022 of TSB is equal to 0.98 times as detailed(D = 804.06 million Baht and E = 824.29 million Baht)

Including the IFA determines the value of Ke using the Capital Asset Pricing Model (CAPM) principle, which has the formula for calculating Ke as follows:

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

Where as

Rf = Risk-free rate of return, an IFA based on The yield of 15-year government bonds as of March 31, 2022 is 3.07 percent per year, which is similar to the period of business operation (Source: www.thaibma.or.th).

Beta (β) = 1.18 times is the coefficient The variance of price changes compared to the SET Index (SET Index), the IFA therefore calculates the Beta value by comparing it with the Beta value of the companies listed on the Stock Exchange. There are 2 companies in the mass

transit business sector, that is EA and ATP30 (The list of listed companies used for comparison for calculating Beta values and methods for calculating Beta values is referred to in Appendix 26) The IFA applied the Unlevered Beta value back to 1 year from April 1, 2021, to March 31, 2022, to calculate the average Unlevered. Beta and adjusted with TSB's interest-bearing debt to equity ratio as of March 31, 2022, which IFA views that the ratio reflects the future equity structure under TSB's management.

R_m = Average return on investment in the Stock Exchange of Thailand for the past 15 years to March 31, 2022, which is 9.73 percent per year (Source: SETSMART and IFA's calculation) which the IFA considers that is the period that reflects the economic cycle and corresponds to the forecast period.

The calculation for K_e is shown in the table below for the cost of equity financing as follows:

Variable	Ratio
Risk free rate (R_f)	3.07 %
Risk Premium ($R_m - R_f$)	9.73 % - 3.07 %
Beta (β)	1.18
Cost of Equity (K_e) from CAPM	10.95 %

Based on the calculated K_e value, IFA is of the opinion that the value can reflect liquidity risk as it is not a listed company.

The WACC calculation is shown in the Weighted Average Cost of Finance (WACC) table below

Variable	Ratio
D/E	0.98
1-T	80.00 %
Cost of Debt (K_d)	7.42 %
Cost of Equity (K_e)	10.95 %
WACC	8.48 %

From the assumptions given above the cash flow and fair value of TSB can be calculated as follows:

Unit: million Baht	Apr - Dec 2022F	2023F	2024F	2025F	2026F	2027F	2028F
NOPAT	(86.72)	(53.43)	22.96	35.64	50.26	100.70	142.35
+ depreciation	96.52	222.35	245.90	245.90	245.90	243.59	204.74
- investment	(697.15)	(388.60)	-	-	-	-	(89.60)
+/- change in working capital	395.12	55.02	2.77	1.09	3.62	0.51	(6.03)
Free Cash Flow to Firm	(292.23)	(164.66)	271.63	282.63	299.78	344.81	251.46
Present Value of Cashflow	(274.93)	(142.80)	217.15	208.28	203.65	215.93	145.16

Unit: million Baht	2029F	2030F	2031F	2032F	2033F	Jan - Mar 2034F
NOPAT	163.28	241.90	317.99	337.03	363.42	103.86
+ depreciation	191.95	112.55	92.25	92.25	92.98	7.34
- investment	(62.40)	(53.60)	-	-	-	5.94
+/- change in working capital	(1.28)	(10.91)	(2.58)	1.25	(1.21)	(97.36)
Free Cash Flow to Firm	291.56	289.93	407.66	430.53	455.19	19.78
Residual Value ²⁸						2,241.62
Present Value of Cashflow	155.15	142.23	184.35	179.47	174.92	7.45
Present value of Residual Value						844.05
Total Present Value						2,260.07

	(million Baht)
Total Present Value	2,260.07
Add: Cash and equivalent on 31 March 2022	24.79
Minus: Interest Bearing debt on 31 March 2022	695.92
Fair Value on 31 March 2022	1,588.93

From the fair value valuation by the DCF method, the fair value of TSB as at March 31, 2022 is equal to 1,588.93 million Baht.

In addition, the IFA has conducted a sensitivity analysis of the stock value. IFA therefore determines the appropriate volatility range by adjusting the value of the Discounted Rate (WACC) or WACC since the change in the Discounted Rate has a significant effect on the change in the fair value appraised. The results of the sensitivity analysis are detailed below.

(Discounted Rate) or WACC (%)	7.98	8.48	8.98
Fair Value (million Baht)	1,695.62	1,588.93	1,487.57

The results of the sensitivity analysis By changing the discount rate, the value of TSB's shares is between 1,487.57 and 1,695.62 million Baht.

The present value of net cash flows is a method that considers TSB's future business performance and profitability. It is an estimation based on the present value of the expected future net cash flows. By referring to past operations as well as considering the trend of future operations Therefore, it can reflect the real value better than other valuation methods. The IFA is of the opinion that the present value approach to net cash flow is appropriate for this valuation.

3.1.5.4 Fair valuation of STM

²⁸ Residual Value equals to equity at the end of the forecast period or total assets minus total liabilities. In this case is cash and cash equivalents and working capital

The IFA has considered the appropriateness of the share price and business value by using the Discounted Cash Flow Approach.

The present value method of cash flow is to calculate the present value of the expected cash flows from the business in the future and adjust them at an appropriate discount rate. In the valuation of the shareholders' equity of the business this time, IFA has prepared financial projections based on key assumptions over a period of 12 years (from April 1, 2022, to March 31, 2034). This is the period during which the STM expires the first round of business licenses ("license") and renews the license again. In this regard, the request for renewal of the transport operation license shall be submitted to the Department of Land Transport. By considering the discretion of the officer in renewing the transport license, the IFA is of the opinion that the first round of transportation license renewal is highly probable given that the vehicle has only been used for 7 years and is still in continuous working condition. Including the relatively high investment value, it will cause STM to be used as a reason for applying for a transport license renewal. However, after the second round of transportation licenses, IFA is of the opinion that the renewal is uncertain both because of the government's policy and the condition of the service vehicle. Therefore, STM will not renew the transport license. Therefore, the estimation period is 12 years.

In addition, IFA has analyzed the assumptions obtained from STM and from interviews with management and relevant staff. As a result, the shareholders' equity (equal to total assets minus total liabilities, which in this case are cash and cash equivalents and working capital) at the end of the second round of transportation licenses is Residual Value because the business ceased due to license renewal uncertainty. Therefore, the IFA does not estimate the continuing operations after such a period. This is not caused by a failure in doing business. Therefore, the business has assets that still have value that can be used as investments to find additional returns. The IFA is based on information from the book *From Innovation to Cash Flows: Value Creation by Structuring High Technology Alliances*, which states one of the methods of residual value calculation is book value for banking and financial institutions. However, IFA views that although STM is not a financial institution, the book value at the end of the projection is positive. Furthermore, STM is under the indirect management of BYD, a financial institution that operates a securities business. Therefore, it is appropriate to set the residual value equal to the book value to appropriately reflect the business value at the end of the estimate period.

However, if the economic and external situations change significantly and affect STM's operations, as well as the assumptions that determine fair value in this way, the fair value will also change.

The IFA has set important assumptions of STM's financial projection as follows:

a) Revenue from sale and service

STM operates a mass transit service and a billboard service that is mounted on one bus line.

Due to the company's mass transit business started during the time that Thailand was affected by the COVID-19 epidemic situation, and still not widely known, the average number of tickets per bus per day stood at 182.39 tickets from historical data from January 2022 to May 2022.

	Jan – May 2022	Jun - Dec 2022F	2023F	2024F	2025F	2026F	2027F
Number of trips per buses per day (trip)	5.76	7.73	7.73	7.73	7.73	7.73	7.73
Number of tickets per trip (tickets)	23.20	32.48	32.48	33.66	34.89	36.16	37.47
Growth rate	N/A	40.00	-	3.64	3.64	3.64	3.64
Number of tickets per buses per day (tickets)	219.00	306.00	306.00	318.00	329.00	341.00	354.00

	2028F	2029F	2030F	2031F	2032F	2033F	2034F
Number of trips per buses per day (trip)	7.73	7.73	7.73	7.73	7.73	7.73	7.73
Number of tickets per trip (tickets)	38.84	40.25	41.72	43.24	44.81	46.44	48.13
Growth rate	3.64	3.64	3.64	3.64	3.64	3.64	3.64
Number of tickets per buses per day (tickets)	366.00	380.00	394.00	408.00	423.00	438.00	454.00

Source: Statistical data of 1 route that the company gathered during Jan. 2022 - May 2022.

The company statistical data is less if compared to the statistical data of the public transport organization. Including inquiries from STM management in June 2022, the number of tickets received per vehicle per day has increased significantly. Therefore, the IFA gives a growth rate of 40.00 percent as of June 2022 and does not give a growth rate in 2023 due to the relatively high growth at the end of the year. and then, after 2023, to grow at a constant rate of 3.64 percent per year thereafter. Based on the growth rate of the number of road passengers, 2013–2019, compiled by the MOT DATA Catalog

	2561	2019	2020
Number of tickets per day (million tickets)	1.050	1.063	0.773
Number of operating buses per day (bus)	2581	2835	2812
Number of tickets per bus per day (tickets)	406.819	374.956	275.048

Source: BMTA

In addition to the average number of tickets per trip, from statistical data, it was found that the average price per ticket was 18.92 Baht per ticket. And from past data, it was found that the Ministry of Transport adjusted the fare rate every 4 years, the last time in 2019 and the previous time in 2015. The increase was about 2 Baht each time. Therefore, the consultant team assumed to adjust the fare every 4 years and adjust the fare by 2 Baht per time. Nowadays, the company's number of buses has not yet reached the mandatory minimum that STM plans to receive in 2022 to reach the minimum required in the concession. and plans to receive them after 2022 to reach 48 vehicles on the current route.

Number of buses	2022F	2023F
Beginning year	16	34
Increase	18	14

Number of buses	2022F	2023F
Ending year	34	48

Source: Company Information

- **Advertising Income**

Revenue from billboards mounted on the E-Bus IFA expects the rental rate of advertising space to be 7,700 Baht per month per vehicle. This is a fixed rate that STM expects to be able to negotiate with out-of-home media providers. It is the SMB rental rate agreed with the same out-of-home media provider. However, the IFA considers that if EXA procures its customers by itself, it will be able to charge the rental rate at the market price of between 15,000 and 20,000 Baht per month per buses. (Source: Signage and Advertising Association, "ASPA") However, in the case of STM self-sourcing, there is a chance that the utilization rate will be lower. Service providers' utilization rate in the advertising industry According to the investigation, out-of-home media providers are aiming for a 60 percent average utilization rate for all media in 2022. (Source: "Opportunity Day" investor presentation in Q1/2022) as a result, there is a chance that the average monthly income per STM vehicle in the case of self-sourcing will be less than 60 percent of the market price. Therefore, the said rate is at an appropriate level.

The revenue from sales and services from the year 2022 – March 31, 2034, are as follows:

Unit: million Baht	2022F	2023F	2024F	2025F	2026F	2027F	2028F
Bus Service Income	34.90	105.66	118.63	122.39	126.86	144.10	149.39
Advertising Income	1.76	4.11	4.44	4.44	4.44	4.44	4.44
Total Revenue	36.66	109.77	123.06	126.83	131.29	148.53	153.83
Number of buses (bus)	34	48	48	48	48	48	48
Number of tickets per buses per day (ticket)	306	306	318	329	341	354	366
Fare price (Baht)	18.92	20.92	20.92	20.92	20.92	22.92	22.92

Unit: million Baht	2029F	2030F	2031F	2032F	2033F	Jan – Mar 2034F
Bus Service Income	154.68	160.38	180.38	187.52	193.64	49.49
Advertising Income	4.44	4.44	4.44	4.44	4.44	1.11
Total Revenue	159.12	164.82	184.81	191.95	198.07	50.60
Number of buses (bus)	48	48	48	48	48	48
Number of tickets per buses per day (ticket)	380	394	408	423	438	454
Fare price (Baht)	22.92	22.92	24.92	24.92	24.92	24.92

Source: Estimated information by IFA

b) Cost of sales and service (Exclude depreciation and amortization)

The cost of sales and services consists of energy costs for charging electricity, buses maintenance, The driver's and receptionist's fees, Fee for parking space rental, Parking attendant, costs insurance premiums, buses taxes, the cost of parking garages, etc.

The IFA has set the assumptions on cost of sales and services as follows:

Energy costs for charging electricity

The cost of charging energy is determined by the energy consumption rate of the E-Bus and the charging service rate. The energy consumption rate of the E-Bus is calculated from the average distance per buses per lap and the energy consumption per kilometres. The IFA is based on licensed distances, and from STM's January-May 2022 data, the average distance per trip is 44 kilometres. and has an average energy consumption rate of 0.7 kilowatt-hours per kilometres. At the same time, the IFA considers the charging rates from the service agreements of the charging service providers and the energy cost data from January to May 2022. Therefore, the charge rate is set at 5 Baht per kilowatt-hour. The IFA considers the growth of energy prices indicates that prices have a chance to rise. However, when STM has an increase in the number of E-Bus, it will have to use more electricity. STM will pay a lower rate according to the terms of the service contract. Therefore, the IFA has determined that the charging service fee is 5 Baht per kilowatt-hour throughout the projection period.

Buses maintenance costs

STM maintains the E-Bus by outsourcing service providers. Both the coolant changes for the battery cooling system and mileage buses maintenance changing tires, maintenance of batteries and electrical systems in the buses, etc. The IFA therefore estimates the cost of maintenance for STM's vehicles at 300 Baht per buses per day based on the quotation. and because there is no condition to increase the service fee. Therefore, the IFA determines that the rate is fixed throughout the projection period.

The driver's and receptionist's fees

Driver and receptionist expenses in the first quarter of 2022 were 10.56 million Baht, with 144 drivers and 139 receptionists. The number of staff is based on data from the first quarter of 2022 that best reflects current STM operations. STM's employee compensation policy allows us to increase the number of drivers and reception staff as the number of E-Bus increases and to set a growth rate of 3.00 percent per year, based on STM's employee compensation policy. In addition, STM plans to implement an electronic ticketing system (E-Ticket) and is expected to be fully operational in 2024, because of which STM will terminate its reception staff. since that period.

The cost of renting a parking space

The IFA estimates the cost of renting the garage space as specified in the actual land lease agreement. All land lease agreements are for a period of 7 years. IFA expects that STM will be able to renew the land lease immediately upon the expiration of the contract. by specifying that the rental growth

rate of the parking garage space is equal to 10.00 percent per year, referring to the rental increase rate as stipulated in the land lease agreement. The number of garages is sufficient for the service line, and there is enough space even if there will be more buses in the future.

Parking attendant costs

Parking garage employee expenses consist of salary, provident fund, welfare, etc. STM has parking garage employee expenses in the first quarter of 2022 equal to 2.87 million Baht or 11.48 million Baht for 2022, which is a full-year adjustment from garage staff expenses for the first quarter of 2022 and sets the growth rate of garage staff expenses at 3.00 percent to comply with the policy of the TSB for the duration of the projection.

The cost of insurance premiums and taxes

IFA estimates the cost of insurance premiums and tax per registration by referring to STM's insurance and tax policies equal to 2,069 Baht per buses per month and 1,650 Baht per buses per year, respectively. The IFA considers that the current economic situation tends to increase inflation by 2.50 percent from the 2022 premium, referring to the Bank of Thailand's 2023 headline inflation projection for 2023, as the IFA considers that the high oil price factor. From 2024 onwards, the premium growth rate is set at 1.48 percent per year, based on the compounded annual growth rate (CAGR) of headline inflation for 2007–2021 to reflect long-term growth. and the IFA predicts that various factors will affect the adjustment of inflation to normal after 2023.

Parking garage costs

Parking garage costs include utilities, cost of consumables and ticket printing costs, etc. The parking garage expenses for the first quarter of 2022 are 1.66 million Baht. The IFA therefore determines the parking garage expenses for the year 2022 ng garage expenses for the first quarter of 2022 are 1.66 million Baht. The IFA therefore determines the parking garage expenses for the year 2022 to be 6.64 million Baht, which is a full-year adjustment from expenses. Parking garages for the first quarter of 2022 and 2023 are set to grow at 2.50 percent from the estimated 2022 parking garage costs based on the Bank of Thailand's 2023 headline inflation projection for 2023. Independent Finance considers that the current economic climate tends to increase inflation because of rising oil prices, and from 2024 onward it is projected to grow at 1.48 percent per year, based on compounded annual growth. The IFA predicts that various factors that influence inflation will adjust to normal after 2023.

The cost of sales and services is estimated from the year 2022–March 31, 2034, as follows:

Unit: million Baht	2022F	2023F	2024F	2025F	2026F	2027F	2028F
Sales and service costs (net of depreciation and amortization)	24.35	51.50	41.66	42.23	42.79	43.37	44.11
Proportion to Sale (%)	66.41	46.91	33.85	33.29	32.59	29.20	28.67

Unit: million Baht	2029F	2030F	2031F	2032F	2033F	Jan – Mar 2034F
Sales and service costs (net of depreciation and amortization)	44.67	45.30	46.04	46.77	47.40	15.99
Proportion to Sale (%)	28.07	27.49	24.91	24.36	23.93	31.61

Source: Estimated information by IFA

c) Depreciation and Amortisation

Depreciation and amortization consist of depreciation expenses such as buses, batteries, buses repair stations, ticket systems, and property, plant, equipment, etc., based on estimates by the accounting department in accordance with accounting policies that are depreciated on a straight-line basis over time.

EV Buses	7	Years
Battery	7	Years
Terminal	20	Years
Single Tickets System	5	Years
Property and land	3 -5	Years

d) Capital Expenditure

STM has a plan to invest in E-Bus in 2022 and will invest a total of 18 buses at 5.80 million Baht, or 104.40 million Baht in 2023, and 14 buses at 5.80 million Baht, or 81.20 million Baht in 2023. This will be an investment to replace the battery for 0.80 million Baht per buses in 2029 and 2030 at the amounts of 14.40 million Baht and 11.20 million Baht, respectively.

e) Corporate Income Tax

During the forecast period, the corporate income tax rate has been 20 percent of profit before tax.

f) Working Capital

The financial advisor estimates the average collection period and average repayment period. estimated from STM's financial data for the first quarter of 2022 to reflect TSB's current performance.

Account Receivable	Average	0	Days
Account Payable	Average	27	Days

g) Financial Cost

The company needs to borrow money of 104.40 million Baht in 2022 to increase the number of E-Bus vehicles to the minimum specified in the license and of 81.20 million Baht in 2023 to increase the number of E-Bus vehicles according to the action plan. The loan term is not more than 7 years, and the interest rate is calculated based on the interest rate of the prime large customers. The type of term loan of Bangkok Bank Public Company Limited (Minimum Loan Rate: MLR) + no more than 1.50 percent. The total interest rate will not exceed 7.00 percent per year.

Financial projections from April 2022 - March 2034 are as follows:

Unit: million Baht	2019	2020	2021	Jan - Mar 2022	2022F	2023F	2024F	2025F	2026F
Sale and Service Revenue	11.63	28.80	13.61	4.76	36.66	109.77	123.06	126.83	131.29
Cost of Sale and Service	9.97	10.63	12.51	38.16	42.65	90.78	83.76	84.33	84.90
Selling and Administration expenses	0.97	28.33	1.36	-	-	-	-	-	-
Operating income (loss)	0.69	(31.18)	(0.26)	(32.13)	(5.99)	18.99	39.30	42.50	46.40
Interest	-	-	1.78	14.33	7.81	16.08	15.10	12.61	9.94
Earning before tax	0.69	(10.16)	0.69	(46.45)	(13.80)	2.91	24.20	29.89	36.46
Tax	0.11	3.36	-	-	-	0.58	4.84	5.98	7.29
Net Income	0.57	(13.52)	(2.04)	(46.45)	(13.80)	2.33	19.36	23.91	29.17

Unit: million Baht	2027F	2028F	2029F	2030F	2031F	2032F	2033F	Jan - Mar 2034F
Sale and Service Revenue	148.53	153.83	159.12	164.82	184.81	191.95	198.07	50.60
Cost of Sale and Service	43.37	44.11	44.67	45.30	46.04	46.77	47.40	15.99
Selling and Administration expenses	-	-	-	-	-	-	-	-
Operating income (loss)	63.10	70.20	90.31	113.58	135.34	141.76	147.24	33.75
Interest	7.06	3.98	1.23	0.05	-	-	-	-
Earning before tax	56.04	66.22	89.07	113.53	135.34	141.76	147.24	33.75
Tax	11.21	13.24	17.81	22.71	27.07	28.35	29.45	6.75
Net Income	44.83	52.97	71.26	90.82	108.27	113.41	117.79	27.00

Source : Data for 2019-2021 are from BOL; data for January-March 2022 are from the company's budget; data for 2022F-2034F are estimates made by IFAs.

h) Residual Value

STM value at the end of the projection period There will be cash flows from cash balances and asset disposals equal to the residual book value minus liabilities. Due to the expiration of the license, the company no longer needs to keep the assets for its operations. In addition, there is no policy to change investments in the future. Therefore, IFA has determined that the residual value is equal to the shareholders' equity. The IFA has an opinion as stated in Clause 3.1.5.4.

i) Discount Rate

The IFA uses the Weighted Average Cost of Capital (WACC) as the discount rate to calculate the present value of the cash flows. Due to the capital structure of the mass transit business consisting of equity

capital and interest-bearing loans and liabilities, WACC is calculated from the weighted average cost of debt (Kd) and cost of equity interest (Ke) as follows:

$$WACC = Ke \times E/(D+E) + Kd \times (1-T) \times D/(D+E)$$

where as

- Ke = Cost of capital from equity equal to 10.95 percent
- Kd = Cost of liabilities, which are mostly leased liabilities, carries an interest rate of 7.42 percent per year.
- T = Corporate income tax rate equal to 20.00 percent
- D/E = The interest-bearing liabilities/total shareholders' equity is equal to 0.98 times, which the IFA has considered the financial information of STM as of March 31, 2022, is unable to find value. Because of its negative equity, the interest-bearing debt/equity ratio of TSB, an associate and holding in the same business group as STM.

Including the IFA determines the value of Ke using the Capital Asset Pricing Model (CAPM) principle, which has the formula for calculating Ke as follows:

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

where as

- Rf = Risk-free rate of return, an IFA based on The yield of 15-year government bonds as of March 31, 2022 is 3.07 percent per year, which is similar to the period of business operation (Source: www.thaibma.or.th).
- Beta (β) = 1.18 times is the coefficient The variance of price changes compared to the SET Index (SET Index), the IFA therefore calculates the Beta value by comparing it with the Beta value of the companies listed on the Stock Exchange. There are 2 companies in the mass transit business sector, that is EA and ATP30 (the list of listed companies used for comparison for calculating Beta values and methods for calculating Beta values is referred to in Appendix 26). The IFA applied the Unlevered Beta value back to 1 year from April 1, 2021, to March 31, 2022, to calculate the average Unlevered. Beta and adjusted with TSB's interest-bearing debt to equity ratio as of March 31, 2022, which IFA views that the ratio reflects the future equity structure under TSB's management.
- Rm = Average return on investment in the Stock Exchange of Thailand for the past 15 years to March 31, 2022, which is 9.73 percent per year (Source: SETSMART and IFA's calculation) which the IFA considers that is the period that reflects the economic cycle and corresponds to the forecast period.

The calculation for Ke is shown in the table below for the cost of equity financing as follows:

Variable	Ratio
Risk free rate (Rf)	3.07 %

Risk Premium ($R_m - R_f$)	9.73 % - 3.07 %
Beta (β)	1.18
Cost of Equity (K_e) from CAPM	10.95 %

The WACC calculation is shown in the Weighted Average Cost of Finance (WACC) table below

Variable	Ratio
D/E	0.98
1-T	80.00 %
Cost of Debt (K_d)	7.42 %
Cost of Equity (K_e)	10.95 %
WACC	8.48 %

From the assumptions given above the cash flow and fair value of STM can be calculated as follows:

Unit: million Baht	Apr – Dec 2022F	2023F	2024F	2025F	2026F	2027F	2028F
NOPAT	26.14	18.41	34.46	36.52	39.10	51.89	56.95
+ depreciation	16.98	39.28	42.10	42.10	42.10	42.06	39.52
- investment	(104.74)	(81.20)	-	-	-	-	-
+/- change in working capital	(8.08)	4.00	(0.61)	0.05	0.05	0.05	(0.14)
Free Cash Flow to Firm	(69.71)	(19.50)	75.95	78.67	81.26	94.00	96.33
Present Value of Cashflow	(65.58)	(16.91)	60.72	57.98	55.20	58.87	55.61

Unit: million Baht	2029F	2030F	2031F	2032F	2033F	Jan - Mar. 2034F
NOPAT	72.49	90.88	108.27	113.41	117.79	27.00
+ depreciation	24.14	5.93	3.43	3.43	3.43	0.86
- investment	(14.40)	(11.20)	-	-	-	-
+/- change in working capital	(1.20)	(1.43)	(0.13)	0.06	0.06	(5.75)
Free Cash Flow to Firm	81.03	84.18	111.57	116.90	121.28	22.10
Residual Value ²⁹						682.89
Present Value of Cashflow	43.12	41.30	50.45	48.73	46.60	8.32
Present value of Residual Value						257.13
Total Present Value						701.54

²⁹ Residual Value equals to equity at the end of the forecast period or total assets minus total liabilities. In this case is cash and cash equivalents and working capital

	(million Baht)
Total Present Value	701.54
Add: Cash and equivalent on 31 March 2022	3.42
Minus: Interest Bearing debt on 31 March 2022	108.13
Fair Value on 31 March 2022	596.83

From the fair value valuation by the DCF method, the fair value of STM on March 31, 2022, is equal to 596.83 million Baht.

In addition, the IFA has conducted a sensitivity analysis of the stock value. IFA therefore determines the appropriate volatility range by adjusting the value of the Discounted Rate (WACC) or WACC since the change in the Discounted Rate has a significant effect on the change in the fair value appraised. The results of the sensitivity analysis are detailed below.

(Discounted Rate) or WACC (%)	7.98	8.48	8.98
Fair Value (million Baht)	628.64	596.83	566.61

The results of the sensitivity analysis by changing the discount rate, the value of STM's shares is between 566.61 – 628.64 million Baht

The present value of net cash flows is a method that considers TSB's future business performance and profitability. It is an estimation based on the present value of the expected future net cash flows. By referring to past operations as well as considering the trend of future operations Therefore, it can reflect the real value better than other valuation methods. The IFA is of the opinion that the present value approach to net cash flow is appropriate for this valuation.

3.1.6 Valuation of BYD and its associates' shares or business value

Because BYD invests directly and indirectly in ordinary shares of associated companies, namely ACE, which operates a Holding Company business, and ACE has a 100% subsidiary holding in TSB, with TSB holding 100% of BBR, SC, TMN, ARR, LKS, CB, CK and 80% of STM. Therefore, BYD is considered an indirect shareholder of TSB and its subsidiaries operating a public transport service. Licensed to provide electric bus service (E-Bus) in the Bangkok Metropolitan Region, the Independent Financial Advisor calculates the fair value of the investment in the associated company from the above information. IFA can calculate the value of shares or business value of BYD and associated companies as follows:

No.	Company	Fair Value of Equity (Million Baht)	Valuation method	shareholding (%)	Fair value of equity in proportion to their shareholding by BYD (million baht)
1	BYD	2,813.18 – 2,882.13	DCF		2,813.18 – 2,882.13
2	ACE	456.10 – 505.08	DDM	49.00	223.49 – 247.49
3	TSB	1,487.57 – 1,695.62	DCF	49.00	728.91 – 830.85

No.	Company	Fair Value of Equity (Million Baht)	Valuation method	shareholding (%)	Fair value of equity in proportion to their shareholding by BYD (million baht)
				(Held by ACE 100%)	
4	STM	566.61 – 628.64	DCF	39.20 (Held by ACE 80%)	222.11 – 246.43
Total value of BYD					3,987.69 – 4,209.89

From the above fair valuation, the share value of BYD and associated companies will be equal to 1.38–1.46 baht per share, or equal to 3,987.69–4,209.89 million baht.

Calculation by the summation method of each of the businesses It is the best way to reflect the fair value of BYD's shareholders' equity. It also considers the future cash flow capability of each BYD associate based on past performance. including considering the proclivity to operate in the future Therefore, it can reflect the real value better than other valuation methods. Therefore, IFA is of the opinion that the valuation by the valuation method of each business is suitable for this valuation.

3.1.7 Summary of the valuation of the share and business value of BYD

Valuation Method	Share Value (Baht/Share)	Subscription price (Baht/ Share)	Higher (Lower) than offer (Baht)	Higher (Lower) than offer (%)	IFA's Opinion
1. Book Value Approach	1.00	7.062	(6.062)	(85.84)	Inappropriate
2. Adjusted Book Value Approach	1.13	7.062	(5.932)	(84.00)	Inappropriate
3. Market Value Approach	6.59 – 10.22	7.062	(0.47) – 3.16	(6.68) – 44.72	Inappropriate
4. Market Comparable Approach					
4.1. Price to Book Value Approach Ratio: P/BV Ratio	1.49 – 1.65	7.062	(5.57) – (5.41)	(78.90) – (76.64)	Inappropriate
4.2. Price to Earning Approach Ratio: P/E Ratio	N/A	7.062	N/A	N/A	Inappropriate
5. Sum of the Parts: SOTP	1.38 – 1.46	7.062	(5.68) – (5.60)	(80.39) – (79.31)	appropriate

Because each valuation approach has different advantage and disadvantage that will represent the different fair values as follows;

1. Book Value Approach

Book Value Approach reflects financial position at a point in time and value of assets on the recorded date. However, it does not reflect the fair value of the assets and ability to generate profits

and cash flow in the future. IFA thinks that this methodology is inappropriate method to assess the fair value.

2. Adjusted Book Value Approach

Adjusted Book Value Approach only represents the current value of the company which only reflect the fundamental of the company at only certain point in time. Moreover, regardless of the discount the company receives from the purchase of E-Bus, the valuation method in the independent appraiser report considers the Replacement Cost New approach, which only references the value from the receipt. IFA has opinion that the Adjusted Book Value method is inappropriate.

3. Market Value Approach

Market Value Approach relying on market price of the companies that reflect to demand and supply of stock in the stock exchange. The investors consider receiving related information, expected performance and financial position of the company and macro economy. Therefore, the IFA opinion that evaluating value of the company using Market Value approach are inappropriate for this transaction.

4. Market Comparable Approach

4.1 Price to Book Value Approach Ratio: P/BV Ratio

Price to Book Value Approach will assess the share price relying on market price of the comparable companies, and those companies may have various returns on asset (ROA), capital structure, and trading liquidity. So, IFA has an opinion that assessing the business by using P/BV approach is inappropriate for this transaction.

4.2 Price to Earning Approach Ratio: P/E Ratio

Price to Earning Approach will refer to the ratio of the market price of the comparable companies and the profitability in the past of such companies. The method will be suitable to evaluate the short-term price without the consideration of future profitability. So, IFA opines that the valuation by using P/E approach is not appropriate for this transaction.

5. Sum of the part

Fair Value Valuation of Shareholders' Equity According to the proportion that the company invests by the sum of the parts method, it is a fair valuation of the shareholders' equity of each subsidiary to reflect the fair value of the shareholders' equity. According to the structure that the Company will invest in this time. The independent financial advisor chooses the valuation method in accordance with the business as appropriate. This is a method that considers the business operation and profitability of the Company in the future. This is a valuation based on the present value of the expected future net cash flows by referring to past operations as well as considering the trend of future operations. Therefore, it can reflect the real value

better than other valuation methods. The IFA is of the opinion that the valuation by Sum of the Parts approach is suitable for the valuation in this time.

IFA has opinion that the appropriate methods use to appraising the fair value of BYD is sum of the part approach. The fair value of the company is 1.38 – 1.46 Baht per share. IFA compared to the ordinary shares offering price for the private placement of 7.062 baht per share. Therefore, IFA considers that the offering price for investment in BYD's ordinary shares is appropriate. The higher (lower) price appraised by the IFA between (5.68) – (5.60) baht per share is the price.

Nevertheless, the valuation based on the assumptions from BYD under the circumstance of current economy and situation. So, any changes related to business plan and any policies of BYD or economic changes or unusual events may affect significantly to the current operations of BYD or vary from the projection and the assumptions. As a result, the projection and the assumptions as will largely change and it may significantly impact the value of BYD as well.

3.2 Appropriateness of Price and Terms of the Transaction of ETH

According to the Board of Directors' Meeting of Beyond Securities Public Company Limited (“BYD”) No. 6/2022, held on 30 March 2022 has resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2565 to consider and approve the financial assistance to TSB amount of 8,550.00 million Baht. However, TSB will use the loan for investment and expanding the public transport business of E Transport Holding Company Limited (“ETH”) from EA Mobility Holding Company Limited (“EMH”) which is a subsidiary of EA which holds 99.99 percent shares. The transaction is the acquisition of assets of ETH, a holding company that holds 99.99 percent shares in SMB and EST which will be able to support the expansion of TSB Group business.

The IFA has considered the appropriateness of the fair value of ETH, which holding company by investing in the passenger transport business and passenger boat business, based on information and operating assumptions from the interview of executive management and staffs, relevant contracts, appraisal report, financial statement, reviewed and audited by the SEC-approved auditor, other document relevant with the transaction, site visit and other public information on website of SET (www.set.or.th) or SEC (www.sec.or.th).

The IFA opinion on the fairness of the price is rendered under the assumption that all information obtained is correct and complete and based solely on the economic situation prevailing at the time of preparing this report. Therefore, any material changes in these factors could affect the steel production, normal business operation, or financial projection of ETH which may affect decision of the shareholder to consider the appropriateness and fairness of the value of ETH.

The IFA has considered the appropriateness of the share price and the business value by 4 approaches, which are;

1. Book Value Approach

2. Adjusted Book Value Approach
3. Market Comparable Approach
 - 3.1. Price to Book Value Approach Ratio: P/BV Ratio
 - 3.2. Price to Earning Approach Ratio: P/E Ratio
4. Sum of the Parts: SOTP

Valuation of fair price of ETH

3.2.1 BOOK VALUE APPROACH

Evaluate the Company’s fair value employing this approach will consider the value at certain point in time. The IFA refer to financial statement as at 31 March 2022, reviewed by SEC-approved auditor, and it is the latest financial statement. Based on financial statement, the IFA can appraise the book value of BYD as follows;

(Unit: million Baht)

Paid-up capital	0.03
Profit and loss for the period	(3.99)
Equity Attributable to Equity Holders of the Parent	(3.96)
Number of Paid-up Share as of 31 March 2021 (Shares)	2,500
Book Value per Shares (Baht)	(1,584.48)

Therefore, evaluating BYD fair value under this approach result in (3.96) million Baht. Therefore, the IFA has an opinion that the share price of ETH appraised by the book value method cannot be assessed by that method.

3.2.2 ADJUSTED BOOK VALUE APPROACH

In valuing the business by Adjusted Book Value Approach. The IFA has considered the value of the total assets of the Company minus all liabilities including obligations and liabilities that may arise in the future which appears in the internal financial statements of BYD as of 31 March 2022 reviewed by SEC-approved auditor. Then adjusted the value with the transaction that occurred after dated in financial statement such as registered and paid-up capital of the Company, short-term loans from related companies and compensation for litigation damages etc.

- Registered and paid-up capital of the Company

According to the Annual General Meeting of Shareholders 2022, which was held on 18 April 2022 was passed a resolution to propose increasing ETH registered capital from 2,500 shares to 28,000,000 shares comprising 27,990,000 shares which were fully paid up with a par value of 10.00 baht per share or equivalent to 279,990,000 Baht of registered and paid-up capital and another 9,997 shares that were only 25.00 percent paid-up with a par value of 2.50 Baht. As a result, IFA has adjusted ETH shareholders' equity to reflect the 279,750,000 Baht increase in registered and paid-up capital.

- Compensation for litigation damages

In 2020-2021, the Bangkok Mass Transit Authority ("BMTA") petitioned the court for 151.6 million Baht in fees and revenue sharing from SMB which holds 9,999,998 shares or 100.00% of the company's total shares by ETH. Currently, 25 of the 38 litigation are being litigated.

	No. of Bus	Acknowledgement of Debt Agreement		Under Court process		Computable monetary Value Claims (million Baht)
		No. of agreements	Amount (million Baht) ^{3/}	No. of agreements	Amount (million Baht) ^{4/}	
Type1 ^{1/}	6	5	18.3	12	14.9	18.3
Type2 ^{2/}	31	33	247.1	13	109.3	133.3
Total	37	38	265.4	25	124.2	151.6

1/ Reference number of bus operation agreements with BMTA match with Acknowledge of Debt agreements

2/ Reference number of bus operation agreements with BMTA of not match with Acknowledge of Debt agreements

3/ Amount included claims and interest until date of Acknowledge of debt agreement

4/ Amount included Claims and interest until date of filing to the Court

During the year 2020, BMTA filed the claims to the former route licensees and SMB to repay the outstanding debts incurred by the former of route licensees mainly relating to unpaid revenue sharing and fees to BMTA equal to 52.1 million Baht. SMB management advised that these former licensees did not comply with their obligation under route licenses transfer agreements to collaborate with SMB to transfer and registered route license with the Department of Land Transportation. Moreover, several bus routes have been transferred but cannot be registered. In the same year, Victim of a crime has filed a claim against SMB with the Civil Court as his bike was hit by a SMB bus no. 150 and requested for a compensation of 2.5 million Baht. As a result, the IFA adjusted ETH's shareholders' equity to increase the value of court case damages to 206.20 million Baht (= 151.6 + 52.1 +2.5 million Baht).

Adjusted Book Value Approach

From the Company's appraisal of assets to show the fair value of the Company's assets which can be summarized as follows;

Detail	Amount (million Baht)
Shareholder Equity as at 31 March 2022	(3.96)
Add : Registered and paid-up capital of the Company	279.98
Add : tax benefits	2.20
Less : Compensation for litigation damages	(206.20)
Adjusted Book Value	72.02

Detail	Amount (million Baht)
Number of Paid-up Share as at 31 March 2022 (shares)	2,500
Adjusted Book Value	0.03

Therefore, share value of ETH evaluate using adjusted book value approach is equivalent to 72.02 million Baht. However, adjusted book value approach only represents the current value of the company which only reflect the fundamental of the company at only certain point in time. Moreover, this approach does not take into consideration the company’s financial liquidity, business continuity. Therefore, the IFA opine assessing the value of the company using adjusted book value is inappropriate

3.2.3 Market Comparable Approach

- Price to Book Value Approach Ratio: P/BV Ratio

This valuation approach is based on book value of ETH as at 31 March 2022, reviewed by SEC-approved audit with multiply with average P/BV ratio of selected listed companies in the media and publishing sector. The IFA has considered the SET or MAI listed Company which operates the business holding company by investing in the passenger transport business and passenger boat business. There are 2 companies in this market comparable approach that IFA has an opinion these companies can refer in appropriate. For more information please see in Appendix 26. Thus, the averages P/BV of the listed Company are as follows;

Symbol	1 month	3 month	6 month	1 year
BYD	17.35	18.64	15.34	14.90
ATP30	2.79	2.87	2.72	2.31
Average	10.07	10.76	9.03	8.61

Source: SETSMARTS as at 31 March 2022

The average P/BV is between 8.61 – 10.76 times. Hence, the IFA can calculate the value of the company as follow;

Transaction	value/amount
Shareholders’ Equity as of 31 March 2022 (million Baht)	(3.96)
Listed and Paid-up share as at 31 March 2022 (Share)	2,500
Book Value per Share (Baht per Share)	(1,584.49)
Average P/BV (Times)	8.61 – 10.76
Stock price (Baht per Share)	(13,635.90) – (17,041.14)
Value of the Company (million Baht)	(34,089.76) – (42,602.85)

From above table, the fair value of the company assessed by P/BV approach equals to (3.96) million Baht. Therefore, the IFA opine that evaluating value of the company using P/BV approach may not be appropriate for this transaction.

- PRICE TO EARNING APPROACH RATIO: P/E RATIO

IFA evaluates the share value of ETH by using earnings per share of the Company as shown on the latest consolidated financial statements for the last 12-month period end 31 March 2022, audited by a certified public accountant and multiply by average of P/E Ratio of peer companies. However, the IFA cannot evaluate the share value using the P/E Ratio Approach of the Company because the Company has net loss in the past 12 months ended 31 March 2022 equal to (3.99) million Baht.

3.2.4 Sum-of-the-Parts

The fair value evaluation of the shareholders' equity of ETH is calculated by multiply proportion in the investment of ETH with Sum of the Parts (SOP). It is evaluation the fair value of the shareholders' equity of ETH to reflect to the fair value of ETH according to proportion of investment. IFA selects the approach in line with business of group ETH.

After evaluating the business value of each ETH business, IFA calculates by the fair value of equity of each business multiply with proportion of investment to reflect to the value of ETH

No.	List of company	Symbol	Shareholding percentage (%)	Valuation method
1	E Transport Holding Company Limited	ETH	-	Book Value Approach
2	E Smart Transport Company Limited	EST	100.00 (Held by ETH)	Discounted Cash Flow Approach (DCF)
3	Chaophraya River Line Company Limited	CRL	100.00 (Held by ETH)	Book Value Approach
4	Smart Bus Company Limited	SMB	100.00 (Held by ETH)	Discounted Cash Flow Approach (DCF)
5	Beli Service Company Limited	BLS	49.00 (Held by SMB)	Discounted Cash Flow Approach (DCF)

The independent consultant assessed the fair value of each company as stated above as follows:

3.2.4.1. Valuation of fair price of ETH

ETH invests in other companies (Holding Company), which was established on 3 March 2022, with a registered capital of 25,000 Baht. The Company does not operate business as of 31 March 2022. As a result, the IFA considers that the fair value valuation of ETH's shareholders' equity using Book Value Approach is appropriate. It considers the current Book Value of ETH. The IFA references information from

the internal financial statements as of 31 March 2022. The financial statements can be used to calculate the Book Value as follows;

(Unit: Million Baht)

Issued and fully paid-up capital	0.03
Profit and loss for the period	(3.99)
Total shareholders' equity of the company	(3.96)

Therefore, the share price of ETH assessed by the book value method will be (3.96) million Baht.

3.2.4.2. VALUATION OF EST

The discount cash flow model is a calculation expected value from the business and then appropriately discounting to be the present value. These estimates are based on the premise that EST has been licensed to maturity for a period of five years and renewed for another round (5+5 years), The IFA presents financial projections based on key assumptions over a period of ten years (from March 31, 2022, to March 31, 2032). However, the Marine Department must receive the request for the renewal of the sailing license considering the Marine Department's discretion while renewing the license in Thai waterways due to the state of the ships that have only recently started to run and are currently in continuous use, the IFA believes that the renewal of the sailing license is highly probable. EST can therefore be cited as a justification for requesting a sailing license renewal, even without considering the relatively high investment value. But after the second renewal of a marine license, IFA believes that the renewal is uncertain because of uncertainly government policy that EST does not renew the sailing license. Therefore, the projection period is 10 years, or the license expires in 2032.

In addition, The IFA analyzes the assumptions obtained from the EST and from the interviews with the management and relevant staff which is based on the assumption that the business will not continue after the second license expires. Therefore, the shareholders' equity (equal to total assets minus total liabilities which in this case is cash and equivalents and working capital) at the end of the projection date, which is at the end of the second round of transport licenses as the terminal value due to uncertainty in the renewal of business licenses the IFA does not estimate the continuing operations after such period which is not caused by failure in doing business. EST has assets that still have value that can be used as investments to find additional returns. The IFA is based on information from the book From Innovation to Cash Flows: Value Creation by Structuring High Technology Alliances, which states one of the methods The terminal value calculation is the book value for banking and financial institutions. Therefore, it is appropriate to set the Terminal Value equal to the book value to reflect the business value after the estimated period appropriately.

However, if the economic situation external situation and the internal situation of EST has changed significantly and affects the operations of EST and affects the assumptions that determine fair value in this way will also change.

The IFA has set the key assumptions of EST's financial projections as follows:

The key assumptions

a) Revenue

E Smart Transport Company Limited is a subsidiary of Energy Absolute Public Company Limited, which operates the electric ferry on Chao Phraya River. Currently, the company is operating the electric ferry titled “**MINE SMART FERRY**” under the concept of Corporate Social Innovation (CSI) with the full capacity and innovations of Catamaran boat, supported by the electric charging technology which stores power in the Lithium-ion Battery to create the 1st electric ferry fully made by Thai people. As the electric ferry helps reduce air and noise pollution and be environmentally friendly, it was conferred the National Innovation Award 2020.

There are 27 boats in service in the project. The route starts from Phra Nang Klao Pier to Sathorn Pier (22 km.). In addition, the company collaborates with the Marine Department in developing the public piers, including Phra Phuttha Yodfa Bridge Pier and Phra Pin Klao Pier to facilitate the people and the tourists who take waterway transportation with emphasis on the multimodal transportation (bus-rail-boat) in the form of Seamless Transportation while effectively supporting the cashless society.

Prominent point of E-Ferry

- The ferry wholly made of aluminum in Catamaran shape for balance. It causes less wave while moving and it is energy efficient.
- It has electric drive system using Lithium-Ion Battery results in no air, water, and noise pollution.
- The passenger cabin is air-conditioned and spacious. It is equipped with modern technology and public relations system. The destination information is announced on a large LED screen where the details and entertainment are shown. Moreover, the ferry is installed with standard security system for ferry.
- The passengers can get on and off the ferry conveniently and safely as the level of ferry ground is almost equal to the level of the pier. Access is made through the side door which is widely open in the same manner as the electric vehicle and controlled by the rider who monitors through CCTV in the bridge while the passengers are getting on and off the ferry.
- CCTVs are installed within the ferry as part of the monitoring system.
- Disinfectant is sprayed under the standard safety cleaning.

Service Provision Plan

- Regular route ferry: There are 23 ferries in total. The frequency of service is 5-10 minutes during rush hours. The service was partially provided in 2020 and will be fully provided in 2021.
- Tourist ferry: There are 4 ferries available to serve the tourists at the heart of Bangkok. The service will be ready in 2021.

IFA has analyzed EST's income by categorizing it into 3 main parts: 1. Revenue from passenger ships. 2. Income from tourist boats 3. Revenue from advertising

Revenue from passenger ships

- Number of passengers

EST commenced commercial E-Ferry operations in May 2021, affected by the COVID-19 pandemic, so historical data is insufficient for consideration. IFA therefore considers the number of passengers and passenger boat trips. The average daily express boat along the Chao Phraya River in 2011-2019 is 208 people per trip on government days and 129 people per trip on public holidays, or 416 people per round (including 1 round up and down trip) and 258 people per round (including 1 round up and down trip) respectively (Source: information from the Marine Department and averaged by independent financial advisors) and based on interviews with EST management regarding market share. EST's management predicted that if the ships were completed as planned. and open for passenger ship service according to the target It will share about 70.00 percent of the market share of the total number of passengers using passenger ships. IFA considers EST's past performance and sees that EST is a new service provider in the route that already has the same service provider. coupled with the economic recovery causing quite high competition Including users who do not know much about EST, however, for the sake of caution. (Conservative basic) IFA therefore determines that EST has an average number of users equal to 208 people per cycle on business days and 129 people per cycle on business days throughout the projection period. which is equal to 50.00% of the number of passengers and passenger boat trips Average daily express boats along the Chao Phraya River for 2011-2019. In addition, the IFA has considered the policy of developing the transportation network for land, water, rail, and air to be connected, convenient, safe, and create competitiveness. with the country The Marine Department has a mission to develop water transportation. Has formulated a plan to develop a smart pier on the Chao Phraya River from 2019 to 2024 to develop 29 ports in Bangkok and its vicinity, as well as to promote the creation of electric-powered passenger boats, reducing pollution, being environmentally friendly. It also contributes to the promotion of water tourism. generate income for the country and when the port development was completed as planned will increase the number of passengers to 53,000 per day in 2027 (Source: Department of Public Relations News Agency) compared to the average passenger in 2019 equal to 32,662 people per day, or an increase of 62.27 percent

year	Average number of passengers per day (Persons)						Leg up		Leg down		Total		per Year	Average number of trip per day (trips)									Total Trips per Year
	weekday			weekend										weekday			weekend			Leg up	Leg down	Total	
	Leg up	Leg down	Total	Leg up	Leg down	Total								Leg up	Leg down	Total	Leg up	Leg down	Total				
2011	22,603	19,596	42,201	10,628	10,147	20,775	19,182	16,898	36,080	13,132,909	103	103	206	56	56	112	89	90	179	65,300			
2012	21,307	18,091	39,398	10,445	9,722	20,167	18,204	15,700	33,904	12,340,846	96	96	194	57	-	57	85	86	171	62,399			
2013	23,183	20,453	43,636	12,381	11,642	24,023	20,097	17,936	38,033	13,843,816	95	96	191	57	57	114	84	85	169	61,422			
2014	21,157	18,570	39,727	10,015	9,538	19,553	18,548	15,989	34,537	12,571,675	93	94	187	58	57	115	83	84	167	60,608			
2015	21,783	19,463	41,246	12,245	11,613	23,858	19,058	17,220	36,278	13,205,340	93	93	186	61	61	122	84	84	168	61,001			
2016	22,927	20,250	43,177	11,795	11,341	23,136	19,768	17,703	37,451	13,632,247	102	101	203	66	66	132	91	91	182	66,242			
2017	24,979	22,798	47,777	14,580	14,509	29,089	22,008	20,434	42,442	15,447,828	112	107	219	75	74	149	102	98	200	72,592			
2018	22,493	20,144	42,637	13,082	11,794	24,876	19,804	17,758	37,562	13,672,756	107	105	212	71	68	139	97	94	191	69,477			
2019	21,845	18,844	40,689	13,696	12,745	26,441	19,517	17,101	36,618	13,328,992	117	118	235	83	84	167	108	108	216	78,601			
2020	8,725	7,444	16,169	3,134	2,868	6,002	7,128	6,137	13,265	4,827,966	71	69	140	32	31	63	60	58	118	43,095			

source: Statistical data of the Department of Rowing and Speedboat Cruises Express along the Chao Phraya River 2011 - 2020

- Fare

According to EST's sailing license, the highest fare is set per line per person. However, EST for the start of the E-Ferry business, initially EST has set a fare equal to 20.00 Baht per line per person per way. which is much lower than the fare specified in the license in order to incentivize customers to try E-Ferry in the first place and if there is a price hike in the future and the price does not exceed the maximum fare set according to the license, EST can adjust the fare by notifying the Marine Department to acknowledge the fare increase. In the case of raising the fare higher than that specified in the license, EST must obtain permission from the Marine Department before raising the fare. A passenger boat on the Chao Phraya River And from searching for information on Google, it was found that the carrier has asked for a fare increase from the Marine Department before the fare increase and has increased the fare by 1.00 baht in 2018 and 2022. Due to rising costs and from interviews with EST executives, there is a view that in the beginning there will be no price hikes. to attract satisfying and build EST's customer base. It is expected that the fare will be gradually adjusted every 4 years with a price of 2.00 baht per person per way. This will not affect the cost of customers who use the service much. and in line with the cost burden that will increase in the future The Independent Financial Advisor views that the 2.00 baht fare increase every 4 years is appropriate. Because the price increase will be equal to 20.00 – 24.00 baht per trip per person. which will be in the fare range of the said carrier and such fare increase does not exceed the maximum fare specified in the license.

The independent financial advisor analyzed the sensitivity of the fare price adjustment by 1.00 baht and 2.00 baht per way per person. as in the above table will increase the change in business value equal to 91.61 million baht

Change in fare	Price 1 baht per trip per person	Price 2 baht per trip per person
Fair Value (million Baht)	885.59	977.20

- Number of E-Ferry

The interview with EST management team found at 30 May 2022 EST has a future contact to buy E-Ferry 17 ships including E-Ferry for passenger 15 ships to support the number of service users during rush hours and the delivery plan of the vessel, EST will begin receiving the vessel from September 2022 onwards. and E-Ferry for traveling 2 Ships, EST will begin receiving the vessel from Q1/2566

	2022F – 2032F
Number of rounds per day in Weekdays	6

	2022F – 2032F
Number of rounds per day in weekends	4
Number of Passengers per round in weekday	208
Number of Passengers per round in weekend	129
Maximum capacity of passenger	250
Number of E-Ferry at ending year	35
Day of weekdays	245
Day of Weekends	120

Revenue from Traveling

- Number of tourists

EST has a plan to operate E-Ferry for traveling in Q4/2565 and the stats from annual report by Marine department found the average number of tourists had 70 persons per ship in Bangkok area.

Thus, The IFA expects the number of tourists per round equal to 70 persons throughout the line and expects EST will not have a tourist in 2022

Table showing details of boat and passenger boat passengers in the river area classified by provinces, fiscal year 2019 (2018 data)

NO	Province	Port	Route	Ships	Trip per Year	Passenger per Year
North		25	25	530	102,857	1,379,768
1	Chiangmai	3	3	80	14,809	104,451
2	Chiangrai	18	18	307	82,307	1,226,469
3	Mae Hong Son	1	1	58	2,057	10,976
4	Lampang	1	1	42	1,418	11,586
5	Lamphun	1	1	16	1,426	9,455
6	Uttaradit	1	1	27	840	16,831
Central		85	98	500	842,198	13,397,376
7	Bangkok	20	32	253	258,600	6,354,240
8	Chai Nat	5	5	14	73,080	1,343,106
9	Nakhon Pathom	3	3	13	3,384	135,120
10	Nakhon Sawan	9	9	31	158,878	1,057,256
11	Nonthaburi	3	3	9	163,680	1,414,800
12	Ayutthaya	10	10	26	18,704	167,440
13	Samut Songkhram	20	20	128	27,040	270,400
14	Samut Sakhon	1	1	5	42,288	1,916,920
15	Suphan Buri	2	2	3	2,898	50,850
16	Uthai Thani	12	13	18	93,646	687,244
Western region		16	17	498	239,753	1,505,686
17	Kanchanaburi	3	3	46	97,506	508,842
18	Tak	1	2	88	2,615	46,252
19	Ratchaburi	12	12	364	139,632	950,592
Eastern region		9	10	29	11,916	115,251
20	Chachoengsao	9	10	29	11,916	115,251
Central region		16	16	182	38,470	444,039
21	Loei	2	2	23	4,224	37,728
22	Kalasin	2	2	21	5,638	48,016
23	Khon Kaen	2	2	29	5,332	46,233
24	Nakhon Phanom	1	1	3	1,698	47,544
25	Bueng Kan	1	1	6	2,160	43,200
26	Mukdahan	1	1	8	1,650	78,660
27	Nong Khai	2	2	20	5,040	56,160
28	Amnat Charoen	1	1	11	1,674	5,290
29	Ubon Ratchathani	4	4	61	11,054	81,208
รวมทั้งหมด		151	166	1,739	1,235,194	16,842,120

The table shows the route, number of ships, number of boat trips. and passengers/tourists in the river area classified by boat size

River Area	Small ship		Large ship		Automotive raft		Raft		Total	
	Quantity	Percent	Quantity	Percent	Quantity	Percent	Quantity	Percent	Quantity	Percent
Route	148	89.16	12	7.23	1	0.60	5	3.01	166	100.00
Number of ships	1,574	90.51	36	2.07	2	0.12	127	7.30	1,739	100.00
Number of Trip (Per Year)	1,200,007	97.15	19,101	1.55	7,200	0.58	8,886	0.72	1,235,194	100.00
Number of Passengers (Persons/Year)	13,171,155	78.20	3,532,500	20.97	3,600	0.22	102,465	0.61	16,842,120	100.00

Source: Annual Report 2019, statistical data of the Harbor Department, the number of passengers traveling around the water

● Fare

Revenue from tourist boats has a fare 60 Baht (refer to the price according to the company's policy) throughout the projection.

	2022F	2023F – 2032F
Number of tourists per ship per round	-	70
Number of round per day	4	4
Number of ships	3	5
Day of operating	365	365

Revenue from Advertising

Income from billboards mounted on ships The IFA expects the rental rate for advertising space at 35,000 baht per month per ship. (Calculated based on the total number of vehicles serviced) from the interview EST management team expected to be able to negotiate with the service users, resulting in the utilization rate to be at 90 percent. On the other hand, The IFA considers that if EST self-supplied its customers, it would be able to charge a market rate of 60,000 baht per month per ship. (Information source: from a survey of the ship's advertising media service provider). However, if EST provides its own customers, there is a chance the utilization rate will be lower. Utilization rate of service providers in the advertising industry the investigation revealed that out-of-home media providers are targeting an average utilization rate for all media in 2022 of 60 percent (Source: “Opportunity Day” investor presentation for Q1/2565). Therefore, there is a chance that the average monthly income per ship of EST in the case of self-sourcing will be less than 60 percent lower than the market price appropriately.

Unit: million Baht	2019 ^{1/}	2020 ^{1/}	2021 ^{1/}	2022F	2023F	2024F	2025F
Revenue from fare in weekdays	-	-	-	71.17	214.03	214.03	214.03
Revenue from fare in weekends	-	-	-	14.40	43.34	43.34	43.34
Revenue from tourists	-	-	-	-	45.99	45.99	45.99
Revenue from advertising	-	-	-	-	10.08	10.08	10.08
Revenue	25.37	10.91	5.92	85.57	313.45	313.45	313.45

Unit: million Baht	2026F	2027F	2028F	2029F	2030F	2031F	2032F
Revenue from fare in weekdays	235.44	235.44	235.44	235.44	256.84	256.84	256.84
Revenue from fare in weekends	47.68	47.68	47.68	47.68	52.01	52.01	52.01
Revenue from tourists	45.99	45.99	45.99	45.99	45.99	45.99	45.99
Revenue from advertising	10.08	10.08	10.08	10.08	10.08	10.08	10.08
Revenue	339.18	339.18	339.18	339.18	364.92	364.92	364.92

source: The IFA projection

Note 1/ Did not receive information from the company

b) Cost of goods and services (excluding depreciation and amortization)

Cost of goods and services include energy costs for charging electricity, maintenance ship, employee, mooring, insurance etc.

The IFA has set the assumptions on cost of sales and services as follows:

Energy costs for charging electricity

The IFA considers the charging service fee. Refer to the contract for charging electricity at 4.00 baht per unit with a contract term of 10 years, starting from 2 August 2021 to 1 August 2031, with a total power consumption of 200 Khw/Round per trip (Statistics from EST management)

E-Ferry Maintenance Cost

E-Ferry maintenance cost for example is expired automotive, lighting, air conditioning, systems, etc. The IFA considers maintenance costs equal to 0.23 million Baht per ship per year (source: research from EST management team) and the maintenance costs will be risen to 2.5 percent in 2023 from 2022 because of inflation based on BOT core-inflation forecast for 2023. Thus, the IFA considers the current economic situation tends to increase inflation due to rising oil prices and core-inflation will be risen with perpetual grow rate at 1.47 percent based on compound annual growth rate in 2007 – 2021 to reflect long-term growth and the IFA predicts that various factors affecting the adjustment of inflation to be normal after 2023.

Cost of Employees

In Q1/2022 EST has employees for service in E-Ferry 111 persons and has cost of employees equal to 3.97 million Baht. Thus, the IFA determines cost of employees equal to 15.88 million Baht in 2022 and the number of employees will increase as the number of ships in service increases by 3 people / boat to provide more service on the E-Ferry and set the growth rate equal to 3.00% to comply with EST policy over the period of the estimate.

Cost of Insurance

Cost of insurance for passengers refers insurance policy as of 20 December 2021 equal to 0.03 million Baht per ships and cost of insurance for E-Ferry refers insurance policy as of 31 March 2022 equal to 0.23 million Baht per ships. Cost of insurance will be risen to 2.5 percent in 2023 from 2022 because of

inflation based on BOT core-inflation forecast for 2023. Thus, the IFA considers the current economic situation tends to increase inflation due to rising oil prices and core-inflation will be risen with perpetual grow rate at 1.47 percent based on compound annual growth rate in 2007 – 2021 to reflect long-term growth and the IFA predicts that various factors affecting the adjustment of inflation to be normal after 2023.

Cost of rents

Cost of rents and mooring based on lease agreement includes 1) Thonburi warehouse rent 2) Ship mooring rental 3) land rent in Sai-Ma Sub-district 4) land rent in Sara lee temple 5) land and mooring rents in Chanyawat temple 6) land rent in Tamnak Tai temple The IFA expects the rental rate to grow by 3.23% per year (referring to the office space lease agreement). With contract renewal every 3 years, growing 10 percent)

Unit: million Baht	2019	2020	2021	2022F	2023F	2024F	2025F
cost of goods and services (excluding depreciation and amortization)	19.61	13.33	44.80	87.10	118.65	120.55	121.84
Proportion to total income (percent)	76.11	122.11	757.01	101.79	37.85	38.46	38.87

Unit: million Baht	2026F	2027F	2028F	2029F	2030F	2031F	2032F
cost of goods and services (excluding depreciation and amortization)	123.38	124.79	126.19	127.62	129.36	130.87	132.45
Proportion to total income (percent)	36.37	36.79	37.20	37.63	35.45	35.86	36.30

source: The IFA projection

c) Selling expense and administer expense (excluding depreciation and amortization)

Selling expense and administer expense such as marketing expense, employee expense, office rental, etc. Thus, the IFA has set the assumptions for the estimated selling and administrative expenses as follows:

Marketing expense

Marketing expense such as advertising cost to create awareness for passengers, etc. The IFA estimates marketing expenses as of 2022 at 12.00 million Baht, based on EST’s marketing expense estimation plan and is scheduled from 2023 onwards. Marketing is equal to 0.85% of the proportion of revenue from sales of passenger boat tickets and cruise ships at 0.85 percent (refer to the executive interview).

Unit: million Baht	2022F	2023F	2024F	2025F	2026F	2027F
Marketing expense	12.00	2.57	2.57	2.57	2.79	2.79

Unit: million Baht	2022F	2023F	2024F	2025F	2026F	2027F
Proportion to total income (percent)	-	0.85	0.85	0.85	0.85	0.85

Unit: million Baht	2028F	2029F	2030F	2031F	2032F
Marketing expense	2.79	2.79	3.00	3.00	3.00
Proportion to total income (percent)	0.85	0.85	0.85	0.85	0.85

Employee expenses

In Q1/2022 EST has employees equal to 16 persons and cost of employees equal to 1.8 million Baht, Thus, The IFA set the assumption cost of employee expenses equal to 7.2 million Baht as of 2022 and set the growth rate equal to 3.00% to comply with EST policy over the period of the estimate. Although, EST has no plans to increase the number of staff involved in management.

Office rental

The office rent consists of the rent of the building, cleaning fee, security fee, and utilities The company has entered into a building rental contract, renewing the contract every 3 years, can increase the rent by not more than 15 percent (refer to EST’s contract). The IFA expects rents to grow by 10.00 per cent over three years.

Unit: million Baht	2019	2020	2021	2022F	2023F	2024F	2025F
Administer expense (excluding depreciation and amortization)	9.48	22.08	27.82	27.76	21.27	21.64	22.28
Proportion to total income (percent)	36.80	202.32	470.03	8.86	6.79	6.90	7.11
Unit: million Baht	2026F	2027F	2028F	2029F	2030F	2031F	2032F
Administer expense (excluding depreciation and amortization)	23.18	23.59	24.30	24.72	25.67	26.45	26.92
Proportion to total income (percent)	7.40	7.53	7.75	7.89	8.19	8.44	8.59

source: The IFA projection

d) Depreciation and Amortization

Depreciation and amortization include depreciation such as E-Ferry, Battery, Office and amortization such as software based on EST accounting policy which are depreciated using the straight-line method over their useful life.

E-Ferry	15 years
Battery	6 years
Office material	5 years

Software

5 years

e) Capital Expenditure

EST has a plan to increase E-Ferry which will be delivered in September 2022 onwards average 4 ships per month with 29.5 million Baht per ships (excluding VAT) at total 15 ships and E-Ferry for traveling 31.5 million Baht (excluding VAT) at total 2 ships. The EST investment expenditure plan will use the source of borrowing, with EST having contracts with various financial institutions (syndicate loan) in advance amount 720 million Baht and the weighted average rate is 3.09 percent. EST plans to repay the loan under contract through 2031, and EST plans to replace batteries after six years. In 2027, batteries will be replaced on all 27 aircraft, and in 2031 a total of 17 aircraft will have to be replaced. There is an investment cost calculated from Electric capacity (800kwh) x 165 USD x 33.27 Baht (refer to exchange rates as of March 31, 2022)

f) Tax

The income tax rate is 20 percent of the pre-tax profit throughout the projection. In addition, the company has been granted tax privileges from the Board of Investment (BOI) to be exempt from corporate income tax on net profits derived from promoted businesses in aggregate of not more than 100 percent of the money. The investment does not include the cost of land and working capital, for a period of 5 years from the date of the start of income from the sale of that business, which the company began to have income from the business since 2020, resulting in tax privileges until 2025. Including if EST loses during the corporate income tax exemption period, EST can deduct the annual loss incurred during that period from the net profit incurred after the corporate income tax exemption period, for a period of not more than 5 years from the expiration date of that period. You can choose to deduct from the net profit of any year or several years.

g) Working Capital

The IFA forecast the average day of receivable and day of payable which refers to accounting policy to reflect EST performance

Day of receivable	30 ³⁰	days
Day of payable	30	days

h) Liabilities

EST received a loan from ETH in the amount of 500.00 million Baht for a period of 1 year (referring to promissory notes as of April 30, 2022), interest rate 2.55 - 2.65 percent to be used as working capital. The loan repayment plan is ETH 2023 at 200.00 million baht, 2024 - 2026 at 100.00 million baht.

³⁰ Since EST just started its E-Ferry transportation in May 2021, the main revenue is from transportation services. and revenue from advertising services. Therefore, it is necessary to have cash flow for working capital (working cap). According to the interview, the management has formulated a policy for accepting debt from debtors to reflect cash flow in the valuation of the business.

In addition, EST has a syndicate loan of 720.00 million to invest in E-Ferry for 17 ships on the company's original route to be delivered in September 2022, an average of 4 ships per month (refer to data as of April 30, 2022). The company does not have such loan drawdown) with a weighted average interest rate of 3.09 percent and the syndicate loan has a plan to repay the loan at 72.00 million baht per year from 2023 – 2030 and fully repay the remaining loan amount in 2031 equal to 144.00 million baht.

Summary of financial projections for the year 2022 - 2032

Unit: million Baht	2019 ³¹	2020 ³²	2021 ³³	2022F	2023F	2024F	2025F
Revenue	25.76	10.91	5.92	85.57	313.45	313.45	313.45
COGS	19.61	13.33	44.80	131.31	165.11	167.01	168.30
Administer expense	9.48	22.08	27.82	27.76	21.27	21.64	22.28
EBIT	(3.33)	(24.49)	(66.91)	(73.51)	127.07	124.80	122.86
Interest	1.79	1.72	2.97	20.25	31.79	25.32	20.17
EBT	(5.12)	(26.21)	(69.88)	(93.76)	95.28	99.48	102.69
Tax	0.16	-	-	-	-	-	-
Net income	(5.28)	(26.21)	(69.88)	(93.76)	95.28	99.48	102.69

Unit: million Baht	2026F	2027F	2028F	2029F	2030F	2031F	2032F
Revenue	339.18	339.18	339.18	339.18	364.92	364.92	364.92
COGS	169.83	191.01	192.41	193.84	195.37	209.32	210.90
Administer expense	23.18	23.59	24.30	24.72	25.67	26.45	26.92
EBIT	146.17	124.59	122.48	120.62	143.88	129.15	127.11
Interest	15.03	11.21	8.90	6.67	4.45	-	-
EBT	131.14	113.38	113.58	113.94	139.43	129.15	127.11
Tax	-	20.86	22.72	24.12	28.78	25.83	25.42
Net income	131.14	92.52	90.87	89.82	110.65	103.32	101.69

source: The IFA projection

i) Cash flow growth after the projection period (Residual Value)

Value of EST After the last projected year, EST will have cash flows from cash balances and asset disposals equal to its residual book value due to the expiration of the license, the company no longer needs to keep the assets for its operations. In addition, there is no policy to change investments in the

³¹ Year 2019, revenue from boat navigation services under the Chao Phraya River Line Company Limited

³² Year 2020, revenue from boat navigation services under the Chao Phraya River Line Company Limited

³³ E-Ferry started operations in May 2021.

future. Therefore, IFA has determined that the Residual Value is equal to the shareholders' equity. The independent financial advisor has an opinion as stated in Clause 3.2.4.2.

j) Discount Rate

The IFA uses the Weighted Average Cost of Capital: WACC as the discount rate to calculate the present value of the cash flows. due to the capital structure of the business Consisting of equity capital and interest-bearing loans and liabilities, WACC is calculated from the weighted average cost of debt (Kd) and cost of equity interest (Ke) as follows:

$$WACC = Ke \times E/(D+E) + Kd \times (1-T) \times D/(D+E)$$

follows

- Ke = Cost of equity equal to 17.96 percent
- Kd = Cost of debt or the average interest-bearing loan or debt interest of EST is 2.61 percent, calculated from the weighted average interest-bearing interest rate on 31 March 2022
- T = The income tax rate equals to 20 percent
- D/E = interest-bearing debt/equity on 31 March 2022 equal to 1.40x

Including the IFA determines the value of Ke using the Capital Asset Pricing Model (CAPM), which has the formula for calculating Ke as follows:

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

follows

- Rf = Return on Risk-free Rate the IFA based on the yield of 15-year government bonds which the IFA considers that during the period It reflects the economic cycle and covers EST's projection period and is consistent with other companies' estimates for this assessment as of March 31, 2022, equal to 3.07 percent (Source: www.thaibma.or.th)
- Beta (β) = 2.23x is the coefficient The variance of the price change compared to the Stock Exchange of Thailand (SET Index) IFA therefore calculates the Beta values by comparing the Beta values of 2 companies listed on the Stock Exchange of Thailand that operate the public transport business, namely 1. ATP30, which operates the business of transportation of employees between their residences to the factory; and 2. BYD, because BYD indirectly invests in TSB in the amount of 405.91 million baht, or 26.13 percent of total assets. (Information from BYD's consolidated financial statements as of March 31, 2022), which operates public transport business. (Please refer to the list of listed companies The IFA has used Unlevered Beta value for 1 year from April 1, 2021, to March 31, 2022, from SETSMART to calculate the value. Average Unlevered Beta and adjusted with EST's interest-bearing debt-to-equity ratio as of March 31, 2022, which IFA believes reflect the future equity structure under EST's management.

R_m = Average return on investment in the Stock Exchange of Thailand for the past 15 years to March 2022, which is 9.73 percent per year (Source: SETSMART and the independent financial advisor's calculation), which the IFA considers to be the period that reflects the economic cycle and covers the projection period of EST by calculating K_e is shown in the table below for cost of equity financing as follows:

CAPM	Percent
Risk free rate (R _f)	3.07 %
Risk Premium (R _m – R _f)	9.73 % - 3.07 %
Beta (β)	2.23
Cost of Equity (K _e) from CAPM	17.96 %

Based on the calculated K_e value, the IFA is of the opinion that the value can reflect the equity risk for investing in EST.

The WACC calculation is shown in the Weighted Average Cost of Finance (WACC) table below.

WACC	Percent
D/E	1.40
1-T	80.00 %
Cost of Debt (K _d)	2.61 %
Cost of Equity (K _e)	17.96 %
WACC	8.69 %

From the assumptions given above the cash flow and fair value of EST can be calculated as follows:

Unit: million Baht	Apr – Dec 2022F	2023F	2024F	2025F	2026F	2027F
NOPAT	(55.13)	127.07	124.80	122.86	146.17	103.72
+ Depreciation	33.16	46.46	46.46	46.46	46.46	66.22
- Capex	(473.48)	(33.71)	-	-	-	(118.57)
+/- change in working cap	2.11	0.16	0.11	0.13	1.76	0.12
Free Cash Flow to Firm	(493.34)	139.98	171.36	169.45	194.39	51.49
Net present value	(463.45)	120.98	136.27	123.97	130.85	31.89

Unit: million Baht	2028F	2029F	2030F	2031F	2032F
NOPAT	99.77	96.49	115.10	103.32	101.69
+ Depreciation	66.22	66.22	66.01	78.45	78.45
- Capex	-	-	-	(74.66)	-
+/- change in working cap	0.12	0.13	1.16	0.13	-
Free Cash Flow to Firm	166.11	162.84	182.28	107.24	180.13
Residual value					1,178.28

Unit: million Baht	2028F	2029F	2030F	2031F	2032F
Net present value	94.65	85.37	87.92	47.59	73.55
Present value of final value					481.07
Total present value of cash flows					950.65

source: The IFA projection

million Baht	
Total present value of cash flows	950.65
plus: cash and equivalent as of March 31, 2022	56.15
minus: interest-bearing liabilities as of March 31, 2022	29.59
Net present value of cash flows as of March 31, 2022	977.20

From the fair value valuation by DCF method, the fair value of EST as of 31 March 2022 is equal to 977.20 million Baht.

In addition, the IFA has conducted a sensitivity analysis of the company’s value by adjusting the value of the Discount Rate or WACC because the change in the Discount Rate has a significant effect on the change in the fair value appraised IFA therefore determines the appropriate volatility range. The results of the Sensitivity Analysis are detailed below.

Discounted Rate or WACC (%)	8.19	8.69	9.19
Fair value (million Baht)	1,024.32	977.20	932.23

The results of the sensitivity analysis by changing the Discount Rate, the company's value will be between 932.23 – 1,024.32 million baht.

DCF is an approach that considers the business performance and future profitability of EST, which is an estimation based on the present value of expected future net cash flows. by referring to past operations as well as considering the trend of future operations Therefore, it can reflect the real value better than other valuation methods. The IFA is of the opinion that the present value approach of net cash flow is appropriate for this valuation.

3.2.4.3. VALUATION OF CRL

CRL operates the business of providing tour boat services on the Chao Phraya River. The idea is to develop and upgrade the ship service system with good service standards with new, modern ships with fast and safe service. which was registered on 21 August 2017 with registered capital of 65.00 million baht. As of 31 March 2022, CRL has ceased operation of tour boat services on the Chao Phraya River. Holding CRL's shares is the right way as CRL has ceased operations including no cash flow working capital. The IFA considers using business valuation by book value approach to reflect the real value of the Company at any given time. The Independent Financial Advisor references information from the internal financial statements as of 31 March 2022. Thus, the balance sheet is calculated the book value as follows:

(Unit: Million Baht)

Issued and fully paid-up capital	65.00
Profit and loss for the period	(31.30)

(Unit: Million Baht)

Total shareholders' equity of the company	33.70
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Therefore, the share price of CRL assessed by the book value method will be 33.70 million Baht.

3.2.4.4. VALUATION OF SMB AND SUBSIDIARIES

The independent financial advisor (“The IFA”) has considered the appropriateness of the share price and business value by using the Discounted Cash Flow Approach.

Discounted Cash Flow Approach is the present value of the expected cash flows from the business in the future and adjust it at an appropriate discount rate. In this case the IFA has prepared financial projections based on key assumptions over a period of 12 years (from 1 April 2022 – 31 March 2034). This is the period during which the SMB expires the first round of licenses for transportation services (“license”) and renews the license again. However, the request for license renewal must be submitted to the Department of Land Transport, and the consideration will be at the discretion of the Department of Land Transport officers. The IFA has the opinion that the first round of license renewal is highly probable because buses has only been used for 7 years, it still good working condition. And investment quite high, this will result in the SMB being able to use it as a reason for requesting a license renewal. However, after the second round of licenses are due, the IFA has the opinion that the renewal request is uncertain. Both from the government's policy and the condition of the buses, so the IFA determined that SMB does not renew the license. Therefore, the estimation period is 12 years.

In addition, the IFA has analyzed the assumptions obtained from the BLS and from interviews with management and relevant staff, based on the assumption that the business will not continue to operate after the expiration of the maintenance contract. Therefore, total equity (equal to total assets less total liabilities, in this case is cash and cash equivalents and working capital) at the end of the second round of SMB’s licenses is Residual Value. Because cessation of business is caused by the uncertainty in the renewal of the license of SMB, the IFA does not estimate the continuing operations after this period. It is not caused by failure in doing business. Therefore, the business still has the value of assets, it can be used as investments for additional returns. Furthermore, the IFA is considered based on information from the book From Innovation to Cash Flows: Value Creation by Structuring High Technology Alliances, which states one of the methods for calculating Residual Value is book value for banking and financial institutions. Although SMB is not a financial institution, the book value at the end of the projection is positive and SMB is under the indirect management of BYD, which is a financial institution that operates securities business. Therefore, it is appropriate to set the Residual Value to be equal to the book value in order to appropriately reflect the business value at the end of the estimated period.

However, if the economic situation, external situation, and SMB's internal situation has changed significantly and affects SMB's operations, it will also affect the assumptions that determine fair value for this approach.

The IFA has set important assumptions of SMB's financial projections as follows:

Key Assumptions

a) Revenue

The Business Operation of SMB is public transportation services in Bangkok and perimeter also provides advertising services on buses, where SMB holds shares in Bangkok Union Service 524 Company Limited (“BUS”), Bright Star Supply (1999) Company Limited (“BSS”), Sai 25 Ruamjai Company Limited (“S25”), Rawee Chok Company Limited (“RWC”), Mahachol Transport Company Limited (“MYT”) and Thammanat Transport Company Limited (“TT”) in the proportion of 100.00 percent and holding BLS in the proportion of 49.00 percent. which as of 31 March 2022, SMB and its subsidiaries had 440 buses and the average of utilization rate is 50.00 percent or equal to 220 buses caused by COVID-19 situation. SMB's revenue is divided into 2 type is revenue from ticket sales and revenue from billboards.

Revenue from ticket sales

Estimated revenue from ticket sales from the number of buses, number of tickets, number of trips, and average bus fare.

- Number of buses

Buses have two types including air-conditioned buses using natural gas (NGV-Bus) and electric buses (E-Bus). SMB plans to replace NGV-Bus with E-Bus in 2025. Therefore, the number of NGV-Bus is estimated to 2024. They will sell NGV-Bus equal to the book value to an entrepreneur selling old motor vehicles such as passenger cars, pickup trucks, vans and similar small cars. This is a person who bought cars from SMB in the past. According to historical data, SMB has 440 vehicles and the Utilization Rate during the year 2019 - 2021 is 71 percent. The IFA estimates the number of vehicles from such information, which the IFA considers that it can appropriately reflect the company's performance.

In 2017, King Mongkut's Institute of Technology Ladkrabang (KMUTL) provided information on the bus system development master plan in Bangkok and its surrounding areas, which will adjust the service area by reducing route overlap and adjusting the distance of each route to be in business to meet people's needs, resulting in a 50.00 percent increase in coverage area (Source : <https://thaipublica.org/2017/09/research-on-bus-routes-agachai/>). Some routes have been reduced from 40 kilometres to 35 kilometres, resulting in passengers traveling from origin to destination. The number of car connections is growing. The number of red-cream buses has decreased as a result of the Department of Land Transport's bus reform plan, which resulted in the cancellation of some bus lines in favour of regular BMTA buses as well as air-conditioned buses to replace them. The service users wait for the bus for a long time, and the buses are overcrowded, forcing them to wait for the next bus or change to a minibus, motorcycle taxi, or taxi instead. As a result, to meet the needs of service users and encourage them to return to using public buses. The Company intends to invest in E-Bus to increase the number of cars in service, making passengers more accessible and in line with the government's policy of raising service standards.

For E-Bus, there is a plan to order from NEX with a value equal to 5.80 million Baht per bus in 2023 – 2027 of 208 buses, 347 buses, 474 buses, 155 buses and 66 buses, respectively, resulting from 2027 onwards, the number of E-Bus is equal to 1,250 buses are financed through leasing contracts with NEX. SMB are required to acquire buses that meet the license minimum and to cover the rush hour to be sufficient to meet the demand, such as between 7:00 AM and 9:00 AM and 3:00 PM - 7:00 PM, and for spare car to use in the event of a broken car that needs to be repaired. The IFA estimates average Utilization Rate from Utilization Rate during the year 2019 - 2021 is 71 percent, which the IFA considers that it can appropriately reflect the company’s performance.

Electric Buses (E-Bus)	2023 F	2024 F	2025 F	2026 F	2027 F
Number of increasing bus (buses)	208	347	474	155	66

- Number of trip

According to the company's historical data, during January - March 2022, the average number of trips is 3.69 per car per day. Therefore, it is estimated that the number of trips for the year 2022 onwards is equal to 4 trips per car per day. Refer to Q1/2022 to appropriately reflect the company’s performance.

- Number of passengers

According to the SMB's historical data, during January - March 2022, the average number of tickets is 76.42 tickets per trip, so the IFA estimated the number of tickets in 2022 is 76 tickets per trip. From 2023 onwards the tickets will increase 3.64 percent per year, based on the growth rate of passengers during 2013 - 2019 from the Information and Communication Technology Center, Office of the Permanent Secretary, Ministry of Transport (Source: Ministry of Transport).

- Average fare bus

Fares for SMB'buses are set at 15 Baht, 20 Baht and 25 Baht, depending on the passenger's travel distance. SMB's average fare per ticket for January – March 2022 is 18.95 Baht per ticket. The IFA has considered the adjustment fares, it was found that the conditions in the transport license did not require an increase in fares. However, according to historical data from the Central Land Transport Control Board, it was found that the latest bus fares were adjusted in 2019 and the previous one in 2015 by approximately 2 Baht each for air-conditioned buses of the same type of SMB'buses. As a result, fare rates are adjusted simultaneously on all routes. Therefore, the IFA has set the fare adjustment every 4 years and increases the fare by 2 Baht each time from the average fare per ticket of SMB, starting with the adjustment in 2023.

Billboards Revenue

Revenue from billboards mounted on buses, the IFA set the rental rate of advertising space at 7,700 Baht per vehicle per month. This is a fixed rate that SMB has agreed with one out-of-home media provider in the past. In the event that SMB self-supplied the customer, it would be able to charge the rental rate at the market price between 15,000 – 20,000 Baht per car per month (Source: Association of Signs and Advertising “ASPA”). In the case of SMB self-sourcing, there is a chance that the Utilization Rate will be

lower than the Utilization Rate of service providers in the advertising industry. From the investigation, it was discovered that out-of-home media providers target an average utilization rate for all media in 2022 at 60.00 percent (Source: “Opportunity Day” investor presentation for Q1/2022). So, there is a chance that the average income per car per month of SMB in the case of self-sourcing will be less than 60.00 percent lower than the market. Therefore, the IFA considers that the rental rate for advertising space is 7,700 Baht per car per month is at the appropriate level.

Revenue projections from 2022 - March 2034 are as follows:

Unit: million Baht	Jan. - Mar. 2022	2022F	2023 F	2024 F	2025 F	2026 F	2027 F
Revenue from ticket sales	-	398.85	889.03	1,391.69	1,416.83	1,963.19	2,500.73
Billboards Revenue	-	18.80	317.12	477.86	470.35	629.38	706.38
Total Revenue	104.56	417.66	1,206.16	1,869.55	1,887.18	2,592.58	3,207.10
Number of buses per day (buses) ³⁴	220	312	460	706	731	841	888
Average number of tickets per bus per day (tickets)	76	76	79	82	85	88	91
Fare Bus per ticket (Baht)	19	19	21	21	21	21	23

Unit: million Baht	2028 F	2029 F	2030 F	2031 F	2032 F	2033 F	Jan - Mar 2034 F
Revenue from ticket sales	2,605.23	2,692.68	2,790.69	3,144.33	3,267.71	3,377.40	875.08
Billboards Revenue	708.08	708.08	708.08	708.08	708.08	708.08	177.02
Total Revenue	3,313.30	3,400.76	3,498.77	3,852.40	3,975.78	4,085.47	1,052.10
Number of buses per day (buses) ³⁵	888	888	888	888	888	888	888
Average number of tickets per bus per day (tickets)	95	98	102	105	109	113	117
Fare Bus per ticket (Baht)	23	23	23	25	25	25	25

Source : Estimated information by independent financial advisor

b) Cost of services (not including depreciation)

The cost of services consists of NGV gas, electric vehicle charging costs, bus maintenance costs, driver and receptionist salary, other variable costs, and car insurance and taxes. These costs will vary depending on the number of cars. In addition, it consists of depot rent, depot worker expenses, and utilities and other fixed costs.

The IFA has set the assumptions about the cost of services as follows:

NGV gas cost

³⁴ Number of cars per day as of December of the year

³⁵ Number of cars per day as of December of the year

The cost of NGV gas will be only for the year that there is still NGV-Bus, which is 2022 - 2024, which is equal to 8.01 Baht per kilometre, calculated from the cost of NGV gas at 16.01 Baht per kilogram and the amount of gas 0.5 kilograms per kilometre. And 1 bus uses a mileage of 240 kilometres per day.

Energy costs for charging electricity

The cost of charging energy is determined by the energy consumption rate of the E-Bus and the charging service rate. The energy consumption rate of the E-Bus is calculated from the average distance per car per trip and the energy consumption per kilometre. The IFA is based on the distance from the license and from the data during January – March 2022 of SMB. Therefore, the average distance per trip is 29 kilometres per trip, and the average energy consumption is 0.7 kilowatt-hours per kilometre. In addition, the IFA considers the charging service rates from the service agreements of the charging service providers and the energy cost data during January – March 2022, therefore, the charging service rate are set at 5 Baht per kilowatt-hour. Moreover, the IFA considers the growth of energy prices, it has a chance to rise, which affects the charging service rate. However, when the number of E-Bus increases, SMB will have to use more electricity, which SMB will pay at a lower rate according to the terms of the service contract. Therefore, the IFA has determined that the charging service rate is 5 Baht per kilowatt-hour throughout the projection period.

Bus maintenance costs

SMB maintains NGV-Bus and E-Bus by hiring BLS for bus maintenance according to mileage. Maintenance covers the body, mechanical systems and other systems related to the engine, suspension, transmission system, braking system, air conditioning system, coolant change for battery cooling system, changing tires, maintenance of the battery and the electrical system in the car, etc., which does not include the cost of replacing the battery because the battery is in the warranty period of 7 years with NEX. Therefore, IFA estimates the cost of maintenance for NGV-Bus and E-Bus will be 5 Baht per kilometre and 2.5 Baht per kilometre or valued at 1,200 Baht per car per day and 600 Baht per car per day, respectively, which refer from the maintenance contract and set the rate is fixed throughout the projection period.

Driver and reception costs

Driver and receptionist costs in Q1/2022 were 33.98 million Baht, with 484 drivers and 484 receptionists. The Number of drivers and receptionists will increase with the number of buses. For drivers and receptionist's costs in 2022 is approximately 14,000 Baht per month per person and in 2023 about 18,000 Baht per month per person. From 2024 onwards, the growth rate of driver and receptionist costs is set at 3.00 percent per year, based on SMB's employee compensation policy.

Other variable costs

Other variable costs include service fees for car tracking and control systems with MDVR, CCTV and GPS systems, cleaning fees, expressway fees, rabbit fees and paper ticket fees. The proportion of other variable costs to ticket sales revenue was set at 2.50 percent, based on the proportion of other variable costs to ticket sales revenue in Q1/2022 to appropriately reflect the company's performance.

Cost of parking depot rental fee

Depot rental fees from many individuals and many legal persons. Based on the depot rent in March 2022 which is 0.20 million Baht per month per depot. The number of depot in 2022 is 8 depot, then from 2023 onwards, the number of depot is 10 depots, and the depot rent is set to increase by 10.00 percent per 3 years, refer to the rental increase rate as stipulated in the land lease agreement.

Bus insurance and taxes

The IFA estimated the cost of insurance premiums and taxes based on SMB's insurance and tax policies, for 2022 equal to 2,709 Baht per car per month, and it will increase 2.50 percent in 2023 based on the projection inflation rate for the year 2023 of the Bank of Thailand because the IFA considers from the current economic situation, inflation will increase from many factors such as rising oil prices. After that from 2024 onwards, insurance premiums increased 1.48 percent per year, based on compound annual growth (CAGR) of headline inflation 2007 - 2021 because it reflects long-term growth and the IFA predicts that many factors are affecting the inflation to normal conditions after 2023.

Cost of Depot Employees

As of 31 March 2022, SMB has 154 parking depot employees. Parking depot employee costs consist of salary, provident fund, benefits, etc. SMB has parking depot employee cost in Q1/2022 equal to 6.87 million Baht. The IFA sets depot employee cost for the year 2022 as a full-year adjustment from depot employee cost in Q1/2022 and determines the growth rate of depot employee cost is 3.00 percent to comply with SMB policy for the duration of the estimate.

Utilities and other fixed costs

Utilities and other fixed costs such as printing stationery fee, material cost, cost of consumables, telephone expenses, travel expenses, etc. In Q1/2022, utilities and other fixed costs equal 1.64 million Baht. For 2022 are full-year adjustments from utilities and other fixed costs in Q1/2022. For 2023, it is projected to grow at 2.50 percent from 2022, based on headline inflation projection rate for 2023 of the Bank of Thailand 2023. The IFA considers that current economic conditions tend to increase inflation due to rising oil prices and from 2024 onwards, the growth rate is set at 1.48 percent per year. Referring to compound annual growth rate (CAGR) of headline inflation 2007-2021 to reflect long-term growth. And the IFA forecasts that factors affecting inflation adjustments will return to normal after 2023.

Cost of sales and services estimated from the year 2022 – 31 March 2034 as follows:

Unit: million Baht	Jan. - Mar. 2022	2022 F	2023 F	2024 F	2025 F	2026 F	2027 F
Cost of sales and services (excluding depreciation and amortization)	118.17	409.49	777.57	1,059.64	871.89	1,162.09	1,324.04
Proportion to total income (percent)	113.01	98.05	64.47	56.68	46.20	44.82	41.28
Unit: million Baht	2028 F	2029 F	2030 F	2031 F	2032 F	2033 F	Jan - Mar 2034 F

Cost of sales and services (excluding depreciation and amortization)	1,355.83	1,379.71	1,405.82	1,441.99	1,471.42	1,498.69	382.90
Proportion to total income (percent)	40.92	40.57	40.18	37.43	37.01	36.68	36.39

Source : Estimated information by independent financial advisor

c) Selling and administrative expenses (not including depreciation)

Major selling and administrative expenses are staff expenses and marketing expenses, etc. The IFA has set the assumptions for estimating administrative expenses as follows:

Employee Expenses

Employee expenses consist of salary, provident fund, and employee benefits, etc. In Q1/2022, employee expenses were 4.54 million Baht. The IFA projected employee expenses for 2022 from SMB projection which equal to 7,846 Baht per person per month with the total of 40 employees, which SMB considers that the number of employees is sufficient for future management, so they have not plan to increase the number of employees. The IFA has set the growth rate for expenses for head office staff since 2023 equal to 3.00 percent per year, referring to SMB's employee compensation policy.

Marketing Expenses

Marketing expenses such as public relations fee. In Q1/2022, average marketing expenses is 31,208 Baht per month. The IFA determines marketing expenses for the year 2022 equal to 0.28 million Baht or 0.07 percent of revenue from ticket sales. Based on estimation from SMB management. Therefore, the IFA determines marketing expenses for the year 2023 onwards equal to 0.07 percent of revenue from ticket sales.

d) Depreciation and amortization

Depreciation expenses consist of vehicle depreciation and depreciation of buildings and equipment, etc. For amortization expenses such as computer software, etc. Based on accounting policies that are depreciated on a straight-line basis over useful life.

E-Bus	7 years
E-Bus Battery	7 years
Depot improvement	20 years
Used bus	7,10 years
e-Ticket system and equipment, depot tools and the depot's computer	5 years
office equipment	5 years
transportation license	7 years
computer program	10 years

e) Investment Expenses

SMB estimates the cost of investment from the plan to increase the number of E-Bus, causing the investment expenses to consist of the cost of E-Bus and the cost of depot improvement, with the cost of E-Bus equal to 5.80 million Baht per bus, comprising a bus cost of 5.00 million Baht and an E-Bus battery of 0.80 million Baht. The depot improvement expense is equal to 14.28 million Baht per depot, invested in 2 depots in 2023, totalling 28.57 million Baht.

f) Corporate Income Tax

The corporate income tax rate over the projection period is 20 percent of profit before tax.

g) Working Capital

Estimated average collection period and average repayment period are 30 days and 60 days respectively, referring to the company's policy to reflect SMB's performance, where SMB does not change any policies related to working capital.

Financial projections from 2022 - March 2034 are as follows:

Unit: million Baht	2019	2020	2021	Jan. - Mar. 2022	2022 F	2023 F	2024 F	2025 F
Revenue from service	62.39	533.59	378.65	104.56	417.66	1,206.16	1,869.55	1,887.18
Cost of services	79.64	791.77	724.23	197.60	602.17	1,056.24	1,564.18	1,716.58
Selling and administrative expenses	14.37	35.99	34.84	9.16	139.73	146.20	147.79	148.27
Profit (loss) from operations	(31.62)	(294.17)	(380.42)	(102.20)	(324.24)	3.71	157.58	22.33
Financial cost	32.60	78.36	81.38	37.65	60.52	82.63	139.54	271.88
Profit (loss) before tax	(64.22)	(372.53)	(461.80)	(139.85)	(384.76)	(101.38)	(18.14)	(273.48)
Tax	-	-	-	-	-	-	-	-
Net Profit (Loss)	(64.22)	(372.53)	(461.80)	(139.85)	(384.76)	(101.38)	(18.14)	(273.48)

Unit: million Baht	2026 F	2027 F	2028 F	2029 F	2030 F	2031 F	2032 F	2033 F	Jan - Mar 2034 F
Revenue from service	2,592.58	3,207.10	3,313.30	3,400.76	3,498.77	3,852.40	3,975.78	4,085.47	1,052.10
Cost of services	2,101.92	2,382.63	2,413.08	2,416.85	2,441.89	2,477.70	1,715.94	1,641.55	418.62
Selling and administrative expenses	147.65	25.88	23.57	24.28	25.00	25.90	26.70	27.51	7.09
Profit (loss) from operations	343.01	798.59	876.66	959.62	1,031.89	1,348.80	2,233.14	2,416.42	626.40
Financial cost	331.31	325.23	262.91	194.87	124.53	62.95	21.41	4.36	-
Profit (loss) before tax	(6.98)	459.93	608.78	764.75	907.36	1,285.84	2,211.73	2,412.06	626.40
Tax	-	91.99	121.76	152.95	181.47	257.17	442.35	482.41	125.28
Net Profit (Loss)	(6.98)	367.94	487.03	611.80	725.88	1,028.68	1,769.39	1,929.65	501.12

h) Residual Value

The value of the SMB at the end of the forecast period, there will be cash flows from cash balances and asset disposals equal to the residual book value minus liabilities. Due to the expiration of the transportation license, the company no longer needs to keep the assets for its operations. In addition, there is no policy to change investments in the future. Therefore, IFA has determined that the Residual Value is equal to the shareholders' equity. And the IFA has an opinion as stated in item 3.2.4.4.

i) Discount Rate

The IFA uses the Weighted Average Cost of Capital (WACC) as the discount rate to calculate the present value of the cash flows. As the capital structure of the passenger transport business consists of equity capital and interest-bearing debt, WACC is calculated based on the cost of debt (K_d) and the cost of equity (K_e) as follows:

$$WACC = K_e \times E/(D+E) + K_d \times (1-T) \times D/(D+E)$$

where as

- K_e = The cost of equity equal to 21.31 percent
- K_d = The cost of debt or the average interest-bearing loan or debt interest rate of SMB is 7.00 percent per year, where SMB has borrowed from an natural person and two legal persons
- T = Corporate income tax rate equal to 20 percent
- D/E = Interest-bearing debt/total equity is equal to 2.00 times. The IFA has considered the financial information of SMB as of 31 March 2022 and found that it could not be determined due to negative shareholders' equity. And if considering the D/E of EA, which is a major shareholder of SMB (indirectly), notice that EA operates 3 main business groups: 1.) Biodiesel (B100) Glycerine Production and Distribution Business Group pure green by-product and status change substances (through the Company and its subsidiaries) 2.) Business group producing and distributing electricity from renewable energy (through a group of subsidiaries) 3.) Other business groups (through a group of subsidiaries) 3.1) Battery development, production, and distribution business 3.2) Charging station service business (for electric vehicles), electronic transactions 3.3) research and development business 3.4) other businesses, which has a different capital structure from SMB. And based on interviews with management on SMB D/E, they are of the view that SMB D/E should be 2.00 times. While ATP30 is 1.29 times and EA is 1.47 times. Therefore, the IFA has the opinion that SMB's D/E of 2.00 times is appropriate. When considering SMB's current investment plans and registered capital, to reflect the company's capital structure close to that of EST, which operates a business similar to SMB.

The IFA determines K_e using the Capital Asset Pricing Model (CAPM) principle, which has the formula for calculating K_e as follows:

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

where as

R_f = Risk-free rate, the IFA based on the yield of 15-year government bonds as of March 31, 2022, equal to 3.07 percent per year (Source: www.thaibma.or.th) which the IFA considers to be a period that reflects the economic cycle and is consistent with the forecast period as well as being consistent with the assessment with other companies for this assessment.

Beta (β) = 2.73 times. It is the variance coefficient of price change compared to the Stock Exchange of Thailand Index (SET Index). So the IFA calculates the Beta by comparing it with the Beta of 2 listed companies including 1) ATP30 because they operates a business of transporting employees between their residences to the factory, and 2) BYD because they indirectly holds shares in TSB that operates public transport business, worth 405.91 million Baht, or 26.13 percent of total assets (data from BYD as of March 31, 2022). Although BYD is engaged in securities business, but BYD has notified investors through the system of the Stock Exchange on April 12, 2021 according to the resolution of the Board of Directors No. 4/2021 on April 9, 2021. They approved an indirect joint investment in TSB. After the announcement of the news, BYD's share price has increased. During the period of 1 year after the news (From 16 April 2021 to 11 April 2022) with the lowest price on April 16, 2021 equal to 1.12 Baht per share and the highest price of 15.40 Baht per share on April 5, 2022. The IFA has the opinion that the share price volatility is caused by investors valuing the electric public bus service business. Therefore, the Beta value of BYD is suitable for this comparison. (Please refer to the list of listed companies that the IFA used to calculate the Beta value and the method of calculating the Beta value in Appendix 2.). In this regard, the IFA brings the Unlevered Beta back 1 year from 1 April 2021 to 31 March 2022 to calculate the average Unlevered Beta and adjust it with the interest-bearing debt to equity ratio of SMB. The IFA considered that the ratio reflects the future capital structure under SMB management.

R_m = Average return on investment in the Stock Exchange of Thailand for the past 15 years to 31 March 2022, which is 9.73 percent per year (Source: SETSMART and the IFA's calculation) which the IFA considers that is the period that reflects the economic cycle and corresponds to the forecast period.

The calculation for K_e is as follows:

Variable for CAPM	Ratio
Risk free rate (R_f)	3.07%
Risk Premium ($R_m - R_f$)	9.73 % - 3.07 %
Beta (β)	2.73

Cost of Equity (Ke) from CAPM	21.26%
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Based on the calculated Ke, the IFA has the opinion that the value can reflect the equity risk for investing in SMB.

The calculation for WACC is as follows:

Variable for WACC	Ratio
D/E	2.00
1-T	80.00 %
Cost of Debt (Kd)	7.00%
Cost of Equity (Ke)	21.26%
WACC	10.82%

From the assumptions given above, the cash flow and fair value of SMB as follows:

Unit: million Baht	Apr - Dec 2022F	2023 F	2024 F	2025 F	2026 F	2027 F	2028 F
NOPAT	(243.18)	3.71	157.58	22.33	343.01	706.61	754.90
+ depreciation	238.88	86.00	311.87	656.69	911.34	1,030.10	1,037.14
- investment	-	1,234.97	2,012.60	2,093.70	899.00	382.80	-
+/- change in working capital	(101.50)	19.01	20.61	4.01	20.79	14.22	1.69
Free Cash Flow to Firm	(105.81)	(1,126.25)	(1,522.54)	(1,410.67)	376.14	1,368.13	1,793.73
Present Value of Cashflow	(97.96)	(940.90)	(1,147.77)	(959.59)	230.88	757.78	896.49

Unit: million Baht	2029 F	2030 F	2031 F	2032 F	2033 F	Jan - Mar 2034 F
NOPAT	806.67	850.41	1,091.63	1,790.79	1,934.01	501.12
+ depreciation	1,037.14	1,036.07	1,035.71	244.52	142.86	35.71
- investment	-	166.40	277.60	379.20	124.00	13.20
+/- change in working capital	0.86	1.23	5.33	1.84	1.19	(79.46)
Free Cash Flow to Firm	1,844.67	1,721.32	1,855.07	1,657.96	1,954.06	444.17
Residual Value ³⁶						6,603.61
Net Present Value	831.93	700.49	681.21	549.37	584.26	129.44
PV of Residual Value						1,924.40
Total PV of Cash Flow						4,140.02

	(million Baht)
Total PV of Cash Flow	4,140.02
Add: Cash and equivalent on 31 March 2022	63.70
Minus: Interest bearing debt on 31 March 2022	-

³⁶ Residual Value equals to equity at the end of the forecast period or total assets minus total liabilities. In this case is cash and cash equivalents and working capital

	(million Baht)
Fair Value on 31 March 2022	4,203.73

From the fair value valuation by the DCF method, the fair value of SMB as at 31 March 2022 is equal to 4,203.73 million Baht.

In addition, the IFA has conducted a sensitivity analysis of the fair value by adjusting the value of the Discount Rate or WACC. Because the change in the Discount Rate has a significant effect on the change in the fair value appraised. The IFA determines the appropriate volatility range, the results of the Sensitivity Analysis as follows:

Discount Rate or WACC (%)	10.32	10.82	11.32
Fair Value (million Baht)	4,480.33	4,203.73	3,941.66

From the sensitivity analysis by changing the Discount Rate, SMB's fair value is between 3,941.66 – 4,480.33 million Baht.

3.2.4.5. VALUATION OF BLS

The IFA has considered the appropriateness of the share price and business value by using the Discounted Cash Flow Approach.

Discounted Cash Flow Approach is the present value of the expected cash flows from the business in the future and adjust it at an appropriate discount rate. In this case the IFA has prepared financial projections based on key assumptions over a period of 12 years (from 1 April 2022 – 31 March 2034) and this projection is under the assumption that BLS has provided bus maintenance services for SMB follow by maintenance contract until the expiration of 14 years, which will expire in 2034. This period is the same projection period as SMB, which is BLS's only source of income.

In addition, the IFA has analyzed the assumptions obtained from the BLS and from interviews with management and relevant staff, based on the assumption that the business will not continue to operate after the expiration of the maintenance contract. Therefore, total equity (equal to total assets less total liabilities, in this case is cash and cash equivalents and working capital) at the end of the contract with SMB, which is the year that the second round of SMB's licenses for transportation services expires as a Residual Value. Because cessation of business is caused by the uncertainty in the renewal of the contract between BLS and SMB and the uncertainty in the renewal of the business license of SMB, the IFA does not estimate the continuing operations after this period. It is not caused by failure in doing business. Therefore, the business has assets that still have value that can be used as investments to find additional returns. Furthermore, the IFA is considered based on information from the book From Innovation to Cash Flows: Value Creation by Structuring High Technology Alliances, which states one of the methods for calculating Residual Value is book value for banking and financial institutions. Although BLS is not a financial institution, the book value at the end of the projection is positive and BLS is under the indirect management of BYD, which is a financial institution that operates securities business. Therefore, it is appropriate to set the

Residual Value to be equal to the book value in order to appropriately reflect the business value at the end of the estimated period.

However, if the economic situation, external situation and BLS's internal situation has changed significantly and affects BLS's operations, it will also affect the assumptions that determine fair value for this approach.

The IFA has set important assumptions of BLS's financial projections as follows:

Key Assumptions

a) Revenue

Revenue from Service

The proportion of shareholders of BLS as of 31 April 2022 are SPP Intelligence Co., Ltd. 50.9990 percent, Smart Bus Co., Ltd. 49.0000 percent, and Mr. Khanit Srivajiraprabha 0.0010 percent. The business overview of BLS is maintenance and repair of engine systems and automotive parts. By doing preventive maintenance and repairing air-conditioned buses using natural gas (NGV) for SMB, which has a preventive maintenance contract for 500 buses for a period of 14 years starting from as of 15 March 2020, the IFA estimates BLS's revenue from SMB's bus maintenance costs, estimating to 2034, which is the year of the maintenance contract expires.

SMB's bus maintenance cost estimates are based on the assumptions of the number of SMB's bus and maintenance costs. The details of the projection are as follows.

- Number of buses

Based on the estimated number of buses by SMB as shown in Section 3, item 3.2.4.4 a) Revenue, the IFA estimates the number of service buses based on the number of buses provided by SMB.

- Repair and maintenance revenue

Repair and maintenance income for NGV-Bus is 5.00 Baht per kilometer, E-Bus is 2.50 Baht per kilometer or equivalent to 1,200 Baht per car per day and 600 Baht per car per day, respectively, referring to the bus maintenance contract. E-Bus maintenance can use the personnel, skills and tools that the BLS had to maintain.

Estimated revenue from repair and maintenance services from 2022 - March 2034 is as follows:

Unit: million Baht	Jan. - Mar. 2022	2022 F	2023 F	2024 F	2025 F	2026 F	2027 F
Average number of E-Bus per day (buses) ⁴⁶	-	-	148	394	731	841	888
Average number of NGV-Bus per day (buses) ⁴⁶	220	312	312	312	-	-	-
Mileage per day (kilometres)	240	240	240	240	240	240	240
Revenue from Service (million Baht)	21.18	96.84	172.88	217.58	129.26	172.81	193.89

Unit: million Baht	Jan. - Mar. 2022	2022 F	2023 F	2024 F	2025 F	2026 F	2027 F
Growth rate (%)	-	17	79	26	(41) ³⁷	34	12

Unit: million Baht	2028 F	2029 F	2030 F	2031 F	2032 F	2033 F	Jan - Mar 2034 F
Average number of E-Bus per day (buses) ³⁸	888	888	888	888	888	888	888
Average number of NGV-Bus per day (buses) ⁴⁶	-	-	-	-	-	-	-
Mileage per day (kilometres)	240	240	240	240	240	240	240
Revenue from Service (million Baht)	194.90	194.36	194.36	194.36	194.90	194.36	194.36
Growth rate (%)	-	-	-	-	-	-	-

Source : Estimated information by independent financial advisor

b) Cost of services (not including depreciation)

The cost of service consists of cost of repair services, salary and wages, employee benefits expenses, etc. The IFA has set assumptions for estimating the cost of services as follows:

Service costs

Service costs consist of repair fees, transportation costs, and consumables, etc. The cost of services from 2022 onwards is equal to 25 percent of the service revenue. Based on the ratio of cost of services to revenue from services for Q1/2022 of the Company to reflect the overall current performance. And the cost of servicing NGV-Bus and E-Bus has a similar cost structure.

Employee costs

Employee costs consist of salary and wages, employee benefits, and overtime pay, etc. Employee costs during January - March 2022 equal to 4.24 million Baht. IFA therefore estimates employee costs for the year 2022, which is a full-year adjustment from employee costs in Q1/2022. And set the employee cost growth rate to be 3.00 percent in accordance with BLS policy throughout the projection period.

Fixed costs

Fixed costs consist of electricity, internet, and travel expenses, etc. Fixed cost in Q1/2022 is equal to 0.12 million Baht, the IFA estimated fixed cost for 2022, which is a full-year adjustment from fixed costs in Q1/2022. It will increase 2.50 percent in 2023 based on the projection inflation rate for the year 2023 of the Bank of Thailand because the IFA considers from the current economic situation, inflation will increase

³⁷ In 2025, SMB plans to use E-Bus for 100.00 percent of service, thus stopping using NGV-Bus. Therefore, BLS has no income from repair and maintenance costs of NGV-Bus. In addition, the maintenance service rate of E-Bus is lower than that of NGV-Bus, resulting growth rate of service revenue decreased in 2025.

³⁸ Number of cars as of December of the year

from many factors such as rising oil prices. After that from 2024 onwards, insurance premiums increased 1.48 percent per year, based on compound annual growth (CAGR) of headline inflation 2007 - 2021 because it reflects long-term growth and the IFA predicts that many factors are affecting the inflation to normal conditions after 2023.

Rental cost

Rental costs consist of warehouse rental, and space usage fees, etc., which BLS leased from a large electric vehicle manufacturer. The rental cost during January - March 2022 is 0.17 million Baht. Therefore, the IFA estimates the rental cost for the year 2022, which is a full-year adjustment from the rental cost in Q1/2022. After that, from 2023 onwards, the growth rate of rental cost is 10 percent per year.

c) Selling and administrative expenses (not including depreciation)

Fixed expenses

Fixed expenses consist of insurance premiums, maintenance costs, communication and internet expenses, travel expenses, and computer related expenses, etc. Fixed expenses in Q1/2022 was 0.27 million Baht., the IFA estimates fixed expenses for the year 2022, which is a full-year adjustment from fixed expenses in Q1/2022. For 2023, it is projected to grow at 2.50 percent from 2022, based on headline inflation projection rate for 2023 of the Bank of Thailand 2023. The IFA considers that current economic conditions tend to increase inflation due to rising oil prices. and from 2024 onwards, the growth rate is set at 1.48 percent per year. Referring to compound annual growth rate (CAGR) of headline inflation 2007-2021 to reflect long-term growth. And the IFA forecasts that factors affecting inflation adjustments will return to normal after 2023.

Employee Expenses

Employee expenses consist of salary and wages, employee benefits, social security contributions, and compensation fund contributions, etc. As of March 31, 2022, BLS has a total of 80 employees. Employee expenses during January - March 2022 was 1.07 million Baht. The IFA estimates employee expenses for the year 2022 as a full-year adjustment from employee expenses in Q1/2022. After that, the IFA set the employee expense growth rate to be 3.00 percent per year from 2023 onwards to comply with the BLS policy throughout the estimation period.

Rental Expenses

Rental expenses consist of office rent, and space usage fees, etc., which BLS leased from a large electric vehicle manufacturer. The IFA estimates the rental expenses in 2022 from the rental expenses during January - March 2022 was 0.14 million Baht. The IFA estimates the rental expenses for the year 2022, which is a full-year adjustment from the rental expenses of Q1/2022. From 2023 onwards, the IFA set the growth rate of rental expenses is 10.00 percent for 3 years.

d) Depreciation and amortization

Depreciation expenses consist of depreciation of buildings and equipment, etc., for amortization such as computer software, etc., based on accounting policies that are depreciated on a straight-line basis over useful life.

e) Investment Expenses

BLS does not have any plans to invest in any assets, so the IFA did not estimate investment costs.

f) Corporate Income Tax

The corporate income tax rate over the projection period is 20 percent of profit before tax.

g) Working Capital

The IFA estimates the average collection period from the average repayment period of the BLS. The estimated average repayment period. and the average sales period from the financial data of BLS for the year 2020 - March 2022 to reflect the performance of BLS are as follows:

Average Collection Period	60	days
Average Payment Period	47	days
Average Inventory Period	50	days

Financial projections from 2022 - March 2034 are as follows:

Unit: million Baht	2019 ³⁹	2020	2021	Jan. - Mar. 2022	2022 F	2023 F	2024 F	2025 F
Revenue from service	4.89	94.86	84.43	21.16	96.84	172.88	217.58	129.26
Cost of services	4.87	27.90	38.45	9.27	42.47	61.90	73.63	52.12
Selling and administrative expenses	0.80	10.08	20.61	6.79	12.24	7.45	7.88	6.41
Profit (loss) from operations	(0.80)	56.88	23.40	6.22	42.12	103.53	136.07	70.73
Financial cost	-	0.05	0.37	0.37	0.37	0.37	0.37	0.37
Profit (loss) before tax	(0.80)	56.83	25.18	5.86	41.76	103.17	135.71	70.36
Tax	-	11.99	4.68	2.04	8.35	20.63	27.14	14.07
Net Profit (Loss)	(0.80)	44.84	20.50	3.82	33.41	82.53	108.57	56.29

Unit: million Baht	2026 F	2027 F	2028 F	2029 F	2030 F	2031 F	2032 F	2033 F	Jan - Mar 2034 F
Revenue from service	172.81	193.89	194.90	194.36	194.36	194.36	194.90	194.36	194.36
Cost of services	63.60	69.47	70.35	70.86	71.52	72.20	73.04	73.63	55.04
Selling and administrative expenses	6.58	6.77	6.95	7.15	7.34	7.55	7.76	7.98	2.05

³⁹ Data in 2019 is not full year because BLS was started on 19 July 2019

Unit: million Baht	2026 F	2027 F	2028 F	2029 F	2030 F	2031 F	2032 F	2033 F	Jan - Mar 2034 F
Profit (loss) from operations	102.63	117.65	117.59	116.36	115.50	114.61	114.10	112.76	137.28
Financial cost	0.37	0.37	0.37	0.37	0.37	0.37	0.37	0.37	0.37
Profit (loss) before tax	102.26	117.28	117.23	115.99	115.13	114.24	113.73	112.39	136.91
Tax	20.45	23.46	23.45	23.20	23.03	22.85	22.75	22.48	27.38
Net Profit (Loss)	81.81	93.83	93.78	92.79	92.10	91.39	90.98	89.91	109.53

Source: 2019 - 2021 data from BOL and Jan - Mar 2022 data from the Company's management

h) Residual Value

The value of the BLS at the last year of the forecast period, there will be cash flows from cash balances and asset disposals equal to the residual book value minus liabilities. Due to the expiration of the SMB license, the BLS no longer needs to keep the assets to operate. In addition, SMB does not have policy to change investments in the future. Therefore, the IFA has determined that the Residual Value is equal to the equity, even as the IFA has an opinion as stated in item 3.2.4.5.

i) Discount Rate

The IFA uses the Weighted Average Cost of Capital (WACC) as the discount rate to calculate the present value of the cash flows. As the capital structure of the passenger transport business consists of equity capital and interest-bearing debt, WACC is calculated based on the cost of debt (Kd) and the cost of equity (Ke) as follows:

$$WACC = Ke \times E/(D+E) + Kd \times (1-T) \times D/(D+E)$$

where as

Ke = The cost of equity equal to 11.23 percent

Kd = The cost of debt or the average interest-bearing loan or debt interest rate of BLS is 2.45 percent per year, which is loan from two legal persons

T = Corporate income tax rate equal to 20 percent

D/E = Interest-bearing debt/total equity as of 31 March 2022 is equal to 0.21 times

The IFA determines Ke using the Capital Asset Pricing Model (CAPM) principle, which has the formula for calculating Ke as follows:

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

where as

Rf = Risk-free rate, the IFA based on the yield of 15-year government bonds as of March 31, 2022, equal to 3.07 percent per year (Source: www.thaibma.or.th) which the IFA considers to be a period that reflects the economic cycle and is consistent with the forecast period as well as being consistent with the assessment with other companies for this assessment.

Beta (β) = 1.22 times. It is the variance coefficient of price change compared to the Stock Exchange of Thailand Index (SET Index). So the IFA calculates the Beta by comparing it with the Beta of 2 listed companies similar to SMB (BLS is an affiliate of SMB and is directly and indirectly held by NEX. Furthermore, BLS has revenues from providing services to only SMB, so the volatility will depend on SMB. Therefore, the IFA views that BLS is the same business unit as the SMB that operates the public bus business.) 1) ATP30 because they operates a business of transporting employees between their residences to the factory, and 2) BYD because they indirectly holds shares in TSB that operates public transport business, worth 405.91 million Baht, or 26.13 percent of total assets (data from BYD as of 31 March 2022). Although BYD is engaged in securities business, but BYD has notified investors through the system of the Stock Exchange on 12 April 2021 according to the resolution of the Board of Directors No. 4/2021 on 9 April 2021. They approved an indirect joint investment in TSB. After the announcement of the news, BYD's share price has increased. During the period of 1 year after the news (From 16 April 2021 to 11 April 2022) with the lowest price on 16 April 2021 equal to 1.12 Baht per share and the highest price of 15.40 Baht per share on 5 April 2022. The IFA has the opinion that the share price volatility is caused by investors valuing the electric public bus service business. Therefore, the Beta value of BYD is suitable for this comparison. (Please refer to the list of listed companies that the IFA used to calculate the Beta value and the method of calculating the Beta value in Appendix 26). In this regard, the IFA brings the Unlevered Beta back 1 year from 1 April 2021 to 31 March 2022 to calculate the average Unlevered Beta and adjust it with the interest-bearing debt to equity ratio of BLS. The IFA considered that the ratio reflects the future capital structure under BLS management.

Rm = Average return on investment in the Stock Exchange of Thailand for the past 15 years to March 31, 2022, which is 9.73 percent per year (Source: SETSMART and the IFA's calculation) which the IFA considers that is the period that reflects the economic cycle and corresponds to the forecast period.

The calculation for Ke is as follows:

Variable for CAPM	Ratio
Risk free rate (Rf)	3.07%
Risk Premium (Rm – Rf)	9.73 % - 3.07 %
Beta (β)	1.22
Cost of Equity (Ke) from CAPM	11.23%

Based on the calculated Ke, the IFA has the opinion that the value can reflect the equity risk for investing in BLS.

The calculation for WACC is as follows:

Variable for WACC	Ratio
D/E	0.21
1-T	80.00 %
Cost of Debt (Kd)	2.45%
Cost of Equity (Ke)	11.23%
WACC	9.64%

From the assumptions given above, the cash flow and fair value of BLS as follows:

Unit: million Baht	Apr - Dec 2022F	2023 F	2024 F	2025 F	2026 F	2027 F
NOPAT	29.59	82.90	108.93	56.66	82.18	94.19
+ depreciation	1.41	1.88	2.14	-	-	-
- investment	(0.33)	-	-	-	-	-
+/- change in working capital	46.92	(22.83)	(13.38)	26.59	(13.03)	(6.26)
Free Cash Flow to Firm	77.59	61.95	97.69	83.25	69.15	87.93
Present Value of Cashflow	68.63	58.78	94.48	81.23	67.82	86.53

Unit: million Baht	2028F	2029 F	2030 F	2031 F	2032 F	2033 F	Jan - Mar 2034 F
NOPAT	94.15	93.16	92.47	91.76	91.35	90.28	109.89
+ depreciation	-	-	-	-	-	-	-
- investment	-	-	-	-	-	-	-
+/- change in working capital	(0.22)	0.24	0.09	0.09	(0.07)	0.25	(2.41)
Free Cash Flow to Firm	93.93	93.40	92.56	91.85	91.28	90.53	107.48
Residual Value ⁴⁰							1,191.49
Net Present Value	92.65	92.30	91.59	90.99	90.50	89.83	106.66
PV of Residual Value							395.06
Total PV of Cash Flow							1,507.06

	(million Baht)
Total PV of Cash Flow	1,507.06
Add: Cash and equivalent on 31 March 2022	1.57
Minus: Interest bearing debt on 31 March 2022	(16.26)
Fair Value on 31 March 2022	1,492.37

⁴⁰ Residual Value equals to equity at the end of the forecast period or total assets minus total liabilities. In this case is cash and cash equivalents and working capital

From the fair value valuation by the DCF method, the fair value of BLS as at 31 March 2022 is equal to 1,492.37 million Baht.

In addition, the IFA has conducted a sensitivity analysis of the fair value by adjusting the value of the Discount Rate or WACC. Because the change in the Discount Rate has a significant effect on the change in the fair value appraised. The IFA determines the appropriate volatility range, the results of the Sensitivity Analysis as follows:

Discount Rate or WACC (%)	9.14	9.64	10.14
Fair Value (million Baht)	1,515.93	1,492.37	1,470.10

From the sensitivity analysis by changing the Discount Rate, BLS's fair value is between 1,470.10 – 1,515.93 million Baht.

3.2.5 The valuation of shares or business value of ETH and subsidiaries

ETH invests directly and indirectly in ordinary shares of subsidiaries that operate a public transportation service business, the independent financial advisor calculates the fair value of the investment in the subsidiary separately using the above information. The independent financial advisor can calculate ETH and its subsidiaries' share value or business value as follows;

No.	Symbol	Fair value of equity (million Baht)	Shareholding (%)	Fair value of equity in proportion to ETH's equity (million Baht)
1	ETH	(3.96)	100.00	(3.96)
2	EST	932.23 – 1,024.32	100.00	932.23 – 1,024.32
3	CRL	33.70	100.00 (Held by EST 100%)	33.70
4	SMB	3,941.66 – 4,480.33	100.00	3,941.66 – 4,480.33
5	BLS	1,470.10 – 1,515.93	49.00 (Held by SMB 49%)	720.35 – 742.81
Total value of ETH				5,623.98 – 6,277.20

The share value of ETH and subsidiaries (base case) will be 5,623.98 - 6,277.20 million Baht based on the above fair valuation.

The most accurate way of expressing the fair value of ETH shareholders' equity is to calculate each business using the Sum Of The Part method. The method also considers the future cash flow generation capability of each of ETH's subsidiaries based on past performance, as well as future operating capabilities. As a result, it can better reflect true value than other methods of valuation. So IFA believes that each business' valuation method is appropriate for this valuation.

3.2.6 Summary of ETH's share valuation or business value

Valuation Method	Share Value (Baht/Share)	Subscription price (Baht/Share)	Higher (Lower) than offer (Baht)	Higher (Lower) than offer (%)	IFA's Opinion
1. Book Value Approach	(3.99)	6,000.00	6,003.99	(100)	Inappropriate
2. Adjusted Book Value Approach	3,348.98	6,000.00	(2,651.02)	(44.18)	Inappropriate
3. Market Comparable Approach					
3.1. Price to Book Value Approach Ratio: P/BV Ratio	N/A	6,000.00	N/A	N/A	Inappropriate
3.2. Price to Earning Approach Ratio: P/E Ratio	N/A	6,000.00	N/A	N/A	Inappropriate
4. Sum of the Parts: SOTP	5,623.98 – 6,277.20	6,000.00	(376.02) – 277.20	(6.27) – 277.20	appropriate

Because each valuation approach has different advantage and disadvantage that will represent the different fair values as follows;

1. Book Value Approach

Book Value Approach reflects financial position at a point in time and value of assets on the recorded date. However, it does not reflect the fair value of the assets and ability to generate profits and cash flow in the future. IFA thinks that this methodology is inappropriate method to assess the fair value.

2. Adjusted Book Value Approach

Adjusted Book Value approach assessing the value by adjusting assets and liabilities to its fair value. However, this method does not reflect ability to generate profits and cash flow from future operation. Hence, this methodology is inappropriate method evaluating the fair value

3. Market Comparable Approach

3.1 Price to Book Value Approach Ratio: P/BV Ratio

Price to Book Value Approach will assess the share price relying on market price of the comparable companies, and those companies may have various returns on asset (ROA), capital structure, and trading liquidity. So, IFA has an opinion that assessing the business by using P/BV approach is inappropriate for this transaction.

3.2 Price to Earning Approach Ratio: P/E Ratio

Price to Earning Approach will refer to the ratio of the market price of the comparable companies and the profitability in the past of such companies. The method will be suitable to evaluate the short-term price without the consideration of future profitability. So, IFA opines that the valuation by using P/E approach is inappropriate for this transaction.

4. Sum of the part

IFA has opinion that the appropriate methods use to appraising the fair value of ETH is market value approach and sum of the part approach. The fair value of the company is **5,623.98 – 6,277.20 million Baht**. IFA compared to the ordinary shares offering price for the private placement of 7.062 baht per share. Therefore, IFA considers that the offering price for investment in ETH's ordinary shares is appropriate.

Nevertheless, the valuation based on the assumptions from ETH under the circumstance of current economy and situation. So, any changes related to business plan and any policies of ETH or economic changes, or unusual events may affect significantly to the current operations of ETH or vary from the projection and the assumptions. As a result, the projection and the assumptions as will largely change, and it may significantly impact the value of ETH as well

3.3 Appropriateness of Price and Terms of the Transaction of EXA

According to the Board of Directors' Meeting of Beyond Securities Public Company Limited (“BYD”) No. 5/2022, which was held on 23 May 2022, was passed a resolution to propose to the meeting of the acquisition of assets and the entry into related transactions and to propose to the shareholders' meeting to approve the acquisition of assets and the related transaction by subscribing to Beyond Securities Public Company Limited (“BYD”). Newly issued ordinary shares to the Company (Private Placement). One of the goals of issuing new ordinary shares this time is to support the TSB Group's business by providing long-term loans of up to 7 years worth 8,550 million Baht for TSB to invest in various projects. One of TSB's investment projects is the purchase of 100 percent of the issued shares of Exa Logistics Company Limited (“EXA”) and Racha Road Company Limited (“RJR”) and according to the Board of Directors' Meeting of TSB No. 2/2022 held on 28 June 2022, was passed a resolution to propose to invest in EXA and RJR stock in order to expand business opportunities by providing additional potential routes.

The IFA has considered the appropriateness of the fair value of EXA, which Securities and Derivatives Brokerage, based on information and operating assumptions from the interview of executive management and staffs, relevant contracts, appraisal report, financial statement, reviewed and audited by the SEC-approved auditor, other document relevant with the transaction, site visit and other public information on website of SET (www.set.or.th) or SEC (www.sec.or.th).

The IFA opinion on the fairness of the price is rendered under the assumption that all information obtained is correct and complete and based solely on the economic situation prevailing at the time of preparing this report. Therefore, any material changes in these factors could affect the steel production,

normal business operation, or financial projection of EXA which may affect decision of the shareholder to consider the appropriateness and fairness of the value of EXA.

The IFA has considered the appropriateness of the share price and the business value by 4 approaches, which are;

1. Book Value Approach
2. Adjusted Book Value Approach
3. Market Comparable Approach
 - 3.1. Price to Book Value Approach Ratio: P/BV Ratio
 - 3.2. Price to Earning Approach Ratio: P/E Ratio
4. Discounted Cash Flow Approach

3.3.1 BOOK VALUE APPROACH

Evaluate the Company’s fair value employing this approach will consider the value at certain point in time. The IFA refer to financial statement as at 31 March 2022, reviewed by SEC-approved auditor, and it is the latest financial statement. Based on financial statement, the IFA can appraise the book value of BYD as follows;

(Unit: million Baht)

Paid-up capital	13.00
Retained Earnings (Deficit)	(0.01)
Equity Attributable to Equity Holders of the Parent	12.99
Number of Paid-up Share as of 31 March 2021 (million Shares)	1.30
Book Value per Shares (Baht)	9.99

Therefore, evaluating EXA share value under this approach result in the share price of 9.99 Baht per share (Par value is 10.00 Baht per share) or EXA’s fair value of 12.99 million Baht. However, the book value approach only reflects financial statement of EXA as at certain period of time and neglecting company’s ability to operate the businesses. In addition, this approach does not reflect company financial liquidity. Therefore, the IFA has opinion that the book value approach couldn’t reflect the fair value of EXA.

3.3.2 ADJUSTED BOOK VALUE APPROACH

In valuing the business by Adjusted Book Value Approach. The IFA has considered the value of the total assets of the Company minus all liabilities including obligations and liabilities that may arise in the future which appears in the internal financial statements of EXA as of 31 March 2022 reviewed by SEC-approved auditor. Then adjusted the value with the transaction that occurred after dated in financial statement such as Tax saving from losses carried forward. The detail of adjustment items are as follows;

EXA has a list of losses that can be deducted legally at the end of 2021, totaling 14,550.68 Baht (refer to the corporate income tax return form from the company for the year 2021). As a result, the value of the item that can be used for future tax reductions is 2,910.14 Baht (20 percent income tax rate)

Adjusted Book Value Approach

From the valuation of the fair market value of the asset, the value of the Company based on adjusted book value approach can be summarized as follows;

Detail	Amount (million Baht)
Shareholder Equity as at 31 March 2022	12.99
Add: Tax saving from losses carried forward	0.002
Adjusted Book Value	12.99
Number of Paid-up Share as at 31 March 2022 (million shares)	1.30
Book Value per Share (Baht per share)	9.99

Therefore, Book Value per Share of EXA as assessed by Adjusted Book Value Approach equal to 9.99 Baht per share or Adjusted Book Value amounting to 12.99 million Baht. However, adjusted book value approach only represents the current value of the company which only reflect the fundamental of the company at only certain point in time. Moreover, this approach does not take into consideration the company’s financial liquidity, business continuity. Therefore, the IFA has opinion that assessing the value of the company using adjusted book value is inappropriate.

3.3.3 MARKET COMPARABLE APPROACH

- Price to Book Value Approach Ratio: P/BV Ratio

This valuation approach is based on book value of EXA as at 31 March 2022, reviewed by SEC-approved audit with multiply with average P/BV ratio of selected listed companies in the media and publishing sector. The IFA has considered the SET or MAI listed Company which operates the business of finance and securities. There are 3 companies in this market comparable approach that IFA has an opinion these companies can refer in appropriate. For more information please see in Appendix 26. Thus, the averages P/BV of the listed Company are as follows;

Symbol	1 month	3 month	6 month	1 year
BYD	17.35	18.64	15.34	14.90
ATP30	2.79	2.87	2.72	2.31
EA	10.38	11.05	10.17	9.03
Average	10.17	10.85	9.41	8.75

Source: SETSMARTS as at 31 March 2022

The average P/BV is between 8.75 – 10.85 times. Hence, the IFA can calculate the value of the company as follow;

Transaction	value/amount
Shareholders’ Equity as of 31 March 2022 (million Baht)	12.99
Listed and Paid-up share as at 31 March 2022 (million Share)	1.30
Book Value per Share (Baht per Share)	9.99
Average P/BV (Times)	8.75 – 10.85
Stock price (Baht per Share)	87.41 – 108.39
Value of the Company (million Baht)	129.77 – 140.94

From above table, the fair value of the company assessed by P/BV approach equals to 129.77 – 140.94 million Baht or 87.41 – 108.39 Baht per Share. However, evaluate the share price employing this approach relying on market price of the comparable companies, and those companies may have various returns on asset (ROA), capital structure, and trading liquidity. Therefore, the IFA opinion that evaluating value of the company using P/BV approach may not be appropriate for this transaction.

- Price to Earning Approach Ratio: P/E Ratio

IFA evaluates the share value of EXA by using earnings per share of the Company as shown on the latest consolidated financial statements for the last 12-month period end 31 March 2022, audited by a certified public accountant and multiply by average of P/E Ratio of peer companies. However, the IFA cannot evaluate the share value using the P/E Ratio Approach of the Company because the Company has net loss in the past 12 months ended 31 March 2022

3.3.4 Discounted Cash Flow Approach

The IFA has considered the appropriateness of the share price and business value by using the Discounted Cash Flow Approach.

The present value method of cash flow is to calculate the present value of the expected cash flows from the business in the future and adjust them at an appropriate discount rate. Shares of the business this time IFA has prepared financial projections based on key assumptions over a period of 14 years (from April 1, 2022, to March 31, 2036). This is the period when EXA expires the first business license and then renews it for one more cycle. In this regard, the request for renewal of the transport operation license shall be submitted to the Department of Land Transport. By considering the discretion of the officer in renewing the transport license The IFA is of the opinion that the first round of transportation license renewal is highly probable given that the vehicle has only been used for 7 years and is still in continuous working condition. Including the relatively high investment value, it will cause EXA to be used as a reason for applying for a

transport license renewal. However, after the second round of transportation licenses, IFA is of the opinion that the renewal is uncertain both because of the government's policy and the condition of the service vehicle. Therefore, EXA will not renew the transport license. Therefore, the estimation period is 14 years.

In addition, IFA has analyzed the assumptions obtained from EXA and from interviews with management and relevant staff. As a result, the shareholders' equity (equal to total assets minus total liabilities, which in this case are cash and cash equivalents and working capital) at the end of the second round of transportation licenses is Residual Value because the business ceased due to license renewal uncertainty. Therefore, the IFA does not estimate the continuing operations after such a period. This is not caused by a failure in doing business. Therefore, the business has assets that still have value that can be used as investments to find additional returns. The IFA is based on information from the book From Innovation to Cash Flows: Value Creation by Structuring High Technology Alliances, which states one of the methods of residual value calculation is book value for banking and financial institutions. However, IFA views that although EXA is not a financial institution, the book value at the end of the projection is positive. EXA is under the indirect management of BYD, a financial institution that operates a securities business. Therefore, it is appropriate to set the residual value equal to the book value in order to appropriately reflect the business value at the end of the estimate period.

However, if the economic situation or external situation and EXA's internal situation have changed significantly, which affects EXA's operations and the assumption that fair value is determined in this way, the fair value will also change.

The IFA has set important assumptions of EXA's financial projection as follows:

a) Revenue from sale and service

EXA is in the business of providing public transportation. EXA was granted a license to provide electric bus services (E-Bus) on two routes in the Bangkok Metropolitan Region, as well as billboard services mounted on the E-Bus. EXA is currently in the process of procuring E-Bus to provide services. 2 Route total number of E-Bus 19 buses to contain the minimum number of vehicles specified in the transport license. At present, EXA has an office at 41/248, Bang Khae Subdistrict, Bang Khae District, Bangkok.

Public transport service income

- Number of passengers

Due to the COVID-19 epidemic situation, public transport services have been affected. As a result, the average number of tickets per buses per day for January through May 2022 is 179 per buses per day.

	Jan – Mar 2022	Apr – Dec 2022F	2023F	2036F
Number of trips per buses per day (trip)	7.73	7.73	7.73	7.73
Number of tickets per trip (tickets)	23.20	32.48	33.66	49.88
Growth rate	N/A	40.00	3.64	3.64

Number of tickets per buses per day (tickets)	179	251	251	400
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Source : The statistic from TSB

From the information of the Bangkok Mass Transit Authority ("BMTA") for the years 2018–2020 (source: <https://bmta.co.th/th/content/annual-report-2020>), it was found that the BMTA's average ticket sales volume is 276–407 tickets per vehicle per day. And from the questionnaire of the management of TSB, it was found that by June 2022, the number of tickets sold had increased significantly. The IFA therefore considers that the growth rate for June–December 2022 should be set at 40.00 percent from the average number of tickets during January–May 2022 at 179 tickets per vehicle per day (IFA considers using average data from January–May 2022 since EXA has just started operations in late 2021 and therefore historical data may not reflect EXA's current operations, therefore chooses data in that period) and from 2023 onwards to have a growth rate of 3.64 percent per year, referring to the growth rate of the number of tickets per buses per day 2013–2019 of the Centre for Information and Communication Technology, Office of the Permanent Secretary, Ministry of Transport (Data source: <https://datagov.go.th>).

	2561	2019	2020
Number of tickets per day (million tickets)	1.050	1.063	0.773
Number of operating buses per day (bus)	2581	2835	2812
Number of tickets per bus per day (tickets)	406.819	374.956	275.048

Source: BMTA

- Fare

Fares for EXA buses are set at 15 Baht, 20 Baht, and 25 Baht, depending on the passenger's travel distance and according to the Department of Land Transport, including discount ticket prices from government welfare. Because EXA has not yet started a bus business, the IFA has considered the historical data of TSB, which shows the average fare per ticket for January–May 2022 is 18.92 Baht per ticket, which is considered a reasonable price. Passengers found that the conditions of the transport license did not require an increase in fares. However, from the past data on bus fare adjustments, it was found that the Central Land Transport Control Board has resolved to adjust the fares last in 2019 and the previous one in 2015 by about 2 Baht each for air-conditioned buses of the same type that EXA operates. Fare rates are adjusted simultaneously for all routes. Therefore, the IFA has set the fare adjustment every 4 years and will increase the fare by 2 Baht each time from the average fare per ticket starting in 2023.

	2022F	2023F
Beginning year	0	19

Increase	19	0
Ending year	19	19

Source: Company info

- Advertising income

Revenue from billboards mounted on the E Bus the IFA expects the rental rate for advertising space to be 7,700 Baht per month per vehicle. This is a fixed rate that EXA expects to be able to negotiate with out-of-home media providers. It is the SMB rental rate agreed with the same out-of-home media provider. However, the IFA considers that if EXA procures its customers by itself, it will be able to charge the rental rate at the market price of between 15,000 and 20,000 Baht per month per buses. (Source: Advertising & Sign Producing Association, "ASPA") However, in the case of EXA self-sourcing, there is a chance that the utilization rate will be lower. Service providers' utilization rate in the advertising industry the investigation revealed that out-of-home media providers are targeting an average utilization rate for all media in 2022 of 60 percent. (Source: "Opportunity Day" investor presentation in Q1/2022) as a result, the average monthly income per vehicle of EXA in the case of self-sourcing may be less than 60 percent lower than the market price. Therefore, the said rate is at an appropriate level.

The revenue from sales and services from the year 2022 – March 31, 2036, are as follows:

Unit: million Baht	2022F	2023F	2024F	2025F	2026F	2027F	2028F
Bus Service Income	5.23	34.59	35.83	37.08	38.56	43.64	45.30
Advertising Income	0.07	0.89	1.33	1.69	1.70	1.69	1.69
Total Revenue	5.30	35.48	37.17	38.77	40.25	45.33	46.99
Number of buses (bus)	19	19	19	19	19	19	19
Number of tickets per buses per day (ticket)	251.00	251.00	260.00	269.00	279.00	289.00	300.00
Fare price (Baht)	18.92	20.92	20.92	20.92	20.92	22.92	22.92

Source: Estimated information by IFA

Unit: million Baht	2029F	2030F	2031F	2032F	2033F	2034F	2035F	Jan – mar 2036F
Bus Service Income	46.96	48.76	54.84	56.81	58.94	61.24	68.46	17.74
Advertising Income	1.69	1.70	1.69	1.69	1.69	1.70	1.69	0.42
Total Revenue	48.65	50.45	56.53	58.50	60.63	62.94	70.15	18.16
Number of buses (bus)	19	19	19	19	19	19	19	19
Number of tickets per buses per day (ticket)	311.00	322.00	334.00	346.00	359.00	372.00	386.00	400.00
Fare price (Baht)	22.92	22.92	24.92	24.92	24.92	24.92	26.92	26.92

Source: Estimated information by IFA

b) Cost of sale and service (Exclude depreciation and amortization)

The cost of sales and services consists of energy costs for charging electricity, buses maintenance, The driver's and receptionist's fees, Fee for parking space rental, Parking attendant, costs insurance premiums, buses taxes, the cost of parking garages, etc.

The IFA has set the assumptions on cost of sales and services as follows:

Energy costs for charging electricity

The cost of charging energy is determined by the energy consumption rate of the E-Bus and the charging service rate. The energy consumption rate of the E-Bus is calculated from the average distance per buses per lap and the energy consumption per kilometer. According to the IFA, based on the license distance and from the data from January–May 2022 of TSB, which is the same bus model, the average distance per trip is 25 kilometers. and the average energy consumption is 0.7 kilowatt-hours per kilometer. The IFA considers the charging rates from the service contracts of the electric charging service providers and the energy cost data from TSB, which is the same bus model and buys electricity from EA as well and has set a charge rate of 5 Baht per kilowatt-hour. The IFA considers the growth of energy prices indicates that prices have a chance to rise. However, when EXA has an increased number of E-buses, it will have to use more electricity. EXA will pay a lower rate according to the terms of the service contract. Therefore, the IFA has determined that the charging service rate is 5 Baht per kilowatt-hour throughout the period of the EXA projection.

Buses maintenance costs

As EXA is in the process of allocating E-Bus for business operations, there is no maintenance contract. Therefore, the IFA estimates EXA's vehicle maintenance cost at 300 Baht per vehicle per day based on the bus maintenance cost quote of the same operator currently providing services to TSB. Management acknowledges that EXA plans to use the same carrier as TSB, which has a six-month service period and is unconditional for a fee hike. Therefore, the IFA determines that the rate is fixed throughout the projection period.

The driver's and receptionist's fees

The cost of the driver and receptionist per month is equal to 24,300–27,600 Baht with 23 drivers and 23 receptionists. The IFA has set the average cost per person rate for drivers and receptionists from the company's policy since they are not yet operational. Therefore, IFA considers that the salary rate that the company has given is an appropriate rate. IFA assumes to increase the number of drivers and reception staff as the number of E-Bus increases and set a growth rate of 3 percent per year, based on EXA's employee compensation policy.

The cost of renting a parking space

The IFA estimates the cost of renting the parking space as stipulated in the actual land lease agreement. EXA will use the parking together with SC. Therefore, the company has a rental rate of 50,000 Baht per month. All land lease agreements are valid. 7-year contract IFA expects EXA to be able to renew the land lease immediately upon the expiration of the contract. by specifying that the parking garage space's rental growth rate is equal to 10.00 percent per year, referring to the rental increase rate specified in the land lease agreement. The number of garages is sufficient for the service line, and there is enough space even if there will be more buses in the future.

Parking attendant costs

The cost of employees of the parking garage consists of 3 people. There is an employee expense per person at 13,000–25,000 Baht. IFA determines the average cost per person for drivers and receptionists from the company's policy. set the number of drivers and receptionists to increase according to the number of garages which have no additional investment at this time and set a growth rate of 3.00 percent per year, based on EXA's employee compensation adjustment policy.

The cost of insurance premiums and taxes

IFA estimates the cost of insurance premiums and taxes based on TSB's insurance and tax policies for the same bus model, which is equal to 2,069 Baht per buses per month and 1,650 Baht per buses per year, respectively. The insurance and tax premium growth is set at 2.50 percent from 2022 insurance premiums, referring to the Bank of Thailand's 2023 headline inflation projection for 2023, because the IFA considers that the current economic situation tends to increase inflation from the factors of oil prices. From 2024 onwards, the premium growth rate is set at 1.48 percent per year, based on the compound annual growth rate (CAGR) of headline inflation for 2007–2021 to reflect the growth over the period. The IFA predicts that various factors that affect inflation will adjust to normal after 2023.

The cost of sales and services is estimated from the year 2022–March 31, 2036, as follows:

Unit: million Baht	2022F	2023F	2024F	2025F	2026F	2027F	2028F
Sales and service costs (net of depreciation and amortization)	6.20	22.71	23.23	23.71	24.22	24.78	25.30
Proportion to Sale (%)	116.86	64.00	62.51	61.16	60.17	54.66	53.84

Source: Estimated information by IFA

Unit: million Baht	2029F	2030F	2031F	2032F	2033F	2034F	2035F	Jan – Mar 2036F
Sales and service costs (net of depreciation and amortization)	25.84	26.48	27.03	27.62	28.31	28.95	29.57	7.56
Proportion to Sale (%)	53.10	52.49	47.82	47.22	46.68	45.99	42.15	41.62

Source: Estimated information by IFA

c) Selling and administrative expenses (Exclude depreciation and amortization)

Major selling and administrative expenses include salaries and office employee benefits. utility bills, office supplies, travel expenses, other fees, etc. The IFA has set assumptions for estimating selling and administrative expenses as follows:

Expenses related to head office staff

Expenses for head office employees consist of salaries, provident funds, welfare, etc. The IFA estimates the cost of head office employees from EXA's estimates. The average employee expense per person is 15,000 Baht per person per month. There are a total of two head office employees, which means EXA considers that the number of employees is sufficient for future management. Therefore, there is no plan to increase the number of employees. The IFA has set the rate of increase of expenses for head office staff since 2023 at 3.00 percent per year, referring to EXA's employee compensation policy.

Fixed expenses

Fixed expenses consist of rent, utilities, telephone expenses, office equipment, audit fees, and travel expenses. insurance premiums and other expenses, etc. The IFA estimates the head office expenses from EXA's estimates by specifying that the monthly fixed expenses are at 11,000 Baht per month and the growth rate is set at 2.50 percent from 2022 onwards, referring to the Bank of Thailand's headline inflation projection for 2023–2023, because the IFA considers that the current economic situation tends to increase inflation from the factors of oil prices. From 2024 onwards, the growth rate is set at 1.48 percent per year, referring to the compounded annual growth rate (CAGR) of headline inflation for 2007–2021 to reflect long-term growth, and the IFA predicts that various factors that affect inflation will adjust to normal after 2023.

Unit: million Baht	2022F	2023F	2024F	2025F	2026F	2027F	2028F
Selling and administrative expenses (after depreciation and amortization)	0.52	0.54	0.55	0.57	0.58	0.60	0.61
Growth (%)	N/A	2.87	2.62	2.62	2.63	2.63	2.63

Unit: million Baht	2029F	2030F	2031F	2032F	2033F	2034F	2035F	Jan – Mar 2036F
Selling and administrative expenses (after depreciation and amortization)	0.63	0.64	0.66	0.68	0.70	0.72	0.73	0.19
Growth (%)	2.64	2.64	2.65	2.65	2.65	2.66	2.66	(74.33)

Source: Estimated information by IFA

d) Depreciation and Amortisation

Depreciation and amortization consist of depreciation expenses such as buses, batteries, buses repair stations, ticket systems, and property, plant, equipment, etc., based on estimates by the accounting department in accordance with accounting policies that are depreciated on a straight-line basis over time.

EV Buses	7	Years
Battery	7	Years

e) Capital Expenditure

EXA plans to invest in E-Bus at 5.80 million Baht per vehicle, totalling 19 units, valued at 110.20 million Baht, which will be invested in E-Bus in 2022 to contain the minimum number of buses that are specified in the concession. And there will be an investment to replace the battery for 0.80 million Baht, or 15.20 million Baht in 2029.

f) Corporate Income Tax

During the forecast period, the corporate income tax rate has been 20 percent of profit before tax.

g) Working Capital

The financial advisor estimates the average collection period and average repayment period. estimated from EXA's policy

Account Receivable	Average	0	Days
Account Payable	Average	30	Days

h) Financial Cost

The company plans to increase the loan amount in 2022 to 110.20 million Baht for the purchase of buses. In addition, the company plans to use bank overdrafts as a liquidity management tool and invest in battery replacements. The interest rate is 7.00 percent, referring to the borrowing rate from the loan agreement.

Financial projections from April 2022 - March 2036 are as follows:

Unit: million Baht	2022F ^{1/}	2023F	2024F	2025F	2026F	2027F	2028F
Sale and Service Revenue	5.30	35.48	37.17	38.77	40.25	45.33	46.99
Cost of Sale and Service	6.20	22.71	23.23	23.71	24.22	24.78	25.30
Selling and Administration expenses	0.52	0.54	0.55	0.57	0.58	0.60	0.61
Operating income (loss)	(17.16)	(3.50)	(2.36)	(1.25)	(0.29)	4.22	5.34
Interest	1.33	7.05	6.12	5.35	4.53	3.48	2.23
Earning before tax	(18.49)	(10.56)	(8.48)	(6.61)	(4.82)	0.73	3.11
Tax	-	-	-	-	-	0.15	0.62
Net Income	(18.49)	(10.56)	(8.48)	(6.61)	(4.82)	0.59	2.49

1/ EXA started business in October 2022.

Unit: million Baht	2029F	2030F	2031F	2032F	2033F	2034F	2035F	Jan – Mar 2036F
Sale and Service Revenue	48.65	50.45	56.53	58.50	60.63	62.94	70.15	18.16
Cost of Sale and Service	25.84	26.48	27.03	27.62	28.31	28.95	29.57	7.56
Selling and Administration expenses	0.63	0.64	0.66	0.68	0.70	0.72	0.73	0.19
Operating income (loss)	22.19	23.33	28.83	30.20	31.63	33.28	39.85	10.41
Interest	2.23	1.98	2.87	1.23	-	-	-	-
Earning before tax	18.04	18.29	25.44	28.03	29.46	31.11	37.68	10.41
Tax	3.61	3.66	5.09	5.61	5.89	6.22	7.54	2.08
Net Income	14.43	14.63	20.35	22.42	23.57	24.88	30.14	8.33

1/ EXA started business in October 2022.

i) Residual Value

EXA value at the end of the projection period There will be cash flows from cash balances and asset disposals equal to the residual book value minus liabilities. Due to the expiration of the license, the company no longer needs to keep the assets for its operations. In addition, there is no policy to change investments in the future. Therefore, IFA has determined that the residual value is equal to the shareholders' equity. The IFA has an opinion as stated in Clause 3.3.4

j) Discount Rate

The IFA uses the Weighted Average Cost of Capital (WACC) as the discount rate to calculate the present value of the cash flows. Due to the capital structure of the mass transit business consisting of equity capital and interest-bearing loans and liabilities, WACC is calculated from the weighted average cost of debt (Kd) and cost of equity interest (Ke) as follows:

$$WACC = Ke \times E/(D+E) + Kd \times (1-T) \times D/(D+E)$$

where as

- Ke = Cost of capital from equity equal to 10.95 percent
- Kd = Liabilities Cost as of March 31, 2022, EXA has no interest-bearing liabilities. EXA will use the same source of financing in the form of a hire purchase contract for the E-Bus as TSB has an interest rate of 7.42 percent per year as of the date. As of March 31, 2022, IFA considers that the interest rate reflects the financial cost of EXA.
- T = Corporate income tax rate equal to 20.00 percent
- D/E = The ratio of interest-bearing liabilities to total shareholders' equity is equal to 0 times, which the IFA has considered the financial information of EXA as of March 31, 2022, which cannot be found. Since the business is just starting to operate, there is no debt. Therefore, the IFA uses the interest-bearing debt/equity ratio of TSB of 0.98 times, which holds shares in the same business group as EXA.

Including the IFA determines the value of Ke using the Capital Asset Pricing Model (CAPM) principle, which has the formula for calculating Ke as follows:

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

Rf = Risk-free rate of return, an IFA based on The yield of 15-year government bonds as of March 31, 2022 is 3.07 percent per year, which is similar to the period of business operation (Source: www.thaibma.or.th).

Beta (β) = 1.18 is the coefficient. As a result, the IFA computes the beta value by comparing it to the beta value of companies listed on the Stock Exchange. There are 2 companies in the mass transit business sector, that is EA and ATP30 (the list of listed companies used for comparison for calculating Beta values and methods for calculating Beta values is referred to in Appendix 26). The IFA applied the Unlevered Beta value back to 1 year from April 1, 2021 to March 31, 2022 to calculate the average Unlevered Beta and adjusted by TSB's interest-bearing debt to equity ratio

as of March 31, 2022, which IFA views as reflecting the future equity structure under EXA's management.

R_m = Average return on investment in the Stock Exchange of Thailand for the past 15 years to March 31, 2022, which is 9.73 percent per year (Source: SETSMART and IFA's calculation) which the IFA considers that is the period that reflects the economic cycle and corresponds to the forecast period.

The calculation for K_e is shown in the table below for the cost of equity financing as follows:

Variable	Ration
Risk free rate (R_f)	3.07 %
Risk Premium ($R_m - R_f$)	9.73 % - 3.07 %
Beta (β)	1.18
Cost of Equity (K_e) from CAPM	10.95 %

The WACC calculation is shown in the Weighted Average Cost of Finance (WACC) table below

Variable	Ration
D/E	0.98
1-T	80.00 %
Cost of Debt (K_d)	7.42 %
Cost of Equity (K_e)	10.95 %
WACC	8.48%

From the assumptions given above the cash flow and fair value of TSB can be calculated as follows:

Unit: million Baht	Apr - Dec 2022F	2023F	2024F	2025F	2026F	2027F	2028F
NOPAT	(17.16)	(3.50)	(2.36)	(1.25)	(0.29)	4.07	4.72
+ depreciation	15.74	15.74	15.74	15.74	15.74	15.74	15.74
- investment	(110.20)	-	-	-	-	-	-
+/- change in working capital	12.53	(1.18)	0.04	0.04	0.04	0.05	0.04
Free Cash Flow to Firm	(99.08)	11.06	13.43	14.53	15.49	19.86	20.50
Present Value of Cashflow	(93.22)	9.59	10.74	10.71	10.52	12.44	11.84

Unit: million Baht	2029F	2030F	2031F	2032F	2033F	2034F	2035F	Jan - Mar 2036F
NOPAT	16.41	17.50	21.57	22.42	23.57	24.88	30.14	8.33
+ depreciation	2.17	2.17	2.17	2.17	2.17	2.17	2.17	-
- investment	(15.20)	-	-	-	-	-	-	-
+/- change in working capital	0.04	0.05	0.05	0.05	0.06	0.05	0.06	(2.43)
Free Cash Flow to Firm	3.42	19.72	23.80	24.64	25.79	27.10	32.37	5.90

Unit: million Baht	2029F	2030F	2031F	2032F	2033F	2034F	2035F	Jan - Mar 2036F
Residual Value ⁴¹								15.29
Present Value of Cashflow	1.82	9.67	10.76	10.27	9.91	9.60	10.57	1.89
Present value of Residual Value								4.89
Total Present Value								42.00

	(million Baht)
Total Present Value	42.00
Add: Cash and equivalent on 31 March 2022	3.5
Minus: Interest Bearing debt on 31 March 2022	-
Fair Value on 31 March 2022	45.50

From the fair value valuation by the DCF method, the fair value of EXA as at March 31, 2022 is equal to 45.50 million Baht.

In addition, the IFA has conducted a sensitivity analysis of the stock value. IFA therefore determines the appropriate volatility range by adjusting the value of the Discounted Rate (WACC) or WACC since the change in the Discounted Rate has a significant effect on the change in the fair value appraised. The results of the sensitivity analysis are detailed below.

(Discounted Rate) or WACC (%)	7.98	8.48	8.98
Fair Value (million Baht)	50.29	45.50	40.97

The results of the sensitivity analysis By changing the discount rate, the value of EXA's shares is between 40.97 – 50.29 million Baht

The present value of net cash flows is a method that considers EXA's future business performance and profitability. It is an estimation based on the present value of the expected future net cash flows. By referring to past operations as well as considering the trend of future operations Therefore, it can reflect the real value better than other valuation methods. The IFA is of the opinion that the present value approach to net cash flow is appropriate for this valuation.

3.3.5 Summary of the valuation of the share and business value of EXA

Valuation Method	Share Value (Baht/Share)	IFA's Opinion
1. Book Value Approach	12.99	Inappropriate

⁴¹ Residual Value equals to equity at the end of the forecast period or total assets minus total liabilities. In this case is cash and cash equivalents and working capital

2. Adjusted Book Value Approach	12.99	Inappropriate
3. Market Comparable Approach		
3.1 Price to Book Value Approach Ratio: P/BV Ratio	129.77 – 140.94	Inappropriate
3.2 Price to Earning Approach Ratio: P/E Ratio	87.41 – 108.39	Inappropriate
4. Discounted Cash Flow	40.97 – 50.29	appropriate

Because each valuation approach has different advantage and disadvantage that will represent the different fair values as follows;

1. Book Value Approach

Book Value Approach reflects financial position at a point in time and value of assets on the recorded date. However, it does not reflect the fair value of the assets and ability to generate profits and cash flow in the future. IFA thinks that this methodology is inappropriate method to assess the fair value.

2. Adjusted Book Value Approach

Adjusted Book Value approach assessing the value by adjusting assets and liabilities to its fair value. However, this method does not reflect ability to generate profits and cash flow from future operation. Hence, this methodology is inappropriate method evaluating the fair value

3. Market Comparable Approach

3.1 Price to Book Value Approach Ratio: P/BV Ratio

Price to Book Value Approach will assess the share price relying on market price of the comparable companies, and those companies may have various returns on asset (ROA), capital structure, and trading liquidity. So, IFA has an opinion that assessing the business by using P/BV approach is inappropriate for this transaction.

3.2 Price to Earning Approach Ratio: P/E Ratio

Price to Earning Approach will refer to the ratio of the market price of the comparable companies and the profitability in the past of such companies. The method will be suitable to evaluate the short-term price without the consideration of future profitability. So, IFA opines that the valuation by using P/E approach is inappropriate for this transaction.

4. Discounted Cash Flow Approach

Discounted Cash Flow Approach is a method that considers the business operation and profitability of the company in the future. This is an assessment based on the present value of the expected future net cash flows. by referring to past operations as well as considering the trend of future operations Thus, it can reflect the real value better than other valuation methods. The IFA views that the valuation using the Discounted Cash Flow approach is appropriate for this valuation.

The IFA opinion that the net present value of cash flow method is the most appropriate method for determining the fair value of the Company and EXA's share value. As a result, the fair value of the investment by 100.00 percent equals 40.97 - 50.29 million Baht.

3.4 Appropriateness of Price and Terms of the Transaction of RJR

According to the Board of Directors' Meeting of Beyond Securities Public Company Limited (“BYD”) No. 5/2022, which was held on 23 May 2022, was passed a resolution to propose to the meeting of the acquisition of assets and the entry into related transactions and to propose to the shareholders' meeting to approve the acquisition of assets and the related transaction by subscribing to Beyond Securities Public Company Limited (“BYD”). Newly issued ordinary shares to the Company (Private Placement). One of the goals of issuing new ordinary shares this time is to support the TSB Group's business by providing long-term loans of up to 7 years worth 8,550 million Baht for TSB to invest in various projects. One of TSB's investment projects is the purchase of 100 percent of the issued shares of Exa Logistics Company Limited (“EXA”) and Racha Road Company Limited (“RJR”) and according to the Board of Directors' Meeting of TSB No. 2/2022 held on 28 June 2022, was passed a resolution to propose to invest in EXA and RJR stock in order to expand business opportunities by providing additional potential routes.

The IFA has considered the appropriateness of the fair value of RJR, which Securities and Derivatives Brokerage, based on information and operating assumptions from the interview of executive management and staffs, relevant contracts, appraisal report, financial statement, reviewed and audited by the SEC-approved auditor, other document relevant with the transaction, site visit and other public information on website of SET (www.set.or.th) or SEC (www.sec.or.th).

The IFA opinion on the fairness of the price is rendered under the assumption that all information obtained is correct and complete and based solely on the economic situation prevailing at the time of preparing this report. Therefore, any material changes in these factors could affect the steel production, normal business operation, or financial projection of RJR which may affect decision of the shareholder to consider the appropriateness and fairness of the value of RJR.

The IFA has considered the appropriateness of the share price and the business value by 4 approaches, which are;

1. Book Value Approach
2. Adjusted Book Value Approach
3. Market Comparable Approach
 - 3.1. Price to Book Value Approach Ratio: P/BV Ratio
 - 3.2. Price to Earning Approach Ratio: P/E Ratio
4. Discounted Cash Flow Approach

3.4.1 Book Value Approach

Evaluate the Company’s fair value employing this approach will consider the value at certain point in time. The IFA refer to financial statement as at 31 March 2022, reviewed by SEC-approved auditor, and it is the latest financial statement. Based on financial statement, the IFA can appraise the book value of BYD as follows;

(Unit: million Baht)

Paid-up capital	16.00
Retained Earnings (Deficit)	(0.01)
Equity Attributable to Equity Holders of the Parent	15.99
Number of Paid-up Share as of 31 March 2021 (million Shares)	1.60
Book Value per Shares (Baht)	9.99

Therefore, evaluating RJR share value under this approach result in the share price of 9.99 Baht per share or RJR’s fair value of 15.99 million Baht. However, the book value approach only reflects financial statement of RJR as at certain period of time and neglecting company’s ability to operate the businesses. In addition, this approach does not reflect company financial liquidity. Therefore, the IFA has opinion that the book value approach couldn’t reflect the fair value of RJR.

3.4.2 Adjusted Book Value Approach

In valuing the business by Adjusted Book Value Approach. The IFA has considered the value of the total assets of the Company minus all liabilities including obligations and liabilities that may arise in the future which appears in the internal financial statements of RJR as of 31 March 2022 reviewed by SEC-approved auditor. Then adjusted the value with the transaction that occurred after dated in financial statement such as Tax saving from losses carried forward. The detail of adjustment items are as follows;

RJR has a list of losses that can be deducted legally at the end of 2021, totaling 14,723.29 Baht (refer to the corporate income tax return form from the company for the year 2021). As a result, the value of the item that can be used for future tax reductions is 2,944.66 Baht (20 percent income tax rate)

Adjusted Book Value Approach

From the valuation of the fair market value of the asset, the value of the Company based on adjusted book value approach can be summarized as follows;

Detail	Amount (million Baht)
Shareholder Equity as at 31 March 2022	15.99

Detail	Amount (million Baht)
Add: Tax saving from losses carried forward	0.002
Adjusted Book Value	15.99
Number of Paid-up Share as at 31 March 2022 (million shares)	1.60
Book Value per Share (Baht per share)	9.99

Therefore, Book Value per Share of RJR as assessed by Adjusted Book Value Approach equal to 9.99 Baht per share or Adjusted Book Value amounting to 15.99 million Baht. However, adjusted book value approach only represents the current value of the company which only reflect the fundamental of the company at only certain point in time. Moreover, this approach does not take into consideration the company’s financial liquidity, business continuity. Therefore, the IFA has opinion that assessing the value of the company using adjusted book value is inappropriate.

3.4.3 Market Comparable Approach

- Price to Book Value Approach Ratio: P/BV Ratio

This valuation approach is based on book value of RJR as at 31 March 2022, reviewed by SEC-approved audit with multiply with average P/BV ratio of selected listed companies in the media and publishing sector. The IFA has considered the SET or MAI listed Company which operates the business of finance and securities. There are 3 companies in this market comparable approach that IFA has an opinion these companies can refer in appropriate. For more information please see in Appendix 26. Thus, the averages P/BV of the listed Company are as follows;

Symbol	1 month	3 month	6 month	1 year
BYD	17.35	18.64	15.34	14.90
ATP30	2.79	2.87	2.72	2.31
EA	10.38	11.05	10.17	9.03
Average	10.17	10.85	9.41	8.75

Source: SETSMARTS as at 31 March 2022

The average P/BV is between 5.67 – 6.96 times. Hence, the IFA can calculate the value of the company as follow;

Transaction	value/amount
Shareholders’ Equity as of 31 March 2022 (million Baht)	15.99
Listed and Paid-up share as at 31 March 2022 (million Share)	1.6
Book Value per Share (Baht per Share)	9.99
Average P/BV (Times)	8.75 – 10.85
Stock price (Baht per Share)	87.41 – 108.39

Transaction	value/amount
Value of the Company (million Baht)	139.91 – 173.49

From above table, the fair value of the company assessed by P/BV approach equals to 139.91 – 173.49 million Baht or 87.41 – 108.39 Baht per Share. However, evaluate the share price employing this approach relying on market price of the comparable companies, and those companies may have various returns on asset (ROA), capital structure, and trading liquidity. Therefore, the IFA opinion that evaluating value of the company using P/BV approach may not be appropriate for this transaction.

- 3.4.1.3.2 Price to Earning Approach Ratio: P/E Ratio

IFA evaluates the share value of RJR by using earnings per share of the Company as shown on the latest consolidated financial statements for the last 12-month period end 31 March 2022, audited by a certified public accountant and multiply by average of P/E Ratio of peer companies. However, the IFA cannot evaluate the share value using the P/E Ratio Approach of the Company because the Company has net loss in the past 12 months ended 31 March 2022

3.4.4 Discounted Cash Flow Approach

The IFA has considered the appropriateness of the share price and business value by using the Discounted Cash Flow Approach.

The present value method of cash flow is to calculate the present value of the expected cash flows from the business in the future and adjust them at an appropriate discount rate. Shares of the business this time IFA has prepared financial projections based on key assumptions over a period of 14 years (from April 1, 2022, to March 31, 2036). This is the period when RJR expires the first business license and then renews it for one more cycle. In this regard, the request for renewal of the transport operation license shall be submitted to the Department of Land Transport. By considering the discretion of the officer in renewing the transport license The IFA is of the opinion that the first round of transportation license renewal is highly probable given that the vehicle has only been used for 7 years and is still in continuous working condition. Including the relatively high investment value, it will cause RJR to be used as a reason for applying for a transport license renewal. However, after the second round of transportation licenses, IFA is of the opinion that the renewal is uncertain both because of the government's policy and the condition of the service vehicle. Therefore, RJR will not renew the transport license. Therefore, the estimation period is 14 years.

In addition, IFA has analyzed the assumptions obtained from RJR and from interviews with management and relevant staff. As a result, the shareholders' equity (equal to total assets minus total liabilities, which in this case are cash and cash equivalents and working capital) at the end of the second round of transportation licenses is Residual Value because the business ceased due to license renewal uncertainty. Therefore, the IFA does not estimate the continuing operations after such a period. This is not caused by a failure in doing business. Therefore, the business has assets that still have value that can be used as investments to find additional returns. The IFA is based on information from the book From Innovation to Cash Flows: Value Creation by Structuring High Technology Alliances, which states one of the

methods of residual value calculation is book value for banking and financial institutions. However, IFA views that although RJR is not a financial institution, the book value at the end of the projection is positive. RJR is under the indirect management of BYD, a financial institution that operates a securities business. Therefore, it is appropriate to set the residual value equal to the book value to appropriately reflect the business value at the end of the estimate period.

However, if the economic situation or external situation and RJR's internal situation have changed significantly, which affects RJR's operations and the assumption that fair value is determined in this way, the fair value will also change.

The IFA has set important assumptions of RJR's financial projection as follows:

a) Revenue from sale and service

RJR is in the business of providing public transportation. RJR was granted a license to provide electric bus services (E-Bus) on 4 routes in the Bangkok Metropolitan Region, as well as billboard services mounted on the E-Bus. RJR is currently in the process of procuring E-Bus to provide services. 4 Route total number of E-Bus 23 buses to contain the minimum number of vehicles specified in the transport license. At present, EXA has an office at 41/249, Bang Khae Subdistrict, Bang Khae District, Bangkok.

Public transport service income

● Number of passengers

	2022F	2023F	2024F	2025F	2026F	2027F
Number of trips per buses per day (trip)	7.73	7.73	7.73	7.73	7.73	7.73
Growth rate	N/A	40.00	3.64	3.64	3.64	3.64
Number of tickets per buses per day (tickets)	251.00	251.00	260.00	269.00	279.00	289.00

	2028F	2029F	2030F	2031F	2032F	2033F
Number of trips per buses per day (trip)	7.73	7.73	7.73	7.73	7.73	7.73
Growth rate	3.64	3.64	3.64	3.64	3.64	3.64
Number of tickets per buses per day (tickets)	300	311	323	334	346	359

	2034F	2035F	2036F
Number of trips per buses per day (trip)	7.73	7.73	7.73
Growth rate	3.64	3.64	3.64

Number of tickets per buses per day (tickets)	372	386	400
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From the information of the Bangkok Mass Transit Authority ("BMTA") for the years 2018–2020 (source: <https://bmta.co.th/th/content/annual-report-2020>), it was found that the BMTA's average ticket sales volume is 276–407 tickets per vehicle per day. And from the questionnaire of the management of TSB, it was found that by June 2022, the number of tickets sold had increased significantly. The IFA therefore considers that the growth rate for June–December 2022 should be set at 40.00 percent from the average number of tickets during January–May 2022 at 179 tickets per vehicle per day (IFA considers using average data from January–May 2022 since RJR has just started operations in late 2021 and therefore historical data may not reflect RJR's current operations, therefore chooses data in that period) and from 2023 onwards to have a growth rate of 3.64 percent per year, referring to the growth rate of the number of tickets per buses per day 2013–2019 of the Centre for Information and Communication Technology, Office of the Permanent Secretary, Ministry of Transport (Data source: <https://datagov.go.th>).

- Fare

Fares for RJR buses are set at 15 Baht, 20 Baht, and 25 Baht, depending on the passenger's travel distance and according to the Department of Land Transport, including discount ticket prices from government welfare. Because RJR has not yet started a bus business, the IFA has considered the historical data of TSB, which shows the average fare per ticket for January–May 2022 is 18.92 Baht per ticket, which is considered a reasonable price. Passengers found that the conditions of the transport license did not require an increase in fares. However, from the past data on bus fare adjustments, it was found that the Central Land Transport Control Board has resolved to adjust the fares last in 2019 and the previous one in 2015 by about 2 Baht each for air-conditioned buses of the same type that RJR operates. Fare rates are adjusted simultaneously for all routes. Therefore, the IFA has set the fare adjustment every 4 years and will increase the fare by 2 Baht each time from the average fare per ticket starting in 2023.

Number of buses	2022F	2023F
Beginning year	0	23
Increase	23	0
Ending year	23	23

Source: Company info

- Advertising income

Revenue from billboards mounted on the E Bus the IFA expects the rental rate for advertising space to be 7,700 Baht per month per vehicle. This is a fixed rate that TSB expects to be able to negotiate with out-of-home media providers. It is the SMB rental rate agreed with the same out-of-home media provider. However, the IFA considers that if RJR procures its customers by itself, it will be able to charge the rental rate at the market price of between 15,000 and 20,000 Baht per month per buses. (Source: Advertising & Sign Producing Association, "ASPA") However, in the case of RJR self-sourcing, there is a chance

that the utilization rate will be lower. Service providers' utilization rate in the advertising industry the investigation revealed that out-of-home media providers are targeting an average utilization rate for all media in 2022 of 60 percent. (Source: "Opportunity Day" investor presentation in Q1/2022) as a result, the average monthly income per vehicle of RJR in the case of self-sourcing may be less than 60 percent lower than the market price. Therefore, the said rate is at an appropriate level.

The revenue from sales and services from the year 2022 – March 31, 2036, are as follows:

Unit: million Baht	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F
Bus Service Income	6.35	41.98	43.48	44.99	46.79	52.94	54.96	56.97
Advertising Income	0.09	1.08	1.62	2.05	2.05	2.05	2.05	2.05
Total Revenue	6.44	43.05	45.10	47.03	48.84	54.99	57.00	59.02
Number of buses (bus)	23	23	23	23	23	23	23	23

Unit: million Baht	2030F	2031F	2032F	2033F	2034F	2035F	Jan – Mar 2036F
Bus Service Income	59.15	66.51	68.90	71.49	74.28	83.03	21.51
Advertising Income	2.05	2.05	2.05	2.05	2.05	2.05	0.51
Total Revenue	61.20	68.56	70.95	73.54	76.34	85.07	22.02
Number of buses (bus)	23	23	23	23	23	23	23

Source: Estimated information by IFA

b) Cost of sales and service (Exclude depreciation and amortization)

The cost of sales and services consists of energy costs for charging electricity, buses maintenance, The driver's and receptionist's fees, Fee for parking space rental, Parking attendant, costs insurance premiums, buses taxes, the cost of parking garages, etc.

The IFA has set the assumptions on cost of sales and services as follows:

Energy costs for charging electricity

The cost of charging energy is determined by the energy consumption rate of the E-Bus and the charging service rate. The energy consumption rate of the E-Bus is calculated from the average distance per buses per lap and the energy consumption per kilometer. According to the IFA, based on the license distance and from the data from January–May 2022 of TSB, which is the same bus model, the average distance per trip is 25 kilometers. and the average energy consumption is 0.7 kilowatt-hours per kilometer. The IFA considers the charging rates from the service contracts of the electric charging service providers and the energy cost data from TSB, which is the same bus model and buys electricity from EA as well and has set a charge rate of 5 Baht per kilowatt-hour. The IFA considers the growth of energy prices indicates that prices have a chance to rise. However, when RJR has an increased number of E-buses, it will have to use more electricity. RJR will pay a lower rate according to the terms of the service contract. Therefore, the IFA has determined that the charging service rate is 5 Baht per kilowatt-hour throughout the period of the RJR projection.

Buses maintenance costs

Since RJR is in the process of allocating the E bus for business operations, there is no maintenance contract. Therefore, the IFA estimates RJR's vehicle maintenance cost at 300 Baht per vehicle per day based on the quotation of the bus maintenance cost of the same operator that currently provides services to TSB. Management knows that RJR plans to use the same service provider as TSB, which has a six-month service period and no increase conditions. Therefore, the IFA determines that the rate is fixed throughout the projection period.

The driver's and receptionist's fees

The cost of the driver and receptionist per month is equal to 24,300–27,600 Baht with 28 drivers and 28 receptionists. The IFA has set the average cost per person rate for drivers and receptionists from the company's policy since they are not yet operational. Therefore, IFA considers that the salary rate that the company has given is an appropriate rate. IFA assumes to increase the number of drivers and reception staff as the number of E-Bus increases and set a growth rate of 3.00 percent per year, based on RJR's employee compensation policy.

The cost of renting a parking space

The IFA estimates the cost of renting the parking space as stipulated in the actual land lease agreement. RJR will use the parking together with SC. Therefore, the company has a rental rate of 50,000 Baht per month. All land lease agreements are valid. 7-year contract IFA expects RJR to be able to renew the land lease immediately upon the expiration of the contract. by specifying that the parking garage space's rental growth rate is equal to 10.00 percent per year, referring to the rental increase rate specified in the land lease agreement. The number of garages is sufficient for the service line, and there is enough space even if there will be more buses in the future.

Parking attendant costs

The cost of employees of the parking garage consists of 3 people. There is an employee expense per person at 13,000–25,000 Baht. IFA determines the average cost per person for drivers and receptionists from the company's policy. set the number of drivers and receptionists to increase according to the number of garages which have no additional investment at this time and set a growth rate of 3 percent per year, based on RJR's employee compensation adjustment policy.

The cost of insurance premiums and taxes

IFA estimates the cost of insurance premiums and taxes based on TSB's insurance and tax policies for the same bus model, which is equal to 2,069 Baht per buses per month and 1,650 Baht per buses per year, respectively. The insurance and tax premium growth is set at 2.50 percent from 2022 insurance premiums, based on the Bank of Thailand's 2023 headline inflation projection for 2023. Independent Finance considers that the current economic climate tends to increase inflation because of rising oil prices, and from 2024 onward it is projected to grow at 1.48 percent per year, based on compounded annual growth. The IFA predicts that various factors that influence inflation will adjust to normal after 2023.

The cost of sales and services is estimated from the year 2022–March 31, 2036, as follows:

Unit: million Baht	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F
Sales and service costs (net of depreciation and amortization)	6.12	25.04	25.65	26.22	26.82	27.48	28.10	28.74
Proportion to Sale (%)	95.02	58.15	56.88	55.75	54.92	49.97	49.29	48.70

Unit: million Baht	2030F	2031F	2032F	2033F	2034F	2035F	Jan – Mar 2036F
Sales and service costs (net of depreciation and amortization)	29.49	30.15	30.85	31.66	32.41	33.16	8.49
Proportion to Sale (%)	48.18	43.98	43.49	43.05	42.46	38.98	38.55

Source: Estimated information by IFA

c) Selling and administrative expenses (Exclude depreciation and amortization)

Major selling and administrative expenses include salaries and office employee benefits, utility bills, office supplies, travel expenses, other fees, etc. The IFA has set assumptions for estimating selling and administrative expenses as follows:

Expenses related to head office staff

Expenses for head office employees consist of salaries, provident funds, welfare, etc. The IFA estimates the cost of head office employees from RJR's estimates. The average employee expense per person is 15,000 Baht per person per month. There are a total of two head office employees, which means RJR considers that the number of employees is sufficient for future management. Therefore, there is no plan to increase the number of employees. The IFA has set the rate of increase of expenses for head office staff since 2023 at 3.00 percent per year, referring to RJR's employee compensation policy.

Fixed expenses

Fixed expenses consist of rent, utilities, telephone expenses, office equipment, audit fees, and travel expenses, insurance premiums and other expenses, etc. The IFA estimates the head office expenses from RJR's estimates by specifying that the monthly fixed expenses are at 11,000 Baht per month and the growth rate is set at 2.50 percent from 2022 onwards, referring to the Bank of Thailand's headline inflation projection for 2023, because the IFA considers that the current economic situation tends to increase inflation from the factors of oil prices. From 2024 onwards, the growth rate is set at 1.48 percent per year, referring to the compounded annual growth rate (CAGR) of headline inflation for 2007–2021 to reflect long-term growth, and the IFA predicts that various factors that affect inflation will adjust to normal after 2023.

Unit: million Baht	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F
Selling and administrative expenses (after depreciation and amortization)	0.13	0.54	0.55	0.57	0.58	0.60	0.61	0.63

Growth (%)	N/A	311.49	2.62	2.62	2.63	2.63	2.63	2.64
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Unit: million Baht	2030F	2754F	2032F	2033F	2034F	2035F	Jan - Mar 2036F
Selling and administrative expenses (after depreciation and amortization)	0.64	0.66	0.68	0.70	0.72	0.73	0.19
Growth (%)	2.64	2.65	2.65	2.65	2.66	2.66	(74.33)

Source: Estimated information by IFA

d) Depreciation and Amortisation

Depreciation and amortization consist of depreciation expenses such as buses, batteries, buses repair stations, ticket systems, and property, plant, equipment, etc., based on estimates by the accounting department in accordance with accounting policies that are depreciated on a straight-line basis over time.

EV Buses	7	Years
Battery	7	Years

e) Capital Expenditures

RJR plans to invest in E-Bus at 5.80 million Baht per vehicle, totalling 23 units, valued at 133.40 million Baht, which will be invested in E-Bus in 2022 to contain the minimum number of buses that are specified in the concession. And there will be an investment to replace the battery for 0.80 million Baht, or 18.40 million Baht in 2029.

f) Corporate Income Tax

During the forecast period, the corporate income tax rate has been 20 percent of profit before tax.

g) Working Capital

The financial advisor estimates the average collection period and average repayment period. estimated from EXA's policy

Account Receivable	0	Days
Account Payable	30	Days

h) Financial Cost

The company plans to increase the loan amount in 2022 to 133.40 million Baht for the purchase of buses. In addition, the company plans to use bank overdrafts as a liquidity management tool and invest in battery replacements. The interest rate is 7.00 percent per year, referring to the borrowing rate from the loan agreement.

Financial projections from April 2022 - March 2036 are as follows:

Unit: million Baht	2022F	2023F	2024F	2025F	2026F	2027F	2028F
Sale and Service Revenue	6.44	43.05	45.10	47.03	48.84	54.99	57.00
Cost of Sale and Service	16.96	35.88	36.49	37.06	37.67	38.32	38.94
Selling and Administration expenses	0.13	0.54	0.55	0.57	0.58	0.60	0.61
Operating income (loss)	(10.65)	6.64	8.05	9.41	10.60	16.07	17.45
Interest	1.61	8.67	7.72	6.98	6.25	5.32	4.16
Earning before tax	(12.27)	(2.03)	0.33	2.43	4.35	10.75	13.29
Tax	-	-	0.07	0.49	0.87	2.15	2.66
Net Income	(12.27)	(2.03)	0.27	1.94	3.48	8.60	10.64

Unit: million Baht	2029F	2030F	2031F	2032F	2033F	2034F	2035F	Jan - Mar 2036F
Sale and Service Revenue	59.02	61.20	68.56	70.95	73.54	76.34	85.07	22.02
Cost of Sale and Service	39.58	40.33	41.00	41.70	42.50	43.26	44.01	8.49
Selling and Administration expenses	0.63	0.64	0.66	0.68	0.70	0.72	0.73	0.19
Operating income (loss)	18.81	20.23	26.90	28.57	30.34	32.36	40.33	13.34
Interest	3.95	3.71	1.79	-	-	-	-	-
Earning before tax	14.86	16.52	25.12	28.57	30.34	32.36	40.33	13.34
Tax	2.97	3.30	5.02	5.71	6.07	6.47	8.07	2.67
Net Income	11.89	13.21	20.09	22.86	24.28	25.89	32.27	10.68

Source: Estimated information by IFA

i) Residual Value

RJR value at the end of the projection period There will be cash flows from cash balances and asset disposals equal to the residual book value minus liabilities. Due to the expiration of the license, the company no longer needs to keep the assets for its operations. In addition, there is no policy to change investments in the future. Therefore, IFA has determined that the residual value is equal to the shareholders' equity. The IFA has an opinion as stated in Clause 3.3.5

j) Discount Rate

The IFA uses the Weighted Average Cost of Capital (WACC) as the discount rate to calculate the present value of the cash flows. Due to the capital structure of the mass transit business consisting of equity capital and interest-bearing loans and liabilities, WACC is calculated from the weighted average cost of debt (Kd) and cost of equity interest (Ke) as follows:

$$WACC = Ke \times E/(D+E) + Kd \times (1-T) \times D/(D+E)$$

where as

Ke = Cost of capital from equity equal to 10.95 percent

- Kd = Liabilities Cost as of March 31, 2022, RJR has no interest-bearing liabilities. RJR will use the same source of financing in the form of a hire purchase contract for the E-Bus as TSB has an interest rate of 7.42 percent per year as of the date. As of March 31, 2022, IFA considers that the interest rate reflects the financial cost of RJR.
- T = Corporate income tax rate equal to 20.00 percent
- D/E = The ratio of interest-bearing liabilities to total shareholders' equity is equal to 0 times, which the IFA has considered the financial information of RJR as of March 31, 2022, which cannot be found. Since the business is just starting to operate, there is no debt. Therefore, the IFA uses the interest-bearing debt/equity ratio of TSB of 0.98 times, which holds shares in the same business group as RJR.

Including the IFA determines the value of K_e using the Capital Asset Pricing Model (CAPM) principle, which has the formula for calculating K_e as follows:

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

where as

- R_f = Risk-free rate of return, an IFA based on The yield of 15-year government bonds as of March 31, 2022 is 3.07 percent per year, which is similar to the period of business operation (Source: www.thaibma.or.th).
- Beta (β) = 1.18 is the coefficient. As a result, the IFA computes the beta value by comparing it to the beta value of companies listed on the Stock Exchange. There are 2 companies in the mass transit business sector, that is EA and ATP30 (the list of listed companies used for comparison for calculating Beta values and methods for calculating Beta values is referred to in Appendix 26). The IFA applied the Unlevered Beta value back to 1 year from April 1, 2021 to March 31, 2022 to calculate the average Unlevered Beta and adjusted by TSB's interest-bearing debt to equity ratio as of March 31, 2022, which IFA views as reflecting the future equity structure under RJR's management.
- R_m = Average return on investment in the Stock Exchange of Thailand for the past 15 years to March 31, 2022, which is 9.73 percent per year (Source: SETSMART and IFA's calculation) which the IFA considers that is the period that reflects the economic cycle and corresponds to the forecast period.

The calculation for K_e is shown in the table below for the cost of equity financing as follows:

Variable	Ratio
Risk free rate (R_f)	3.07 %
Risk Premium ($R_m - R_f$)	9.73 % - 3.07 %
Beta (β)	1.18
Cost of Equity (K_e) from CAPM	10.95 %

The WACC calculation is shown in the Weighted Average Cost of Finance (WACC) table below

Variable	Ratio
D/E	0.98
1-T	80.00 %
Cost of Debt (Kd)	7.42 %
Cost of Equity (Ke)	10.95 %
WACC	8.48 %

From the assumptions given above The cash flow and fair value of TSB can be calculated as follows:

Unit: million Baht	Apr - Dec 2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F
NOPAT	(10.65)	6.64	7.99	8.92	9.73	13.92	14.79	15.84
+ depreciation	10.84	10.84	10.84	10.84	10.84	10.84	10.84	10.84
- investment	(133.40)	-	-	-	-	-	-	(18.40)
+/- change in working capital	14.49	(0.95)	0.05	0.05	0.04	0.06	0.05	0.05
Free Cash Flow to Firm	(118.72)	16.53	18.88	19.81	20.61	24.83	25.69	8.33
Present Value of Cashflow	(111.69)	14.34	15.09	14.60	14.00	15.55	14.83	4.43

Unit: million Baht	2030F	2031F	2032F	2033F	2034F	2035F	Jan - Mar 2036F
NOPAT	16.92	21.88	22.86	24.28	25.89	32.27	10.68
+ depreciation	10.84	10.84	10.84	10.84	10.84	10.84	0.00
- investment	-	-	-	-	-	-	-
+/- change in working capital	0.05	0.06	0.06	0.07	0.06	0.07	(2.73)
Free Cash Flow to Firm	27.82	32.78	33.76	35.18	36.79	43.18	7.95
Residual Value ⁴²							187.78
Present Value of Cashflow	13.65	14.82	14.07	13.52	13.03	14.10	2.54
Present value of Residual Value							60.08
Total Present Value							126.97

	(million Baht)
Total Present Value	126.97
Add: Cash and equivalent on 31 March 2022	4.50
Minus: Interest Bearing debt on 31 March 2022	-
Fair Value on 31 March 2022	131.47

⁴² Residual Value equals to equity at the end of the forecast period or total assets minus total liabilities. In this case is cash and cash equivalents and working capital

From the fair value valuation by the DCF method, the fair value of EXA as at March 31, 2022 is equal to 131.47 million Baht.

In addition, the IFA has conducted a sensitivity analysis of the stock value. IFA therefore determines the appropriate volatility range by adjusting the value of the Discounted Rate (WACC) or WACC since the change in the Discounted Rate has a significant effect on the change in the fair value appraised. The results of the sensitivity analysis are detailed below.

(Discounted Rate) or WACC (%)	7.98	8.48	8.89
Fair Value (million Baht)	141.63	131.47	121.90

The results of the sensitivity analysis By changing the discount rate, the value of EXA's shares is between 121.90 – 141.63 million Baht

The present value of net cash flows is a method that considers RJR's future business performance and profitability. It is an estimation based on the present value of the expected future net cash flows. By referring to past operations as well as considering the trend of future operations Therefore, it can reflect the real value better than other valuation methods. The IFA is of the opinion that the present value approach to net cash flow is appropriate for this valuation.

3.4.5 Summary of the valuation of the share and business value of RJR

Valuation Method	Share Value (Baht/Share)	IFA's Opinion
1. Book Value Approach	15.99	Inappropriate
2. Adjusted Book Value Approach	15.99	Inappropriate
3. Market Comparable Approach		
3.1 Price to Book Value Approach Ratio: P/BV Ratio	139.91 – 173.49	Inappropriate
3.2 Price to Earning Approach Ratio: P/E Ratio	87.41 – 108.39	Inappropriate
4. Discounted Cash Flow	121.90 – 141.63	appropriate

Because each valuation approach has different advantage and disadvantage that will represent the different fair values as follows;

1. Book Value Approach

Book Value Approach reflects financial position at a point in time and value of assets on the recorded date. However, it does not reflect the fair value of the assets and ability to generate profits and cash flow in the future. IFA thinks that this methodology is inappropriate method to assess the fair value.

2. Adjusted Book Value Approach

Adjusted Book Value approach assessing the value by adjusting assets and liabilities to its fair value. However, this method does not reflect ability to generate profits and cash flow from future operation. Hence, this methodology is inappropriate method evaluating the fair value

3. Market Comparable Approach

3.1 Price to Book Value Approach Ratio: P/BV Ratio

Price to Book Value Approach will assess the share price relying on market price of the comparable companies, and those companies may have various returns on asset (ROA), capital structure, and trading liquidity. So, IFA has an opinion that assessing the business by using P/BV approach is inappropriate for this transaction.

3.2 Price to Earning Approach Ratio: P/E Ratio

Price to Earning Approach will refer to the ratio of the market price of the comparable companies and the profitability in the past of such companies. The method will be suitable to evaluate the short-term price without the consideration of future profitability. So, IFA opines that the valuation by using P/E approach is inappropriate for this transaction.

4. Discounted Cash Flow Approach

Discounted Cash Flow Approach is a method that considers the business operation and profitability of the company in the future. This is an assessment based on the present value of the expected future net cash flows. by referring to past operations as well as considering the trend of future operations Thus, it can reflect the real value better than other valuation methods. The IFA views that the valuation using the Discounted Cash Flow approach is appropriate for this valuation.

The IFA opinion that the net present value of cash flow method is the most appropriate method for determining the fair value of the Company and RJR's share value. As a result, the fair value of the investment by 100.00 percent equals 121.90 – 141.63 million Baht.

Summary of share valuation or business valuation of EXA and RJR

Symbo l	Valuation Method	Share Value (Baht/Share)	Subscripti on price (Baht/ Share)	Higher (Lower) than offer (Baht)	Higher (Lower) than offer (%)	IFA's Opinion
EXA	Discounted Cash Flow Approach (DCF)	40.97 - 50.29				Inappropriat e
RJR	Discounted Cash Flow Approach (DCF)	121.90 - 141.63				Inappropriat e
Total		162.87 - 191.92	200.00	(37.13) – (8.08)	(18.57) – (4.04)	Inappropria te

The IFA opinion that the present value of Discounted Cash Flow (DCF) method is the most appropriate method for determining the fair value of the entity and the share value of EXA and RJR, which would result in a fair value of 162.87 - 191.92 million Baht. In this regard, the price of an investment in EXA and RJR ordinary shares is no more than 200.00 million baht. As a result, the IFA opinion that the offering price for investing in EXA and RJR's ordinary shares is inappropriate.

3.5 Fairness of Conditions in Transaction

The Independent Financial Advisor has considered the conditions of entering the the transactions related to the issuance of newly issued ordinary shares to specific investors (Private Placement) and the transaction of providing financial assistance to associated companies and Agenda 2 - 5 of the Extraordinary General Meeting of Shareholders No. 1/2565 with conditions for entering into important transactions as follows:

Summary of conditions related to the transaction	Opinion of the Independent Financial Advisor
1. The meeting of the Board of Directors and/or the shareholders' meeting of the Company has approved Increase the Company's registered capital by 9,315 million baht by issuing 1,863 million new ordinary shares with a par value of 5.00 baht per share to support the issuance and offering of new ordinary shares to a private placement. and support the adjustment of the rights in the warrants to purchase the Company's ordinary shares No. 6	The independent financial advisor is of the opinion that it is appropriate. Because companies listed on the Stock Exchange of Thailand must be carried out in accordance with relevant laws and regulations. This includes seeking approval from the shareholders' meeting to increase the company's registered capital. to allow BYD shareholders to participate in decision-making as it may affect the shareholders both operating results, investments, and liquidity of the company and guidelines for the Company's business operations in the future. Therefore, to do the above Therefore, the shareholders should be considered. and take part in the decision for the approval of the said transaction.
2. The Board of Directors and/or the shareholders' meeting of the Company approved financial assistance to TSB in the amount of 8,550 million baht, of which 45.70 million ordinary shares and 0.357 million preferred shares of ACE held by Ms. Kulpornphat Wongmacharpinya as a guarantee.	The independent financial advisor is of the opinion that it is appropriate. Because companies listed on the Stock Exchange of Thailand must be carried out in accordance with relevant laws and regulations. This includes seeking approval from the shareholders' meeting for entering various transactions for the shareholders of BYD participate

Summary of conditions related to the transaction	Opinion of the Independent Financial Advisor
	<p>in decision making even though the said transaction does not qualify for the connected transaction. But for the transparency of the transaction, it is an important transaction. The Company therefore proposed to the shareholders' meeting to consider the said transaction. Because in the future there may be items that may have conflicts of interest, which may affect the shareholders both operating results, investments, and liquidity of the company and guidelines for the Company's business operations in the future Therefore, to do the above Therefore, the shareholders should be considered. and take part in the decision for the approval of the said transaction.</p>
<p>3. The Company must obtain approval from the Office of the Securities and Exchange Commission in accordance with the Notification TorChor. 72/2558, the Office of the SEC and the Stock Exchange of Thailand. To approve the offering of newly issued ordinary shares to Private placement under the relevant rules.</p>	<p>The independent financial advisor is of the opinion that it is appropriate. Because companies listed on the Stock Exchange of Thailand Must proceed under the Notification of the Market Supervisory Board No. TorJor. 72/2558) to demonstrate that the offering of newly issued shares to private placement is carried out in accordance with applicable laws and regulations;</p>
<p>4. For the Preferred Share Acquisition Transaction in ACE, the Company is obliged to comply with the Acquisition or Disposition of Assets Notification. including having duties to perform the following tasks:</p> <p>1) Disclosure of information related to the transaction to the SET in accordance with Schedule (1) attached to the announcement of the acquisition or disposal of assets.</p> <p>2) Submit a notice to shareholders within 21 days from the date of disclosure of the transaction to the SET. The notice to shareholders must contain information at least</p>	<p>The independent financial advisor is of the opinion that it is appropriate. Because companies listed on the Stock Exchange of Thailand must be carried out in accordance with relevant laws and regulations. The purchase of preferred shares in ACE is a significant investment for transparency in entering the transaction. The Company has presented the said transaction to the shareholders' meeting for further consideration and approval. This is good for shareholders because such investments are important and it may affect shareholders both operating results, investments, and liquidity of the company and guidelines for the Company's</p>

Summary of conditions related to the transaction	Opinion of the Independent Financial Advisor
<p>in the list (2) 1, 2, 3, 5 (3), 7 and 8 attached to the announcement of the acquisition or disposition of assets.</p> <p>However, the purchase of preferred shares in ACE is a significant investment. for transparency in entering the transaction. The Company will present the said item to the shareholders' meeting for further consideration and approval.</p>	<p>business operations in the future. Therefore, to do the above, the shareholders should be considered and take part in the decision for the approval of the said transaction.</p>

In this regard, the independent financial advisor has considered the conditions for entering into the various transactions as shown in the table above. It considered the requirements that BYD must comply with rules and criteria as a listed company on the Stock Exchange of Thailand. The independent financial advisor has considered that the conditions for entering this transaction. It is a general condition that BYD must comply with when entering any significant transaction in the same way as following the announcement on the acquisition of assets and the announcement of the connected transaction. This is a good result for the shareholders' meeting to participate in the decision making before entering the transaction. In addition, the independent financial advisor has also considered the appropriateness of the price for entering various transactions. More details can be found in Part 2 and Part 3 of the Independent Financial Advisor's Opinion Report regarding the issuance of newly issued ordinary shares to a specific person (Private Placement) and financial assistance to BYD's associates in this issue regarding the reasonableness of the transaction and the appropriateness of the transaction price. Considering the conditions of this transaction The Independent Financial Advisor is of the opinion that the conditions for entering into this transaction are appropriate.

In this regard, according to the invitation letter for the Extraordinary General Meeting of Shareholders No. 1/2022 because the matters to be considered in Agenda 2 to Agenda 5 are considered related agendas. Therefore, if any agenda is not approved by the shareholders' meeting It will be deemed that other agendas previously approved by the shareholders' meeting will be cancelled. and will not be considered in other related agendas It will be deemed that the consideration and approval of various matters as shown in Agenda 2 to Agenda 5 are not approved by the shareholders' meeting.

Part 4 Opinion of the IFA on the shareholders' resolution

4.1. Opinion of the IFA about the transaction of issuing and offering new ordinary shares for private placement

The IFA has thought about it and believes that engaging in the transaction of issuing and offering newly issued ordinary shares to a specific person (Private Placement) ("PP Capital Increase") at this time has the goal of purchasing ACE's preferred shares and providing financial assistance to TSB, a partner of BYD, in the form of long-term loans and to support investments in projects in accordance with the investment plan and for working capital. As a result, the financial advisor believes that it is reasonable to engage the transaction for the following reasons:

- Increase competitiveness with public bus service providers in Bangkok and other provinces by establishing business alliances.
- Receive the required amount of money within the specified time frame.

As a result of TSB's expansion, BYD has the opportunity to earn interest on loans to TSB and receive dividends on its investment in ACE. BYD has a more favorable capital structure. In the meantime, there are drawbacks that shareholders should consider about before engaging in the PP capital increase transaction.

- Effect of the PP capital increase on the existing shareholders (Dilution Effect)
- There is a potential for future conflicts of interest between BYD and TSB and EA and EA's related companies.
- BYD has a default risk from lending to TSB.

The IFA has considered the advantages and disadvantages of engaging into the PP capital increase transaction. In addition, the IFA also considers the advantages, disadvantages, and risks. If you do not engage the transaction, which is found to compare the advantages and disadvantages that the company will receive from engaging into the PP capital increase transaction,

Advantages of not engaging the transaction

- Does not affect the existing shareholders (dilution effect).
- There is no default risk from TSB lending.
- This reduces the risk of conflicts of interest between TSB and BYD shareholders.

Disadvantages of not entering the transaction

- TSB lost an opportunity to increase competitiveness.
- Other methods of raising capital may have an impact on the financial plan.
- BYD's capital structure and maintenance of BYD's net liquid fund (NC) would be impacted.

Risk of not engaging the transaction

- The risk of a failed PP capital increase.
- The risk of holding shares in ACE will considered to be another business of a securities company.

In considering the fairness of the price. The IFA estimated the fair value of BYD compared to the transaction price of the offering of newly issued ordinary shares in a private placement. ("PP Capital Increase") as follows:

Valuation method	Appraisal value (Baht per share)	PP offering price (Baht per share)	Higher (Lower) Offering Price (Baht)	Higher (Lower) Offering Price (%)	financial advisor opinion
1. Book Value	1.00	7.062	(6.062)	(85.84)	Inappropriate
2. Adjusted Book Value	1.13	7.062	(5.932)	(84.00)	Inappropriate
3. Market price	6.59 – 10.22	7.062	(0.47) – 3.16	(6.68) – 44.72	Inappropriate
4. Comparative					
4.1. Price per book value	1.49 – 1.65	7.062	(5.57) – (5.41)	(78.90) – (76.64)	Inappropriate
4.2. Price per earning	N/A	7.062	N/A	N/A	Inappropriate
5. Sum of the part	1.38 – 1.46	7.062	(5.68) – (5.60)	(80.39) – (79.31)	Appropriate

The IFA is of the opinion that the appropriate method for estimating the fair value of the business and the value of BYD's shares is the sum of the parts method. The method of aggregating the value of each business is a method that considers the overall operation of each related business at present, resulting in the fair value of the business being 1.38 – 1.46 baht per share, respectively. However, when compared with the offering price of the newly issued ordinary shares to the private placement of BYD at the price of 7.062 baht per share. Therefore, the IFA is of the opinion that the offering price of BYD's newly issued ordinary shares in the private placement of BYD is the price that is appropriate.

Therefore, the IFA is of the opinion that the engagement of newly issued ordinary shares to BYD's private placement is reasonable. The IFA is of the opinion that shareholders should approve the sale of newly issued ordinary shares to BYD's private placement. In this regard, the Extraordinary General Meeting of Shareholders No. 1/2022 had an important agenda to consider and approve, which is Agenda 2, to consider and approve the increase of BYD's registered capital in the amount of 9,325.00 million baht from the registered capital of 18,197.00 million baht, amounting to 27,511.71 million baht by 1,863.00 million newly issued ordinary shares with a par value of 5.00 baht per share to support the issuance and offering of newly issued ordinary shares to a private placement and support the adjustment of the rights in the warrants to purchase BYD's ordinary shares for the 6th time and approve the amendment of BYD's Memorandum of Association to comply with the increase of BYD's registered capital; and agenda item 3 to consider and approve the allocation of the newly-issued ordinary shares of BYD's 1,863.00 million shares with a par value of 5.00 baht per share. Therefore, the consideration and approval of the matters under Agenda 2 and Agenda 3 will be considered as mutual conditions. If any agenda is not approved, it will be deemed that another term that has been approved will be cancelled.

The decision to vote for this transaction is at the discretion of the shareholders as a priority. The shareholders should study the information and consider the reasons, advantages, disadvantages, and risk factors. and opinions on various consideration issues related to entering into the said transaction attached

to the invitation letter for this shareholders' meeting with prudence before voting to consider and approve such transactions appropriately.

4.2. Opinion of the IFA on the transaction of providing financial assistance to TSB, an associate of BYD.

The IFA has considered and is of the opinion that the financial assistance to TSB, an associate of BYD ("TSB Loans"), by capital grants from PP to provide financial assistance to TSB with the objective of supporting the business of TSB and its subsidiaries, whether in the form of acquisitions of assets for use in TSB's operations, expansion of investments in other businesses to provide TSB's public transit services, is in line with the plans to expand the lines and public transit services in Bangkok and provinces with contiguous territories. TSB operates the former business and is in the process of expanding additional investments that TSB will use in the business of providing public transportation services. As a result, the financial advisor believes that it is reasonable to engage in the transaction for the following reasons:

- The expansion of TSB, a BYD associate, with financial support.
- An opportunity to earn a return on loans to TSB which is greater than the return on investment of BYD.
- An opportunity to earn return on investment in ACE
- There are other sources of income other than income from the securities business.
- As a creditor, the company has the right to repay the debt before returning the investment to the shareholders.

In the meantime, the IFA has considered the reasonableness of various matters in the granting of loans to TSB and can be summarized as follows:

Topic	Summary of the IFA's opinion on reasonableness
Loan interest rate	The interest rates on these loans are appropriate for the current period. However, the IFA has noted that BBL's MLR rate is slightly lower than the average MLR rate of the four major commercial banks. Including setting a maximum borrowing rate of not more than 7.00% per annum, BYD may lose the opportunity to receive higher returns if BBL's MLR interest rate is higher than 5.50% per annum, especially during the period when the financial advisor sees that there is a tendency that the policy interest rate and borrowing rate will increase.
The adequacy of projected cash flows for loan repayment	IFA has considered TSB's cash flow and return on investment in subsidiaries. There is an opinion that TSB has the ability to repay loans to BYD.

At the same time, entering into the transaction of providing financial assistance to TSB has disadvantages that shareholders should consider as follows:

- The opportunity cost of investing money in other businesses or assets that yields higher
- There may be a loss from an increase in interest rates.
- Default risk
- The collateral may not be of sufficient value to pay off the debt.
- Potentially loss by borrowing rates below the appropriate interest rate to offset TSB's credit risk.

In addition, the IFA has considered the advantages and disadvantages of entering the transaction of providing financial assistance to TSB. The IFA also considers the advantages, disadvantages, and risks. If you do not enter the transaction, which is found to compare the advantages and disadvantages that the company will receive from entering into the transaction of providing financial assistance to TSB

Advantages of not entering the transaction

- No default risk.
- Able to invest in stocks, businesses, or other financial assets. That might get better returns.

Disadvantages of not entering the transaction

- If it receives money from the PP capital increase, then BYD needs to find other investment opportunities. to create good returns for BYD shareholders.
- TSB's transport license can be taken away. If unable to find funds in time,
- TSB lost an opportunity to increase competitiveness.
- BYD may lose its stake in ACE directly or indirectly. If ACE or TSB look for additional joint ventures.

Risks of entering the transaction

- Default Risk
- There is a risk that TSB's performance will not be as expected.
- Risk from interest rate volatility.

In addition, the IFA has considered entering the Acquisition of Assets of TSB transaction according to the objective of borrowing from BYD at this time. are reasonable in the following ways:

- Increasing business expansion opportunities and enhance competitiveness.
- Opportunity to earn a return on investment if the performance is as expected.
- It is an expansion of business in response to the global trend and in accordance with government policy.
- Benefit from economy of scale.

- This creates a competitive advantage over competitors in the clean energy passenger transport business.

Meanwhile, the IFA has considered the reasonableness of various matters. The terms related to the acquisition of TSB's assets can be summarized as follows:

Topic	Summary of the IFA's opinion on reasonableness
ETH Entire Business Transfer (EBT).	The IFA is of the opinion that such an investment with an investment value of 6,000.00 million baht is still at a level that is worth the investment. Therefore, it is reasonable. However, shareholders, please refer to the details, advantages, disadvantages, and risks of acquiring TSB's assets additionally in Part 2, Clauses 2.3.5 – 2.3.9 for consideration of the transaction.
Purchasing an E-Bus.	IFA is of the opinion that purchasing E-Bus from NEX is reasonable compared to other vendors, or that TSB has better benefits than purchasing from other vendors.
Purchasing EXA and RJR shares.	The IFA is of the opinion that such an investment with an investment value of 200.00 million baht is not worth the investment. because it is higher than the value that the financial advisor appraised. The investment in EXA and RJR is the acquisition of licenses to operate 6 routes, while TSB will need to invest in or provide financial assistance to EXA and RJR to provide E-Bus for the 6 routes. Buying shares at that value with an additional investment is therefore not worth the investment. If TSB is still in negotiations with the seller, it is best to negotiate a price that is both worthwhile and a good return on investment. In this regard, shareholders, please refer to the details, advantages, disadvantages, and risks of acquiring assets from TSB more in Part 2, Clauses 2.3.5–2.3.9, for consideration of the transaction.

Meanwhile, entering the acquisition of assets of TSB has disadvantages that shareholder should consider as follows:

- High investment
- EST and SMB still have operating losses.
- There are costs that are bound by the SMB.

In addition, the IFA has considered the advantages and disadvantages of entering the asset acquisition transaction with TSB. The IFA also considers the advantages, disadvantages, and risks. If you do not enter the transaction, which is found to compare the advantages and disadvantages that the company will receive from entering into the TSB Asset Acquisition Transaction.

Advantages of not entering the transaction

- TSB has no risk of loss from investment.
- TSB has a fund to acquire more E-Bus.
- TSB has funds to buy licenses from other operators.

Disadvantages of not entering the transaction

- A conflict of interest arises because SMB, a subsidiary of ETH, operates the same business as TSB.
- TSB lost an opportunity to grow and expand in the business with a high growth opportunity.
- TSB lost an opportunity to increase competitiveness and an opportunity to increase market share.
- TSB lost the opportunity to increase profits from economies of scale.

Risks of not entering the transaction

- The risk of facing liquidity problems (Liquidity Risk)
- The risk of not receiving electric vehicles as planned.
- The possibility that the license will not be renewed
- The risk of fluctuating energy costs
- The risk from the economic situation and the epidemic.
- The dangers of relying on employee abilities
- The risk of not receiving a loan

From the details and conditions of entering this transaction, the IFA has considered the essence of the relevant contracts. The IFA has received the latest draft documents of the contract related to the transaction as follows:

1. The draft of loan terms between BYD and TSB.
2. The draft of Entire Business Transfer Agreement between TSB and ETH
3. Purchase agreement for 154 E-Bus vehicles between TSB and NEX dated June 15, 2022
4. The draft of the E-Bus purchase agreement between TSB and NEX of 604 vehicles is dated July 5, 2022.

The terms of the draft contracts may not be the final terms agreed upon by the parties. If there is a material change in the contract that affects the shareholders and the company, the company will bring the matter to the shareholders' meeting for further consideration and approval. However, the essential terms of the said contract are appropriate and in accordance with the general conditions. Therefore, the IFA considers that the essence of the draft contract is reasonable.

In addition, the IFA has not received the EXA and RJR share purchase agreement. The IFA views that shareholders should inquire BYD about the terms of the EXA and RJR share purchase agreement at the Extraordinary General Meeting of Shareholders 1/2022 to be held on August 11, 2022, to ensure

transparency. and shareholders have received complete information before considering and approving the said transaction

Therefore, the IFA is of the opinion that the lending transaction to TSB is reasonable, given that BYD will provide loans to entities in which BYD will be able to participate in the management and can anticipate that it will be able to generate good profits in the future as well as create opportunities for TSB to be competitive and expect to generate a good return on investment for BYD in the future.

TSB has the purpose of using loans for various investment projects. The investment projects are for TSB's business expansion, which makes the acquisition of such assets reasonable. Most of them are reasonable. Except for the purchase of EXA and RJR shares, where the IFA has the view that the purchase price is higher than the assessed price, the IFA has considered the reasonableness of the purchase of EXA and RJR shares as stated in 2.3.4 and the fairness of the price in Section 3, clauses 3.3 and 3.4. However, the transaction accounted for 2.34% of the value of the loan to TSB (investment amount of 200.00 million baht per total loan amount of 8,550.00 million baht), which is a value that is not very high in relation to the total project cost, which, if TSB can manage to achieve efficient resource sharing, will meet the purpose of the purchase of such shares to obtain additional service routes. As a result, the overall performance will be beneficial as well. Therefore, the IFA is of the opinion that the acquisition of assets by TSB will benefit from the fact that TSB will invest in expanding its business through more service routes. and boats to provide services under the transport license. to have the potential to compete and will generate good returns for BYD in the future.

Therefore, the IFA is of the opinion that entering the financial assistance transaction with TSB is reasonable. The IFA is of the opinion that shareholders should approve the transaction of providing financial assistance to TSB, an affiliate of BYD.

In this regard, the Extraordinary General Meeting of Shareholders No. 1/2022 had important approval agendas, which were Agenda 5 to consider and approve the financial assistance to Thai Smile Bus Company Limited ("TSB") in the amount of 8,550.00 million baht. All ACE's ordinary and preferred shares of Ms. Kulpornphat Wongmacharpinya will be pledged as collateral. If this agenda is not approved, it will be considered canceled.

The decision to vote for this transaction It is at the discretion of the shareholders as a priority. The shareholders should study the information and consider the reasons, advantages, disadvantages, and risk factors. and opinions on various consideration issues related to entering into the said transaction attached to the invitation letter for this shareholders' meeting with prudence before voting to consider and approve such transactions appropriately.

SIAM ALPHA CAPITAL COMPANY LIMITED (“SIAM ALPHA CAPITAL” or “IFA” or “Independent Financial Advisor”) as the Independent Financial Advisor is guarantee that the opinion of the Independent Financial Advisor are based on the information, which have been received from interview with the Management of the Company, interview with independent value, publicly available information, industry overview received from external sources as well as other relevant documents received from the Company such as Financial Statement, Business plan, report disclose on the Stock Exchange of Thailand and the Stock Exchange Commission websites and other documents related to the transaction of the Company. SIAM ALPHA CAPITAL is unable to promise and guarantee the accuracy and completeness of the information and documents received from the Company, management teams, and other related party. The Independent Financial Advisor assumed that all information received is truthful and correct. Therefore, if the said information is incorrect and/or is not truthful and/or has been significantly changed in the future, it will affect the opinion of the Independent Financial Advisor. Therefore, the Independent Financial Advisor is unable to certify or warrant the future impact that may arise to the Company and shareholders. In addition, the opinion of the Independent Financial Advisor is only to provide the comments to the shareholders, providing this opinion does not warrant the accomplishment of the Transaction and impact to be incurred from the Transaction to the Company.

- Miss Janejira Lekvichittada-

(Miss Janejira Lekvichittada)

Authorized Person

- Mr. Chosit Dejwanichayanumat-

(Mr. Chosit Dejwanichayanumat)

Financial Advisor