

- Translation -

Independent Financial Advisor's Opinion Report
on Disposal of Assets and Connected Transactions

Reporting to
The Shareholders of Sea Oil Public Company Limited



Prepared by
Avantgarde Capital Company Limited



5 April 2022

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Subject Independent Financial Advisor's Opinion Report on Disposal of Assets and Connected Transactions

To Shareholders of Sea Oil Public Company Limited

Reference

1. Report on the Resolution of the Board of Director Meeting for the schedule of 2022 AGM, Dividend Payment, Capital Decrease and Capital Increase, Disposal of Assets and Connected Transaction (Revised)
2. Information Memorandum of Sea Oil Public Company Limited on Connected Transaction
3. Annual Report and Form 56-1 of Sea Oil Public Company Limited in 2019 – 2021
4. Audited Consolidated Financial Statement of Sea Oil Public Company Limited in 2019 – 2021
5. Audited Consolidated Financial Statement of Sea Oil Petrochemical Company Limited in 2018 – 2020
6. Management Account of Sea Oil Petrochemical Company Limited in 2021
7. Leasing contract of assets between Sea Oil Petrochemical Company Limited and Natural Energy Refinery Company Limited

The Board of Directors' Meeting of Sea Oil Public Company Limited ("**the Company**") No. 3/2022 which was held on March 7, 2022, resolved to approve the disposal of all shares held by the Company in Sea Oil Petrochemical Company Limited ("**SOC**"), a subsidiary of the Company, amounting to 2,039,998 shares, equivalent to 99.99 percent of the total number of shares of SOC, to Natural Energy Refinery Company Limited ("**the Purchaser**" or "**Natural Energy**"). The Company will receive consideration of THB 256.00 million for such disposal of shares (the "**Disposal of shares in the Subsidiary Transaction**"). Currently, SOC is engaged in the production and distribution of solvents and liquefied petroleum products. In this regard, after completion of the Disposal of Shares in the Subsidiary Transaction, the Company will no longer hold any shares in SOC and SOC will cease to be the Company's subsidiary. And the Purchaser will consider for the operation of the leasing contract of assets between the SOC and the Purchaser, which the Company will no longer be involved in the execution of the contract.

The Disposal of Shares in the Subsidiary Transaction is regarded as a disposal of assets under the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated August 31, 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 Disposition of Assets B.E. 2547 (2004), dated October 29, 2004 (as amended) (the “**Notifications on Acquisition or Disposition of Assets**”). From the calculation of the transaction size using the basis of highest transaction value based on the Company’s consolidated financial statements for the year ended December 31, 2021, which had been reviewed by the certified auditor, and Management Account of SOC for the year ended December 31, 2021, it was found that the investment value of the Company in SOC in the amount of THB 189.82 million and the allowance for impairment is THB 141.31 million. After deducting the allowance for impairment, it will be THB 48.52 million and liabilities that SOC still owes to the Company amounting to THB 215.79 million, thus including the book value of the Company in SOC, equal to THB 264.31 million. In this regard, when comparing with the value of consideration which is equal to THB 256.00 million, it was found that the book value was the highest. Therefore, the Company used the book value which was equal to THB 264.31 million in calculating the size of the asset disposal transaction, and when calculated according to the calculation method according to calculation methods under the Notifications on Acquisition or Disposition of Assets, the highest transaction value is equal to 8.54 percent on the book value basis. In the absence of any transactions on the disposal of assets during the period of 6 months prior to the execution of this transaction which have not been approved by the Shareholders’ Meeting. In this regard, the maximum transaction value of the disposal of assets of the Company is equal to 8.54 percent, which is calculated on the book value basis. Therefore, such transaction is not regarded as a disposal of assets transaction that results in the Company is required to prepare a report and disclose an information in respect of the entering into the transaction to the Stock Exchange of Thailand (“SET”) pursuant to the Notifications on Acquisition or Disposition of Assets.

However, the Disposal of Shares in the Subsidiary Transaction is also considered a connected transaction of the Company because

1. Mr. Churdchoo Panboonhom (a) holds shares for 10.60 percent of the total paid-up shares of the Company and (b) indirectly holds shares in the Purchaser through Nathalin Corporation Company Limited (which is indirect major shareholder of the Purchaser) for 99.98 percent of the total paid-up shares of Nathalin Corporation Company Limited where (1) Nathalin Corporation Company Limited holds shares in Nathalin Company Limited (“Nathalin”), for 99.99 percent of the total shares of Nathalin (2) Nathalin holds shares in 9 Element Company Limited for 64.99 percent of the total shares of 9 Element Company Limited and (3) 9 Element Company Limited holds shares in the Purchaser. (c) is the father of Miss Neeracha Panboonhom who is a director of the Company and Nathalin and Mr. Paween Panboonhom which is an indirectly

major shareholder and the director of the Purchaser which is considered to be a “Close Relative” in accordance with 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) dated November 19, 2003 (as amended).

2. Nathalin (a) holds shares in the Company for 45.04 percent of the total paid-up shares of the Company and (b) indirectly holds shares in the Purchaser through 9 Elements Company Limited for 64.99 percent of the total shares of 9 Element Company Limited which holds 99.99 percent of the total shares of the Purchaser.
3. Nathalin has the common directors with the Company which are Miss Neeracha Panboonhom, Mr. Suraphon Meesathien and Mr. Prompong Chaisrisawatsuk.
4. 9 Elements Company Limited has Mr. Paween Panboonhom (a) who is a indirectly major shareholder of the Purchaser (Mr. Paween Panboonhom holds shares in 9 Elements Company Limited for 17.50 percent of the total shares of 9 Element Company Limited where 9 Element Company Limited holds 99.99 percent of the total shares of the Purchaser) (b) is a director of the Purchaser (c) is a younger brother of Miss Neeracha Panboonhom who is a director of the Company and Nathalin and a son of Mr. Churdchoo Panboonhom which is a major shareholder of the Company and the Purchaser, who is considered a “Close Relative” in accordance with 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) dated November 19, 2003 (as amended).
5. Mr. Paween Panboonhom (a) is a director and indirect major shareholder of the Purchaser (through 9 Elements Company Limited) which Mr. Paween Panboonhom holds shares in 9 Elements Company Limited for 17.50 percent of the total shares of 9 Element Company Limited which holds 99.99 percent of the total shares of the Purchaser (b) is a younger brother of Miss Neeracha Panboonhom who is a director of the Company and a son of Mr. Churdchoo Panboonhom, who is a major shareholder of the Company and the Purchaser, who is considered a “Close Relative” in accordance with 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) dated November 19, 2003 (as amended).

(The details of the relationship of the “Close Relative” are shown in the diagram showing the shareholding structure of SOC before entering into the transaction under section 1.3 Characteristics of Disposal of Assets)

For such reasons, the Purchaser is deemed as a connected person of the Company under the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions dated August 31, 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 Connected Transactions B.E. 2546 (2003) dated November 19, 2003 (as amended) (collectively referred to as the “**Notifications on Connected Transactions**”). From the calculation transaction size based on the criteria of the connected transaction calculated from the book value as of December 31, 2021 according to the Company's consolidated financial statements for the year ended December 31, 2021, which was audited by the auditor and the Management Account of SOC for the year ended December 31, 2021, which comprises the investment value of the Company in SOC (after deducting allowance for impairment) amounting to THB 48.52 million (by on April 11, 2016, the Company acquired shares of SOC in the amount of THB 135.82 million, and then the Company acquires (i) the newly issued shares of SOC in the amount of THB 13.50 million was paid on May 22, 2017, and (ii) the newly issued shares of SOC in the amount of THB 40.50 million as of March 27, 2018, totaling THB 189.82 million in investment in SOC). However, from considering the notes to the financial statements of the Company for the year ended December 31, 2021, which has been audited by the auditor, it was found that the total investment value in SOC has an allowance for impairment equal to THB 141.31 million. Therefore, the investment value in SOC after deducting the allowance for impairment, it is equal to THB 48.52 million), and liabilities that SOC still owe to the Company amounting to THB 215.79 million, thus the total amount of the book value of the Company in SOC will be THB 264.31 million. When comparing with the value of the consideration which was 256.00 million baht, it was found that the book value was higher than the consideration value. Therefore, the Company used the book value of the Company in SOC, which is equal to THB 264.31 million in calculating the size of the connected transaction. In the absence of any transaction with the same type of connected transactions of the Company entered with the same person in the past 6 months which have not been approved by the Shareholders' Meeting, the total value of consideration of connected transaction is equal to THB 264.31 million, equivalent to 16.16 percent of the Company's net tangible assets. Therefore, such connected transaction value exceeds THB 20.00 million and exceeds 3.00 percent of the Company's net tangible assets. In this regard, the Company is required

to comply with the Notifications on Connected Transactions, which require the Company to take the following actions:

- (1) To report and disclose the information memorandum on disposal of assets, which is a connected transaction of the Company, to the SET immediately, which must at least contain the information as required in the Notifications on Connected Transactions;
- (2) To appoint an independent financial advisor to carry out the relevant functions, including providing its opinions as required by the Notifications on Connected Transactions, whereby the independent financial advisor's report shall be delivered to the shareholders for consideration along with the invitation letter for the Shareholders' Meeting. In this regard, the Company has appointed Avantgarde Capital Company Limited, which is a financial advisor on the list approved by the SEC Office, as the independent financial advisor to provide the shareholders with its opinion on the execution of the transaction on disposal of assets which is a connected transaction; and
- (3) To convene a Shareholders' Meeting of the Company to approve the disposal of assets, which is a connected transaction, by delivering the invitation letter for the Shareholders' Meeting to the shareholders at least 14 days prior to the date of the Shareholders' Meeting, in order to obtain approval from the Shareholders' Meeting with not less than three-fourths of all votes of the shareholders present at the Meeting and entitled to vote, excluding such votes of the following interested shareholders:
 - (a) Nathalin (a) holds shares in the Company that is equal to 45.04 percent of the total paid-up shares of the Company, and (b) indirectly holds shares in the Purchaser through 9 Element Company Limited that is equal to 64.99 percent of the total shares of 9 Element Company Limited. 9 Element Company Limited holds shares in the Purchaser that is equal to 99.99 percent of the total shares of the Purchaser.
 - (b) Mr. Churdchoo Panboonhom (a) holds shares in the Company that is equal to 10.60 percent of the total paid-up shares of the Company, and (b) indirectly holds shares in the Purchaser through Nathalin Corporation Company Limited (which is an indirect major shareholder of the Purchaser) that is equal to 99.99 percent of the total paid-up shares of Nathalin Corporation Company Limited. (i) Nathalin Corporation Company Limited holds shares in Nathalin, that is equal to 99.99 percent of the total shares of Nathalin, (ii) Nathalin holds shares in 9 Element Company Limited that is equal to 64.99 percent of

the total shares of 9 Element Company Limited, and (iii) 9 Element Company Limited holds shares in the Purchaser that is equal to 99.99 percent of the total shares of the Purchaser.

In order to comply with good corporate governance principles, therefore, there are 2 shareholders of the Company, namely (1) Mr. Suraphon Meesathien, and (2) Ms. Neeracha Panboonhom, have expressed their intention to the Company that they will not exercise the right to vote on agenda item related to the entry into the Disposal of Shares in the Subsidiary Transaction. As of the date of this IFA Opinion Report,

- (1) Mr. Suraphon Meesathien is (i) a minority shareholder of the Company; and (ii) a minority shareholder, director, and chief executive officer of Nathalin (which is an indirect major shareholder of the Purchaser).

As of the date of this IFA Opinion Report, Mr. Suraphon Meesathien (a) holds shares in the Company that is equal to 3,471,104 shares or representing 0.53 percent of the total paid-up shares of the Company; and (b) holds shares in Nathalin (which is an indirect major shareholder of the Purchaser) that is equal to 0.0001 percent of the total paid-up shares of Nathalin. In this regard, (1) Nathalin holds shares in 9 Element Company Limited that is equal to 64.99 percent of the total shares of 9 Element Company Limited, and (2) 9 Element Company Limited holds shares in the Purchaser that is equal to 99.99 percent of the total shares of the Purchaser.

- (2) Miss Neeracha Panboonhom is (i) a minority shareholder of the Company; and (ii) a minority shareholder and director of Nathalin (which is an indirect major shareholder of the Purchaser).

As of the date of this IFA Opinion Report, Miss Neeracha Panboonhom (a) holds shares in the Company that is equal to 5,162,666 shares or representing 0.80 percent of the total paid-up shares of the Company; and (b) holds shares in Nathalin (which is an indirect major shareholder of the Purchaser) that is equal to 0.0001 percent of the total paid-up shares of Nathalin. In this regard, (1) Nathalin holds shares in 9 Element Company Limited that is equal to 64.99 percent of the total shares of 9 Element Company Limited, and (2) 9 Element Company Limited holds shares in the Purchaser that is equal to 99.99 percent of the total shares of the Purchaser.

In this regard, the IFA has opinion that the Disposal of Assets and the Connected Transaction is appropriate. Even though the Company will have an accounting loss from entering the transaction amounting to THB 8.31 million (because the transaction price of THB 256.00 million is lower than the book value of SOC, which is equal to THB 264.31 million, resulting in the company accounting loss from the transaction THB 8.31 million), but due to the business of producing and selling solvent And all SOC's liquid petroleum products have limited business operations throughout the supply chain,

resulting in operating losses. In addition, the Natural Energy to lease land and buildings and various equipment is an inefficient cash flow income and there is no stability of the business from leasing. Therefore, entering into the Disposal of Assets and the Connected Transaction will help the Company by that the cash flow can be used as internal working capital of the Company, to support the company's core business operating which can focus on bringing resources and financial liquidity to use for working in the business that the Company has knowledge, capability and expertise or increase the proportion of investment in businesses that provide satisfactory returns. *(Shareholders can read more details about the reasonableness of entering into the transaction in section 3.1 The Appropriateness and Benefits of the Transaction).* For the appropriateness of the price, the IFA opinion is that the fair value of the sale of all shares of SOC equal to 256.00 million baht is appropriate. This is because it is higher than the valuation range of the IFA between THB 240.75 – 253.74 million by using the Discounted Cash Flow (DCF) method, which is an appropriate valuation method since it can reflect the operating results in the future under the lease of property and various assumptions that are reasonable.

- Information Memorandum of Sea Oil Public Company Limited on Connected Transaction
- Annual Report and Form 56-1 of Sea Oil Public Company Limited in 2019 - 2021
- Audited Consolidated Financial Statement of Sea Oil Public Company Limited in 2019 - 2021
- Audited Consolidated Financial Statement of Sea Oil Petrochemical Company Limited in 2018 - 2020
- Management Account of Sea Oil Petrochemical Company Limited in 2021
- Leasing contract of assets between Sea Oil Petrochemical Company Limited and Natural Energy Refinery Company Limited

The IFA has prepared an opinion report on the transaction and hereby certify that I have studied and analyzed the information in accordance with professional standards and that I have reasoned on the basis of fair data and analysis by taking into account the interests of the shareholders of the Company. However, the IFA's opinion is based on the assumption that the information, assumptions and documents obtained are reliable complete and correct information according to reality and has not been changed or modified after the IFA receives. Therefore, if such information is incorrect and/or not true and/or incomplete and/or significant changes. For example, the coronavirus disease 2019 (COVID-19) outbreak has resulted in volatility in the economic conditions and affecting the IFA's financial projections which may affect the opinion of the IFA this time. Especially the company's share price and the appropriate SOC's equity value that may change accordingly. Therefore, shareholders should study the information, determination of various assumptions, advantages, disadvantages, and opinions on entering into the transaction with prudence before considering approval for entering into the transaction which is mainly in the discretion of the shareholders. The opinion does not guarantee

the success of the transactions, including the potential impact and the IFA is not responsible for any impact that may occur from entering into such transactions, whether directly or indirectly.

Glossary

"SOC" or "Lessor"	Sea Oil Petrochemical Company Limited
"CAGR"	Compound Annual Growth Rate
"DCF"	Discounted Cash Flow
"D/E"	Debt to Equity Ratio
"EV/EBITDA"	Enterprise Value/Earnings before interest, tax, depreciation and amortization
"FCFF"	Free Cash Flow to Firm
"Kd"	Cost of Debt
"Ke"	Cost of Equity
"P/BV"	Price to Book Value Ratio
"P/E"	Price to Earning Ratio
"WACC"	Weighted Average Cost of Capital
"Wd"	Weight of Debt
"We"	Weight of Equity
"the Purchaser" or "Natural Energy" or "NERH" or "Lessee"	Natural Energy Refinery Company Limited
"Nathalin Corp"	Nathalin Corporation Company Limited
"Nathalin"	Nathalin Company Limited
"Disposal of Shares in the Subsidiary Transaction"	The disposal of all shares held by the Company in Sea Oil Petrochemical Company Limited ("SOC"), a subsidiary of the Company, amounting to 2,039,998 shares, equivalent to 99.99 percent of the total number of shares of SOC, to Natural Energy Refinery Company Limited ("the Purchaser" or "Natural Energy"). The Company will receive consideration of THB 256.00 million for such disposal of shares.
"SET"	Stock Exchange of Thailand
"the Company"	Sea Oil Public Company Limited
"Notifications on Acquisition or Disposal of Assets"	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 Connected Transactions"	The Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions dated August 31, 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 Connected Transactions

B.E. 2546 (2003) dated November 19, 2003 (as amended)

“the IFA”	Avantgarde Capital Company Limited
“SEC”	The Office of the Securities and Exchange Commission
“the IFA Opinion Report”	Independent Financial Advisor's Opinion Report on Disposal of Assets and Connected Transactions

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1. Executive Summary

1.1 Overview and Objective of the Transaction

On April 11, 2016, Sea Oil Public Company Limited ("**the Company**") acquired shares of Sea Oil Petrochemical Company Limited ("**SOC**") (formerly Nakornchaiprakarn Chemical Company Limited) 1.50 million shares or equivalent to 99.99 percent of the issued shares and all sold from the existing shareholders by paying a total amount of THB 135.82 million to support the company's goal of entering the petroleum refining business which is a continuation business and to supplement the business of being a distributor of petroleum products of the current company. On May 22, 2017, SOC registered an increase of 0.54 million shares, totaling a total registered capital of 2.04 million shares, with a total payment of THB 13.50 million. And on March 27 2018, the company paid for shares in the amount of 40.50 million baht for 0.54 million shares, 75 baht per share, totaling THB 189.82 million for investment in the SOC. In this regard, from the notes to the financial statements of the year 2021 of the Company, it was found that the allowance for impairment on investment in SOC was THB 141.31 million. Therefore, the value of investment in SOC after deducting allowance for impairment was THB 48.52 million. However, the SOC needs to enhance liquidity due to production barriers and upstream to downstream operations since the commencement of operations since 2019, for example, as a small producer and distributor that has to purchase condensate, a by-product of crude oil refining, as raw material from one of the major producers of supply chain therefore has no bargaining power in determining quantity and stable quality, resulting in SOC having a lower performance than competitors in the same industry so that SOC has borrowed money from the company for operation and enhance such liquidity during the year 2017, totaling THB 212.00 million. On December 31, 2021, SOC has outstanding debt equal to THB 215.79 million. As the reason stated, SOC stop the production business and selling solvent and liquefied petroleum products in 2020 and commenced the factory leasing business in 2021 to Natural Energy Refinery Company Limited to engage in the production of and selling palm oil for a period of 3 years, where the lessee agrees to pay for the rental of assets Total amount is THB 2.80 million per month. The lessee must maintain the leased property in good condition at the expense of the lessee itself. They also have to pay any utility bills incurred during the lessee making full use of the leased property. In this regard, the lessor must procure and insure the property on the lessor's part at an appropriate value. Between June 1, 2021 and May 31, 2024, the total asset rental value is 100.80 million baht. and liquid petroleum products. To not affect from the drawback of the business of production and selling solvent and liquefied petroleum products, which is not possible to effectively benefit from the assets and to focus on the current core business, which is the business that the Company

well versed as well as creating opportunities to expand the existing business extensively and generating more revenue, the Company therefore entered into a transaction to dispose of assets with details as follows.

The Board of Directors' Meeting of Sea Oil Public Company Limited ("the Company") No. 3/2022 which was held on March 7, 2022, resolved to approve the disposal of all shares held by the Company in Sea Oil Petrochemical Company Limited ("SOC"), a subsidiary of the Company, amounting to 2,039,998 shares, equivalent to 99.99 percent of the total number of shares of SOC, to Natural Energy Refinery Company Limited ("**the Purchaser**" or "**Natural Energy**"). The Company will receive consideration of THB 256.00 million for such disposal of shares (the "**Disposal of shares in the Subsidiary Transaction**"). In this regard, after completion of the Disposal of Shares in the Subsidiary Transaction, the Company will no longer hold any shares in SOC and SOC will cease to be the Company's subsidiary. And the Purchaser will consider for the operation of the leasing contract of assets between the SOC and the Purchaser, which the Company will no longer be involved in the execution of the contract.

The Company will proceed with the disposal of all shares which the Company holds in SOC, a subsidiary of the Company, totaling 2,039,998 shares, equivalent to 99.99 percent of the total number of shares of SOC to Natural Energy. The Company will receive consideration for the disposal of shares of THB 256.00 million from Natural Energy by payment in cash. The consideration is the agreed price between the Company, as the Seller, and Natural Energy, as the Purchaser and condition for determining the consideration will be in accordance with terms and conditions of the share purchase agreement. Natural Energy will pay the consideration for the sale of such shares to the Company on the closing date of the share purchase. The Company expects that the Disposal of Shares in the Subsidiary Transaction will be completed within the second quarter of 2022. The transaction value is as follows.

No.	List	Number of Shares Sold	Shares Sold Ratio (Percent)	Total Value of the Transaction (THB Million)
1	Disposal of Shares in the Subsidiary Transaction	2,039,998 shares	99.99	256.00
Total (1)				256.00

The Disposal of Shares in the Subsidiary Transaction is regarded as a disposal of assets under the Notification of the Capital Market Supervisory Board No. TorChor. 20/ 2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated August 31, 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 Disposition of Assets B.E. 2547 (2004), dated October 29, 2004 (as amended) (the "**Notifications on Acquisition or Disposition of Assets**"). From the

calculation of the transaction size using the basis of highest transaction value based on the Company's consolidated financial statements for the year ended December 31, 2021, which had been reviewed by the certified auditor, and Management Account of SOC for the year ended December 31, 2021, it was found that the investment value of the Company in SOC in the amount of THB 189.82 million and the allowance for impairment is THB 141.31 million. After deducting the allowance for impairment, it will be THB 48.52 million and liabilities that SOC still owes to the Company amounting to THB 215.79 million, thus including the book value of the Company. in SOC, equal to THB 264.31 million. In this regard, when comparing with the value of consideration which is equal to THB 256.00 million, it was found that the book value was the highest. Therefore, the Company used the book value which was equal to THB 264.31 million in calculating the size of the asset disposal transaction, and when calculated according to the calculation method according to calculation methods under the Notifications on Acquisition or Disposition of Assets, the highest transaction value is equal to 8.54 percent on the book value basis. In the absence of any transactions on the disposal of assets during the period of 6 months prior to the execution of this transaction which have not been approved by the Shareholders' Meeting. In this regard, the maximum transaction value of the disposal of assets of the Company is equal to 8.54 percent, which is calculated on the book value basis. Therefore, such transaction is not regarded as a disposal of assets transaction that results in the Company is required to prepare a report and disclose an information in respect of the entering into the transaction to the Stock Exchange of Thailand ("SET") pursuant to the Notifications on Acquisition or Disposition of Assets.

However, the Disposal of Shares in the Subsidiary Transaction is also considered a connected transaction of the Company because

1. Mr. Churdchoo Panboonhom (a) holds shares for 10.60 percent of the total paid-up shares of the Company and (b) indirectly holds shares in the Purchaser through Nathalin Corporation Company Limited (which is indirect major shareholder of the Purchaser) for 99.98 percent of the total paid-up shares of Nathalin Corporation Company Limited where (1) Nathalin Corporation Company Limited holds shares in Nathalin Company Limited ("Nathalin"), for 99.99 percent of the total shares of Nathalin (2) Nathalin holds shares in 9 Element Company Limited for 64.99 percent of the total shares of 9 Element Company Limited and (3) 9 Element Company Limited holds shares in the Purchaser. (c) is the father of Miss Neeracha Panboonhom who is a director of the Company and Nathalin and Mr. Paween Panboonhom which is an indirectly major shareholder and the director of the Purchaser which is considered to be a "Close Relative" in accordance with 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) dated November 19, 2003 (as amended).

2. Nathalin (a) holds shares in the Company for 45.04 percent of the total paid-up shares of the Company and (b) indirectly holds shares in the Purchaser through 9 Elements Company Limited for 64.99 percent of the total shares of 9 Element Company Limited which holds 99.99 percent of the total shares of the Purchaser.
3. Nathalin has the common directors with the Company which are Miss Neeracha Panboonhom, Mr. Suraphon Meesathien and Mr. Prompong Chaisrisawatsuk.
4. 9 Elements Company Limited has Mr. Paween Panboonhom (a) who is a indirectly major shareholder of the Purchaser (Mr. Paween Panboonhom holds shares in 9 Elements Company Limited for 17.50 percent of the total shares of 9 Element Company Limited where 9 Element Company Limited holds 99.99 percent of the total shares of the Purchaser) (b) is a director of the Purchaser (c) is a younger brother of Miss Neeracha Panboonhom who is a director of the Company and Nathalin and a son of Mr. Churdchoo Panboonhom which is a major shareholder of the Company and the Purchaser, who is considered a "Close Relative" in accordance with 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) dated November 19, 2003 (as amended).
5. Mr. Paween Panboonhom (a) is a director and indirect major shareholder of the Purchaser (through 9 Elements Company Limited) which Mr. Paween Panboonhom holds shares in 9 Elements Company Limited for 17.50 percent of the total shares of 9 Element Company Limited which holds 99.99 percent of the total shares of the Purchaser (b) is a younger brother of Miss Neeracha Panboonhom who is a director of the Company and a son of Mr. Churdchoo Panboonhom, who is a major shareholder of the Company and the Purchaser, who is considered a "Close Relative" in accordance with 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) dated November 19, 2003 (as amended).

For such reasons, the Purchaser is deemed as a connected person of the Company under the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions dated August 31, 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 Connected Transactions B.E. 2546 (2003) dated November 19, 2003 (as amended) (collectively referred to as the "Notifications on Connected Transactions"). From the calculation transaction size based on the criteria of the connected transaction calculated from the book value as of December 31, 2021 according to the

Company's consolidated financial statements for the year ended December 31, 2021, which was audited by the auditor and the Management Account of SOC for the year ended December 31, 2021, which comprises the investment value of the Company in SOC (after deducting allowance for impairment) amounting to THB 48.52 million (by on April 11, 2016, the Company acquired shares of SOC in the amount of THB 135.82 million, and then the Company acquires (i) the newly issued shares of SOC in the amount of THB 13.50 million was paid on May 22, 2017, and (ii) the newly issued shares of SOC in the amount of THB 40.50 million as of March 27, 2018, totaling THB 189.82 million in investment in SOC). However, from considering the notes to the financial statements of the Company for the year ended December 31, 2021, which has been audited by the auditor, it was found that the total investment value in SOC has an allowance for impairment equal to THB 141.31 million. Therefore, the investment value in SOC after deducting the allowance for impairment, it is equal to THB 48.52 million), and liabilities that SOC still owe to the Company amounting to THB 215.79 million, thus the total amount of the book value of the Company in SOC will be THB 264.31 million. When comparing with the value of the consideration which was 256.00 million baht, it was found that the book value was higher than the consideration value. Therefore, the Company used the book value of the Company in SOC, which is equal to THB 264.31 million in calculating the size of the connected transaction. In the absence of any transaction with the same type of connected transactions of the Company entered with the same person in the past 6 months which have not been approved by the Shareholders' Meeting, the total value of consideration of connected transaction is equal to THB 264.31 million, equivalent to 16.16 percent of the Company's net tangible assets. Therefore, such connected transaction value exceeds THB 20.00 million and exceeds 3.00 percent of the Company's net tangible assets. In this regard, the Company is required to comply with the Notifications on Connected Transactions, which require the Company to take the following actions:

- (1) To report and disclose the information memorandum on disposal of assets, which is a connected transaction of the Company, to the SET immediately, which must at least contain the information as required in the Notifications on Connected Transactions;
- (2) To appoint an independent financial advisor to carry out the relevant functions, including providing its opinions as required by the Notifications on Connected Transactions, whereby the independent financial advisor's report shall be delivered to the shareholders for consideration along with the invitation letter for the Shareholders' Meeting. In this regard, the Company has appointed Avantgarde Capital Company Limited, which is a financial advisor on the list approved by the SEC Office, as the independent financial advisor to provide the shareholders with its opinion on the execution of the transaction on disposal of assets which is a connected transaction; and
- (3) To convene a Shareholders' Meeting of the Company to approve the disposal of assets, which is a connected transaction, by delivering the invitation letter for the Shareholders' Meeting to

the shareholders at least 14 days prior to the date of the Shareholders' Meeting, in order to obtain approval from the Shareholders' Meeting with not less than three-fourths of all votes of the shareholders present at the Meeting and entitled to vote, excluding such votes of the following interested shareholders:

- (a) Nathalin (a) holds shares in the Company that is equal to 45.04 percent of the total paid-up shares of the Company, and (b) indirectly holds shares in the Purchaser through 9 Element Company Limited that is equal to 64.99 percent of the total shares of 9 Element Company Limited. 9 Element Company Limited holds shares in the Purchaser that is equal to 99.99 percent of the total shares of the Purchaser.
- (b) Mr. Churdchoo Panboonhom (a) holds shares in the Company that is equal to 10.60 percent of the total paid-up shares of the Company, and (b) indirectly holds shares in the Purchaser through Nathalin Corporation Company Limited (which is an indirect major shareholder of the Purchaser) that is equal to 99.99 percent of the total paid-up shares of Nathalin Corporation Company Limited. (i) Nathalin Corporation Company Limited holds shares in Nathalin, that is equal to 99.99 percent of the total shares of Nathalin, (ii) Nathalin holds shares in 9 Element Company Limited that is equal to 64.99 percent of the total shares of 9 Element Company Limited, and (iii) 9 Element Company Limited holds shares in the Purchaser that is equal to 99.99 percent of the total shares of the Purchaser.

In order to comply with good corporate governance principles, therefore, there are 2 shareholders of the Company, namely (1) Mr. Suraphon Meesathien, and (2) Ms. Neeracha Panboonhom, have expressed their intention to the Company that they will not exercise the right to vote on agenda item related to the entry into the Disposal of Shares in the Subsidiary Transaction. As of the date of this IFA Opinion Report,

- (1) Mr. Suraphon Meesathien is (i) a minority shareholder of the Company; and (ii) a minority shareholder, director, and chief executive officer of Nathalin (which is an indirect major shareholder of the Purchaser).

As of the date of this IFA Opinion Report, Mr. Suraphon Meesathien (a) holds shares in the Company that is equal to 3,471,104 shares or representing 0.53 percent of the total paid-up shares of the Company; and (b) holds shares in Nathalin (which is an indirect major shareholder of the Purchaser) that is equal to 0.0001 percent of the total paid-up shares of Nathalin. In this regard, (1) Nathalin holds shares in 9 Element Company Limited that is equal to 64.99 percent of the total shares of 9 Element Company Limited, and (2) 9 Element Company Limited holds shares in the Purchaser that is equal to 99.99 percent of the total shares of the Purchaser.

(2) Ms. Neeracha Panboonhom is (i) a minority shareholder of the Company; and (ii) a minority shareholder and director of Nathalin (which is an indirect major shareholder of the Purchaser).

As of the date of this IFA Opinion Report, Ms. Neeracha Panboonhom (a) holds shares in the Company that is equal to 5,162,666 shares or representing 0.80 percent of the total paid-up shares of the Company; and (b) holds shares in Nathalin (which is an indirect major shareholder of the Purchaser) that is equal to 0.0001 percent of the total paid-up shares of Nathalin. In this regard, (1) Nathalin holds shares in 9 Element Company Limited that is equal to 64.99 percent of the total shares of 9 Element Company Limited, and (2) 9 Element Company Limited holds shares in the Purchaser that is equal to 99.99 percent of the total shares of the Purchaser.

In this regard, the IFA has opinion that the Disposal of Assets and the Connected Transaction is appropriate. Even though the Company will have an accounting loss from entering the transaction amounting to THB 8.31 million (because the transaction price of THB 256.00 million is lower than the book value of SOC, which is equal to THB 264.31 million, resulting in the company accounting loss from the transaction THB 8.31 million), but due to the business of producing and selling solvent And all SOC's liquid petroleum products have limited business operations throughout the supply chain, resulting in operating losses. In addition, the Natural Energy to lease land and buildings and various equipment is an inefficient cash flow income and there is no stability of the business from leasing. Therefore, entering into the Disposal of Assets and the Connected Transaction will help the Company by that the cash flow can be used as internal working capital of the Company, to support the company's core business operating which can focus on bringing resources and financial liquidity to use for working in the business that the Company has knowledge, capability and expertise or increase the proportion of investment in businesses that provide satisfactory returns. *(Shareholders can read more details about the reasonableness of entering into the transaction in section 3.1 The Appropriateness and Benefits of the Transaction)*. For the appropriateness of the price, the IFA has assessed the asset disposal transaction, which is SOC's ordinary shares, by considering various methods to find a fair value range suitable for the Disposal of Assets and the Connected Transaction and is of the view that evaluating the present value of a business using the Discounted Cash Flow (DCF) approach is the appropriate valuation method because it can reflect future performance under the asset lease agreement and various assumptions that are reasonable. The IFA has assessed the fair value range of the asset disposal transaction of SOC's ordinary shares, found to be in the range of THB 240.75 – 253.74 million. The disposal of 2,039,998 ordinary shares of SOC or equivalent to 99.99 percent of the

shares of SOC or equivalent to THB 256.00 million is the appropriate transaction because the said price is higher than the fair value range of SOC, which is the fair value appraised by the independent financial advisor, THB 240.75 – 253.74 million.

In this regard, the IFA views that the disposal of assets transaction and the connected person transaction are appropriate and that shareholders should approve the transactions. For consideration on the entry of such transactions, the shareholders should take facts and opinion provided by the IFA into the consideration. In addition, the advantages and disadvantages of entering into these transactions should also be addressed. However, the decision to approve or disapprove of entering into these transactions are mainly at the discretion of the shareholders.

1.2 Characteristic of the Transaction

1.2.1 Disposal of Shares in SOC

Seller	Sea Oil Public Company Limited (“the Company”)
Purchaser	Natural Energy Refinery Company Limited (“the Purchaser”)
Characteristic of the Transaction	Disposal of 2,039,998 ordinary shares or 99.99 percent of the total shares of Sea Oil Petrochemical Company Limited (“SOC”) to Natural Energy Refinery Company Limited (“the Purchaser”), whereby the Company will receive compensation from the sale of such shares in the total amount of THB 256.00 million.
Relationship	<p>The Purchaser is considered a connected person of the Company because:</p> <ol style="list-style-type: none"> 1. Mr. Churdchoo Panboonhom (a) holds shares for 10.60 percent of the total paid-up shares of the Company and (b) indirectly holds shares in the Purchaser through Nathalin Corporation Company Limited (which is indirect major shareholder of the Purchaser) for 99.98 percent of the total paid-up shares of Nathalin Corporation Company Limited where (1) Nathalin Corporation Company Limited holds shares in Nathalin Company Limited (“Nathalin”), for 99.99 percent of the total shares of Nathalin (2) Nathalin holds shares in 9 Element Company Limited for 64.99 percent of the total shares of 9 Element Company Limited and (3) 9 Element Company Limited holds shares in the Purchaser. (c) is the father of Miss Neeracha Panboonhom who is a director of the Company and Nathalin and Mr. Paween Panboonhom which is an indirectly major shareholder and the director of the Purchaser which is considered to be a “Close Relative” in accordance with 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) dated November 19, 2003 (as amended). 2. Nathalin (a) holds shares in the Company for 45.04 percent of the total paid-up shares of the Company and (b) indirectly holds shares in the Purchaser through 9 Elements Company Limited for 64.99 percent of the total shares of 9 Element Company Limited which holds 99.99 percent of the total shares of the Purchaser. 3. Nathalin has the common directors with the Company which are Miss Neeracha Panboonhom, Mr. Suraphon Meesathien and Mr. Prompong Chaisrisawatsuk. 4. 9 Elements Company Limited has Mr. Paween Panboonhom (a) who is an indirectly major shareholder of the Purchaser (Mr. Paween Panboonhom holds shares in 9 Elements Company Limited for 17.50 percent of the total shares of 9 Element Company Limited where 9 Element Company Limited holds 99.99 percent of the total shares of the Purchaser) (b) is a director of the Purchaser (c) is a younger brother of Miss Neeracha Panboonhom who is a director of the Company and Nathalin and a son of Mr. Churdchoo Panboonhom which is a major shareholder of the Company and the Purchaser, who is considered a “Close Relative” in accordance with 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) dated November 19, 2003 (as amended).

	<p>5. Mr. Paween Panboonhom (a) is a director and indirect major shareholder of the Purchaser (through 9 Elements Company Limited) which Mr. Paween Panboonhom holds shares in 9 Elements Company Limited for 17.50 percent of the total shares of 9 Element Company Limited which holds 99.99 percent of the total shares of the Purchaser (b) is a younger brother of Miss Neeracha Panboonhom who is a director of the Company and a son of Mr. Churdchoo Panboonhom, who is a major shareholder of the Company and the Purchaser, who is considered a "Close Relative" in accordance with 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) dated November 19, 2003 (as amended).</p>
Conditions of the Entering into the Transaction	<p>The Company will enter into the Disposal of Shares in the Subsidiary Transaction after (a) the Company has obtained the approval from the 2022 Annual General Meeting of Shareholders which will be held on April 28, 2022 and (b) the Company and the Purchaser have satisfied all conditions precedents specified in the share purchase agreement and/or received a waiver from the relevant contracting party. The significant conditions precedents are as follows:</p> <ol style="list-style-type: none"> 1. The Board of Directors' meeting and the shareholders' meeting of the Company approved the sale of all shares in SOC to a connected person 2. The Board of Directors' meeting and/or the shareholders' meeting of SOC (as the case may be) approved the following matters: <ul style="list-style-type: none"> (1) the appointment of new directors of SOC as proposed by the Purchaser; (2) the change of the authorized directors of SOC as proposed by the Purchaser; and (3) the change of the authorized bank signatories of SOC as proposed by the Purchaser. 3. The Board of Directors' meeting and/or the shareholders' meeting of the Purchaser (under the laws and article of association) approved the purchase and acceptance of transfer share in SOC from the Company.

1.3 Characteristics of Disposal of Assets

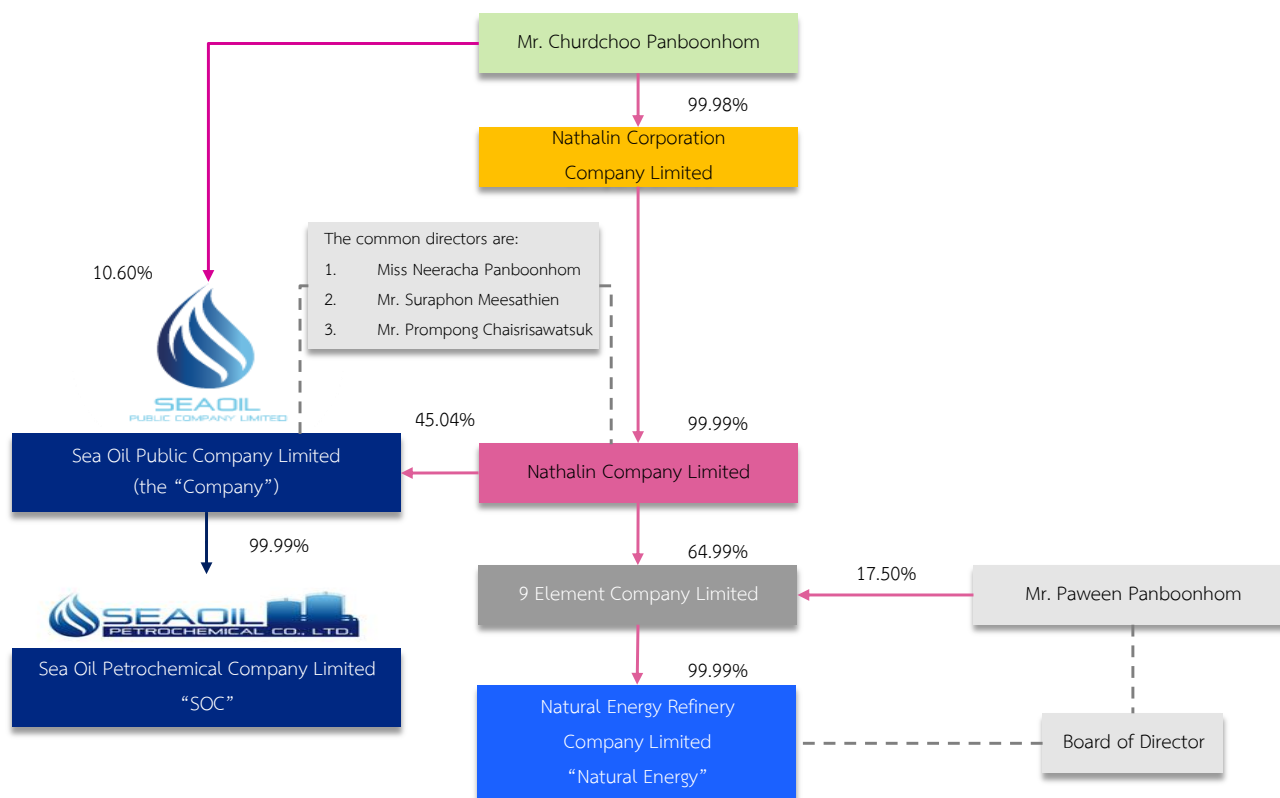
1.3.1 Characteristics of the Disposal of Assets

Company Name	Sea Oil Petrochemical Company Limited ("SOC")		
Location	Amata City Chonburi, 700/340 Moo 6, Donhuaroh, Muang, Chonburi 20000		
Business Type	Production and distribution of solvents and liquefied petroleum products		
Registration Date	July 4, 1994		
Capital Structure	SOC has a registered capital of THB 204.00 million, divided into 2,040,000 ordinary shares with a par value of 100 baht per share (full paid-up share).		
Shareholding Structure (Before entering into the transaction)	Shareholder's Name	Number of Shareholding	Percentage of Shareholding
	Sea Oil Public Company Limited	2,039,998	99.9999

	Mr. Prompong Chaisrisawatsuk	1	0.00001
	Miss Neeracha Panboonhom	1	0.00001
Shareholding Structure (After entering into the transaction)	Shareholder's Name	Number of Shareholding	Percentage of Shareholding
	Natural Energy Refinery Company Limited	2,039,998	99.9999
	Person who proposed by the Purchaser.	1	0.00001
	Person who proposed by the Purchaser.	1	0.00001
Board of Director (Before entering into the transaction)	1. Miss Neeracha Panboonhom 2. Mrs. Suthida Karuedetkosol 3. Mr. Channarong Tungfung		
Board of Director (After entering into the transaction)	Person who proposed by the Purchaser.		

Reference: Information of the Company

Figure of Shareholding Structure of SOC before Entering into the Transaction



1.4 The Appropriateness of the Transaction

The Disposal of Shares in the Subsidiary Transaction will benefit the Company because the company will not be affected by the constraints of the condensate separation plant, production and distribution of solvent business and liquid petroleum products which are not possible to effectively benefit from the assets, able to focus time and resources on the current core business, which is the business the Company well versed as well as creating opportunities to expand the existing business extensively and generate more income. The company may use the proceeds from the sale of shares to use for loan repayment to financial institutions and used as additional investment for business expansion or investment in projects or interesting businesses in the future that can provide a rate of return that meets the company's investment policy which can create maximum benefits for the company and shareholders. However, even there is an accounting loss from entering the transaction because the value of investment in SOC after deducting allowance for impairment is THB 48.52 million (on April 11, 2016, the company bought shares of SOC for a total of THB 135.82 million. Then the payment was made in the total amount of THB 13.50 million on May 22, 2017 and registered for the capital increase again valued at THB 40.50 million on March 27, 2018, totaling investment in SOC totaling THB 189.82 million. From the notes to the Company's 2021 financial statements, it was found that the investment value in SOC has an allowance for impairment. equal to THB 141.31 million, so the

value of investment in SOC after deducting allowance for impairment is THB 48.52 million). While the amount of loans to SOC at the end of 2021 was THB 215.79 million, resulting in SOC having a total book value of THB 264.31 million, when compared to compensation from selling shares in SOC totaling THB 256.00 million, causing the company accounting loss of THB 8.31 million, but since SOC's business of producing and selling all kinds of solvents and liquid petroleum products has limited business operations throughout the supply chain, resulting in operational loss. In addition, to lease land and buildings and various equipment to Natural Energy is an inefficient cash flow income and there is no stability of the business from leasing. Therefore, entering into the Disposal of Shares in the Subsidiary Transaction will help the Company that the cash flow can be used as internal working capital of the Company, to support the company's core business operating which can focus on bringing resources and financial liquidity to use for working in the business that the Company has knowledge, capability and expertise or increase the proportion of investment in businesses that provide satisfactory returns or invest in interesting businesses that are expected to generate returns for the company. In addition, such cash flows can be used to pay off debts to reduce financial costs (interest on loan) of the Company.

1.5 Advantages of the Transaction

1) Supporting the restructuring of investments in the Company's group

The sale of all ordinary shares of SOC to Natural Energy promotes the restructuring of the Company's business group to have a clearer business structure, consistent with the Company's previous business expertise and helps to increase flexibility in management according to the Company's policy.

2) Able to use the money received from the Disposal of Shares in the Subsidiary Transaction to extend the company's existing business

The Company can use the proceeds from the sale of all ordinary shares of SOC as working capital within the Company to support the Company's core business operating which can focus on bringing resources and financial liquidity to use for working in the business that the Company has knowledge, capability and expertise or increase the proportion of investment in businesses that provide satisfactory returns or invest in interesting businesses that are expected to generate returns for the Company.

3) The Company has more financial stability

Due to the sale of all ordinary shares of SOC, the Company does not have to recognize liabilities from SOC in the Company's consolidated financial statements. As a result, the consolidated financial

statements of the Company have reduced liabilities, the debt to equity ratio in the consolidated financial statements is less and reduce the perception of the volatile performance of the SOC.

1.6 Disadvantages of the Transaction

1) The Company will not receive any return from the performance of SOC

Since the Company will sell all ordinary shares of SOC to Natural Energy, SOC will not be a subsidiary of the Company and the Company will not receive any returns or dividends from SOC's operating results. However, SOC faced problems from the production and distribution of solvents and liquid petroleum products therefore ceased operations and switched to a land lease agreement of building and all assets of SOC with Natural Energy for a period of 3 years from June 1, 2021 - May 31, 2024. SOC will have only income from property rental of THB 2.80 million per month which has a source of income that differs from SOC's initial operations.

2) The Company has an accounting loss from entering into the transaction

From the notes to the Company's 2021 financial statements, it was found that SOC had a net value after deducting allowance for impairment equal to THB 48.52 million from the purchasing value which was THB 189.82 million while the amount of loans to SOC at the end of 2021 was equal to THB 215.79 million baht, causing SOC to have a total book value of THB 264.31 million. When compared to compensation from selling shares in SOC for a total amount of 256.00 million baht, it is found that the company accounting loss THB 8.31 million. However, entering into this asset disposal transaction will cause the company to receive cash flow to use as working capital within the company to support the company's core business operating which can focus on bringing resources and financial liquidity to use for working in the business that the Company has knowledge, capability and expertise or increase the proportion of investment in businesses that provide satisfactory returns or invest in interesting businesses that are expected to generate returns for the company. In addition, such cash flows can be used to pay off debts to reduce financial costs (Loan interest) of the Company and will not be affected by the performance of the SOC that has restrictions on business operations or the risk of having no income after the end of the contract of renting the property with the Purchaser.

1.7 Advantages of Entering into the Transaction with the Connected Person, Compared to the Non-connected Person

1) Reduce the risk of potential disputes

Natural Energy is the lessee of the land and buildings on SOC's land and has completed the construction of additional buildings within the SOC's land, making the sale of all of SOC's common stock smooth and reduce the company's risk from disputes that may arise later from the purchaser of the SOC and the lessee of the land and buildings on the SOC's land.

2) The transaction price for the Disposal of Shares in the Subsidiary Transaction is an appropriate price

From the fair value valuation of investments in SOC's ordinary shares using the DCF method, it was found that the total value was between 240.75 – 253.74 THB million which comparing to the Disposal of Shares in the Subsidiary Transaction which is equal to 256.00 THB million, the price is appropriate. The transaction was negotiated in an amicable manner for the benefit of both parties, thus ensuring the chances of success in negotiating the terms under a simple transaction process that took a shorter time.

1.8 Disadvantages of Entering into the Transaction with the Connected Person, Compared to the Non-connected Person

1) Third parties may offer better terms

Because entering into such a transaction is a transaction with a connected person. Therefore, it may result in negotiating various conditions as a friendly negotiation. Therefore, the negotiation cannot be done as a transaction with a third party, which the Company may be able to negotiate on a higher transaction price which will result in the company to earn more money from transactions. However, all assets of SOC are used for specific business purposes. and have few players. Third parties have to consider limitations in doing business such as the acquisition of raw materials, business competition, location, size and assets, etc., make it difficult and time-consuming to sell to third parties. However, the transaction price is in the fair range which the IFA considers to be an appropriate price.

2) Duties according to the announcement TorChor. 21/2551

The Company has obligations according to the announcement TorChor. 21/ 2551 of the Securities and Exchange Commission ("SEC"), which the Company must take actions as the following duties:

(1) To disclose information memorandum on the Acquisition and Disposal Transaction and Connected Transaction to SET as per the Notification on Connected Transactions

(2) To engage an independent financial advisor to provide opinions on the Acquisition and Disposal Transaction and the Connected Transaction and

- (3) To obtain approval from the shareholders' meeting of the Company with not less than three-fourths of all votes of the shareholders present at the meeting and entitled to vote, excluding such votes of the interested shareholders

1.9 Risks of Entering into the Transaction

1.9.1 The Risk before Entering into the Transaction

- 1) Risk from shareholders' disapproval of entering into the transaction

Entering into the transaction must be approved by the shareholders' meeting prior to entering the transaction with the number of votes of not less than three-fourths of the total votes of the shareholders who attend the meeting and have the right to vote (*which shows the duty to be carried out by the Company in the section 2.4.2 Transaction Size Calculation for Connected Transaction*), if the resolution of the shareholders' meeting does not approve the transaction, the Company will have risks related to expenses in preparing to enter into the transaction.

- 2) Conditions precedents for entering into the transaction

The transaction will occur only when all the conditions precedents as stated between the Company and the Natural Energy Company (*which are stated in section 2.7 Terms and Condition of the Transaction*) and other agreements, contracts and other documents relating to the transaction have been completed.

1.9.2 The Risk after Entering into the Transaction

- 1) Opportunity loss risk from the higher value of SOC's shares in the future

If the future performance of SOC is higher than the estimate which may be due to operating results other than investment and business expansion plans that are used as valuation assumptions. As a result, the value of SOC's shares is higher than the trading value which resulted in the company opportunity may be lost in the event that the share value of SOC is higher than the trading value at the time of the transaction. This is because the IFA has assessed based on the current SOC's operating assumptions, which is the lease of assets under the asset lease agreement to the purchaser for a period of 3 years ending on May 31, 2024 and has a clear policy to dispose of SOC so that SOC will cease to be the Company's subsidiary after the termination of the lease agreement with the purchaser. However, the value of the SOC assessed by the IFA has appropriately reflected the cash flows of the SOC under the lease agreement and the SOC disposal policy. The transaction price is slightly higher than the range of fair value at the appraisal period.

2) Risk of return on investment in the future is not as expected

The Company's performance comes from fuel and lubricant distribution revenue selling to marine and land customers and provide services in the supply of food raw materials and provide other services to sea ships and employees working in both onshore and offshore oil and gas fields (Supply Management). The oil and lubricant distribution business generates income depending on the price of oil which varies with the world market price. There is also a risk of being replaced by alternative energy in the future. Such risks may have a negative impact on the Company's operating results and cause future returns not to be as expected. However, before investing in any project, the Company will conduct project feasibility study before making an investment decision including projected revenue, profit and return of the said project based on various assumptions including the above risk assessment.

1.10 The Appropriateness of Price

For the price appropriateness, the IFA has assessed the value of the Disposal of Shares in the Subsidiary Transaction by considering various methods to find a fair value range suitable for the transaction. The IFA opinion is that evaluating the present value of a business using the Discounted Cash Flow Approach (DCF) is the appropriate valuation method because it can reflect future performance under asset leasing contract and assumptions. The IFA has assessed the fair value range of the Disposal of Shares in the Subsidiary Transaction which is in the range of THB 240.75 - 253.74 million, meanwhile the value of SOC's ordinary shares is THB 256.00 million. Therefore, the price of entering into the disposal of 2,039,998 ordinary shares of SOC, or equivalent to 99.99 percent of the total shares of SOC or equivalent to THB 256.00 million is an **appropriate transaction** because the said price is higher than the range of the fair value of SOC appraised by the IFA which is equal to THB 240.75 - 253.74 million (*which is shown in the calculation in section 4.1.5 Discounted Cash Flow Approach*) even though the Company will have an accounting loss from entering the transaction amounting to THB 8.31 million (because the transaction price of THB 256.00 million is lower than the book value of SOC, which is equal to THB 264.31 million, resulting in the company accounting loss from entering into the transaction THB 8.31 million)

2. Characteristic and Details of the Transaction

2.1 Transaction Date

The Company will enter into the Disposal of Shares in the Subsidiary Transaction after (a) the Company has obtained the approval from the 2022 Annual General Meeting of Shareholders which will be held on April 28, 2022 and (b) the Company and the Purchaser have satisfied all conditions precedents specified in the share purchase agreement and/or received a waiver from the relevant contracting party. The significant conditions precedents are as follows:

1. The Board of Directors' meeting and the shareholders' meeting of the Company approved the sale of all shares in SOC to a connected person.
2. The Board of Directors' meeting and/or the shareholders' meeting of SOC (As the case may be) approved the following matters:
 - (1) the appointment of new directors of SOC as proposed by the Purchaser;
 - (2) the change of the authorized directors of SOC as proposed by the Purchaser; and
 - (3) the change of the authorized bank signatories of SOC as proposed by the Purchaser.
3. The Board of Directors' meeting and/or the shareholders' meeting of the Purchaser (under the laws and article of association) approved the purchase and acceptance of transfer share in SOC from the Company.

The Company expects that the Disposal of Shares in the Subsidiary Transaction will be completed within the second quarter of 2022.

2.2 Transaction Overview

On April 11, 2016, Sea Oil Public Company Limited ("the Company") acquired shares of Sea Oil Petrochemical Company Limited ("SOC") (formerly Nakornchaiprakarn Chemical Company Limited) 1.50 million shares or equivalent to 99.99 percent of the issued shares and all sold from the existing shareholders by paying a total amount of THB 135.82 million to support the company's goal of entering the petroleum refining business which is a continuation business and to supplement the business of being a distributor of petroleum products of the current company. On May 22, 2017, SOC registered an increase of 0.54 million shares, totaling a total registered capital of 2.04 million shares, with a total payment of THB 13.50 million. And on March 27, 2018, the company paid for shares in the amount of 40.50 million baht for 0.54 million shares, 75 baht per share, totaling THB 189.82 million for investment in the SOC. In this regard, from the notes to the financial statements of the year 2021 of the Company, it was found that the allowance for impairment on investment in SOC was THB 141.31 million. Therefore, the value of investment in SOC after deducting allowance for impairment was THB 48.52 million. However, the SOC needs to enhance liquidity due to production barriers and upstream to downstream operations since the commencement of

operations since 2019, for example, as a small producer and distributor that has to purchase condensate, a by-product of crude oil refining, as raw material from one of the major producers of supply chain therefore has no bargaining power in determining quantity and stable quality, resulting in SOC having a lower performance than competitors in the same industry so that SOC has borrowed money from the company for operation and enhance such liquidity during the year 2017, totaling THB 212.00 million. On December 31, 2021, SOC has outstanding debt equal to THB 215.79 million. As the reason stated, SOC stop the production business and selling solvent and liquefied petroleum products in 2020 and commenced the factory leasing business in 2021 to Natural Energy Refinery Company Limited to engage in the production of and selling palm oil for a period of 3 years, where the lessee agrees to pay for the rental of assets Total amount is THB 2.80 million per month. The lessee must maintain the leased property in good condition at the expense of the lessee itself. They also have to pay any utility bills incurred during the lessee making full use of the leased property. In this regard, the lessor must procure and insure the property on the lessor's part at an appropriate value. Between June 1, 2021 and May 31, 2024, the total asset rental value is 100.80 million baht. and liquid petroleum products. To not affect from the drawback of the business of production and selling solvent and liquefied petroleum products, which is not possible to effectively benefit from the assets and to focus on the current core business, which is the business that the Company well versed as well as creating opportunities to expand the existing business extensively and generating more revenue, the Company therefore entered into a transaction to dispose of assets with details as follows.

The Board of Directors' Meeting of Sea Oil Public Company Limited ("the Company") No. 3/2022 which was held on March 7, 2022, resolved to approve the disposal of all shares held by the Company in Sea Oil Petrochemical Company Limited ("SOC"), a subsidiary of the Company, amounting to 2,039,998 shares, equivalent to 99.99 percent of the total number of shares of SOC, to Natural Energy Refinery Company Limited ("the Purchaser" or "Natural Energy"). The Company will receive consideration of THB 256.00 million for such disposal of shares (the "Disposal of shares in the Subsidiary Transaction"). In this regard, after completion of the Disposal of Shares in the Subsidiary Transaction, the Company will no longer hold any shares in SOC and SOC will cease to be the Company's subsidiary. And the Purchaser will consider for the operation of the leasing contract of assets between the SOC and the Purchaser, which the Company will no longer be involved in the execution of the contract.

Natural Energy will pay compensation from the sale of such shares on the date of completion of the share purchase, which the Company expects to complete the sale of shares in the subsidiary within the second quarter of 2022. The transaction value is as follows.

No.	List	Calculation Formula	Calculation (THB Million)	Total Value of the Transaction (THB Million)
1	Value of consideration	Value of consideration	256.00	256.00
2	Book value	Investment value less allowance for impairment + liabilities owed by SOC to the Company	48.52 + 215.79	264.31

Details of the shareholding structure before and after entering into the transaction are shown in the picture below.

Figure of Shareholding Structure of SOC before Entering into the Transaction

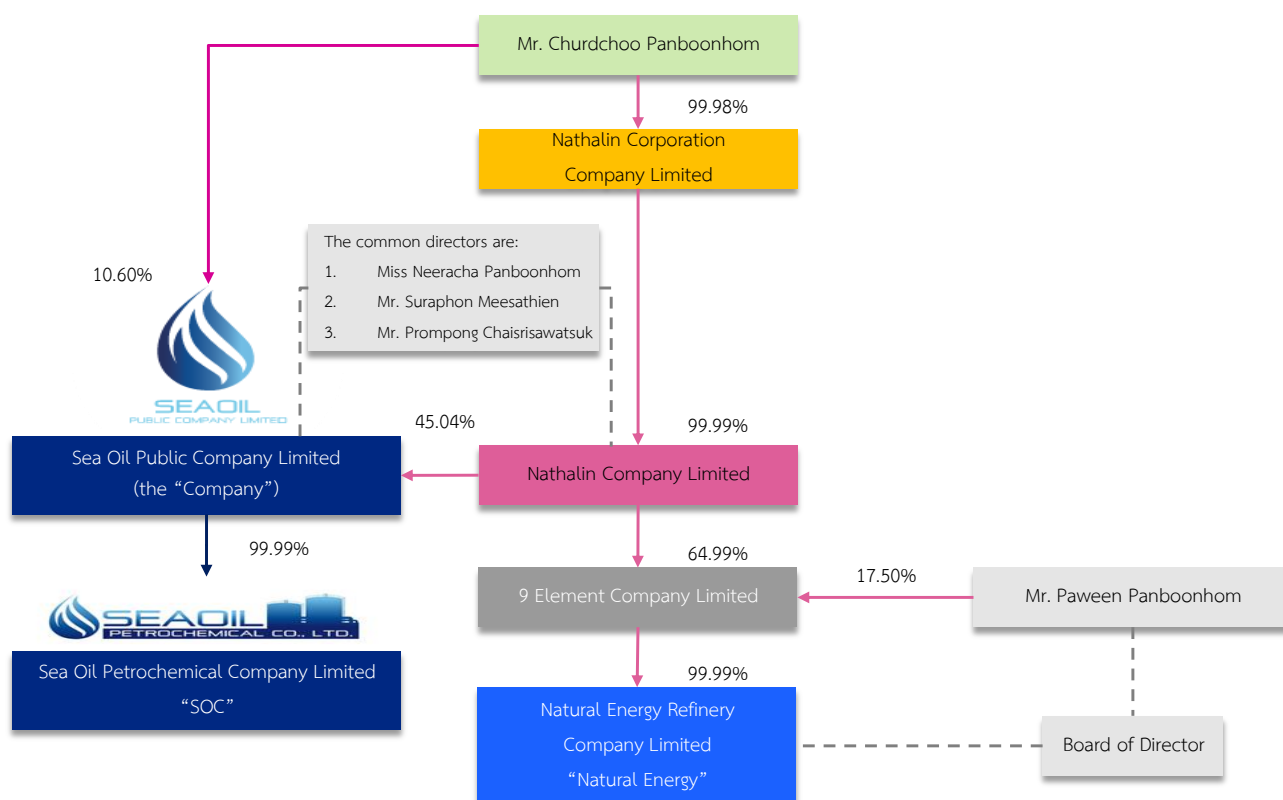
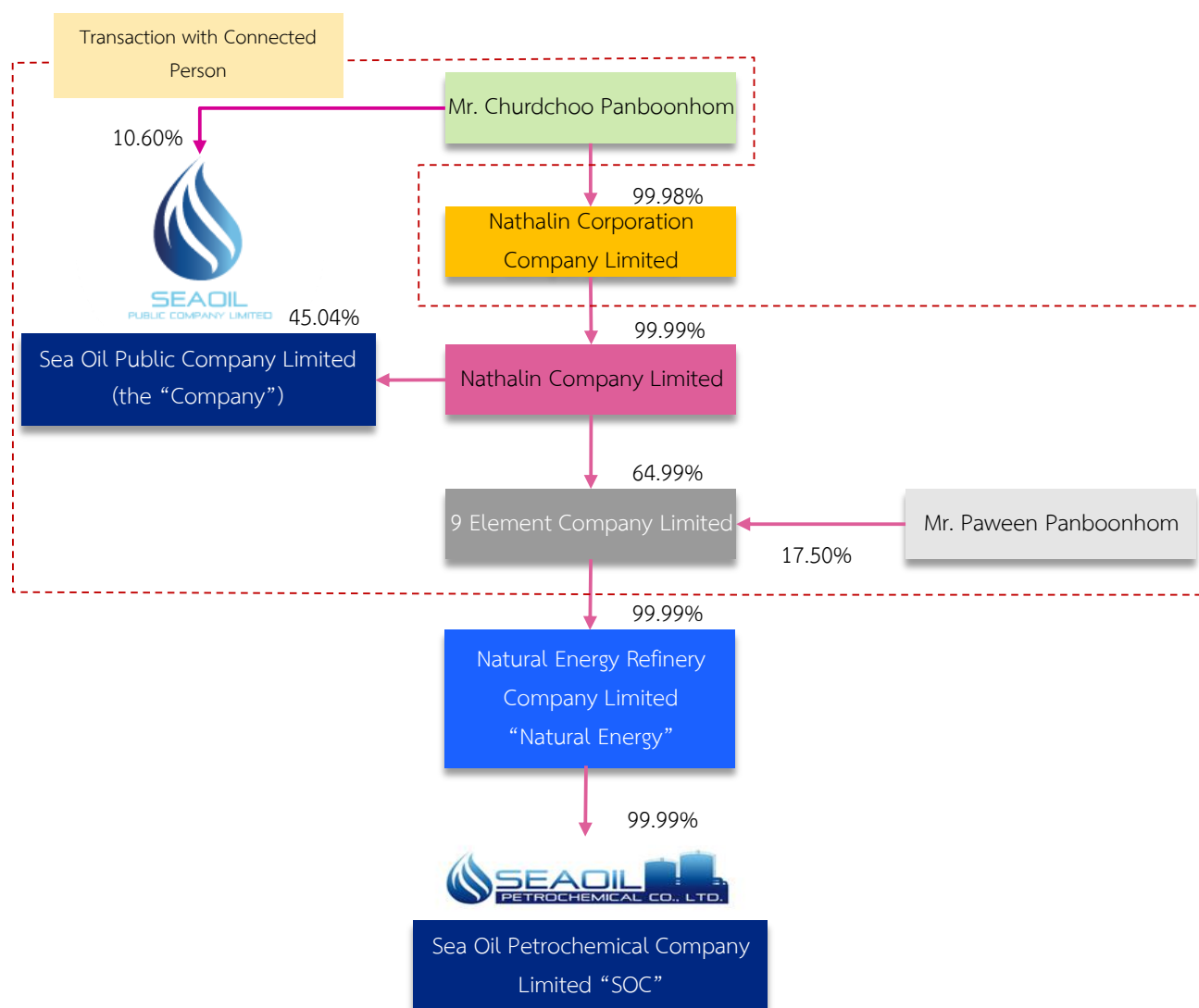


Figure of Shareholding Structure of SOC after Entering into the Transaction



2.3 Related Parties and Relationship with the Company

2.3.1 Related Parties

Seller	Sea Oil Public Company Limited ("the Company")
Purchaser	Natural Energy Refinery Company Limited ("the Purchaser")

2.3.2 Connected person and Relationship

1. Mr. Churdchoo Panboonhom (a) holds shares for 10.60 percent of the total paid-up shares of the Company and (b) indirectly holds shares in the Purchaser through Nathalin Corporation Company Limited (which is indirect major shareholder of the Purchaser) for 99.98 percent of the total paid-up shares of Nathalin Corporation Company Limited where (1) Nathalin Corporation Company Limited holds shares in Nathalin Company Limited ("Nathalin"), for 99.99 percent of the total shares of Nathalin (2) Nathalin holds shares in 9 Element Company Limited for 64.99 percent of the total shares of 9 Element Company Limited and (3) 9 Element Company Limited holds shares in the Purchaser. (c) is the father of Miss Neeracha Panboonhom who is a director of the Company and Nathalin and Mr. Paween Panboonhom which is an indirectly major shareholder and the director of the Purchaser which is considered to be a "Close Relative" in accordance with 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) dated November 19, 2003 (as amended).

2. Nathalin (a) holds shares in the Company for 45.04 percent of the total paid-up shares of the Company and (b) indirectly holds shares in the Purchaser through 9 Elements Company Limited for 64.99 percent of the total shares of 9 Element Company Limited which holds 99.99 percent of the total shares of the Purchaser.

3. Nathalin has the common directors with the Company which are Miss Neeracha Panboonhom, Mr. Suraphon Meesathien and Mr. Prompong Chaisrisawatsuk.

4. 9 Elements Company Limited has Mr. Paween Panboonhom (a) who is a indirectly major shareholder of the Purchaser (Mr. Paween Panboonhom holds shares in 9 Elements Company Limited for 17.50 percent of the total shares of 9 Element Company Limited where 9 Element Company Limited holds 99.99 percent of the total shares of the Purchaser) (b) is a director of the Purchaser (c) is a younger brother of Miss Neeracha Panboonhom who is a director of the Company and Nathalin and a son of Mr. Churdchoo Panboonhom which is a major shareholder of the Company and the Purchaser, who is considered a "Close Relative" in accordance with 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) dated November 19, 2003 (as amended).

5. Mr. Paween Panboonhom (a) is a director and indirect major shareholder of the Purchaser (through 9 Elements Company Limited) which Mr. Paween Panboonhom holds shares in 9 Elements Company Limited for 17.50 percent of the total shares of 9 Element Company Limited which holds 99.99 percent of the total shares of the Purchaser (b) is a younger brother of Miss Neeracha Panboonhom who is a director of the Company and a son of Mr. Churdchoo Panboonhom, who is a major shareholder of the Company and the Purchaser, who is considered a "Close Relative" in accordance with 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) dated November 19, 2003 (as amended).

2.4 Transaction Type, size and Calculation

2.4.1 Transaction Size Calculation for Disposal of Assets

1) Disposal of Shares in the Subsidiary Transaction

Details of the calculation of the transaction size according to the announcement regarding the acquisition transaction and dispose of the assets are as follows.

Financial Information

Figure of Financial Information of the Company and SOC

(Unit: Million THB)	The Company ⁽¹⁾ As of December 31, 2021	SOC ⁽²⁾ As of December 31, 2021
Total Assets	3,096.60	237.35
Less: Intangible Assets and Deferred tax assets	12.26	0.31
Less : Total Liabilities	1,419.32	230.48
Less : Non-Controlling Interests	29.27	0.00
Net Tangible Assets (NTA)	1,635.75	6.56
Net Profit (Last Four Quarters)	240.03	(52.79)
Net Profit (Loss)	240.03	(52.79)

Remarks:

(1) Based on the information in the consolidated financial statements of the Company for the year ended December 31, 2021 which has been reviewed by the auditor.

(2) Based on the information in the financial statements of SOC for the year ended December 31, 2020 which has been reviewed by the auditor.

And from the consolidated financial statements of the Company for the period ended December 31, 2021, which was audited by the auditor and the Management Account of SOC, for the period

ended December 31, 2021, the investment value of the Company in SOC amounted to THB 289.82 million, with allowance for impairment equal to THB 141.31 million. Therefore, the value of investment in SOC after deducting allowance for impairment is THB 48.52 million. And liabilities that SOC still owes to the company in the amount of THB 215.79 million, so the total book value of the company in SOC is equal to THB 264.31 million. Compared with the value of the consideration which is equal to THB 256.00 million, it was found that the book value is the highest, so the book value which was equal to THB 264.31 million is used in calculating the transaction size.

Figure of Transaction Size Calculation

Basis for Calculation	Formula	Calculation (THB million)	Size (Percent)
1. Net Tangible Assets (NTA)	$\frac{\text{NTA of the assets disposed of} \times \text{Proportion of the assets disposed of} \times 100}{\text{NTA of the Company}^{(1)}}$	$\frac{6.56 \times 100}{1,635.75}$	0.40
2. Net Operating Profit	$\frac{\text{Net Profit of the assets disposed of} \times \text{Selling ratio} \times 100}{\text{Net operating profits of the Company}^{(1)}}$	This method cannot be calculated because SOC has a loss.	
3. Book Value ⁽²⁾	$\frac{\text{Book Value}^{(2)} \times 100}{\text{Total assets of the Company}^{(1)}}$	$\frac{264.31 \times 100}{3,096.60}$	8.54
4. Value of Equity Shares Issued for the Payment of Assets	This method cannot be calculated because no shares were issued		

Remarks: (1) based on the information in the consolidated financial statements of the Company for the year ended December 31, 2021, which had been reviewed by the auditor.

(2) the book value is equal to THB 264.31 million, which is more than the consideration value, which is THB 256.00 million. Therefore, the book value is used to calculate the transaction size.

Therefore, such transaction is not regarded as a disposal of assets transaction that results in the Company is required to prepare a report and disclose an information in respect of the entering into the transaction to the Stock Exchange of Thailand ("SET") pursuant to the Notifications on Acquisition or Disposition of Assets.

2.4.2 Transaction Size Calculation for Connected Transaction

The Disposal of Shares in the Subsidiary Transaction is considered a connected transaction of the Company due to the section 1.2.1. Therefore, the Purchaser is deemed as a connected person of the Company under the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions dated August 31, 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 Connected Transactions B.E. 2546 (2003) dated November 19, 2003 (as amended) (collectively referred to as the "Notifications on Connected Transactions").

From the calculation transaction size based on the criteria of the connected transaction calculated from the book value as of December 31, 2021 according to the Company's consolidated financial statements for the year ended December 31, 2021, which was audited by the auditor and the Management Account of SOC for the year ended December 31, 2021, which comprises the investment value of the Company in SOC (after deducting allowance for impairment) amounting to THB 48.52 million (by on April 11, 2016, the Company acquired shares of SOC in the amount of THB 135.82 million, and then the Company acquires (i) the newly issued shares of SOC in the amount of THB 13.50 million was paid on May 22, 2017, and (ii) the newly issued shares of SOC in the amount of THB 40.50 million as of March 27, 2018, totaling THB 189.82 million in investment in SOC). However, from considering the notes to the financial statements of the Company for the year ended December 31, 2021, which has been audited by the auditor, it was found that the total investment value in SOC has an allowance for impairment equal to THB 141.31 million. Therefore, the investment value in SOC after deducting the allowance for impairment, it is equal to THB 48.52 million), and liabilities that SOC still owe to the Company amounting to THB 215.79 million, thus the total amount of the book value of the Company in SOC will be THB 264.31 million. When comparing with the value of the consideration which was 256.00 million baht, it was found that the book value was higher than the consideration value. Therefore, the Company used the book value of the Company in SOC, which is equal to THB 264.31 million in calculating the size of the connected transaction. In the absence of any transaction with the same type of connected transactions of the Company entered with the same person in the past 6 months which have not been approved by the Shareholders' Meeting, the total value of consideration of connected transaction is equal to THB 264.31 million, equivalent to 16.16 percent of the Company's net tangible assets. Therefore, such connected transaction value exceeds THB 20.00 million and exceeds 3.00 percent of the Company's net tangible assets.

Figure of the Size of the Connected Transaction of Asset Disposal Transaction

Transaction Value (THB million)	Net Total Asset of the Company (THB million)	Calculation (THB million)	Transaction Size (Percent)	Transaction Size to Net Total Asset of the Company
264.31	1,635.75	$\frac{264.31 \times 100}{1,635.75}$	16.16	More than 3.00 percent of NTA (49.07 million baht) or more than THB 20.00 million, whichever is higher

Remarks: Transaction size of the disposal of ordinary shares according to the announcement of connected transactions calculated based on the information in the consolidated financial statements of the Company for the year ended December 31, 2021 which has been reviewed by the auditor.

Therefore, the Company is required to comply with the Notifications on Connected Transactions, which require the Company to take the following actions:

- (1) To report and disclose the information memorandum on disposal of assets, which is a connected transaction of the Company, to the SET immediately, which must at least contain the information as required in the Notifications on Connected Transactions;
- (2) To appoint an independent financial advisor to carry out the relevant functions, including providing its opinions as required by the Notifications on Connected Transactions, whereby the independent financial advisor's report shall be delivered to the shareholders for consideration along with the invitation letter for the Shareholders' Meeting. In this regard, the Company has appointed Avantgarde Capital Company Limited, which is a financial advisor on the list approved by the SEC Office, as the independent financial advisor to provide the shareholders with its opinion on the execution of the transaction on disposal of assets which is a connected transaction; and
- (3) To convene a Shareholders' Meeting of the Company to approve the disposal of assets, which is a connected transaction, by delivering the invitation letter for the Shareholders' Meeting to the shareholders at least 14 days prior to the date of the Shareholders' Meeting, in order to obtain approval from the Shareholders' Meeting with not less than three-fourths of all votes of the shareholders present at the Meeting and entitled to vote, excluding such votes of the following interested shareholders:
 - (a) Nathalin (a) holds shares in the Company that is equal to 45.04 percent of the total paid-up shares of the Company, and (b) indirectly holds shares in the Purchaser through 9 Element Company Limited that is equal to 64.99 percent of the total shares of 9 Element Company Limited. 9 Element Company Limited holds shares in the Purchaser that is equal to 99.99 percent of the total shares of the Purchaser.

(b) Mr. Churdchoo Panboonhom (a) holds shares in the Company that is equal to 10.60 percent of the total paid-up shares of the Company, and (b) indirectly holds shares in the Purchaser through Nathalin Corporation Company Limited (which is an indirect major shareholder of the Purchaser) that is equal to 99.99 percent of the total paid-up shares of Nathalin Corporation Company Limited. (i) Nathalin Corporation Company Limited holds shares in Nathalin, that is equal to 99.99 percent of the total shares of Nathalin, (ii) Nathalin holds shares in 9 Element Company Limited that is equal to 64.99 percent of the total shares of 9 Element Company Limited, and (iii) 9 Element Company Limited holds shares in the Purchaser that is equal to 99.99 percent of the total shares of the Purchaser.

In order to comply with good corporate governance principles, therefore, there are 2 shareholders of the Company, namely (1) Mr. Suraphon Meesathien, and (2) Ms. Neeracha Panboonhom, have expressed their intention to the Company that they will not exercise the right to vote on agenda item related to the entry into the Disposal of Shares in the Subsidiary Transaction. As of the date of this IFA Opinion Report,

(1) Mr. Suraphon Meesathien is (i) a minority shareholder of the Company; and (ii) a minority shareholder, director, and chief executive officer of Nathalin (which is an indirect major shareholder of the Purchaser).

As of the date of this IFA Opinion Report, Mr. Suraphon Meesathien (a) holds shares in the Company that is equal to 3,471,104 shares or representing 0.53 percent of the total paid-up shares of the Company; and (b) holds shares in Nathalin (which is an indirect major shareholder of the Purchaser) that is equal to 0.0001 percent of the total paid-up shares of Nathalin. In this regard, (1) Nathalin holds shares in 9 Element Company Limited that is equal to 64.99 percent of the total shares of 9 Element Company Limited, and (2) 9 Element Company Limited holds shares in the Purchaser that is equal to 99.99 percent of the total shares of the Purchaser.

(2) Ms. Neeracha Panboonhom is (i) a minority shareholder of the Company; and (ii) a minority shareholder and director of Nathalin (which is an indirect major shareholder of the Purchaser).

As of the date of this IFA Opinion Report, Ms. Neeracha Panboonhom (a) holds shares in the Company that is equal to 5,162,666 shares or representing 0.80 percent of the total paid-up shares of the Company; and (b) holds shares in Nathalin (which is an indirect major shareholder of the Purchaser) that is equal to 0.0001 percent of the total paid-up shares of Nathalin. In this regard, (1) Nathalin holds shares in 9 Element Company Limited that is equal to 64.99 percent of the total shares of 9 Element Company Limited, and

(2) 9 Element Company Limited holds shares in the Purchaser that is equal to 99.99 percent of the total shares of the Purchaser.

2.5 Details of disposed asset

The Company sold 2,039,998 ordinary shares of SOC, representing 99.99 percent of the total 2,040,000 shares of registered shares, with paid-up capital of THB 204.00 million.

1) General information of SOC

Company	Sea Oil Petrochemical Company Limited
Location	700/340 Moo. 6, Don Hua Lo Sub-District, Chon Buri District, Chon Buri Province 20000
Type of business	Production and distribution of solvents and liquefied petroleum products.
Registration number	0105537076895
Registered date	July 4, 1994
Paid-up capital	SOC has registered capital of THB 204,000,000 which is divided into 2,040,000 ordinary shares with a par value of THB 100 (fully paid-up).

Picture showing location of SOC



2) SOC's Board of Directors

Table showing the list of SOC's Board of Directors.

Order	First name - Surname	Position
1	Miss Neeracha Panboonhom	Director
2	Mrs. Suthida Karuedetkosol	Director
3	Mr. Channarong Tungfung	Director

Source: The Company

3) List of shareholders of SOC

Table showing the list of shareholders of SOC.

Order	Shareholder	Number of shares (Par value THB 100.00 per share)	Percentage of shareholding (Percent)
1	Sea Oil Public Company Limited	2,039,998	99.98
2	Mr. Prompong Chaisrisawatsuk	1	0.01
3	Miss Neeracha Panboonhom	1	0.01
Total		2,040,000	100.00

Source: The Company

4) History of SOC

On April 11, 2016, the Company acquired shares in SOC (formerly known as Nakornchai Prakan Chemical Company Limited), which operates the condensate splitter business, production and distribution of solvents and all types of liquefied petroleum products in the amount of 1.50 million shares with a par value of THB 100.00 per share, representing 99.99 percent of the total issued and paid-up shares capital of SOC which equal to the total amount of THB 135.82 million. The acquisition of SOC is expected to support the company of entering the petroleum refining business which is a continuation business and complementing the Company's current petroleum products distributor business. On May 22, 2017, SOC registered the capital increase of 0.54 million shares, totaling 2.04 million shares, 100.00 baht per share, by paying for the new shares at a par value of 25.00 baht per share, totaling 13.50 million baht. On March 27, 2018, the Company paid for the remaining capital increase shares in the amount of 40.50 million baht for 0.54 million shares at a par value of 75.00 baht per share, totaling 189.82 million baht for investment in the SOC. However, the SOC needs to enhance liquidity due to production barriers and operations from upstream to downstream since the inception of the business. Due to being a small manufacturer and distributor, SOC also has to purchase raw materials from large manufacturers in the same industry thus getting an uncertain number of raw materials. And the

quality is lower than raw materials from major manufacturers, resulting in SOC's performance lower than competitors in the same industry. and is affected by the price fluctuation of costs and products. with details of operating loans and enhance the liquidity as follows:

- In 2017, SOC borrowed the short-term loan from The Company of THB 152.00 million and the long-term loan from the financial institution of THB 60.00 million, the equipment was used as collateral.
- In 2018, SOC borrowed the short-term loan from The Company of THB 131.00 million and the long-term loan from the financial institution of THB 39.96 million, the land and equipment were used as collateral.
- In 2019, SOC borrowed the short-term loan from The Company of THB 127.00 million and the long-term loan from the financial institution of THB 19.92 million, the land and equipment were used as collateral.
- In 2020, SOC borrowed the long-term loan from The Company of THB 227.54 million.
- In 2021, SOC borrowed the long-term loan from The Company of THB 215.79 million.

The Company has assessed an allowance for impairment of investment in SOC due to a decline in operating performance affected by the economic condition, the price of the products has declined and inconsistent with the higher costs, resulting in operating losses. The allowance for impairment was assessed using the fair value method minus the cost of disposal of investments in SOC, where the fair value of investments was based on the book value method adjusted by the fair value of property, plant and equipment. The financial statements of the year 2021 of The Company found that the allowance for impairment on investment in SOC was THB 141.31 million, therefore, the investment in SOC after deducting allowance for impairment was THB 48.52 million.

5) Nature of business of SOC

SOC operates a condensate splitter business which turns condensate (Light hydrocarbon compounds) to produce solvent used in various industries such as rubber production, solvent production in the paint industry. The production process uses the principle of boiling point difference of the hydrocarbon compound. Which the main of products received are Rubber Solvent, White Spirit and By-Product, some diesel.

However, SOC has stopped the production and distribution of solvent and liquefied petroleum and entered into a lease agreement of land, building, and all asset of SOC with Natural Energy

Refinery Company Limited for a period of 3 years since June 1, 2021 until May 31, 2024. SOC will have revenue only from property rental of THB 2.80 million per month, which has a different source of income from SOC's initial business.

Picture showing the factory of SOC

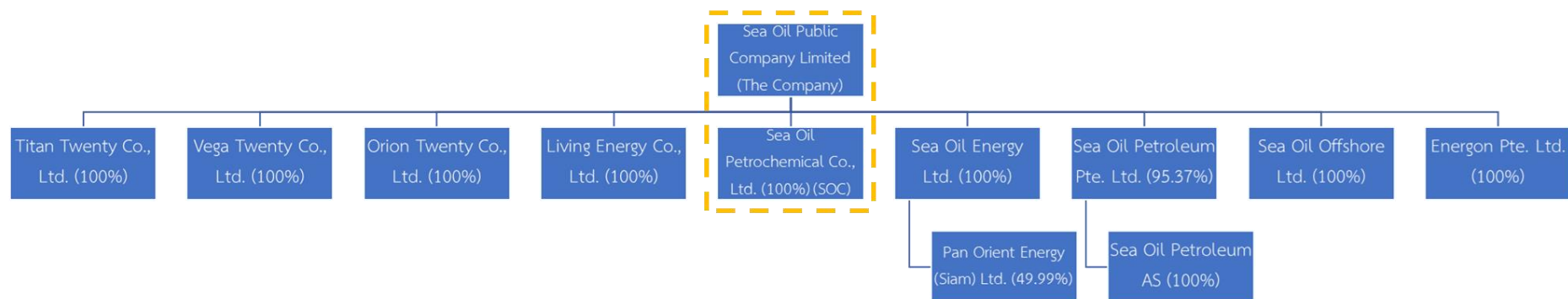


6) Target group and distribution of SOC

SOC produces Solvent products according to requirements of customers from order by order. The target group are specific industry that can use Solvent in production process which are rubber industry, color product industry.

The distribution channels of SOC are domestic and international. The White Spirit is the product of domestic channel which accounting for 52.96 percent of all products. Whereas the products of international channel are Solvent and Diesel that distribute to our neighboring countries such as Laos, Myanmar which accounting for 47.04 percent from all products.

7) Company structure of SOC group



Source: One report of The Company

8) Performance and financial position of SOC

- Statement of financial position of SOC as of 2018 - 2020

Unit : THB million	December 31, 2018		December 31, 2019		December 31, 2020	
	THB	Percent	THB	Percent	THB	Percent
Cash and cash equivalents	5.97	1.79	49.91	13.42	0.03	0.01
Account receivables	10.34	3.10	0.05	0.01	0.04	0.02
Inventories	21.43	6.44	10.97	2.95	10.00	4.21
Other current assets	2.12	0.64	0.08	0.02	0.18	0.08
Total current assets	39.86	11.97	61.01	16.40	10.25	4.32
Properties, plants and equipment	251.50	75.56	251.30	67.57	226.79	95.55
Intangible assets	0.37	0.11	0.34	0.09	0.31	0.13
Other non-current assets	41.14	12.36	59.28	15.94	0.00	0.00
Total non-current assets	293.01	88.03	310.92	83.60	227.10	95.68
Total Assets	332.87	100.00	371.93	100.00	237.35	100.00
Short-term loans from related parties	171.00	51.37	220.00	59.15	227.54	95.87
Current portion of long-term loans from financial institutions	39.96	12.00	19.92	5.35	-	-
Account payables	16.70	5.02	65.73	17.67	2.18	0.91
Other current liabilities	4.72	1.42	5.61	1.51	0.04	0.02
Total current liabilities	232.38	69.81	311.26	83.68	229.76	96.80
Employee benefit obligations	0.81	0.24	1.02	0.27	0.72	0.30
Total non-current liabilities	0.81	0.24	1.02	0.27	0.72	0.30
Total Liabilities	233.19	70.05	312.28	83.96	230.48	97.10
Issued and paid-up capital	204.00	61.30	204.00	54.85	204.00	85.95
Retained Earnings (Deficits)	(104.32)	(31.35)	(144.35)	(38.81)	(197.13)	(83.05)
Total Equity	99.68	29.95	59.65	16.04	6.87	2.90

Source: The Company

- Profit and loss statement of SOC as of 2018 - 2020

Unit : THB million	December 31, 2018		December 31, 2019		December 31, 2020	
	THB	Percent	THB	Percent	THB	Percent
Revenues	28.64	100.00	255.22	100.00	16.47	100.00
Expenses	14.74	51.46	295.24	115.68	69.26	420.52
Net profit (Loss)	13.90	48.53	(40.02)	(15.68)	(52.79)	(320.52)

Source: The Company

9) Petrochemical industry overview

The petrochemical manufacturing business is normally a large-scale operation that employs many complicated and tightly interconnected industrial processes. The manufacturing process for petrochemicals can be divided into four main stages: 1. Manufacturers of feedstock including natural gas, condensates (a product of gas distillation), and naphtha (from the distillation of crude oil). About half the petrochemical production capacity uses naphtha as feedstock, which is especially common in facilities in Asia and Europe. 2. Upstream petrochemical including methane (mostly used for LPG and fuel), ethylene (mostly used for plastic industry), propylene (the plastic that is used mostly for commodity), benzene (the hydrocarbon that is mostly used as solvent in color industry), toluene (mostly used as a mixture of asphalt), xylene (mostly used in plastic and fiber industry), and others. 3. Intermediate petrochemical including vinyl chloride (the chemical that is used in the manufacture of polyvinyl chloride polymers or plastics.) and styrene (the chemical that is used in the production of plastics and foams) 4. Downstream petrochemical, the products in this stage can be divided into 4 groups including 1. Plastic resin 2. Synthetic fibers 3. Synthetic rubber/elastomers and 4. Synthetic coatings

The petrochemical is huge and complex industry causing high investment requirement. The major cost of this industry is feedstock which comprise 60.00 – 70.00 percent of the total production cost whereas power and transportation cost accounting for another 15.00 – 20.00 percent and the remaining 15.00 – 20.00 percent is attributed to fixed cost. Hence, productions cost is largely dependent on prices of oil and related products, making this a cost-based industry and producers who are able to keep these under control will have a competitive advantage. More specifically, production overheads, or cash cost, will depend on the type of feedstock used, the production technology employed, and access to feedstock.

From the assessment of Information Handling Services (IHS), in 2019, the market value of petrochemical industry is approximately USD 7.00 billion and will increase to be USD 1.00 trillion in 2022. China is the biggest player of the world both in production and consumption with the market share of production of 29.00 percent and consumption of 28.00 percent.

Thailand petrochemical industry outlook

According to the industry research from Research Intelligence publishing on July 2021 by Bank of Ayudhya predicting the petrochemical industry tends to stable or decrease for 5-year period. However, the demand in 2022 – 2023 will be still increase from the downstream industries include packaging, construction, automobile assembly, and medical equipment. The production cost is tend to be higher due to the higher price of the crude oil despite the positive trend but it has been pressured by the establishment of new petrochemical plants in China and Malaysia as China wants to reduce its dependence on imports resulting in increasing of the supply.

In 2018, the capacity of Thailand petrochemical industry is approximately 32.00 million tons, the biggest in Association of Southeast Asian Nations (“ASEAN”) and 16th in the world, including upstream petrochemical 12.40 million tons, intermediate petrochemical 7.70 million tons, and downstream petrochemical 11.80 million tons. The naphtha is the major feedstock which accounting for 69.00 percent.

In Thailand, the groups of major players are 1. PTT group which has the market share approximately 50.00 percent and 2. SCC group with the market share of approximately 30.00 percent. Moreover, there is Thai Oil group that is the important solvent business operator. The PTT and Thai Oil Group are not only manufacturers and distributors of solvents but also the main raw material supplier to the SOC, making the SOC less competitive, including restrictions on access to more raw materials.

2.6 Total Transaction Value and Basis for Determination of Total Transaction Value

Transaction Value	Transaction Value Criteria	Settlement Method
THB 256.00 million	According to the negotiation between the Company and the purchaser, the valuation of SOC's business by using Discounted Cash Flow (DCF) method of SOC shares was found to be valued between THB 254.00 – 267.00 million.	The company will receive payment of transaction in cash from the purchaser when the conditions specified in the share purchase agreement are completed. The payment under the said contract will be a one-time payment in full without installments.

2.7 Terms and Condition of the Transaction

The Company will enter into the Disposal of Shares in the Subsidiary Transaction after (a) the Company has obtained the approval from the 2022 Annual General Meeting of Shareholders which will be held on April 28, 2022 and (b) the Company and the Purchaser have satisfied all conditions precedents specified in the share purchase agreement and/or received a waiver from the relevant contracting party. The significant conditions precedents are as follows:

1. The Board of Directors' meeting and the shareholders' meeting of the Company approved the sale of all shares in SOC to a connected person.
2. The Board of Directors' meeting and/or the shareholders' meeting of SOC (As the case may be) approved the following matters:
 - (1) the appointment of new directors of SOC as proposed by the Purchaser;
 - (2) the change of the authorized directors of SOC as proposed by the Purchaser; and
 - (3) the change of the authorized bank signatories of SOC as proposed by the Purchaser.
3. The Board of Directors' meeting and/or the shareholders' meeting of the Purchaser (under the laws and article of association) approved the purchase and acceptance of transfer share in SOC from the Company.

The Company expects that the Disposal of Shares in the Subsidiary Transaction will be completed within the second quarter of 2022.

In this regard, the Board of Directors of the Company has approved to propose to the 2022 Annual General Meeting of Shareholders of the Company in accordance with the resolution of the Board of

Directors Meeting No. 3/2022 held on March 7, 2022 to consider and approve the Company to enter the above lists.

2.8 Timeline of the Transaction

Figure of Timeline of the Transaction of the Company

No.	Action Steps	Estimated schedule
1	Arrange a meeting of the Board of Directors to consider and approve the Disposal of Shares in the Subsidiary Transaction, which is a significant transaction that is considered a disposal of assets and connected transactions.	March 7, 2022
2	Arrange a meeting of the shareholders of the Company. The notice of the shareholders' meeting must be sent at least 14 days in advance of the meeting date and must be approved by the shareholders' meeting of the Company with a vote of not less than three-fourths of the total number of votes of the shareholders attending the meeting and having the right to vote not counting the equity of the shareholders who have interests.	April 28, 2022
3	Transaction schedule	After being approved by the shareholders' meeting. It is expected that the transaction will be completed within the second quarter of 2022.

2.9 Plan for the Use of Proceeds from the Disposal of Assets

2.9.1 Plan for the Use of Proceeds from the Disposal of Assets

After the Company has completed the disposal of all of its shares in SOC, the Company will utilize the proceeds of THB 256.00 million received from the disposal of shares for the following purposes:

- 1) To be used as working capital and financial support for operations of companies within the group; and/or
- 2) To repay loan that is due; and/or
- 3) To be reserved for business expansion or investment in potential future project or business.

2.9.2 Status of SOC

After the sale of shares in SOC is completed, the Company will no longer hold shares in SOC and SOC will cease from being a subsidiary of the Company.

3. The appropriateness of the Transactions

3.1 The Appropriateness and Benefits of the Transaction

The Disposal of Shares in the Subsidiary Transaction will benefit the Company because the company will not be affected by the constraints of the condensate separation plant, production and distribution of solvent business and liquid petroleum products which are not possible to effectively benefit from the assets, able to focus time and resources on the current core business, which is the business the Company well versed as well as creating opportunities to expand the existing business extensively and generate more income. The company may use the proceeds from the sale of shares to use for loan repayment to financial institutions and used as additional investment for business expansion or investment in projects or interesting businesses in the future that can provide a rate of return that meets the company's investment policy which can create maximum benefits for the company and shareholders. However, even there is an accounting loss from entering the transaction because the value of investment in SOC after deducting allowance for impairment is THB 48.52 million (on April 11, 2016, the company bought shares of SOC for a total of THB 135.82 million. Then the payment was made in the total amount of THB 13.50 million on May 22, 2017 and registered for the capital increase again valued at THB 40.50 million on March 27, 2018, totaling investment in SOC totaling THB 189.82 million. From the notes to the Company's 2021 financial statements, it was found that the investment value in SOC has an allowance for impairment. equal to THB 141.31 million, so the value of investment in SOC after deducting allowance for impairment is THB 48.52 million). While the amount of loans to SOC at the end of 2021 was THB 215.79 million, resulting in SOC having a total book value of THB 264.31 million, when compared to compensation from selling shares in SOC totaling THB 256.00 million, causing the company accounting loss of THB 8.31 million, but since SOC's business of producing and selling all kinds of solvents and liquid petroleum products has limited business operations throughout the supply chain, resulting in operational loss. In addition, to lease land and buildings and various equipment to Natural Energy is an inefficient cash flow income and there is no stability of the business from leasing. Therefore, entering into the Disposal of Shares in the Subsidiary Transaction will help the Company that the cash flow can be used as internal working capital of the Company, to support the company's core business operating which can focus on bringing resources and financial liquidity to use for working in the business that the Company has knowledge, capability and expertise or increase the proportion of investment in businesses that provide satisfactory returns or invest in interesting businesses that are expected to generate returns for the company. In addition, such cash flows can be used to pay off debts to reduce financial costs (interest on loan) of the Company.

3.2 Advantages of the Transaction

- 1) Supporting the restructuring of investments in the Company's group

The sale of all ordinary shares of SOC to Natural Energy promotes the restructuring of the Company's business group to have a clearer business structure, consistent with the Company's previous business expertise and helps to increase flexibility in management according to the Company's policy.

- 2) Able to use the money received from the Disposal of Shares in the Subsidiary Transaction to extend the company's existing business

The Company can use the proceeds from the sale of all ordinary shares of SOC as working capital within the Company to support the Company's core business operating which can focus on bringing resources and financial liquidity to use for working in the business that the Company has knowledge, capability and expertise or increase the proportion of investment in businesses that provide satisfactory returns or invest in interesting businesses that are expected to generate returns for the Company.

- 3) The Company has more financial stability

Due to the sale of all ordinary shares of SOC, the Company does not have to recognize liabilities from SOC in the Company's consolidated financial statements. As a result, the consolidated financial statements of the Company have reduced liabilities, the debt to equity ratio in the consolidated financial statements is less and reduce the perception of the volatile performance of the SOC.

3.3 Disadvantages of the Transaction

- 1) The Company will not receive any return from the performance of SOC

Since the Company will sell all ordinary shares of SOC to Natural Energy, SOC will not be a subsidiary of the Company and the Company will not receive any returns or dividends from SOC's operating results. However, SOC faced problems from the production and distribution of solvents and liquid petroleum products therefore ceased operations and switched to a land lease agreement of building and all assets of SOC with Natural Energy for a period of 3 years from June 1, 2021 - May 31, 2024. SOC will have only income from property rental of THB 2.80 million per month which has a source of income that differs from SOC's initial operations.

2) The Company has an accounting loss from entering into the transaction

From the notes to the Company's 2021 financial statements, it was found that SOC had a net value after deducting allowance for impairment equal to THB 48.52 million from the purchasing value which was THB 189.82 million while the amount of loans to SOC at the end of 2021 was equal to THB 215.79 million baht, causing SOC to have a total book value of THB 264.31 million. When compared to compensation from selling shares in SOC for a total amount of 256.00 million baht, it is found that the company accounting loss THB 8.31 million. However, entering into this asset disposal transaction will cause the company to receive cash flow to use as working capital within the company to support the company's core business operating which can focus on bringing resources and financial liquidity to use for working in the business that the Company has knowledge, capability and expertise or increase the proportion of investment in businesses that provide satisfactory returns or invest in interesting businesses that are expected to generate returns for the company. In addition, such cash flows can be used to pay off debts to reduce financial costs (Loan interest) of the Company and will not be affected by the performance of the SOC that has restrictions on business operations or the risk of having no income after the end of the contract of renting the property with the Purchaser.

3.4 Advantages of Entering into the Transaction with the Connected Person, Compared to the Non-connected Person

1) Reduce the risk of potential disputes

Natural Energy is the lessee of the land and buildings on SOC's land and has completed the construction of additional buildings within the SOC's land, making the sale of all of SOC's common stock smooth and reduce the company's risk from disputes that may arise later from the purchaser of the SOC and the lessee of the land and buildings on the SOC's land.

2) The transaction price for the Disposal of Shares in the Subsidiary Transaction is an appropriate price

From the fair value valuation of investments in SOC's ordinary shares using the DCF method, it was found that the total value was between 240.75 – 253.74 THB million which comparing to the Disposal of Shares in the Subsidiary Transaction which is equal to 256.00 THB million, the price is appropriate. The transaction was negotiated in an amicable manner for the benefit of both parties, thus ensuring the chances of success in negotiating the terms under a simple transaction process that took a shorter time.

3.5 Disadvantages of Entering into the Transaction with the Connected Person, Compared to the Non-connected Person

1) Third parties may offer better terms

Because entering into such a transaction is a transaction with a connected person. Therefore, it may result in negotiating various conditions as a friendly negotiation. Therefore, the negotiation cannot be done as a transaction with a third party, which the Company may be able to negotiate on a higher transaction price which will result in the company to earn more money from transactions. However, all assets of SOC are used for specific business purposes. and have few players. Third parties have to consider limitations in doing business such as the acquisition of raw materials, business competition, location, size and assets, etc., make it difficult and time-consuming to sell to third parties. However, the transaction price is in the fair range which the IFA considers to be an appropriate price.

2) Duties according to the announcement TorChor. 21/2551

The Company has obligations according to the announcement TorChor. 21/2551 of the Securities and Exchange Commission ("SEC"), which the Company must take actions as the following duties:

- (1) To disclose information memorandum on the Acquisition and Disposal Transaction and Connected Transaction to SET as per the Notification on Connected Transactions
- (2) To engage an independent financial advisor to provide opinions on the Acquisition and Disposal Transaction and the Connected Transaction and
- (3) To obtain approval from the shareholders' meeting of the Company with not less than three-fourths of all votes of the shareholders present at the meeting and entitled to vote, excluding such votes of the interested shareholders

3.6 Risks of Entering into the Transaction

3.6.1 The Risk before Entering into the Transaction

1) Risk from shareholders' disapproval of entering into the transaction

Entering into the transaction must be approved by the shareholders' meeting prior to entering the transaction with the number of votes of not less than three-fourths of the total votes of the shareholders who attend the meeting and have the right to vote. *(which shows the duty to be carried out by the Company in the section 2.4.2 Transaction Size Calculation for Connected Transaction)*, if the resolution of the shareholders' meeting does not approve the

transaction, the Company will have risks related to expenses in preparing to enter into the transaction.

2) Condition precedents for entering into the transaction

The transaction will occur only when all the condition precedents as stated between the Company and the Natural Energy Company (*which are stated in section 2.7 Terms and Condition of the Transaction*) and other agreements, contracts and other documents relating to the transaction have been completed.

3.6.2 The Risk after Entering into the Transaction

1) Opportunity loss risk from the higher value of SOC's shares in the future

If the future performance of SOC is higher than the estimate which may be due to operating results other than investment and business expansion plans that are used as valuation assumptions. As a result, the value of SOC's shares is higher than the trading value which resulted in the company opportunity may be lost in the event that the share value of SOC is higher than the trading value at the time of the transaction. This is because the IFA has assessed based on the current SOC's operating assumptions, which is the lease of assets under the asset lease agreement to the purchaser for a period of 3 years ending on May 31, 2024 and has a clear policy to dispose of SOC so that SOC will cease to be the Company's subsidiary after the termination of the lease agreement with the purchaser. However, the value of the SOC assessed by the IFA has appropriately reflected the cash flows of the SOC under the lease agreement and the SOC disposal policy. The transaction price is slightly higher than the range of fair value at the appraisal period.

2) Risk of return on investment in the future is not as expected

The Company's performance comes from fuel and lubricant distribution revenue selling to marine and land customers and provide services in the supply of food raw materials and provide other services to sea ships and employees working in both onshore and offshore oil and gas fields (Supply Management). The oil and lubricant distribution business generates income depending on the price of oil which varies with the world market price. There is also a risk of being replaced by alternative energy in the future. Such risks may have a negative impact on the Company's operating results and cause future returns not to be as expected. However, before investing in any project, the Company will conduct project feasibility study before making an investment decision including projected revenue, profit and return of the said project based on various assumptions including the above risk assessment.

4. Appropriateness of the Transaction Price

4.1 Appropriateness of the Price of the Disposed Assets – Entire Business of SOC

To evaluate the fair value of the SOC entity, the IFA has gathered and considered based on information obtained from the SOC, interviews with management, financial statements of each business for the past 3 years from the period ending December 31, 2018 - December 31, 2020 and the financial statements from the SOC's management account for the year 2021, including information that is publicly available to the general public. However, the IFA's opinion is based upon the assumption that such information is correct, complete, and credible under the current circumstances. Significant changes in business operation may alter the fair value of the Company's share price and shareholders' decision considered in the Transaction. An enterprise valuation includes a shareholder's decision to determine the fair value of the entity's value, is subject to change. The IFA has assessed the net value (enterprise value) of SOC to compare with the value of SOC used in the transaction amounting to THB 256.00 million, which including investment in SOC and net liabilities of SOC. The IFA has valued the enterprise value of SOC through 5 approaches as follows:

1. Book Value Approach
2. Adjusted Book Value Approach
3. Market Comparable Approach which consists of 3 approaches
 - Price to Book Value Approach: "P/BV"
 - Price to Earning Approach: "P/E"
 - Enterprise Value to Earnings before Interest, Tax, Depreciation and Amortization: "EV/EBITDA"
4. Transaction Comparable Approach
5. Discounted Cash Flow Approach

4.1.1 Book Value Approach

Book Value Approach is the approach that values the net asset value or total equity of SOC at a moment in time. The IFA has used the book value with regards to SOC's consolidated financial statement as of December 31, 2020 to assess the enterprise value of SOC, with the following details:

Table summary book value approach of SOC

Shareholders' equity (consolidated financial statements)	THB million
Issued and paid-up capital	204.00
Premium on ordinary share	0.00
Premium from business combination	0.00
Retained Earnings (unappropriated)	(197.13)
Total Equity value of SOC	6.87
Add: Interest-bearing debt	227.54
Enterprise Value of SOC	234.41

Source: SOC's consolidated financial statements as of December 31, 2020

The IFA has added interest-bearing liabilities to SOC's shareholders' equity to calculate the enterprise value of SOC for comparison with the transaction value.

The fair valuation under book value approach for SOC results in an enterprise value of THB 234.41 million, which is lower than transaction value of THB 256.00 million, equal to THB 21.59 million or approximately lower than 8.43 percent to the transaction value for SOC.

Nonetheless, the book value approach to valuation reflects the equity value of SOC at a moment in time without taking into account of operating results and future performance of SOC. Thus, the IFA views that this approach is an inappropriate approach to evaluate the fair value of SOC.

4.1.2 Adjusted Book Value Approach

Adjusted Book Value Approach is the approach that values the net asset value or total equity of SOC according to the SOC's financial statements as shown in the consolidated financial statements as of December 31, 2020 and adjusted by various items that occurred after the date of the financial statements and the increment from the new appraisal of assets according to the asset appraisal report.

UK Valuation and Agency Co., Ltd. has assessed the assets of SOC, most of which are factory rental properties: factories, machinery, and equipment. Using Discounted Cash Flow Method, the asset value was THB 309.21 million as of June 1, 2021 using a discount rate of 6.00 percent, referring to Beta of companies that operate the business of producing and selling palm oil. In this regard, UK Valuation and Agency Co., Ltd. has assessed the value of SOC's assets for more than 6 months. However, the IFA considers that there has been no material change and allows to be used in the valuation by adjusting the book value. The details of the asset valuation of SOC are as follows:

Details of the asset valuation of SOC	
Rental property	SOC's factories, machines, and equipment
1. Land	Area of 8 rai, 1 ngan, 19 square wa and title deed no. 95451
2. Building	There are 8 houses with a total usable area of 2,831 square meters.
3. Office furniture & Equipment	17 units
4. Infrastructure system (office)	57 units
5. Computer set & IT accessories (hardware)	37 units
6. Equipment	75 units
7. Machinery	240 units
Property location	No. 700/340 Moo 6, Amata Nakorn Chonburi Industrial Estate, Soi Khujit 16/4, Sukhumvit Road, Don Hua Lo Subdistrict, Mueang District, Chonburi Province
Valuation objectives	a. To carry out public purposes b. To implement TAS 40 investment properties c. To know the market value of rental properties
Assessment criteria	To determine the market value of a rental property
Valuation method	Discounted Cash Flow Method
Maximum benefit	Industry/factory which SOC has leased to Natural Energy Refinery Company Limited ("NERH") ("Lessee").
Rental period	3 years (1 June 2021 - 31 May 2024)
Rental fee	THB 2.80 million per month fixed throughout the lease contract
Valuation date	June 1, 2021
Asset value summary	THB 309.21 million as of June 1, 2021

Note 1: The discount rate of 6.00 percent is taken from the asset appraisal report as used by UK Valuation and Agency Co., Ltd. to appraise the assets of SOC.

The IFA has used the book value based on SOC's consolidated financial statements as of December 31, 2020 to assess the enterprise value of SOC, with the following details:

Table summary adjusted book value approach of SOC

Shareholders' equity (consolidated financial statements)	THB million
Issued and paid-up capital	204.00
Premium on ordinary share	0.00
Premium from business combination	0.00
Retained Earnings (unappropriated)	(197.13)
Total Equity value of SOC	6.87
Add: Interest-bearing debt	227.54
Enterprise Value of SOC by book value approach	234.41
The difference between the market price of the assets appraised by an independent appraiser and land and the cost of acquiring land appearing in the financial statements of SOC	82.42
Enterprise Value of SOC by adjusted book value approach	316.83

Source: SOC's consolidated financial statements as of December 31, 2020

Therefore, the asset value adjustment of SOC will be equal to THB 82.42 million (THB 309.21 million – THB 226.79 million), resulting in the fair value valuation of SOC after adjusting the fair value difference of assets at 31 December 2020 equal to THB 316.83 million, which is higher than the value of SOC used in entering into the transaction is THB 256.00 million, equal to THB 60.83 million or higher than 23.76 percent of the transaction value of SOC used in the transaction.

Nevertheless, the fair value valuation of SOC's business by adjusting book value approach, which reflects the book value of the SOC at any point in time, regardless of operating results and does not take into account the trends of the relevant industrial economy as well as other external factors that may affect the constraints and future business operations. In addition, the assumptions used by UK Valuation and Agency Co., Ltd. (Independent Appraiser) in valuing the assets are different from the assumptions of the IFA, which are the acquisition of free cash flows that the independent appraiser does not estimate working capital. However, the IFA considers it unreasonable since SOC still has working capital accrued from past performance and deposit under the rental contract and the independent appraiser did not adjust the value of machinery, equipment, furnishings, and office supplies in calculating the liquidation value. In addition, the independent appraiser referred to beta of the comparable

companies that operates the business of producing and selling palm oil in the valuation of SOC's assets, which cannot reflect the current operations of SOC (*refer to the IFA's assumptions comparison table and independent assessors as shown in section 4.1.5 Discounted Cash Flow Approach*). Therefore, the IFA considers that the book value adjustment approach may not be an appropriate approach to valuing the fair value of SOC.

4.1.3 Market Comparable Approach

The Market Comparable Approach is the share valuation based on the assumption that companies with similar or identical business should contain similar market value ratio. The comparable company selection to value enterprise value of SOC, the selected comparable companies may have some differences such as accounting, policy, investment policy, size of the company, revenue structure, source of non-core revenue, quality of the business, etc. Therefore, the comparable companies with similar business nature might not cover all the similarities, which might have some differences as mentioned above.

To determine the enterprise value of SOC through market ratio comparisons, the IFA used the following ratios:

- (1) Price to Book Value Ratio: "P/BV"
- (2) Price to Earnings Ratio: "P/E"
- (3) Enterprise Value to Earnings Before Interest, Taxes, Depreciation, and Amortization: "EV/EBITDA"

Since SOC originally engaged in the business of manufacturing and distributing solvent and all kinds of liquid petroleum products, SOC has ceased operations due to the impact of the COVID-19 epidemic, which affects raw materials prices and selling prices, as well as restrictions on business operations throughout the supply chain. Therefore, SOC has given Natural Energy Refinery Company Limited to lease land and buildings, including various equipment to operate the business of production and distribution of palm oil. However, the IFA cannot find comparable companies listed on the Thai and foreign stock exchanges that operate the business of producing and selling solvent, which is a specialized business. In addition, the current income of SOC comes from the rental of assets comprising property, plant, and equipment.

Therefore, the IFA agrees to use the information of comparable companies in the real estate industry, which is industrial estates and listed on the Stock Exchange of Thailand. Even such comparable companies may have the size of their income and a capital structure that differs

from the SOC but industrial estate companies are considered as representative which can refer to the financial indices of the industry. In order to use in the valuation of SOC, the real estate in the industrial estate type, which is the business of leasing the space allocated for industrial plants, is consistent with the current business of SOC, which has the main income from the leasing of land, buildings, and equipment. Moreover, the SOC's asset consists of land which is in the industrial estate area. Therefore, it reflects the current business risks of SOC. The IFA considers that the use of comparable companies in the real estate industry that operates industrial estates to assess the enterprise value of the SOC is the most reasonable under the nature of comparable business operations. The details of comparable companies are as follows:

Table: Comparable companies selected for the IFA consideration

Company	Business Description	Country	Market Capitalization
			(THB million)
WHA Corporation Public Company Limited	The leader of one-stop service which covers all of customer demands relating to logistics services of which classifies into 4 business hubs i.e., Logistics Hub, Industrial Development Hub, Utilities & Power Hub, and Digital Platform Hub. WHA sets a clear policy to sell its assets into Real-Estate Investment Trust (WHART, HREIT and WHABT), as an additional source of fund for the continuing of the real estate development. In addition, WHA has been appointed to be the property manager for those real-estate investment trusts and the property funds. Furthermore, WHA has policy to invest in the real-estate business through investment in the real-estate investment trusts and/or the property funds to generate recurring income in the form of dividends.	Thailand	51,417.11
JCK International Public Company Limited	Real estate development in industrial estates, standard factory, warehouse, residential condominium, and office buildings for rent.	Thailand	1,927.04
Rojana Industrial Park Public Company Limited	Develop real estate in the form of industrial estates and ongoing businesses such as power generation businesses and industrial water production business.	Thailand	13,133.00
Navanakorn Public Company Limited	Develop real estate projects and industrial estates for sale and rent, and providing utilities and facilities in the industrial estate.	Thailand	4,988.92

Company	Business Description	Country	Market Capitalization
			(THB million)
AMATA Corporation Public Company Limited	Develop industrial estates both domestically and internationally. There are companies in the group operating utilities business, facilities, and after-sales service, including water supply, electricity, and natural gas distribution, etc.	Thailand	25,300.00
M.D.X. Public Company Limited	MDX and its affiliates operate real estate development business, infrastructure and energy projects which are industrial estate projects, power generation project, tap water production project, including real estate project management.	Thailand	2,710.88

Source: Information from the Stock Exchange of Thailand as of March 7, 2021

(1) Price to Book Value Approach: P/BV

The valuation under the market price to book value ratio approach is based on the book value of SOC as of December 31, 2020 multiplied by the median of the market price to book value (P/BV Ratio) of the comparable companies for the past 7-day average to the past 360-day average. The SOC's enterprise value is detailed as follows:

Table: P/BV of Comparable Companies

Company	P/BV Ratio								
	7 Days	15 Days	30 Days	60 Days	90 Days	120 Days	180 Days	270 Days	360 Days
WHA Corporation Public Company Limited	1.49	1.52	1.52	1.52	1.52	1.50	1.46	1.45	1.41
JCK International Public Company Limited	0.91	0.94	1.02	1.15	1.21	1.24	1.28	1.33	1.40
Rojana Industrial Park Public Company Limited	0.68	0.70	0.69	0.70	0.71	0.71	0.71	0.68	0.62
Navanakorn Public Company Limited	1.51	1.52	1.53	1.52	1.53	1.54	1.54	1.53	1.46
AMATA Corporation Public Company Limited	1.11	1.13	1.13	1.10	1.09	1.07	1.03	1.00	0.94
M.D.X. Public Company Limited	0.43	0.43	0.46	0.49	0.49	0.50	0.48	0.44	0.38
Median of P/BV	1.01	1.04	1.08	1.13	1.15	1.16	1.16	1.17	1.17
Book value of SOC (THB million)	6.87	6.87	6.87	6.87	6.87	6.87	6.87	6.87	6.87

Company	P/BV Ratio								
	7 Days	15 Days	30 Days	60 Days	90 Days	120 Days	180 Days	270 Days	360 Days
Equity Value (THB million)	6.95	7.11	7.39	7.73	7.91	7.95	7.94	8.02	8.05
Add: Interest-bearing debt (THB million)	227.54	227.54	227.54	227.54	227.54	227.54	227.54	227.54	227.54
Enterprise Value of SOC (THB million)	234.49	234.65	234.93	235.27	235.45	235.49	235.48	235.56	235.59

Source: Bloomberg Terminal as of March 7, 2021

The median P/BV ratio of comparable companies for the past 12 months was 1.01 – 1.17 times, resulting in enterprise value by SOC's market price to book value ratio of THB 234.49 – 235.59 million, which is lower than transaction value of THB 256.00 million, equal to THB 20.41 – 21.51 million or approximately lower than 8.66 percent – 9.17 percent.

Nevertheless, the fair value valuation of SOC's ordinary shares using the SOC's market price to book value method does not take into account differences between comparable companies such as the size of the comparable companies, revenue structure, capital structure. Therefore, the IFA considers that the market price to book value approach is an inappropriate approach to evaluate the fair value of SOC.

(2) Price to Earnings Approach: P/E

Fair value valuation using price to earnings per share approach is based on the net earnings of SOC as of December 31, 2020 multiplied by the median of P/E ratio of the comparable companies for the past 7-day average to the past 360-day average. The SOC's enterprise value is detailed as follows:

Table: P/E of Comparable Companies

Company	P/E Ratio								
	7 Days	15 Days	30 Days	60 Days	90 Days	120 Days	180 Days	270 Days	360 Days
WHA Corporation Public Company Limited	19.55	19.97	19.93	19.95	19.95	19.67	19.19	19.10	18.51
JCK International Public Company Limited	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Rojana Industrial Park Public Company Limited	6.73	6.84	6.82	6.84	6.95	6.97	7.01	6.64	6.09
Navanakorn Public Company Limited	11.30	11.35	11.41	11.40	11.40	11.50	11.52	11.44	10.88

Company	P/E Ratio								
	7 Days	15 Days	30 Days	60 Days	90 Days	120 Days	180 Days	270 Days	360 Days
AMATA Corporation Public Company Limited	18.05	18.37	18.37	17.84	17.72	17.34	16.74	16.27	15.25
M.D.X. Public Company Limited	6.54	6.58	7.07	7.55	7.53	7.68	7.32	6.76	5.78
Median of P/E	11.30	11.35	11.41	11.40	11.40	11.50	11.52	11.44	10.88
Net income of SOC (THB million)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Equity Value (THB million)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Add: Interest-bearing debt (THB million)	227.54	227.54	227.54	227.54	227.54	227.54	227.54	227.54	227.54
Enterprise Value of SOC (THB million)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Bloomberg Terminal as of March 7, 2021

The valuation of SOC's enterprise value using the market price to earnings ratio approach cannot determine its value. As a result of the net loss of SOC was THB (52.79) million.

Due to such assets have a negative equity value. Therefore, the IFA is unable to assess the enterprise value of SOC based on the price to earnings ratio. As a result, the IFA considers that the price to earnings ratio approach cannot be used to assess the enterprise value of SOC because negative net value of any asset is unreasonable. Moreover, such method does not take into account the differences of each company such as revenue structure, capital structure, and future performance. As a result, this valuation method cannot reflect the enterprise value of SOC.

(3) Enterprise Value to Earnings Before Interest, Taxes, Depreciation, and Amortization: EV/EBITDA

Fair value valuation using the comparative ratio of enterprise value to earnings before interest, taxes, depreciation, and amortization (EV/EBITDA) is taking earnings before interest, taxes, depreciation, and amortization that states in the SOC's financial statements as of December 31, 2020, multiplied by the median of the comparable companies' EV/EBITDA ratio. In an average period of 7 days to the past 360 days, the SOC's enterprise value is detailed as follows:

Table: EV/EBITDA of comparable companies

Company	EV/EBITDA Ratio								
	7 Days	15 Days	30 Days	60 Days	90 Days	120 Days	180 Days	270 Days	360 Days
WHA Corporation Public Company Limited	22.12	22.36	22.34	22.35	22.35	22.18	21.91	21.86	21.52
JCK International Public Company Limited	80.25	80.75	82.30	84.83	85.99	86.62	87.29	88.27	89.68
Rojana Industrial Park Public Company Limited	8.28	8.32	8.31	8.32	8.36	8.37	8.39	8.25	8.04
Navanakorn Public Company Limited	11.30	11.34	11.39	11.39	11.39	11.48	11.49	11.42	10.94
AMATA Corporation Public Company Limited	21.22	21.40	21.40	21.10	21.04	20.82	20.48	20.22	19.65
M.D.X. Public Company Limited	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Median of EV/EBITDA	21.22	21.40	21.40	21.10	21.04	20.82	20.48	20.22	19.65
EBITDA of SOC (THB million)	7.93	7.93	7.93	7.93	7.93	7.93	7.93	7.93	7.93
Enterprise Value of SOC (THB million)	168.27	169.70	169.68	167.32	166.79	165.08	162.41	160.31	155.76

Source: Bloomberg Terminal as of March 7, 2021

The median of EV/EBITDA ratio of comparable companies for the past 12 months was 19.65 – 21.40 times, resulting in enterprise value of THB 155.76 – 169.70 million, which is lower than transaction value of THB 256.00 million, equal to THB 87.73 – 100.24 million or approximately lower than 52.13 percent – 64.35 percent.

Nevertheless, the fair value valuation of SOC using the comparative approach between enterprise value to earnings before interest, taxes, depreciation, and amortization does not take into account the differences of each comparable company such as revenue structure, capital structure, and future performance. Therefore, the IFA considers that the EV/EBITDA approach is an inappropriate approach to evaluate the fair value of SOC.

4.1.4 Transaction Comparable Approach

The Transaction Comparable Approach is the valuation approach that uses the median of EV/EBITDA ratio for the period of during the past 12 months of comparable companies whereby their target companies conduct their business operations in real estate rental business. The median of the EV/EBITDA is multiplied by the

EBITDA of SOC for the last period of last 12 months ending December 31, 2020. For this approach of the valuation, there are some differences between each transaction and SOC's transactions such as transaction value and transaction date which might result in inaccurate valuation. The details of each transaction are as follows:

Table: Comparable Transaction

Date	Target Company	Nature of business	Country	Transaction Proportion (Percent)	Transaction value (THB million)	EV/EBITDA (Times)
Nov, 2021	Monmouth Real Estate Investment Corp	Develops industrial and shopping center properties located in New Jersey, New York, Mississippi, Missouri, Massachusetts, Iowa, North Carolina, Kansas, Pennsylvania and Virginia.	United States of America	100.00	99,162.09	25.57
Jul, 2015	WHA Industrial Development Public Company Limited	Develops industrial estates.	Thailand	7.12	3,040.44	20.23
Dec, 2014	WHA Industrial Development Public Company Limited	Develops industrial estates.	Thailand	92.88	52,211.60	20.18
Median						20.23
Earnings before interest, taxes, depreciation, and amortization (THB million)						7.93
Enterprise value of SOC (THB million)						160.40

Source: Bloomberg Terminal as of March 7, 2021

The median EV/EBITDA ratio of other past transactions was 20.23 times, resulting in an enterprise value by SOC's comparable transaction approach of THB 160.40 million, which is lower than transaction value of THB 256.00 million, equal to THB 104.60 million or approximately lower than 39.47 percent.

Nevertheless, the fair value valuation of the SOC using the transaction comparable approach of similar transactions does not take into account the differences of each company such as revenue structure, capital structure, and future performance. As a result, this valuation method cannot reflect the enterprise value of SOC.

4.1.5 Discounted Cash Flow Approach

In assessing the Discounted Cash Flow Approach, the IFA assesses the net cash flows that the Company has expected to receive from the operations of Free Cash Flow to Firm ("FCFF"), which is derived from the projected future cash flows of the Company for a period of 2 years and 5 months during the period of January 1, 2022 – May 31, 2024. The period is consistent with the remaining period of the asset lease agreement between Sea Oil Petrochemical Company Limited ("lessor") and Natural Energy Refinery Company Limited ("lessee"), which was signed on May 31, 2021, with a contract term of 3 years, from June 1, 2021 - May 31, 2024. IFA estimates the revenue assumptions based on the asset lease agreement. Cost estimates are based on information provided by SOC and their past performance after the asset has been leased. In addition, other estimates and assumptions are based on the past performance and studies of the independent appraisers who have assessed SOC assets for public purposes which the IFA considers that it is reasonable. There may be some assumptions that differ from independent evaluators. The details are shown as follow:

Table of comparison of assumptions of the IFA and independent appraiser

	IFA	Independent Appraiser	Reasons
Assumption of Revenue	Rental income is THB 2.80 million per month	Rental income is THB 2.80 million per month	Assumption is based on the actual lease agreement.
Assumption of Expenses	Consists of property insurance premiums and audit fee and other administrative expenses	Consists of property insurance premiums and audit fee Property taxes and emergency expenses	IFA estimates based on actual expenses remaining after Natural Energy Refinery Company Limited has leased land, buildings, and equipment without estimating additional contingency costs
Assumption of Working Capital	Working capital outstanding as of December 31, 2021 will be used to repay loans under the loan agreements from related parties of SOC.	There is no assumption	SOC still has working capital accrued from past performance and the deposit under the rental contract.
Assumption of Liquidation Value	Land: Based on independent appraisal estimates. Buildings and building improvements: Based on	Land: an average increase of 2.63 percent per year Buildings and improvements:	Because the IFA is of the opinion that the machinery and equipment and furnishings and office equipment should

	IFA	Independent Appraiser	Reasons
	100 percent of the remaining book value. Machinery and equipment: Based on approximately 75 percent of the remaining book value. <i>(Details are shown in Section 4.1.5 Liquidation Value)</i> Furniture and office supplies: Based on 100 percent of the remaining book value.	depreciation at 2.00 and 3.00 percent per year. Machinery and equipment: no adjustment. Furnishings and office supplies: No adjustment.	be based on the last year's remaining book value. The IFA has estimated the solvent refinery value by referring to management's estimate.
Assumption of Discount Rate	Beta based on comparable companies in the industry that operates real estate development business in industrial estates, equal to 1.12.	Beta based on comparable companies in the industry that operates palm oil refining business, equal to 0.41	Because the financial advisor is of the opinion that Industrial estates, which are leasing businesses allocated for industrial plants, are in line with SOC's current business, which generates main income from land, plant and equipment leasing which is in the industrial estate area. Thus, reflecting the current business risks of the SOC.

Furthermore, IFA estimates discounted FCFF under the current economic conditions and circumstances by using the weighted average cost of capital (WACC) throughout the projection period. The discounted cash flow is combined with current cash and investment assets. The IFA has set variables for calculating various discount rates by collecting data until March 7, 2022, which is the date that Resolution of the Board of Director Meeting for the disposal of assets and connected transaction. The financial projections and assumptions of the Company's financial projections are shown as follows:

1. Assumptions of Revenue

The IFA estimates the revenue of SOC, which was originally engaged in the business of manufacturing and distributing solvents and petroleum products. In 2018, 2019 and 2020, revenues were THB 28.64 million, THB 255.22 million and THB 16.47 million. This is due to the volatility of oil and condensate

prices, which are the main raw materials for the production of solvents and petroleum products, such as rubber solvents, white spirits, diesel, and fuel oil. The SOC gradually reduce production capacity and discontinued the production in April 2021. Then, SOC has given Natural Energy Refinery Company Limited to lease land, buildings, and various equipment in order to operate a palm oil refinery business. The contract term is 3 years, starting from June 1, 2021 - May 31, 2024. The rent fee can be divided as follows,

- Land and buildings rental fee, amounting to THB 1,800,000 per month, with a total area of 8 rai 1 ngan 19 square wa
- Equipment rental fee THB 1,000,000 per month

Summary table of rental income and service fees of SOC

	Unit	December 31, 2022	December 31, 2023	May 31, 2024
Land and Buildings	THB per Month	1,800,000	1,800,000	1,800,000
Equipment	THB per Month	1,000,000	1,000,000	1,000,000
Rental Income per Month	THB per Month	2,800,000	2,800,000	2,800,000
Number of Months	Months	12	12	5
Total Rental Income	THB per Year	33,600,000	33,600,000	14,000,000

2. Assumptions of costs and operating expenses

Currently, SOC does not operate in the business of manufacturing and selling any kind of solvent and petroleum products. Therefore, there are no costs of goods sold and some administrative expenses, including personnel expenses and all SOC employees, maintenance costs, and license fee. Hence, IFA estimates the cost and operating expenses of SOC, consisting of property insurance premiums, liability insurance premiums, audit fees, and other administrative expenses. There may be some expense assumptions that are different from the independent appraiser. As a result, the free cash flow (FCFF) is different from what the independent appraiser has been projected. (Shareholders can read details about SOC appraisal by independent appraisers in section 6.2, information from SOC appraisal report by UK Valuation and Agency Co., Ltd.). The assumptions of costs and operating expenses are as follows.

- **Insurance premiums**

Insurance premiums consist of Property Insurance and Liability Insurance, which covers the risk of property damage from natural disasters, the dangers of protests strike, riots, or acts with malicious intent damage, the broken machinery causing business interruption and explosion, etc. At present,

SOC has entered into annual insurance contracts since the asset lease agreement between SOC and Natural Energy Refinery Company Limited is required SOC to do the property insurance for the lessor's assets at an appropriate value. Therefore, the IFA estimates such expenses based on actual expenses. which can be summarized as follows:

Summary table of insurance premiums of SOC

Type of Insurance	Insurance Premium ^{1/} (THB/ Year)
Property Insurance	343,769.60 ^{2/}
Liability Insurance	753,000.00 ^{3/}

Note : 1/ There is no increase in annual insurance because the property value has not increased significantly.

2/ Based on actual property insurance premium for 2022

3/ Based on actual Liability insurance policy for 2021

Projection table of insurance premiums of SOC

Type of Insurance (THB)	December 2019	December 2020	December 2021	December 2022	December 2023	May 2024
Property Insurance	299,284.79	357,675.00	346,380.00	343,769.60	343,769.60	143,237.33
Liability Insurance	690,859.07	765,563.36	753,000.00	753,000.00	753,000.00	313,750.00

Source: Data from SOC and the IFA

- **Operation and maintenance – O&M**

According to the asset lease agreement between Sea Oil Petrochemical Company Limited (lessor) and Natural Energy Refinery Company Limited (lessee), utilities expenses, and maintenance expenses are borne by the tenants, so the SOC has no operating and maintenance (O&M) costs in the projection.

- **Accounting Audit Fee**

The audit fee which is an audit of the financial statements which consist of Statement of financial position for the year ended, income statement for the year ended on the same date, and statement of changes in equity for the year ended and the notes of the financial statements, which contain important accounting policies and others. The expense is shown as follows:

Projection table of accounting audit fee of SOC

Unit: THB	December 2019	December 2020	December 2021	December 2022	December 2023	May 2024
Accounting Audit Fee	750,000.00	612,374.00	304,000.00	304,000.00	304,000.00	126,666.67

Source: Data from SOC and the IFA

- **Other Administrative Expenses**

Other administrative expenses are expenses that may be incurred during the rental period, including fees, courier costs, travel expenses and other expenses, which estimates are based on actual costs incurred in the past according to the items of expenses that the IFA deems reasonable which accounted for an average of 0.99 percent of rental income (Estimated based on past performance after SOC gave Natural Energy Refinery Company to lease the land, building, and equipment from 1 June 2021 to 31 December 2021)

Projection table of other administrative expenses of SOC

other administrative expenses (THB)	June 2021	July 2021	August 2021	September 2021	October 2021	November 2021	December 2021
Rental Income	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000
Other administrative expenses	3,290.50	173,043.50	3,032.65	3,106.16	3,010.65	5,163.50	3,018.30
Percent Of Rental Income	0.12	6.18	0.11	0.11	0.11	0.18	0.11
Average Percentage of Rental Income					0.99		

Source: Data from SOC

- **Summary of costs and operating expenses**

According to the assumptions and projections of costs and operating expenses, it can be concluded as follows :

Projection table of costs and operating expenses of SOC^{1/}

Unit: THB	December 31, 2022	December 31, 2023	May 31, 2024
Property Insurance	343,769.60	343,769.60	143,237.33
Liability Insurance	753,000.00	753,000.00	313,750.00
Accounting Audit Fee	304,000.00	304,000.00	126,666.67
Other administrative expenses	331,997.59	331,997.59	138,332.33
Total costs and operating expenses	1,732,767.19	1,732,767.19	721,986.33

Source: the IFA's projection

Note: 1/ Costs and operating expenses hereabove are not include depreciation and amortization expenses

3. Other Assumptions

- **Capital expenditures (CAPEX)**

SOC currently does not operate in producing and selling of solvents and petroleum products from the gradual reduction of production capacity before shut down the production in April 2021. Then, Natural Energy Refinery Company Limited was given to lease land and buildings, and equipment from June 1, 2021 - December 31, 2021, so the SOC has no future investment costs in the future. Therefore, the IFA has not estimated additional investment expenses.

- **Depreciation and Amortization**

The IFA projects depreciation of assets of SOC using straight-line method which was disclosed in the notes to financial statements. The details of assumption states as below:

Assumption table of depreciation

Asset types	Useful life (year)
Land and Land Improvements	20
Building and Building Improvements	20
machinery and equipment	5 - 15
Furniture and Office Equipment	5

Source: SOC's financial statements

- **Financing Cost**

SOC has finance costs from borrowings under loan agreements from related parties. This is a loan from Sea Oil Public Company Limited with outstanding balance as of December 31, 2021, equal to THB 215.79 million, with the interest rate throughout the contract period of 1.55 - 5.05 percent per year. Comparing to the financial cost (Loan interest rate) of Sea Oil Public Company Limited at the end of 2021, which is around 0.50 - 4.47 percent per year. Hence, the IFA considers that the interest rate is reasonable because the profit from the loan to SOC is higher than the financial cost of the Company. The SOC has loan agreements due within 2022 and 2023 equal to THB 50.54 million and THB 4.25 million, respectively. As a result, interest rate expenses of SOC will be reduced to 3.52 percent and 3.62 percent, respectively.

- **Corporate income tax**

SOC is a company registered and operating in Thailand. The corporate income tax in Thailand collected by government is 20.00 percent of the profit before income tax. However, the SOC business is a business with an accumulated loss as of December 31, 2021, totaling THB 218.32 million, according to accounting policy, the loss can be deducted from the profit in other years, but not more than 5 accounting periods. Therefore, the IFA estimates the tax based on the tax rate and obtaining tax benefits from the accumulated loss of the business which also based on SOC's policy.

- **Working Capital**

As SOC currently does not produce and sell all kinds of solvents and petroleum products and has given Natural Energy Refinery Company Limited to lease land, buildings, and equipment. Therefore, the IFA does not estimate the working capital assumptions of SOC because there is no production and distribution of the product. The working capital outstanding as at December 31, 2021 will be used to repay loans under the loan agreements from related parties of SOC in the projection period.

- **Liquidation Value**

The IFA provides a projection for a period of 2 years and 5 months ending on May 31, 2024, which is consistent with the lease term of the Company's assets. The IFA does not estimate the terminal value based on continuing operations assumptions. This is in line with the Company's plan. Therefore, the SOC's final year financial valuation is equal to the price of the SOC's assets, including land and land improvements, Buildings and building improvements, machinery and equipment, and furniture and office equipment.

Because Sea Oil Public Company Limited has hired UK Valuation and Agency Company Limited (Independent Appraiser) on July 30, 2021 to evaluate the assets of SOC for public purposes. Therefore, The IFA determine the value of the land of 8.30 rai as of May 31, 2024 based on the property appraisal report which IFA considers it is reasonable.

In terms of buildings and building improvements and furniture and office equipment. The IFA has estimated the liquidation value as of May 31, 2024 based on the remaining book value of SOC which is in accordance with the estimates of the depreciation and amortization expenses from the SOC.

In addition, in the part of machinery and equipment, the IFA has estimated the liquidation value as of May 31, 2024 based on the remaining book value. This is in line with the SOC's estimate of the depreciation and amortization expenses, but the value of the asset has been reduced by 25.00 percent to reflect the Solvent Refinery's value which has to be dismantled if it is sold. The IFA therefore references the estimates made by the management. This will adjust the value of the solvent refinery by reducing the value at a rate of approximately 25.00 percent of the remaining book value of machinery and equipment due to the demolition of the refinery. This will result in some equipment being unable to be reused for further operation due to equipment deterioration, such as product pipelines, pedestal of the refinery, insulation, refinery structure's equipment, etc., as well as the cost of demolition. The IFA is of the opinion that the adjusted value is reasonable. As a result, the liquidation value of SOC's machinery and equipment remains 75.00 percent of the book value of machinery and equipment. The details of the asset price calculation can be summarized as follows.

Assumption table of liquidation value

Asset	Reference
Land and Land Improvements	Land value as of January 4, 2021 is THB 103.72 million, appraised by independent appraisers. The independent appraisers found that the rate of change of land in Amata Nakorn Chonburi Industrial Estate increased by 2.63 percent per year, resulting in the value of land as of May 31, 2024, equal to THB 113.34 million.
Building and Building Improvements	100 percent of the remaining book value
machinery and equipment	75 percent of the remaining book value ^{1/}
Furniture and Office Equipment	100 percent of the remaining book value ^{1/}

Source : Appraisal report and the IFA's projection

Note: 1/ Independent appraiser (UK Valuation and Agency Co., Ltd.) has an assumption that the asset price as of May 31, 2024 is equal to the value as of January 4, 2021. (Details are in attachment 6.2)

Projection table of liquidation value of SOC

Assets	December 31, 2022	December 31, 2023	May 31, 2024	Liquidation Value
Land and Land Improvements	109.24	112.12	113.34	113.34
Building and Building Improvements	37.74	34.74	33.59	33.59
machinery and equipment	114.57	95.76	88.21	66.15
Furniture and Office Equipment	1.19	0.18	- ^{1/}	-
Total Asset Value	262.74	242.80	235.14	213.09

Source: Appraisal report and the IFA's projection

Note : Book value of Furniture and Office Equipment as of May 31, 2024 is equal 0

● Discount Rate

To calculate discount rate used discounted cash flow method, the IFA uses weighted average cost of capital ("WACC") of SOC, which is the average between cost of equity ("Ke") and cost of debt ("Kd") adjusted for tax benefits from interest payments. Weighted by the proportion of shareholders' equity ("We") and debt ("Wd") with the following formula:

Weighted Average Cost of Capital (WACC)

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

Whereas

Ke	=	Cost of equity of 11.00 percent
Kd	=	Cost of debt based on weighted average of interest rate of SOC from loans outstanding as of December 31, 2020 which equal to 4.01 percent
T	=	CIT of 20.00 percent based on the corporate income tax rate according to the Thai Revenue Code.
We ^{1/}	=	Weight of equity is 51.55 percent
Wd ^{1/}	=	Weight of debt is 48.45 percent

Note: 1/ As of December 31, 2021, SOC has total interest-bearing debt of THB 215.79 million while having negative shareholders' equity of THB 14.32 million. So, it cannot be used to calculate the weight ratio of We and Wd. Thus, the IFA uses average industry capitalization ratio for We and Wd as common practice, based on data from Bloomberg as of 7 March 2022, assumed to be the target ratio of all companies in the property development industry with the industrial estate type. This is in line with SOC's business operations, since SOC has changed its nature of business from a manufacturer of solvent and all kinds of liquid petroleum products to rent the land, buildings and equipment at present.

Calculation of cost of Equity (Ke)

The IFA calculates cost of equity (Ke) based on the following formular:

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

Whereas

Risk Free Rate (Rf)	Based on interest rate of 15-year government bond as of March 17, 2022 at 2.81 percent
Market Return (Rm)	Based on 15-year historical SET Total Return Index which covers economic cycle at 10.12 percent
Levered Beta (β) ^{1/}	Levered Beta for Ke calculation is 1.12 based on historical 5-year of daily beta of comparable companies, which have operation in same the industry and have comparable market size, consisting of Amata Corporation

Public Company Limited, Wha Corporation Public Company Limited, JCK International Public Company Limited, Rojana Industrial Park Public Company Limited, Navanakorn Public Company Limited, and M.D.X. Public Company Limited. The IFA considers each company's levered beta and adjust with its financial structure, then uses median of beta from comparable companies and adjust with SOC's financial structure. (The formula is as follows: Levered Beta = $B_U (1 + (1-t) (D/E))$)

Note: 1/ Independent appraiser (UK Valuation and Agency Company Limited) based on Beta from a company that operates a palm oil refinery business. The IFA considers it unreasonable since SOC has income from rental properties.

Therefore

$$K_e = 2.81\% + [1.12 \times (10.12\% - 2.81\%)] = 11.00\%$$

The IFA calculated the weighted average cost of capital (WACC) of 7.23% based on SOC's financial structure as follows:

$$\begin{aligned} \text{WACC} &= 11.00\% \times 51.55\% + 4.01\% \times (1 - 20.00\%) \times 48.45\% \\ &= 7.23\% \end{aligned}$$

4. Valuation of Discounted Cash Flow Approach

The IFA concludes the financial projection of SOC as follows:

Table of financial projection of SOC

Unit: THB Million	December 31, 2022	December 31, 2023	May 31, 2024
Revenue	33.60	33.60	14.00
Expenses			
Property Insurance	(0.34)	(0.34)	(0.14)
Liability Insurance	(0.75)	(0.75)	(0.31)
Depreciation and Amortization	(24.25)	(23.04)	(8.97)
Accounting Audit Fee	(0.30)	(0.30)	(0.13)
Other administrative expenses	(0.33)	(0.33)	(0.14)
Total Expenses	(25.98)	(24.77)	(9.69)
Operating Profit (EBIT)	7.62	8.83	4.31
Corporate Income Tax ^{1/}	-	-	-
EBIT x (1- Tax Rate)	7.62	8.83	4.31
Depreciation and amortization ^{2/}	24.25	23.04	8.97
Working Capital	0.94	-	(2.80)
Capital Expenditures	-	-	-

Unit: THB Million	December 31, 2022	December 31, 2023	May 31, 2024
Free cash flow to firm (FCFF)	32.81	31.87	10.48
liquidation value			213.09
Discount Factor	0.93	0.87	0.84
Present value of FCFF	30.59	27.72	188.87
Enterprise Value of SOC	247.18		

Source: the IFA's projection

Note : 1/ The IFA does not project the corporate income tax of SOC since there is an accumulated loss as of December 31, 2021, totaling THB 218.32 million, according to accounting policy, the loss can be deducted from the profit in other years, but not more than 5 accounting periods.

2/ Depreciation and amortization expenses in 2022 – 5M2024 are likely to decrease because there is no additional investment of capital expenditure in the projection period.

5. Sensitivity analysis of SOC

The IFA has conducted a Sensitivity Analysis of the Discount Rate and Liquidation Value by increasing and decreasing 3.00 percent as they are important factors affecting the valuation of SOC. IFA considers that the +/- 3.00 percent margin is sufficient to cover the sensitivity of the IFA's key assumptions at the time of evaluating, such as changes in interest rates, inflation, Thailand economy, and other factors, including asset prices at the end of the projection period, which may change the price of land, plant and equipment, resulting in a summary of the SOC's valuation sensitivity analysis, summarized as follows:

Sensitivity analysis table of SOC

Factors	Range
Weighted average cost of capital (WACC)	+/- 3.00 (WACC equal to 7.01 – 7.45 percent)
Liquidation Value	+/- 3.00 (Liquidation Value equal to THB 206.74 – 219.53 million)

Based on the aforementioned sensitivity analysis hypothesis, the results of the SOC's enterprise value are summarized as follows:

Result of sensitivity analysis table of SOC

Unit: THB Million		Discount Rate				
		7.01%	7.12%	7.23%	7.34%	7.45%
Terminal Value	206.74	242.89	242.36	241.82	241.29	240.75
	209.89	245.56	245.03	244.48	243.94	243.40
	213.09	248.28	247.73	247.18	246.64	246.08
	216.28	250.99	250.44	249.88	249.33	248.77
	219.53	253.74	253.19	252.63	252.06	251.50

Source: the IFA's projection

From the above sensitivity analysis table, the enterprise value of SOC is between THB 240.75 – 253.74 million, which the transaction value equal to 256.00 million baht (Enterprise value) is appropriate. The

reason is that the transaction value is in the range of the fair value appraised by the IFA. The details of the fair value calculation of SOC's enterprise value can be found in section 4.1 (Appropriateness of the value of the disposed assets).

In this regard, DCF approach reflects business operation plan, ability to make profit which come from the projection of revenue and expenses of SOC. Moreover, DCF reflect the liquidation value in the final year of the projection since there is no plan for continuing operate the business in the future. The projection is based on the assumption that the IFA deems reasonable. Hence, the valuation with DCF approach reflects the fair value of SOC.

4.1.6 Summary of Valuation of Disposed Asset – Entire Business of SOC

The IFA projected SOC's enterprise value by valuation approaches which can be summarized as follows:

Summary of SOC's valuation results

Approaches	Enterprise value (THB million)	Details
1. Book Value Approach	234.41	The Book Value is the approach that reflect the financial position at one point in time without take into account of market value of certain assets and significant events after the date of financial statement. Moreover, it will not be able to reflect the operating results and future performance of SOC. <u>Hence, the IFA does not select this valuation approach.</u>
2. Adjusted Book Value Approach	316.83	The Adjusted Book Value is the approach that reflect the financial position at one point in time without take into account of market value of certain assets and significant events after the date of financial statement. Moreover, it will not be able to reflect the operating results and future performance of SOC. Neither the business assumptions nor the financial costs used in valuing the assets can reflect the current operations of the SOC. <u>Hence, the IFA does not select this valuation approach.</u>
3.1 P/BV	234.49 – 235.59	The Price to Book Value Ratio reflects financial position at a point of time, from comparing with the average ratio of comparable companies. The IFA concludes that the P/BV ratio is not the appropriate approach for the valuation, since it does not reflect the market value of certain assets and significant events after the date of referred financial statement as well as the ability to make profits from the assets for the SOC's business in the future. Therefore, it is not an appropriate approach. <u>Hence, the IFA does not select this valuation approach.</u>
3.2 P/E	Not applicable	The Price to Earnings Ratio refers to the earnings per share for over the past 12 months and multiplied by the P/E ratio. The IFA concludes that this approach does not taking into account of the difference of business structure, such as, revenue structure and capital structure; therefore, this approach might not fully reflect the actual value. <u>Hence, the IFA does not select this valuation approach.</u>
3.3 EV/EBITDA	155.76 – 169.70	The EV to EBITDA ratio refers to the EBITDA for over the past 12 months and multiplied by the EV to EBITDA ratio. The IFA concludes that this approach does not taking into account of the difference of business structure, such as, revenue structure and capital structure; therefore, this approach might not fully reflect the actual value. <u>Hence, the IFA does not select this valuation approach.</u>
4. Transaction Comparable	160.40	The Transaction Comparable Approach reflects the ability to generate cash flow from operation deducted by the effects of capital structure in different enterprise. The IFA views that this valuation approach contains uncertainty of various factors such as transaction size and time of transaction, which might indicate the misleading fair value from the valuation. <u>Hence, the IFA does not select this valuation approach.</u>

Approaches	Enterprise value (THB million)	Details
5. Discounted Cash Flow Approach (DCF)	240.75 – 253.74	DCF approach reflects business operation plan, profitability which come from the projection of revenue and expenses of SOC. Moreover, DCF reflect the liquidation value in the final year of the projection since there is no plan for continuing operate the business in the future. The projection is based on the assumption that the IFA deems reasonable. <u>Therefore, the IFA is of the opinion that this approach is an appropriate method for valuation of the business.</u>

5. Summary of the Opinion of the Independence Financial Advisor

The Board of Directors' Meeting of Sea Oil Public Company Limited ("the Company") No. 3/2022 which was held on March 7, 2022, resolved to approve the disposal of all shares held by the Company in Sea Oil Petrochemical Company Limited ("SOC"), a subsidiary of the Company, amounting to 2,039,998 shares, equivalent to 99.99 percent of the total number of shares of SOC, to Natural Energy Refinery Company Limited ("the Purchaser" or "Natural Energy"). The Company will receive consideration of THB 256.00 million for such disposal of shares (the "Disposal of shares in the Subsidiary Transaction"). Currently, SOC is engaged in the production and distribution of solvents and liquefied petroleum products. In this regard, after completion of the Disposal of Shares in the Subsidiary Transaction, the Company will no longer hold any shares in SOC and SOC will cease to be the Company's subsidiary.

To consider the appropriateness of the Transaction, Avantgarde Capital Company Limited as the IFA of the Transaction, analyzed the objectives of the Transaction, historical operating performance from the past 3 years or since commencement of the financial statements, management's projection of company's performance as well as other relevant public information in order to analyze advantages and disadvantages of entering into the Transaction. Even though the sale of shares in a subsidiary would result in an accounting loss of THB 8.31 million (because the transaction price of THB 256.00 million is lower than the book value of SOC, which is equal to THB 264.31 million, resulting in the company accounting loss from the transaction THB 8.31 million). But due to the business of producing and selling solvent and all liquid petroleum products have limited business operations throughout the supply chain, resulting in operating losses. In addition, Natural Energy to lease land and buildings and various equipment is an inefficient cash flow income and there is no stability of the business from leasing. The cash flow can be used as internal working capital of the Company to support the company's core business operating which can focus on bringing resources and financial liquidity to use for working in the business that the Company has knowledge, capability and expertise or increase the proportion of investment in businesses that provide satisfactory returns as well as creating opportunities to expand the existing business to a greater extent and generate more revenue. the Company may use the proceeds from the sale of shares to pay off loans to financial institutions and used as additional investments for business expansion or investments in interesting projects or activities in the future that can provide a rate of return that meets the Company's investment policy which can create maximum benefits for the Company and its shareholders even more. Therefore, the IFA opinion is that the transaction is appropriateness.

For appropriateness of the transaction price, the IFA has assessed the value of the Disposal of Shares in the Subsidiary Transaction by considering various methods in order to find a fair value range suitable for

the transaction. Evaluating the present value of the business using the Discounted Cash Flow Approach (DCF) is an appropriate valuation method because it can reflect future performance under asset leasing contract and reasonable assumptions which is estimated based on the company's income and expenses. It also reflects the liquidation value at the last year because the Company has no ongoing plans. The IFA has assessed the fair value range of the Disposal of Shares in the Subsidiary Transaction and found it is in the range of THB 240.75 – 253.74 million when compared to the value of SOC's common stock, which is THB 256.00 million. Entered into the disposal of 2,039,998 ordinary shares of SOC or equivalent to 99.99 percent of the total shares of SOC or equivalent to THB 256.00 million is an appropriate transaction because the said price is higher the fair value of SOC, the fair value appraised by the IFA is THB 240.75 – 253.74 million.

In this regard, the IFA has opinion that the Acquisition and Disposal of Assets and the Connected Transaction is appropriate and the Shareholders should approve the Transaction. However, to consider the transaction, shareholders shall consider information, opinion and other details prepared by the IFA as mentioned earlier such as assumptions for projected financial performances, the sensitivity analysis to evaluate the impact of fair value on the major assumptions such as discount rate etc. as well as advantages and disadvantages of entering into the Transaction. The decision to approve or disapprove for this Transaction is subject to the consideration of shareholders.

The IFA certified that the IFA carefully considered and provided financial opinions in accordance with the professional standard by taking into account the best interest of the shareholders.

The Independent Financial Advisor

Avantgarde Capital Co., Ltd.

- Signed -

(Mr. Worawas Wassanont)

Supervisor

- Signed -

(Mr. Worawas Wassanont)

Managing Director

6. Appendices

6.1 Company overview

1) Sea Oil Public Company Limited's company overview

Name	Sea Oil Public Company Limited		
Location	88 Soi Bangna – Trad 30, Debaratna Road, Bangna – Tai, Bangna, Bangkok 10260		
Type of business	<p>The Company conducts 2 core businesses as follows:</p> <ol style="list-style-type: none"> Suppliers of Marine Bunker Fuel and Lubricant products to domestic and international shipping vessels and supply fuel to in-land i.e. Land Transportation Business and Other Industries. Supply management, Catering & Housekeeping service and general supply to oil & gas exploration business both offshore and onshore. 		
Registration number	0107554000194		
Website	www.seaoilthailand.com		
Authorized Capital	THB 649.51 million		
Paid-up Capital	THB 649.51 million		
Board of Directors	Order	Name	Position
	1	Mr. Apisit Rujikeatkamjorn	Chairman
	2	Miss Neeracha Panboonhom	Chairman of Executive Committee / President and Chief Executive Officer / Director
	3	Mr. Taweeep Soontornsingha	Vice Chairman / Independent Director / Audit Committee
	4	Mr. Suraphon Meesathien	Director
	5	Mr. Prompong Chaisrisawatsuk	Director
	6	Mr. Kosit Fuangswasdi	Director
	7	Mr. Ruth Banomyong	Independent Director / Chairman of Audit Committee
	8	Mr. Chalermwit Chimtragoon	Independent Director / Audit Committee

Source: One report of the Company

2) History of The Company

The Company is one of company in Nathalin group. The Company established on 26 May 1997, with total registered capital of THB 1,000,000.00 million. Currently, The Company's registered capital is THB 649,509,110.00 and issued and paid-up share capital is THB 649,507,473.00. The purpose of The Company is to supply and distribute fuel and lubricant business for different types of vessels such as bunkers, oil tankers, fisheries, and others. The Company's oil supplies come from major oil producers/traders which our customers are both domestic and foreign as Singapore, Laos, Cambodia, Myanmar, etc. The Company has no investment in fixed assets for fuel distribution as oil storage or vehicle, rather company procure independent transporter for delivery service in case customer need.

Currently, The Company mainly supplies fuels and lubricants for marine customers. Since 2010, The Company expanded its business to cover supplying fuels for land customers, factories and land transportation and buses. In addition, The Company also supplies fuels and lubricants to fulfill foreign customers' needs. The Company's foreign customers are in Singapore, Laos, Cambodia, and Myanmar.

Fuels supplied are marine fuels, lubricants, and benzene. The Company has no need to invest in fixed assets for its business. When The Company receives customer's purchase order, it seeks to obtain products from both domestic and foreign oil suppliers. In case customers need The Company to deliver the products, it hires an independent transporter to deliver to customer's defined destination. For customers who would like to receive fuels in the sea, The Company hires oil transporter to deliver the product to them. If customer has a ship at a port or a customer on land, The Company hires tank trucks to deliver the product to customer's defined destination. The Company has a policy to send its inspector on board from loading port to destination to ensure that product specification and quantity is correct, and delivery is on time, so customer feels confident on service delivered. The Company's profit derived from the difference between oil cost, including other price-related costs, and selling prices. Since its establishment, The Company gain operating profit on marine and land oil distributor.

The Company registered as oil trader pursuant to Section 10, which sales quantity of each type or all types of oil is 30,000.00 metric tons or more annually (approximately 36 million liters) but not more than 100,000.00 metric tons (approximately 120.00 million liters). For LPG, the quantity is less than 50,000.00 metric tons and more than 30,000.00 metric tons annually, or a trader with storage tank of each type or all types more than 200,000.00 liters. The quantity of oil sold annually is all fuels imported, purchased, refined, produced, or obtained, excluding quantity procured for legal reserve.

In 2015, The Company expanded the international oil trading market by established Sea Oil Offshore Limited "SOO", the Federal Territory of Labuan, Malaysia. With the objective to trade fuel

internationally and expand its business overseas and then in the same year, The Company had established Sea Oil Petroleum PTE. LTD. ("SOP") in Singapore for oil trading and bunkering in Singapore that expand to the overseas customer and supplier base.

In 2020, The Company has expanded its marine and land fuel distribution business both domestically and internationally with Titan Twenty Company Limited, Vega Twenty Company Limited and Orion Twenty Company Limited at Newly registered in October 2020 to support the growing oil Trading business. In December 2020, Sea Oil Petroleum PTE. LTD. Established a subsidiary called "Sea Oil Petroleum AS" in Norway for oil trading and expand the market to other continents.

The Company also provides services in the provision of food, raw materials, and other services. For employees in oil and gas drilling both in the sea and on land (Supply Management). Because The Company has a customer group that is a supply & service boat and passenger ship, crew boat. Therefore, The Company sees the opportunity to provide food, cleaning service and laundry service (Catering and Service) for oil and gas drilling staff. To provide services that cover the needs of this group of customers.

The Company has invested in Pan Orient Energy (Siam) Limited ("POES") in the proportion of 49.99 percent of the total issued and paid-up shares of POES. Which is a petroleum and natural gas production and exploration company on land in Thailand and possessing the concession block L53/48, located at Kamphaeng Saen district Nakhon Pathom. Which has a petroleum production period of up to 20 years. The investment in business with POES, which related with the current business, enabling The Company to learn and experience from the exploration, production and distribution petroleum business, which leads to the long-term concession rights.

Furthermore, The Company purchased ordinary shares of Sea Oil Petrochemical Company Limited ("SOC") or formerly Nakhon Chai Prakan Chemical Co., Ltd., which is engaged in the production and distribution of solvents and liquefied petroleum products including white spirit, rubber solvent, diesel and fuel oil. By operating Condensate splitter of SOC, which located at Amata City Industrial Estate Chonburi province. The production capacity approximately 180,000.00 liters per day. Since April 2019, The Company started production and recognized income.

In 2017, The Company invested in businesses that produce and sell electricity from solar energy (Solar Rooftop), which has already been operated by Living Energy Company Limited and its subsidiaries in the power plant group total 10 solar projects with a total size of 7.82 megawatts. With the entire business transfer method (Entire Business Transfer) and The Company recognizes income after applying the transaction is completed in February 2017 subsequently on 24 July 2020, The Company

has completed the disposal of the investment with the entire business transfer method that total sales amount of THB 215.00 million.

3) List of shareholders of The Company

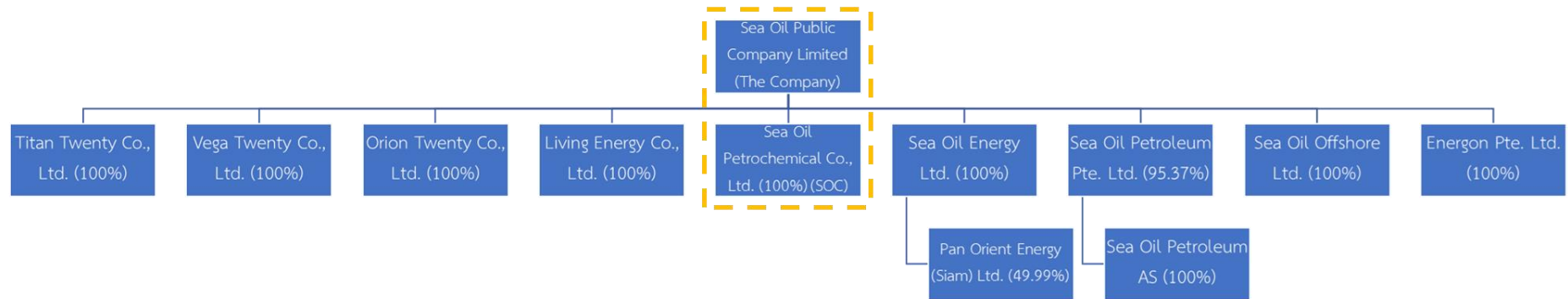
Table showing the list of shareholders of The Company

Order	Major Shareholders	Number of Shares	Percent of Shares
1	Nathalin Company Limited	292,550,417	45.04
2	Mr. Churdchoo Panboonhom	68,835,902	10.60
3	Mr. Apisit Rujikeatkamjorn	20,400,000	3.14
4	Mr. Thada Olaric	19,379,229	2.98
5	Thai NVDR Company Limited	12,342,906	1.90
6	Mr. Nopporn Luangtana-anan	8,885,985	1.37
7	Miss Wiorn Thongtang	7,428,083	1.14
8	Mr. Ravi Kasemsarn	7,200,000	1.11
9	Miss Kingkamol Kasemwilas	6,367,562	0.98
10	Miss Chalineee Katekaew	6,297,845	0.97

Source: www.set.or.th

4) Company structure of The Company

The figure showing company structure of The Company



Source: One report of The Company

5) Description of products and services

1. Marine bunker fuel and lubricant business

The Company sells fuel and lubricant upon specific requirements of the customers. Upon receiving order from the customers, The Company will supply the products according to requirements of the customers obtained from major oil producers or traders, for example Bangchak Petroleum Plc., Chevron Thailand, IRPC Plc. and Thai oil Plc. In case that the customers require transportation service, The Company will hire qualified independent transporters to deliver the products to the specified destination. Bunker barge will carry products to the customers anchored off the coast. For the customers anchored at sea port, truck or bunker barge will be used to deliver products. Truck is also used as vehicle to carry product to the onshore customers. The followings are products that the Company sell:

Marine Fuel: High speed fuel, fuel oil and gasoline

Lubricant Products: Engine oil, gear oil, hydraulic oil, main engine oil, turbine & compressor oil, etc.

2. Catering & Housekeeping service, general supply, and other services

Catering & Housekeeping service provided for drilling crew on board offshore accommodation barges and accommodation rigs and offshore & onshore oil field.

In 2020, The Company had received the new two contracts of Catering Service and Housekeeping project (S1 Site and Offshore Site) from PTTEP Siam Company Limited and PTT Exploration and Production PLC. in contract period 3 years that started on July 1, 2020. The Company provides catering service as well as remote food for residents / visitors, cleaning, and laundry on the assigned accommodation barge.

For serving in the food, cleaning and laundry businesses, The Company has entered a contract to hire a food preparer / supplier because of The Company has more experience in the food service business, cleaning and laundry and well-equipped personnel as well as various equipment, tools and machinery to provide quality service.

General Supply

As an expansion of Catering and Service business, The Company acts as a supplier for raw materials, foods, provision and other services to vessels and offshore oil & gas exploration business customers who constantly require those products for their operation. Products must be of high quality and hygienic to the needs of customers including oil rig. There is a need for food or supplies throughout the operation period.

3. Solar power plant business

Operated by Living Energy Co., Ltd. and its subsidiaries ("Living Group") is a renewable energy business to generate electric power by Solar rooftop that uses the appropriate technology and provides the stable return in the long run. Including the services of supervising the operation and maintenance of solar power plants.

The Living Group has 10 Solar Power Plants projects (Solar Rooftop), a total capacity of 7.82 MW, all of which has been commercially distributed as Commercial Operation Date (COD) to the Provincial Electricity Authority (PEA) 7.60 MW and Metropolitan Electricity Authority (MEA) 0.22 MW and all projects COD in March 2015. The term of the agreement is 25 years since SCOD (Schedule Commercial Operation Date). The Feed in Tariff rate of PEA THB 6.16 per kWh and MEA THB 6.55 per kWh that fixed rate throughout the contract period. In the present time, The Company has completed the disposal of the investment with the entire business transfer on July 2020.

4. The production and sale of solvent

The Company operates a Condensate splitter business under Sea Oil Petrochemical Co., Ltd. which turns Condensate (Light hydrocarbon compounds) to produce solvent used in various industries such as rubber production, solvent production in the paint industry. The production process uses the principle of boiling point difference of the hydrocarbon compound. Which the main of products received are Rubber Solvent, White Spirit and By-Product, some diesel.

6) Target group

Marine fuel and lubricant business

Target groups for this business are all types of vessels e.g. tanker, cargo vessel, fishery vessel and vessel used in oil & gas production and exploration (crew boat and supply & service boat). The Company sells products to both end users and wholesalers who then resell them to various types of vessel.

Inland fuel and lubricant business

Industrial factory and other businesses such as passenger bus and various size of transporter are target groups of this business. The Company also sells products to wholesaler.

Catering and Service business

Accommodation barges and rigs located in Gulf of Thailand and Andaman Sea as well as onshore oil fields are target group of the Company for this business.

General Supply business

This business shares the same target groups of customers with marine fuel and lubrication business which are vessels with both local and international route as well as crew boat and supply & service boat including onshore oil field with no Catering and Service available. These groups of customers require cooking ingredients, foods, provision, and other services for their staff who in charge on vessels and rigs.

Production and Distribution of Electric Energy

Target groups include the government, state enterprises, private sectors, large industrial plants, and people who want to use electricity as prescribed by law.

Production and sale of Solvent

Target groups are specific industry that can use Solvent in production process which are Rubber Industry, Color product industry. Most of the client is an External group.

7) The distribution

Fuel Distribution

There are numbers of marine fuel suppliers in Thailand, which could be categorized into 2 major groups as follows:

1. Petrol producers comprising PTT Plc., Chevron (Thailand) Co., Ltd., the Shell Company of Thailand Ltd., Bangchak Petroleum Plc., IRPC Plc., etc.
2. Petrol traders SEAOIL has been a trade partner of the above oil producers. By accumulating orders from several retail customers, The Company can place a big lot of purchase orders with those producers and, hence, can procure fuel at a low cost and earn a profit from its fuel distribution.

Catering and Service

There are 3 providers of catering and service to accommodation barges, oil & gas rigs and accommodation rigs, in employment of a catering and service provider, operators of oil & gas rigs, accommodation rigs or accommodation barges will invite service providers with sound track records to submit bids and will select the one that offers the most attractive price and best terms and conditions. Thus, factors crucial to such employment decision are pricing, track records and financial soundness of service providers.

General Supply

Customers select a provider of general supply based on their good business relationship, reliable track records, and offering of quality products at a reasonable price. As such, competitive advantages for service providers lie in their good relationship with customers and cost-effective product procurement

Solar Power Plant business

Demand for electricity in the country continues growth. The Living Group company supply the electric energy for MEA and PEA under the term of Power Purchase Agreements (PPA) only.

Production and sale of Solvent

The Company produces Solvent products according to requirements of customers from order by order.

8) Revenue structure of The Company

Revenue structure	Operation by	2018		2019		2020	
		Value	Percent	Value	Percent	Value	Percent
Revenue from fuel sales	SOT / SOP	4,649.22	98.21	6,112.33	94.58	5,141.42	97.07
- Marine		4,568.10	96.50	5,697.32	88.16	4,240.03	80.05
- Inland		81.12	1.71	415.01	6.42	901.39	17.02
Revenue from services	SOT	50.21	1.06	48.83	0.75	120.46	2.27
Revenue from production and solvent sales	SOC	-	-	255.20	3.95	13.09	0.25
Other income ^{1/}		34.55	0.73	46.33	0.72	21.85	0.41
Total revenue		4,733.98	100.00	6,462.69	100.00	5,296.82	100.00

Note: Revenue from electricity generation and distribution power which is discontinued operations (Year 2020: THB 29.43 million, Year 2019: THB 56.70 million, Year 2018: THB 77.71 million)

1/ Other income such as interest, fines from breach of trading agreement, compensation cases and others.

Source: One report of The Company

9) Performance and financial position of The Company

The IFA has analyzed the financial performance and position of The Company for the period of 2018 – 2020 which audited by Pricewaterhouse Coopers ABAS Limited.

➤ Income statement

Income statement	2019		2020		2021	
	THB million	Percent	THB million	Percent	THB million	Percent
Revenue from sales	6,367.54	99.24	5,154.51	97.72	11,087.16	97.77
Revenue from services	48.83	0.76	120.46	2.28	233.58	2.06
Revenue from rental	-	-	-	-	19.60	0.17
Cost of goods sold	(6,180.92)	(96.33)	(4,946.92)	(93.78)	(10,820.68)	(95.42)
Cost of services	(44.67)	(0.70)	(132.94)	(2.52)	(252.62)	(2.23)
Cost of rental	-	-	-	-	(16.04)	(0.14)
Gross profit	190.76	2.97	195.11	3.70	251.01	2.21
Other income	46.33	0.72	21.85	0.41	13.78	0.12
Selling expenses	(82.25)	(1.28)	(91.04)	(1.73)	(121.83)	(1.07)
Administrative expenses	(131.92)	(2.06)	(164.12)	(3.11)	(149.94)	(1.32)
(Reversal of) loss on impairment of financial assets	(7.39)	(0.12)	(8.71)	(0.17)	4.07	0.04
Gain on disposal of discontinued operations	-	-	60.73	1.15	-	-
Other gains (losses) - net	0.03	-	1.76	0.03	12.05	0.11
Financial costs	(45.40)	(0.71)	(28.94)	(0.55)	(20.61)	(0.18)
Profit (loss) before share of profit from joint venture and income tax	(29.84)	(0.47)	(13.35)	(0.25)	(11.47)	(0.10)
Share of profit from joint venture	111.74	1.74	40.69	0.77	257.50	2.27
Profit before income tax	81.90	1.28	27.33	0.52	246.03	2.17
Income tax	(17.46)	(0.27)	(18.23)	(0.35)	(6.00)	(0.05)
Profit for the year from continuing operations	64.44	1.00	9.11	0.17	240.03	2.12
Profit for the year from discontinued operations (net of tax)	8.71	0.14	22.44	0.43	-	-
Profit for the year	73.14	1.14	31.54	0.60	240.03	2.12

Source: The Company's financial statement

➤ Balance sheet statement

Balance sheet statement	31 Dec 2019		31 Dec 2020		31 Dec 2021	
	THB million	Percent	THB million	Percent	THB million	Percent
Cash and cash equivalents	198.09	6.68	101.33	4.60	340.12	10.98
Trade and other receivables	784.19	26.43	556.62	25.26	1,348.39	43.54
Inventories	11.20	0.38	17.14	0.78	5.15	0.17
Derivative assets	-	-	-	-	0.41	0.01
Other current assets	26.67	0.90	81.97	3.72	46.75	1.51
Total current assets	1,020.15	34.38	757.05	34.36	1,740.82	56.22
Bank deposits	0.05	-	-	-	-	-
Investment in a joint venture	1,227.16	41.35	1,103.81	50.09	1,016.02	32.81
Investment properties	-	-	-	-	244.45	7.89
Property, plant and equipment	654.71	22.06	299.51	13.59	30.23	0.98
Right-of-use assets	-	-	34.49	1.57	45.02	1.45
Intangible assets	1.89	0.06	1.48	0.07	3.98	0.13
Deferred tax assets	4.25	0.14	6.85	0.31	8.28	0.27
Other non-current assets	59.28	2.00	0.33	0.01	7.78	0.25
Total non-current assets	1,947.35	65.62	1,446.47	65.64	1,355.78	43.78
Total assets	2,967.50	100.00	2,203.52	100.00	3,096.60	100.00
Short-term borrowings from financial institutions	224.06	7.55	77.58	3.52	327.56	10.58
Current portion of long-term borrowings from financial institutions	116.33	3.92	129.88	5.89	55.00	1.78
Current portion of debentures	399.56	13.46	-	-	-	-
Trade and other payables	501.64	16.90	335.34	15.22	963.09	31.10
Derivative liabilities	-	-	0.01	-	0.22	0.01
Current-portion of lease liabilities	-	-	11.93	0.54	13.14	0.42
Income tax payable	11.30	0.38	14.38	0.65	8.10	0.26
Other current liabilities	7.01	0.24	3.28	0.15	2.49	0.08
Total current liabilities	1,259.90	42.46	572.41	25.98	1,369.60	44.23
Long-term borrowings from financial institutions	278.57	9.39	174.43	7.92	-	-
Lease liabilities	-	-	23.28	1.06	32.93	1.06
Employee benefit obligations	12.70	0.43	12.72	0.58	13.99	0.45

Balance sheet statement	31 Dec 2019		31 Dec 2020		31 Dec 2021	
	THB million	Percent	THB million	Percent	THB million	Percent
Other non-current liabilities	4.49	0.15	-	-	2.80	0.09
Total non-current liabilities	295.76	9.97	210.44	9.55	49.72	1.61
Total liabilities	1,555.66	52.42	782.85	35.53	1,419.32	45.83
Issued and paid-up share capital	553.56	18.65	608.91	27.63	649.51	20.97
Premium on ordinary shares	933.17	31.45	933.17	42.35	933.17	30.14
Surplus (Deficits) From Business Combinations Under Common Control	(74.05)	(2.50)	-	-	-	-
Retained earnings (deficits)						
Appropriated - legal reserve	27.52	0.93	28.58	1.30	29.28	0.95
Unappropriated	(25.96)	(0.87)	(147.97)	(6.72)	37.17	1.20
Other components of equity	(18.75)	(0.63)	(19.53)	(0.89)	(1.12)	(0.04)
Equity attributable to owners of the Company	1,395.49	47.03	1,403.16	63.68	1,648.01	53.22
Non-controlling interests	16.34	0.55	17.51	0.79	29.27	0.95
Total equity	1,411.83	47.58	1,420.67	64.47	1,677.28	54.17
Total liabilities and equity	2,967.50	100.00	2,203.52	100.00	3,096.60	100.00

Source: The Company's financial statement

➤ Key financial ratios

Table showing financial ratios of The Company

Financial ratios	Unit	2019	2020	2021
Liquidity ratio				
Liquidity ratio	Times	0.81	1.32	1.27
Quick ratio	Times	0.80	1.29	1.27
Average debt collection period	Days	45.35	39.45	43.77
Inventory turnover period	Days	0.65	1.21	0.17
Loan repayment period	Days	28.15	22.89	30.57
Cash Cycle	Days	17.85	17.77	13.37
Profitability ratios				
Gross profit margin	Percent	2.97	3.70	2.21
Operating profit margin	Percent	(0.48)	(1.30)	(0.15)
Net profit margin	Percent	1.13	0.60	2.11
Return on equity	Percent	5.18	2.22	14.31
Financial policy ratios				
Total debt to equity ratio	Times	1.10	0.55	0.85
Interest coverage ratio	Times	2.84	4.00	(1.03)

Source: Calculation from The Company's financial statement

Explanation for The Company's financial performance and position

Performance

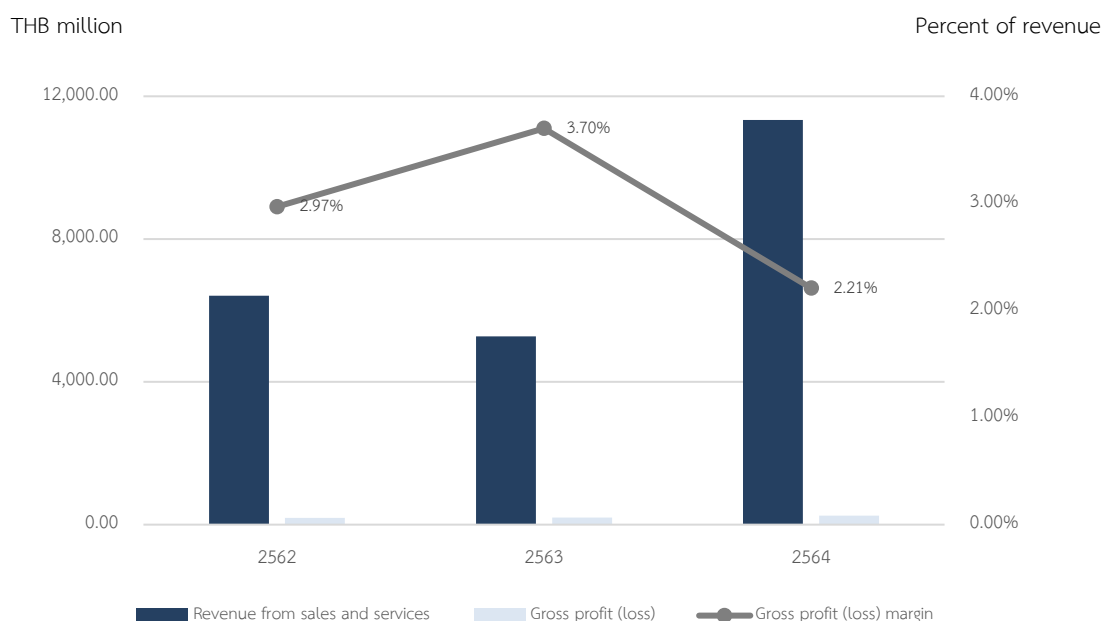
Revenue from sales and services

In 2020, The Company and subsidiaries have revenue from sales and services of THB 5,274.97 million, a decrease of THB 1,141.39 million or decline rate of 17.78 percent compared to the previous year. This was mainly due to the lower crude oil price from the oil price war making the revenue from selling fuel significantly dropped. The average selling price in 2020 of The Company and subsidiaries was THB 11.16 per liter, a decrease from 2019, which had an average selling price of THB 14.98 per liter, a decrease of 25.50 percent. However, the overall oil sales volume continued to increase 12.88 percent from the previous year, mainly due to the expansion of oil export markets to CLMV customers.

In 2021, The Company and subsidiaries have revenue from sales, services and rentals of THB 11,340.35 million, an increase of THB 6,065.38 million or 114.98 percent compared to the previous year. This was mainly due to higher oil sales volume from the expansion of oil export markets to foreign countries and the expansion of new markets in Asia and Europe, moreover, the oil price in the market that has increased significantly compared to the previous year. In addition, the revenue from services increased as The Company received 2 new service contracts since July 2020 and 1 new project starting in October 2021, with increased revenue from supplies and selling food products and raw materials since January 2021.

Gross profit margin

Revenue, gross profit, and gross profit margin of The Company in 2019 – 2021



In 2020, The Company and subsidiaries have gross profit of THB 195.11 million, an increase of THB 4.35 million or growth rate of 2.28 percent compared to the previous year. This was mainly due to the expansion of fuel distribution markets abroad and to the oil tankers and bulk ships customers resulting in an increased in gross profit margin.

In 2021, The Company and subsidiaries have gross profit of THB 251.01 million, an increase of THB 55.90 million or growth rate of 28.65 percent compared to the previous year. This was mainly due to the higher oil sales volume from the expansion of oil export markets to foreign countries and the expansion to the new markets in Asia and Europe, and the higher oil price in the market, however, the gross profit margin has decreased due to higher competition in the existing market and entering to compete in new markets market until the cost of service in the Catering & Service business is significantly higher both the procurement of raw materials safety protection device and increased staff costs due to covid-19 situation.

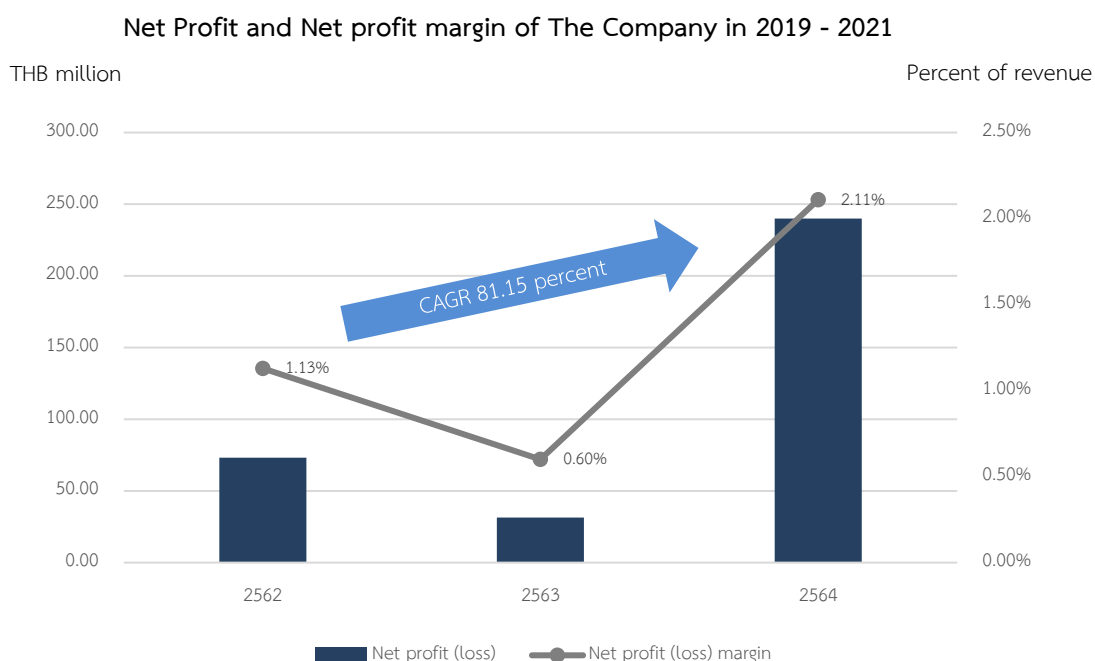
Selling and Administrative expenses

In 2020, The Company and subsidiaries have selling and administrative expenses of THB 255.15 million, an increase THB 40.99 million or growth rate of 19.14 percent compared to the previous year. This was mainly due to the increasing of personnel, selling, and marketing

costs from expanding overseas markets, consulting fees for various investment projects, and The Company had recognized loss from impairment of buildings and equipment from operations in the manufacturing business, selling solvent, and producing petroleum.

In 2021, The Company and subsidiaries have selling and administrative expenses of THB 271.77 million, an increase of THB 16.62 million or growth rate of 6.51 percent compared to the previous year. This was mainly due to the increasing of transportation cost and personnel expenses from expanding domestic and international markets.

Net profit



In 2019 – 2021, The Company have net profit of THB 73.14 million THB 31.54 million and THB 240.03 million or the growth rate of 1.13 percent, 0.60 percent, and 2.11 percent respectively. The average of the past 3 years equal 1.28 percent of total revenue, which was equal to 81.15 percent CAGR.

In 2020, The Company have net profit of THB 31.54 million, a decrease of THB 41.60 million or the decline rate of 56.87 percent compared to the previous year. This was mainly due to the lower revenue and higher personnel expenses from expanding to international market, consulting fees for various investment projects, and The Company recognized loss from impairment of buildings and equipment.

In 2021, The Company and subsidiaries have net profit of THB 204.03 million, an increase of THB 208.49 million or the growth rate of 661.00 percent compared to the previous year. This was mainly due to the increasing of revenue from higher oil sales volume and expanding to international market.

Financial position

Assets

As of December 31, 2020, The Company and subsidiaries have total assets of THB 2,203.52 million, a decrease of THB 763.98 million or a decline rate of 25.74 percent compared to the previous year. This was mainly due to a decrease in equipment of the Solar business of THB 318.21 million and a decrease in trade receivable from the higher efficiency debt management including adjusting sales strategies by selling more for cash to prevent the risk of default.

As of December 31, 2021, The Company and subsidiaries have total assets of THB 3,096.60 million, an increase of THB 893.08 million or the growth rate of 40.53 percent compared to the previous year. This was mainly due to an increase in trade receivable and cash from higher revenue both domestic and international from the expansion of the oil distribution business.

Liabilities

As of December 31, 2020, The Company and subsidiaries have total liabilities of THB 782.85 million, a decrease of THB 772.81 million or the decline rate of 49.68 percent compared to the previous year. This was mainly due to the repayment of the debentures and a decrease in short-term loans from financial institutions as well as a decrease in account payable.

As of December 31, 2021, The Company and subsidiaries have total liabilities of THB 1,419.32 million, an increase of THB 636.47 million or the growth rate of 81.30 percent compared to the previous year. This was mainly due to an increase in short-term loans from financial institutions and accounts payable which is in line with the business growth.

Equity

As of December 31, 2020, The Company and subsidiaries have equity of THB 1,420.67 million, an increase of THB 8.83 million or the growth rate of 0.63 percent compared to the previous year. The was mainly due to the Increasing of ordinary shares to support dividend payment.

As of December 31, 2021, The Company and subsidiaries have equity of THB 1,677.28 million, an increase of THB 256.61 million or the growth rate of 18.06 percent compared to the previous year. This was mainly due to the increasing of net income.

6.2 The SOC's appraisal report by UK Valuation and Agency Co., Ltd.

UK Valuation and Agency Co., Ltd. has assessed the assets of SOC, most of the assets are land, building, factory properties, and machinery and equipment. The valuation is based on Discounted Cash Flow Method, the asset value was THB 309.21 million as of June 1, 2021 with the following valuation objectives: 1) for public purposes; 2) to support TAS 40. Investment property 3) to know the market value of the rental property. The details of the asset valuation of SOC are as follows:

6.2.1 Value of tangible assets

The value of tangible assets after adjustment to be the value at the end of the 3-year lease as of May 31, 2024 equal to THB 276.89 million from the original market value of tangible assets of THB 268.93 million as of January 4, 2021 with the following assumption:

- The rate of land change increased by an average of 3.00 percent per year.
- The average construction price increases around 0.90 percent per year.
- The building depreciates at 2.00 percent per year and 3.00 percent per year.
The net residual replacement value of the building will not be less than 40.00 of the replacement value.
- For the furniture and office equipment and machinery and equipment, the independent appraiser did not adjust the value to the last year as of May 31, 2024.

Table of value of tangible assets appraised by Independent Appraisers

Summarize the value of tangible assets at the expiration of the 3-year lease.						
As of May 31, 2024						
Assets (THB Million)	Land	Building	Other Building	Furniture and Office Equipment	Machinery and Equipment	Total
Assets Value	113.34	20.19	5.94	6.44	130.99	276.89

6.2.2 Discount Rate

To calculate the discount rate, the independent appraiser refers to the average Beta of the past 3 years of companies operating palm oil refining business, namely Lam Soon (Thailand) Public Company Limited, United Palm Oil Industry Public Company Limited, Univanich Palm Oil Public Company Limited, and Vichitbhan Palmoil Public Company Limited. The details of the calculation are as follows:

Table of discount rate calculated by independent appraiser

Item	Percent
Cost of Equity	$= R_f + \beta \times (R_m - R_f)$
	$= 2.77 + 0.41 (7.53 - 2.77)$
	$= 4.71$
Plus: Discounts for lack of marketability (DLOM) 20.00 percent	$= 5.65$
Round Up	$= 6.00$
Cost of Equity	$= 6.00$

6.2.3 Discounted Cash Flow

Table of financial projections by independent appraisers

Unit: THB Million	Year		
	2021-2022	2022-2023	2023-2024
Lease Period	01/06/2021 - 31/05/2022	01/06/2022 - 31/05/2023	01/06/2023 - 31/05/2024
Monthly Rent	2,800,000.00	2,800,000.00	2,800,000.00
Rental Revenues	33,600,000.00	33,600,000.00	33,600,000.00
Admin Cost	161,910.44	-	-
Property Insurance	363,123.32	363,123.32	363,123.32
Health and Life Insurance	20,604.58	-	-
Accident Insurance	1,094.34	-	-
Liability Insurance	781,631.21	781,631.21	781,631.21
Accounting Audit Fee	300,000.00	300,000.00	300,000.00
License Expense	20,337.71	-	-
Sign and Property Tax	20,913.19	20,913.19	20,913.19
Contingency Cost	3,360,000.00	3,360,000.00	3,360,000.00
Total Expenses	5,029,614.79	4,825,667.72	4,825,667.72
EBIT	28,570,385.21	28,774,332.28	28,774,332.28
Free Cash Flow	28,570,385.21	28,774,332.28	28,774,332.28
Discount Factor	0.94	0.89	0.84
Present Value of FCFF	26,953,193	25,609,053	24,159,484
Total present value of FCFF	76,721,731		
Present Value of Liquidation Value	232,485,336		
Enterprise value	309,210,000		