

**The Opinion of Independent Financial Advisor
on Disposition of Assets and Connected Transaction**

-Unofficial Translation-

of

Nova Empire Public Company Limited

NOVA EMPIRE
NOVA EMPIRE PUBLIC COMPANY LIMITED

By

Pioneer Advisory Company Limited

 **PIONEER ADVISORY**

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Subject The Opinion of The Independent Financial Advisor on Acquisition of Assets and Connected Transaction of Nova Empire Public Company Limited

To Audit Committee, Board of Directors and Shareholders of Nova Empire Public Company Limited

Referred to

- 1) 3/2021 Board of Directors' solution as of March 10, 2021 of Nova Empire Public Company Limited ("Company") for the divestment of TIW Industries Company Limited ("TIWI")
- 2) Information memorandum of the Company for the divestment of TIWI
- 3) Documents regarding the tender offer of Ms.Parleerat Panboonhom dated July 31, 2021 (and the amended version)
- 4) Invitation to the 1/2021 AGM
- 5) Financial statements of the Company prepared by the management as of December 31, 2018 and the audited financial statements for the year ending December 31, 2019 – 2020
- 6) Financial statements of TIWI for the year ending December 31 2018 – 2020 (audited)
- 7) Pro Forma financial statement of TIWI (management account for 12 months ending December 31, 2020)
- 8) Other important of the Company and TIWI
- 9) Relevant industry analysis

As the 3/2021 Board of Directors resolution of Nova Empire Public Company Limited ("The Company") approved the Company to sell its investment in TIW Industries Company Limited ("TIWI") a subsidiary that the Company holds 99.99 percent of total paid-up shares in a total of 3,899,997 shares at 10.0 THB per share for 20.0 THB million to Mr.Prasit Kanchanasakdichai ("Mr.Prasit") which is a connected person of the company ("Divestment of TIWI")

The divestment of TIWI is regarded as a Disposition of assets as per the Notification of Capital Market Supervisory Board No.Tor Chor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets. The aforementioned transaction at 20.0 THB million with a guarantee obligation of 200.0 THB million combining into a total of 220.0 THB million in transaction size, resulted in 12.9 percent as per the total value of consideration paid or receive method. The transaction size does not exceed 15.0 percent of the Company's NTA, thus the Company has no obligation to ask for shareholders' approval however, the Company would like to use the

2021 AGM for the approval of the disposition transaction as in the future, this transaction won't be counted as a part of any further transactions.

The divestment of TIWI is regarded as a connected transaction of a listed company under 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 B.E. 2546 (2003), dated November 19, 2003. (as amended) (the "Notification on Connected Transactions"). As the Buyer is a director and a major shareholder of the company and a director in TIWI. In additions, upon calculation of the transaction value of the disposal of the Company's investment and the value of the guarantee obligation from the Company to the disposed subsidiary, the transaction value is equal to THB 220.3 million, which is higher than 3 percent if tge Company's net tangible assets, per the Company's financial statements for the year ended December 31,2020, which had been audited by the certified public accountant, and is higher than 20.0 THB million. Therefore the company is required to comply with the Public Limited Companies Act and the Notifications on Connected Transactions, which require the Company to;

- 1) To report and disclose the information memorandum on such acquisition 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 Notification on Connected Transaction
- 2) To appoint an independent financial advisor to carry out the relevant functions, including provide 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 Pioneer Advisory 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 the Transaction of Disposal of Investment; and
- 3) To convene a Shareholders' Meeting of the Company to approve the Transaction of Disposal of Investment, which is a connected transaction, by delivering the invitation letter for the Shareholders' Meeting to the shareholders at least fourteen 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 interested shareholders

The purpose of this report is to opine on the appropriateness of the transaction to independent directors, audit committee and shareholders by using public information and/or other relevant information from the Company.

IFA conduct analysis on an assumption that the information received from the Company is legitimate and complete. IFA does not verify the completeness and legitimacy of the received information and cannot be held accountable in any way. Moreover, IFA does not certify the performance of the Company in the future and/or any effects that would occur from the transaction and/or any change that may happen in the future.

Table of contents

Items	Page
Executive summary	8 - 14
1. General information of the transaction	
1.1. Purpose and origination of the transaction	15 - 19
1.2. Overall transaction	19 – 20
1.3. Transaction date	21
1.4. Involved parties and relationship with the connected person	21
1.5. Information of the disposed asset	21 – 27
1.5.1 TIWI's general information	
1.5.2 TIWI's business overview	
1.5.3 TIWI's financial information	
1.6. Type, size and transaction size calculation	27 – 30
1.7. Fund received and usage	30
1.8. Conditions of the transaction	31
1.9. Board of Directors' opinion on the transaction	31
1.10. Audit Committee's opinion on the transaction	31
1.11. Important contracts summary	31
2. Opinion of the Independent Financial Advisor on the appropriateness of the transaction	
2.1. Compares advantages and disadvantages of the disposition transaction, advantages and disadvantages of connected transaction	32 - 37
2.1.1 Advantages of the transaction	
2.1.2 Disadvantages of the transaction	
2.1.3 Advantages of not to proceed with the transaction	
2.1.4 Disadvantages of not to proceed with the transaction	
2.1.5 Effects of the transaction	
2.1.6 Advantages of a connected transaction	
2.1.7 Disadvantages of a connected transaction	
2.2. Risk factors of the transaction	37
2.3. Appropriateness of the transaction price	37 – 38
2.4. Appropriateness of the transaction conditions	38 - 39
3. The appropriateness of transaction price	40 - 42
3.1. Book Value Approach	42 - 43
3.2. Market Price Approach	43
3.3. Market Comparable Approach	43 – 48
3.4. Discounted Cash Flow Approach	49 - 75

Items	Page
4. Appendix	76 – 77
Appendix 1 Company's information	78 – 91
Appendix 2 Comparison of DCF Assumption	92 - 94

Abbreviation

SEC	:	Securities and Exchange Commission
SET	:	Stock Exchange of Thailand
Company or NOVA	:	Nova Empire Public Company Limited
TIWI	:	TIW Industries Company Limited
TCB	:	Thai Const & Building Manufacturing Public Company Limited
ARCADE	:	The Solar Arcade Company Limited
Winchai	:	Winchai Company Limited
Mr.Prasit	:	Mr.Prasit Kanchanasakdichai
Ms.Parleerat	:	Ms.Paleerat Panboonhom
IFA	:	Pioneer Advisory Company Limited
The Notification of Connected Transaction	:	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 B.E. 2546 (2003), dated November 19, 2003. (as amended)
The Notification of Acquisition or Disposition of Assets	:	Notification of Capital Market Supervisory Board No.Tor Jor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets
Divestment of TIWI	:	Company to divest its investment in TIWI, a subsidiary which the Company holds 99.99 percent of its total paid-up shares equals to 3,899,997 shares at 10.0 THB per share to Mr.Prasit (a connected person) for a total of 20,000,000 THB (excluding the revenue stamp that the Company will have to pay at 20,000 THB which is calculated from 0.1 percent of the transaction amount)
NTA	:	Net Tangible Assets
RPT	:	Related Party Transaction

Executive Summary

As the 3/2564 Company's Board of Directors Meeting on March 10, 2021 approved the Company to divest its investment in TIWI, a subsidiary which the Company holds 99.99 percent of its total paid-up shares equals to 3,899,997 shares at 10.0 THB per share to Mr.Prasit (a connected person) for a total of 20,000,000 THB (excluding the revenue stamp that the Company will have to pay at 20,000 THB which is calculated from 0.1 percent of the transaction amount) due to TIWI has continually loss, which was unlike what the Board of Directors has expected. And as the divestment of TIWI is regarded as a Disposition of assets as per the Notification of Capital Market Supervisory Board No.Tor Jor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets. The aforementioned transaction at 20.0 THB million with a guarantee obligation of 200.0 THB million combining into a total of 220.0 THB million in transaction size, resulted in 12.9 percent as per the total value of consideration paid or receive method. The transaction size does not exceed 15.0 percent of the Company's NTA, thus the Company has no obligation to ask for shareholders' approval however, the Company would like to use the 2021 AGM for the approval of the disposition transaction as in the future, this transaction won't be counted as a part of any further transactions.

Currently, the Company operates as a holding company by investing in two subsidiaries including (1) TIWI, a GI Sheet business company and (2) ARCADE, a solar business company. As TIWI operates in Galvanized Iron Sheet ("GI Sheet") business in the past two years, TIWI has faced price dumping from China resulted in an intense price war in the industry. Moreover, in 2020, the Company as faced the consequence of COVID-19 which effect Thailand's economy from decreasing demand from agricultural and household sectors, thus the loss from GI Sheet business.

IFA referred to the Company's financial information between 2018 – 2020 (referred to the Company's Consolidated Income Statement from Appendix 1 Company Information) to demonstrate the GI Sheet business performance.

In 2020, the Company restructured by acquiring electricity generation business and started the revenue recognition in 2020, IFA show the performance of the aforementioned business as follows

- 1) Consolidated income statement of the company for the year ending December 31, 2018 is a management account due to in that year the actual Fiscal Year ended in March 31. As for the fiscal year from December 31, 2019 – 2020 the financial statements was audited by an approved auditor, IFA demonstrate the GI Sheet business performance in 2020 to simulate the Company's performance without the aforementioned business.

Unit: THB million

Income Statement	For the year ending December 31		
	2018	2019	2020
Total revenue from sales and service	577.0	394.8	419.6
Cost of sale and service	490.3	367.8	492.3
Gross profit (loss)	86.7	27.0	(72.7)
EBIT	29.7	(2.0)	(100.1)
EBT	27.8	(4.8)	(112.4)
Net profit	27.3	(5.3)	(129.3)
Net profit (loss) from GI Sheet business	27.3	(5.3)	(132.1)
Net profit (loss) without GI Sheet business	-	-	2.9

Remarks:

1. Referred to 1.5.3 TIWI performance
 2. TIWI received the operating assets from the Company since August, 2020
 3. The Company started recognizing the solar business performance since July 2020
- 2) Statement of Financial Position of the Company audited by an approved auditor for the year ending 2018 - 2020

Unit: THB million

Statement of Financial Position	For the year ending December 31		
	2018	2019	2020
Total assets	1,002.8	948.6	1,712.6
Total liabilities	154.7	111.9	1,005.1
Total shareholders' equity	848.1	836.7	707.4

Considering the Company and TIWI's performance from the GI Sheet business, the aforementioned business has a loss in 2019 – 2020, thus the Board of Directors see that the Company should divest its investment in TIWI as for the GI Sheet business may have recurring loss in the future from the rise in cost of goods sold and the stalemate in sale price as an effect from the Chinese market dumping (referred to 3.4.1 Industry Outlook) which would affect the Company's total performance not reflecting the profits from electricity generation business which is expected to yield positive net profit for the Company in the future. The Company's Board of Directors' solution to sell the investment in TIWI to MR.Prasit is to exercise the right the was agreed from the sale and purchase agreement on the Company's shares dated July 30, 2020.

Sale and Purchase Agreement	
Buyer	Ms.Parleerate
Seller	Mr.Prasit
Condition Subsequent	<ol style="list-style-type: none">1. Appoint 5 people to be the Company's Board of Director2. Appoint one person to be the Company's CEO3. Change the Company's official signatory as to the buyer's nomination
Agreement on the divestment of TIWI	If within 1 year after the tender offering period has ended, TIWI does not yield satisfied performance, the buyer has a right to exercise an option to have the seller buyout TIWI, however the transaction must be done under the Board of Director/ Shareholder's approval.

The divestment wouldn't affect the Company's operations and is in line with the Company's business plan.

- As the Extraordinary General Meeting ("EGM") 1/2020 as of June 9, 2020 approved the sales of the Company's operating assets to Thai Const & Building Manufacturing Public Company Limited ("TCB") which is a connected person and had TIWI leased the aforementioned assets back, completed in July 2020
- As the EGM 1/2020 as of June 9, 2020 approved the establishment of The Solar Arcade Company Limited ("ARCADE") and had ARCADE invest in 7.825 mega-watt Solar Rooftop business, completed in July 2020
- As the EGM 1/2021 on January 27,2021 approved the Company to invest in Winchai Company Limited ("Winchai"), a 44.85 mega-watt wind energy business, by acquiring 2,598,750 shares equals to 26.25 percent of Winchai's paid-up shares and will start revenue recognition from the investment from Quarter 2

the divestment of TIWI is regarded as a Disposition of assets as per the Notification of Capital Market Supervisory Board No.Tor Jor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets. The aforementioned transaction at 20.0 THB million with a guarantee obligation of 200.0 THB million combining into a total of 220.0 THB million in transaction size, resulted in 12.9 percent as per the total value of consideration paid or receive method. The transaction size does not exceed 15.0 percent of the Company's NTA, thus the Company has no obligation to ask for shareholders' approval however, the Company would like to use the 2021 AGM for the approval of the disposition transaction as in the future, this transaction won't be counted as a part of any further transactions

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- 1) To report and disclose the information memorandum on such acquisition 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 Notification on Connected Transaction
- 2) To appoint an independent financial advisor to carry out the relevant functions, including provide 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 Pioneer Advisory 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 the Transaction of Disposal of Investment; and
- 3) To convene a Shareholders' Meeting of the Company to approve the Transaction of Disposal of Investment, which is a connected transaction, by delivering the invitation letter for the Shareholders' Meeting to the shareholders at least fourteen 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 interested shareholders

However, Mr.Prasit cannot vote in the aforementioned transaction in either the Board of Director meeting or the shareholders' meeting.

Moreover, the divestment of TIWI is the Company's right exercise as per stated in the Sale and Purchase Agreement between Mr.Prasit and Ms.Parleerat. The Company's legal advisor, Kudun And Partners Company

Limited has opined that Ms.Parleerat can vote in the shareholders' meeting on the occasion of divestment of TIWI due to Ms.Parleerat is not a person who may have conflict of interest on the matter as per the section 33-2 and section 102 of Public Limited Companies Act, B.E.2535 (and the amended versions) because Ms.Parleerat is not considered as a person who may have conflict of interest with the decision as the Board of Directors of the Company approved the divestment in TIWI due to TIWI's performance not meeting the expectation which Ms.Parleerat only voted as a member of the Board of Director and Ms.Parleerat has no control over the Board of Director itself. In addition, the sale and purchase agreement between Mr.Prasit and Ms.Parleerat is only to grant a right for Ms.Parleerat with no relevant obligation to exercise the aforementioned right does not include any penalties, compensation or other rights to Ms.Parleerat. Thus, Ms.Parleerat does not have any other interest than any shareholders' and has a right to vote in the 1/2021 AGM on April 30, 2021.

Advantages of the transaction

- 1) The sale of GI Sheet business would increase the Company's performance in 2021 from solar energy business and an investment in Winchai
- 2) Decrease the Company's interest expense from existing loans, the divestment would result in decreasing D/E ratio from 1.4 times to 0.5 times and the interest expense would decrease 7.0 THB million
- 3) The Company would receive cash from the transaction equals to 20.0 THB million (excluding stamp duties of 20,000 THB, calculated from 0.1 percent of total sale), which would be used as working capital
- 4) Increasing the chance of getting funds to expand the business in the future

Disadvantages of the transaction

- 1) The divestment of TIWI would result in decreasing revenue, as the sale of TIWI would result in the Company losing its stake in GI Sheet business and the main source of revenue will come from energy business instead.

Effects of the transaction

- 1) The divestment of TIWI would affect the company's net income as it would rise to 125.6 THB million equals to 0.9 THB per share
- 2) No tax expense from the divestment of TIWI
- 3) The divestment of TIWI would decrease the Company's D/E ratio to 0.5 times

For the transaction price, IFA justify the divestment of TIWI by valuing TIWI with the following methods

Valuation methodologies	Fair value (THB mil)	Justification
Book Value Approach	5.8	<p><u>Appropriate</u> because book value of TIWI has reflected fair assets value as per accounting standards, which including (1) inventory at cost of THB 405.5 million less allowance for obsolete inventory value of THB 26.4 million, net of THB 379.2 million, which equivalent to 66.3 percent of total assets and (2) Furniture, fixture, and vehicle at cost of THB 19.7 million less accumulated depreciation of THB 1.2 million, net of THB 18.5 million, which equivalent to 3.2 percent of total assets. IFA studied net realizable value approach of inventory and found that TIWI has appraised its inventory appropriate according to accounting standards which it is recently appraised and management expects that there is no significant change in market price (refer to further details in section 3.1 Book Value Approach)). Furthermore, GI business is affected by economic contraction, delay in investment from private sector and decrease in spending for household sector, which make an uncertainty in TIWI performance. Hence, book value approach which is reflected assets' fair value according to accounting standards, is presently appropriate for current market conditions.</p>
Market Price Approach	N/A	<p><u>Cannot evaluate by this approach</u> because TIWI is not listed in any stock exchange.</p>
Market Comparable Approach P/BV Multiple P/E Multiple	3.1 – 3.9 N/A	<p><u>Not appropriate</u> because the companies which are taken as peers may have different factors affected their book value.</p>

Valuation methodologies	Fair value (THB mil)	Justification
EV/EBITDA Multiple	N/A	<p><u>Cannot calculate by this approach</u> because Pro-forma income statement of TIWI for the fiscal year ended December 31, 2020 has net loss.</p> <p><u>Cannot calculate by this approach</u> because Pro-forma income statement of TIWI for the fiscal year ended December 31, 2020 has negative EBITDA.</p>
Discounted Cash Flow Approach	Negative FCFF	<u>Not appropriate</u> because the projection of TIWI has net loss and negative FCFF.

In conclusion, IFA deems that the transaction would benefit the Company as the divestment would decrease the Company's loss from GI Sheet business, decrease the Company's interest expense, receive cash from the divestment of TIWI and increase funding option for future investment. However, the divestment of TIWI wouldn't affect the Company's operation as the Company will continue to operate in energy business. The transaction price of 20.0 THB million is justified as the price is higher than TIWI's fair value (referred to 3 The Opinion of the Independent Financial Advisor on Connected Transaction Price), thus, IFA deems that the transaction is appropriate and the shareholders should approve the transaction. However the decision to approve or disapprove the transaction is up to the Company's shareholders as they should evaluate the transaction based on documentation and other attachment that comes with the Annual General Meeting 2020 on April 30, 2021.

1. General Information of the Transaction

1.1 Purpose and origination of the transaction

As the 3/2564 Company's Board of Directors Meeting on March 10, 2021 approved the Company to divest its investment in TIWI, a subsidiary which the Company holds 99.99 percent of its total paid-up shares equals to 3,899,997 shares at 10.0 THB per share to Mr.Prasit (a connected person) for a total of 20,000,000 THB (excluding the revenue stamp that the Company will have to pay at 20,000 THB which is calculated from 0.1 percent of the transaction amount) due to TIWI has continually loss, which was unlike what the Board of Directors has expected. And as the divestment of TIWI is regarded as a Disposition of assets as per the Notification of Capital Market Supervisory Board No.Tor Jor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets. The aforementioned transaction at 20.0 THB million with a guarantee obligation of 200.0 THB million combining into a total of 220.0 THB million in transaction size, resulted in 12.9 percent as per the total value of consideration paid or receive method. The transaction size does not exceed 15.0 percent of the Company's NTA, thus the Company has no obligation to ask for shareholders' approval however, the Company would like to use the 2021 AGM for the approval of the disposition transaction as in the future, this transaction won't be counted as a part of any further transactions.

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demonstrate the GI Sheet business performance in 2020 to simulate the Company's performance without the aforementioned business.

Unit: THB million

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Sale and Purchase Agreement	
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Seller	Mr.Prasit
Condition Subsequent	1. Appoint 5 people to be the Company's Board of Director 2. Appoint one person to be the Company's CEO 3. Change the Company's official signatory as to the buyer's nomination
SPA agreement	If within 1 year after the tender offering period has ended, TIWI does not yield satisfied performance, the buyer has a right to exercise an option to have the seller buyout TIWI, however the transaction must be done under the Board of Director/ Shareholder's approval.

The divestment wouldn't affect the Company's operations and is in line with the Company's business plan.

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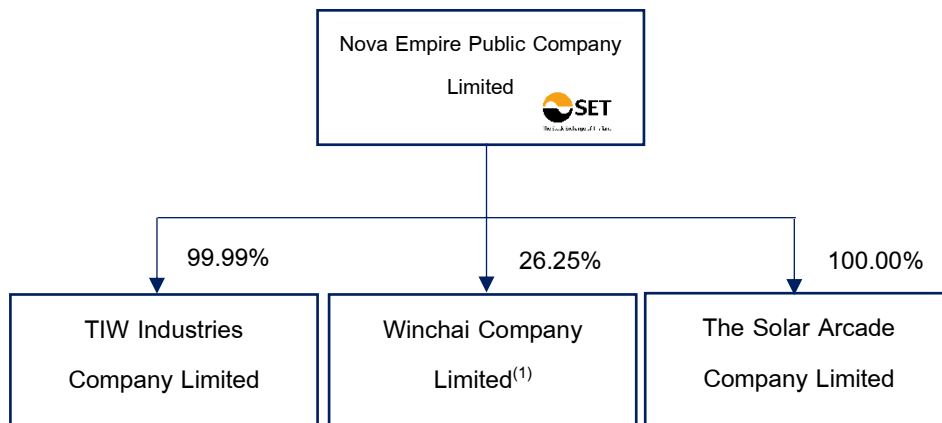
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- 2) To appoint an independent financial advisor to carry out the relevant functions, including provide its opinions as required by the Notifications on Connected transactions, whereby the independent financial advisor's report shall be delivered to the shareholders for consideration along with the invitation letter for the Shareholders' Meeting. In this regard, the Company has appointed Pioneer Advisory 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 the Transaction of Disposal of Investment; and
- 3) To convene a Shareholders' Meeting of the Company to approve the Transaction of Disposal of Investment, which is a connected transaction, by delivering the invitation letter for the Shareholders' Meeting to the shareholders at least fourteen 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 interested shareholders

However, Mr.Prasit cannot vote in the aforementioned transaction in either the Board of Director meeting or the shareholders' meeting.

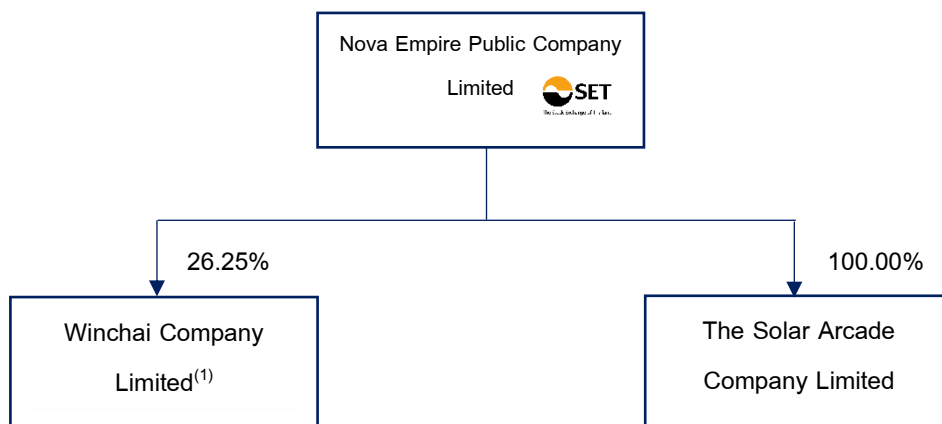
- 1.2 Moreover, the divestment of TIWI is the Company's right exercise as per stated in the Sale and Purchase Agreement between Mr.Prasit and Ms.Parleerat. The Company's legal advisor, Kudun And Partners Company Limited has opined that Ms.Parleerat can vote in the shareholders' meeting on the occasion of divestment of TIWI due to Ms.Parleerat is not a person who may have conflict of interest on the matter as per the section 33-2 and section 102 of Public Limited Companies Act, B.E.2535 (and the amended versions) because Ms.Parleerat is not considered as a person who may have conflict of interest with the decision as the Board of Directors of the Company approved the divestment in TIWI due to TIWI's performance not meeting the expectation which Ms.Parleerat only voted as a member of the Board of Director and Ms.Parleerat has no control over the Board of Director itself. In addition, the sale and purchase agreement between Mr.Prasit and Ms.Parleerat is only to grant a right for Ms.Parleerat with no relevant obligation to exercise the aforementioned right does not include any penalties, compensation or other rights to Ms.Parleerat. Thus, Ms.Parleerat does not have any other interest than any shareholders' and has a right to vote in the 1/2021 AGM on April 30, 2021. **Overall Transaction**

As the company's Board of Director Meeting 3/2021 on March 10, 2021 approval to present to the company's AGM on April 30, 2021 about the divestment of TIWI to Mr.Prasit at 20.0 THB million which is not lower than TIWI's Book Value, conforming with the agreement between Mr.Prasit and Ms.Parleerat. The transaction price determined from statement of financial position, income statement and other key financial ratios. After the transaction, the organization structure would change as follows

Organizational Structure before the transaction



Organizational Structure after the transaction



Remarks:

- 1) Currently the investment in Winchai Company Limited as per the approval of EGM 1/2021 is in the process of executing the transaction. The aforementioned organizational structure simulated the organizational structure as the Company has already finished the investment in Winchai Company Limited

However, after the divestment in TIWI, the Company would only have remaining subsidiaries operating in power business. For the future plan of the Company, the Company will focus in renewable energy business as the Company sees its opportunity in the aforementioned area, nevertheless, the Company will focus on maximizing the shareholders' interest as a main priority.

1.3 Transaction Date

The Company will divest the investment in TIWI after receiving an approval from the Company's shareholders on April 30, 2021 and expect to complete the transaction within quarter 2 of 2021

1.4 Involved Parties and Relationship with the Company

Information on a connected person who will not be able to vote in the 1/2021 AGM

Connected Persons	Mr.Prasit Kanchanasakdichai
Relationship	Board of Director of the Company, major shareholder with 10.9 ⁽¹⁾ percent shares in the Company, Board of Director of TIWI After the divestment of TIWI, Mr.Prasit will remain being a member of the Board of Director.

Remarks:

1.) Information as of February 5,2021

However, excluding the shares held by a connected person of 15,280,000 shares the total votable shares will remain at 124,718,824 shares which is 89.1 percent

1.5 Information of the Disposed Asset

1.5.1 TIWI's general information

Company name	TIW Industries Company Limited	
Address	86 Moo 1 Suksawad-Pomphrachoon Road, Laemphapa, Phrasamutjedee, Samutprakan 10290	
Business	Production and distribution of galvanized iron sheet and roofing and siding installation service	
Paid-up capital	20,000,000 THB	
Board of Directors	1. Mr.Prasit Kanchanasakdichai 2. Mr.Kriengchai Trinapakorn	
Shareholders as of December 31, 2020	Names	Shareholding Amount (percent)
	Nova Empire Public Company Limited	99.9999
	Other shareholders	0.0001

1.5.2 TIWI's Business Overview

- Type of Business and Products

GI Sheet business






TIWI The Company operates its business by manufacturing and distributing GI sheet as well as providing a service of roofing and siding relating to GI sheet. Products and services can be classified into 4 key groups as follows:

(1) Corrugated and Flat GI Sheet

Corrugated GI Sheet is commonly used for roofing, fencing, granary, and partition in household and building. The Company produces both large and small corrugated GI sheet with and without color coated.

Flat GI Sheet is commonly used for advertising board, air conditioner duct, roof ventilator, bathroom door, document cabinet, water grating, water tank etc. Furthermore, TIW continually develops its products to response to demand in market.

Corrugated and flat GI sheets produced by TIW are categorized as below.

Trademark	Quality	Distribution Channel
	High (TIS.50-2548)	- Distributor - End user
	Medium	- Distributor - End user
	Standard	- Distributor - End user - Overseas client
	Standard	- Distributor - Retailer with nationwide branches
	Standard	- Retailer with nationwide branches

Trademark	Quality	Distribution Channel
	Standard	<ul style="list-style-type: none"> - Distributor - End user

(2) Metal Sheet

Color-coated Metal Sheet is commonly used in construction industry and build as a part of residence, car park, canteen, coffee shop, petrol station, condominium, apartment, temple etc.

Aluzinc Metal Sheet is commonly used as a roof, side, awning, canopy, frame, venting, ceiling, fence etc.

Metal sheet produced by TIW is under “TRISTAR” trademark.


Trademark	Quality	Distribution Channel
	High TIS.2131-2545	<ul style="list-style-type: none"> - Distributor - End user

(3) ZAM and products made from ZAM

ZAM is a hot-dipped coated steel sheet that has a coating layer of

- Zinc 87 percent to 92 percent
- Aluminum 5 percent to 10 percent
- Magnesium 3 percent

This product usually uses for a work which need high level of erosion such as wiring rack, windproof panel, fermentation plant, farm or grape arbor.

Trademark	Quality	Distribution Channel
	High TIS.2131-2545	<ul style="list-style-type: none"> - Distributor - End user

(4) Roofing and Siding Installation Service

TIWI launched a service to support customers as a specialized contractor for installation of GI sheet. The project will be determined type of products and completion date and agreed in advance. The Company will be payable at the completion of work in each milestone.

1.5.3 TIWI's Financial Information

- 1) TIWI's financial information for the year ending December 31, 2018 – 2020 audited by approved auditor, Deloitte Touche Tohmatsu Jaiyos Audit Company Limited

Unit: THB mil

Income Statement	For the year ending December 31		
	2018	2019	2020
Sale revenue	298.7	362.8	369.8
Revenue from service	6.1	14.0	23.9
Other income	0.1	0.3	2.0
Total revenue	304.9	377.1	395.6
Cost of goods sold	295.7	359.1	370.4
Cost of service	6.0	13.9	23.7
Selling expense	0.1	0.1	3.8
Administrative expense	0.7	1.1	12.2
Total expenses	302.6	374.2	410.1
EBIT	2.3	2.9	(14.5)
Financial cost	-	-	3.0
EBT	2.3	2.9	(17.5)
Tax expense	0.5	0.6	0.9
Net profit (loss)	1.9	2.3	(18.4)

Remarks:

1. The number has been rounded
2. TIWI started leasing its operating assets from TCB since July 2020
3. TIWI received inventory transfer from the Company since August 2020

Unit THB mil

Statement of Financial Position	As of December 31		
	2018	2019	2020
Cash and cash equivalent	40.6	25.7	34.9
Accounts receivable	35.9	18.0	59.3
Short-term loans to related	-	-	12.0
Short-term loans to employee	-	-	2.3

Unit THB mil

Statement of Financial Position	As of December 31		
	2018	2019	2020
Inventory	-	-	379.2
Other current assets	0.4	-0.0	0.3
Total current assets	76.8	43.7	487.9
Restricted deposit	-	-	62.7
Long-term loans to employee	-	-	3.0
Equipment	-	-	18.5
Total non-current assets	-	-	84.1
Total assets	76.8	43.7	572.0
Long-term loans	72.9	-	477.0 ⁽⁴⁾
Accounts payable	-	38.2	47.8
Long-term loan due in 1 year	-	-	2.5
Deferred tax	0.5	-	0.6
Other current liabilities	0.6	0.4	1.5
Total current liabilities	73.9	38.5	529.4
Finance lease	-	-	14.5
Employee benefit	-	-	22.4
Total non-current assets	-	-	36.9
Total liabilities	73.9	38.5	566.3
Total paid-up capital	1.0	1.0	20.0
Reserved account	-	0.1	0.1
Unallocated retained earnings	1.9	4.1	(14.3)
Total shareholders' equity	2.9	5.2	5.8
Total liabilities and shareholders' equity	76.8	43.7	572.0

Remarks:

- 1) The numbers' been rounded
- 2) TIWI started leasing operating assets from TCB since July 2020
- 3) TIWI received inventory transfer from the Company since August 2020
- 4) Short-term loans from financial institution in 2020 are as follows

1. Loan from financial institution 1	
Lender	Financial institution
Borrower	TIWI

Loan amount	350.0 THB million
Loan drawdown	350.0 THB million
Interest expense	BIBOR + 0.75 percent
collateral	<ul style="list-style-type: none"> ▪ Company pledged in an amount of 200.0 THB million ▪ Mr.Prasit using cash to pledge in an amount of 150.0 THB million
Funding purpose	To buy inventory from TCB and other traders
2. Loan from financial institution 2	
Lender	Financial institution
Borrower	TIWI
Loan amount	First loan: 220.0 THB million Second loan: 20.0 THB million
Loan drawdown	115.0 THB million
Interest expense	First loan: 1.95 percent per annum Second loan: MOR
collateral	<ul style="list-style-type: none"> ▪ Rights in TIWI's deposit of 62.7 THB million ▪ MR.Prasit pledge in an amount of 220.0 THB million
Funding purpose	Working capital
3. Loan from financial institution 3	
Lender	Financial institution
Borrower	TIWI
Loan amount	20.0 THB million
Loan drawdown	12.0 THB million
Interest expense	1.41 percent per annum
collateral	Mr.Prasit assets
Funding purpose	Working capital

- 2) For the period ending December 31, 2018 – 2019 the performance is shown as the Company's audited Income Statement and for the period ending December 31, 2021, the performance would be shown as a Pro Forma Income Statement to simulate as the GI Sheet business being operated under the Company for the whole year

Unit: THB million

Pro Forma Income Statement	For the year ending December 31		
	2018	2019	2020
Sale revenue	561.1	379.3	374.6
Service revenue	15.9	15.5	23.9

Unit: THB million

Pro Forma Income Statement	For the year ending December 31		
	2018	2019	2020
Total revenue	577.0	394.8	398.5
Cost of goods sold	(471.8)	(351.5)	(460.1)
Cost of service	(18.5)	(16.3)	(20.2)
Gross profit	86.7	27.0	(81.9)
Other income	4.34	13.80	42.4
Selling expense	(10.9)	(11.9)	(8.4)
Administrative expense	(41.4)	(21.7)	(35.8)
Other expenses	-	-	(17.5)
Management remuneration	(10.2)	(9.7)	(7.3)
Profit (loss) from exchange rate	1.0	0.5	0.0
EBIT	29.7	(2.0)	(108.5)
Financial cost	(1.8)	(2.8)	(6.8)
EBT	27.8	(4.8)	(115.3)
Tax expense	(0.5)	(0.6)	(16.6)
Net profit	27.3	(5.3)	(132.1)

Remarks:

1. The numbers' been rounded
2. TIWI received inventory transfer from the Company since August 2020

1.6 Type Size and Transaction Size Calculation

the divestment of TIWI is regarded as a Disposition of assets as per the Notification of Capital Market Supervisory Board No.Tor Jor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets. The aforementioned transaction at 20.0 THB million with a guarantee obligation of 200.0 THB million combining into a total of 220.0 THB million in transaction size, resulted in 12.9 percent as per the total value of consideration paid or receive method. The transaction size does not exceed 15.0 percent of the Company's NTA, thus the Company has no obligation to ask for shareholders' approval however, the Company would like to use the 2021 AGM for the approval of the disposition transaction as in the future, this transaction won't be counted as a part of any further transactions.

Regulation	Formular	Calculation	Transaction size (percent)
1. Net tangible assets	(NTA ⁽¹⁾ of TIWI x disposition amount) / NTA of the Company	$\frac{5,722,509^{(2)} \times 99.9999\%}{639,660,980^{(3)}}$	0.9
2. Income	(Net profit of TIWI x disposition amount) / Net profit	The Company has a net loss in 2020	
3. Total value received	Value received / Total assets	$\frac{20,000,000 + 200,000,000^{(5)}}{1,712,554,569^{(4)}}$	12.9
4. Total value of shares issued	Issued shares / Total Company's issued shares	The Company does not issue any shares	

Remarks:

1. NTA Calculated from Total assets – Intangible assets – Total liabilities – Non-controlling interest
2. TIWI has a total assets of 572,041,650 THB and a total liabilities of 566,269,141 THB
3. The Company has a total assets of 1,712,554,569 THB Intangible assets of 67,774,303 THB (excluding intangible assets that generate main source of income for the Company of 166,192,868 THB) Total liabilities of 1,005,119,226 THB and non-controlling interest of 60 THB
4. Referred to financial information in Executive Summary

The divestment of TIWI will make TIWI no longer a subsidiary of the Company, thus, the Company will have to include a total of 200.0 THB million from pledging TIWI.

The transaction is regarded as connected transaction as per the Notification on Connected Transactions since Mr.Prasit is a member of the Company's Board of Directors, major shareholder and a member of TIWI's Board of Directors. The divestment of TIWI's investment equal to 20.0 THB million including all of the connected transactions in the past six months as follows

Transaction size calculation

Detail	Transaction size (THB)
Issuance of short-term debt in a form of promissory note with an amount not exceeding 8.0 THB million to Mr.Prasit Kanchanasakdichai	139,616.0
Extended repayment period of short-term debt in a form of promissory note with an amount not exceeding 8.0 THB million	179,507.0

Detail	Transaction size (THB)
Divestment of TIWI	20,000,000.0
The guarantee obligation from the Company to the disposed subsidiary: financial guarantees under the uncommitted facility: In a form of Letter of Credit: L/C and Trust Receipt: T/R	200,000,000.0
Total connected transaction in the past six months	220,319,123.0

Remarks:

- Promissory notes of 8.0 THB million with an interest rate of 6.5 percent per annum dated September 18, 2020 with a due date on December 25, 2020. The Company has extended the promissory notes to April 30, 2021. The promissory notes is regarded as a financial aid from a connected person, thus, the interest expense from the promissory notes must be included in calculating the transaction size in a total of 139,616 THB and 179,507 THB the information are as follow

Lender	Mr.Prasit
Borrower	The Company
Total loan amount	8.0 THB million
Loan period	September 18, 2020 – December 25, 2020 with extension to April 30, 2021
Interest rate	6.5 percent per annum
Funding purpose	Working capital

- The divestment of TIWI would result in TIWI no longer regarded as a Company's subsidiary, thus, the transaction size calculation must include the Company's pledge on TIWI's loan of 200.0 THB million in an uncommitted facility

Lender	Financial institute
Borrower	TIWI
Total loan amount	350.0 THB million
Loan period	BIBOR + 0.75 percent
Interest rate	<ul style="list-style-type: none"> ▪ The Company pledge in an amount of 200.0 THB million ▪ Mr.Prasit pledge in an amount of 150.0 THB million
Funding purpose	To buy inventory from TCB and other traders

Transaction size calculation

Transaction size regulations	Calculation	Transaction size (percent)
Total amount paid to connected person	= Value of transactions in the past 6 months / NTA ¹ = 220,319,123 / 639,660,980	34.4

Remarks:

1. NTA Calculated from Total assets – Intangible assets – Total liabilities – Non-controlling interest
2. The Company has a total assets of 1,712,554,569 THB Intangible assets of 67,774,303 THB (excluding intangible assets that generate main source of income for the Company of 166,192,868 THB) Total liabilities of 1,005,119,226 THB and non-controlling interest of 60 THB

Thus, the Company would have to comply with the Notification on Connected Transactions as follows

- 1 To report and disclose the information memorandum on such acquisition 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 Notification on Connected Transaction
- 2 To appoint an independent financial advisor to carry out the relevant functions, including provide 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 Pioneer Advisory 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 the Transaction of Disposal of Investment; and
- 3 To convene a Shareholders' Meeting of the Company to approve the Transaction of Disposal of Investment, which is a connected transaction, by delivering the invitation letter for the Shareholders' Meeting to the shareholders at least fourteen 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 interested shareholders

1.7 Fund Received and Usage

The Company will receive cash in full and will use 20.0 THB million as working capital and the Company will evaluate future investment within energy sector to maximize shareholders' benefit.

1.8 Conditions of the Transaction

- 1) The transaction will complete after the Company get approval from its EGM for more than three-fourth of all votes of the shareholders present at the Meeting and entitled to vote, excluding such votes of the interested shareholder
- 2) TIWI must seek consent from a financial institution in advance for changing shareholding structure, currently the company is in process of getting the approval

1.9 Board of Directors' Opinion on the Transaction

The Board of Directors has considered and viewed that the divestment of TIWI is justifiable and consistent with the Company's policies and strategies in restructuring its business for coping with the effects of industrial fluctuation. Moreover, the proceeds from the disposal of assets will be used to expand in energy business and boost revenues and ensure the Company's constant operating results. The Board of Directors opine that the transaction is appropriate due to the transaction price is higher than TIWI's fair value and the transaction would benefit the shareholders.

Moreover, the Company sees that the transaction would benefit the Company as the Company can evaluate the seriousness of the buyer in executing the transaction and the transaction will not fall through once receiving an approval from the Company's shareholders.

1.10 Audit Committee's Opinion on the Transaction That Differs From Board of Directors'

-N/A-

1.11 Important Contract Summary

- 1) Draft sale and purchase agreement on TIWI's shares

SPA	
Buyer	Mr.Prasit
Lender	Company
Condition precedent	<ol style="list-style-type: none">1. Company's AGM approve such transaction2. As of the transact date, TIWI does not face any action that would affect TIWI in a negative way or in a way of divesting in such transaction3. TIWI received approval from financial institutions to change shareholding structure

If the Company gets approval from its shareholders and financial institution, the transaction will be finished within quarter 2, 2021 and the pledge will be cancelled

2. Opinion of the Independent Financial Advisor on the Appropriateness of the Transaction

2.1 Compares advantages and disadvantages of the disposition transaction, advantages and disadvantages of connected transaction

2.1.1 Advantages of the transaction

1) Reduce impact of loss from GI Sheet business

The divestment in TIWI would result in less loss, comparing from the financial statement for the period ending December 31, 2020, the Company project that in 2021 the energy business would yield 51.0 THB million net profit

2) Decrease the Liabilities and Interest Expense of TIWI

As of December 31, 2020, TIWI has interest-bearing debt of 477.0 THB million, included promissory notes from various financial institution and Uncommitted Facility in term of Letter of credits and trust receipt in a total of 477.0 THB million. The divestment in TIWI would result in less debt in the company as it would decrease from 1,005.1 THB million to 364.0 THB million which will result in Debt to Equity Ratio decreasing to 0.5 times and less interest expense

3) The Company will receive cash from the divestment of TIWI

The divestment of TIWI would result in cash inflow of 20.0 THB million which will be used as working capital and business expansion as the Company will focus in expansion within renewable energy business.

4) Increase the chance in business expansion

The divestment in TIWI would result in better performance for the Company and would result in reaching fund sources more easily because in the past, funding options are limited due to loss from operation of the GI Sheet business. The divestment of the company would result in more working capital and a more steady income in the future as the Company will focus in expansion within renewable energy business.

2.1.2 Disadvantages of the transaction

1) Loss of diversification in revenue

The divestment in TIWI would result in less diversity in the Company's Revenue. Considering the Company's comprehensive income statement, the divestment of TIWI would result in the decrease in revenue from 419.6 THB million to 21.1 THB million with the main source of income in the Company comes from electricity generation business from ARCADE. However, withing the electricity generation

business, the company has already diversified its portfolio as the company invests in both solar rooftop energy and wind energy.

2.1.3 Advantages of not to proceed with the transaction

1) Not to lose GI Sheet business revenue and diversification in revenue source

If the Company choose not to divest TIWI, the Company would not lose its source of revenue from GI Sheet business and remain having diversification in revenue source. In 2020 the Company has a total of 419.6 THB million in total revenue which is consisted of 398.5 THB million from GI Sheet business, the sale of GI Sheet business would reduce the Company's revenue and the remaining part of the revenue would be energy business alone. However, the energy business is consisted of Solar Energy and Wind energy.

2.1.4 Disadvantages of the transaction

1) The Company would have to take loss from the GI Sheet business continuously

If the company doesn't proceed with the transaction, the Company would have to realize the loss from operation from GI Sheet business continuously as the cost is still rising from Chinese demand while the selling price cannot go in line with the cost increase due to the Chinese price dumping which would result in the business not reflecting the operation of solar rooftop and wind farm.

2) Lose a chance for business and financial restructuring

If the Company wouldn't proceed with the divestment in TIWI, the consequence would be that the Company may lose a chance in business and financial restructuring due to the GI Sheet business has continual loss

3) Lose a chance to access extra funds

If the Company would not proceed with the transaction, it would result in the Company losing a chance to access extra funding options as the GI Sheet business has continual loss from 2019 – 2020. The cash received from the transaction will be used as working capital and/or business expansion to sustain the company's operation in the future

2.1.5 Effects of the transaction

1) Increase in net profit and higher EPS

For the period ending December 31, 2020 the Company has a loss of 129.3 THB million which is a loss of 0.9 THB per share. The divestment of TIWI would result in a net profit as follow

Item	Value (THB million)
1. Net profit from renewable energy business as the Company has a 99.99 percent stake in ARCADE and 26.25 percent stake in Winchai (excluding performance from GI Sheet business) ⁽¹⁾	51.0
2. Accounting profit from the divestment	
2.1 Accounting profit from the divestment ⁽²⁾	15.0
2.2 Accounting profit from the sale and leaseback ⁽³⁾	54.4
2.3 Profit from inventory sale ⁽⁴⁾	0.8
2.4 Loss from disposal of fixed assets ⁽⁵⁾	(0.2)
Accounting profit from the divestment of TIWI	70.0
2021 projected net profit (loss)	121.0
EPS (unit: THB per share)	0.9

remarks:

1. Referred to Company's divestment IM. IFA has done preliminary verification and sees that the assumptions used in the projection are appropriate
2. Accounting profit from the divestment is recognized as a difference between TIWI's equity in the Company's consolidated financial statement at 15.0 THB million
3. Accounting profit from the sale and leaseback is recognized as the sale of assets approved in the 1/2020 EGM on June 9, 2020 as the difference was accounted as a deferred profit in a consolidated financial statement. After the sale of TIWI, TIWI will cease being a Company's subsidiary which will not be included in the consolidated financial statement in the future.
4. Profit from inventory sale is recognized as a sale of inventory in 2020, which will not be included in the fiscal year because TIWI was still the Company's subsidiary
5. Loss from disposal of fixed assets was recognized from vehicle transferred from the Company to TIWI in 2020 as the divestment resulted in TIWI ceased being a Company's subsidiary
6. The items in remarks number 2 – 5 is a management projection, IFA cannot verify the correctness and/or completeness of the transaction however IFA has found the assumptions used in the transaction appropriate

2) No tax expense from the divestment transaction

The divestment in TIWI will result in accounting profit of 70.0 THB million as the Company already recognized the profit in its non-consolidated financial statement and the tax expense has already been recognized.

For the year ending 2563, the Company has a net loss of 0.9 THB/share. The divestment of TIWI would make the EPS increase to 0.02 THB/share

3) Lower debt to equity ratio

As of December 31, 2020. The Company has D/E Ratio at 1.9 times, the divestment in TIWI would decrease to 0.5 times as shown in the Pro Forma Statement of Financial Position

Unit: THB million

Statement of Financial Position	AS of December 31, 2021
Cash	638.2
Accounts receivable	3.6
Contracted assets	4.5
Other current assets	1.4
Total current assets	647.7
Restricted deposit	4.0
PPE	306.1
Right of use	113.2
Goodwill	67.8
Other non-current assets	2.6
Total non-current assets	493.7
Total assets	1,141.4
Loans from financial institution	0.7
Accounts payable	48.0
Long-term loan due in 1 year	20.0
Long-term lease due in 1 year	10.0
Short-term loan from related	36.6
Short-term loan	3.4
Deferred tax	0.3
Other current liabilities	1.4
Total current liabilities	120.4
Lease obligation	117.0
Long-term loans from financial institution	126.6
Total non-current liabilities	243.6
Total liabilities	364.0

Unit: THB million

Statement of Financial Position	AS of December 31, 2021
Paid-up capital	60.0
Share premium	140.0
Retained earning – reserved	10.0
Retained earning	106.0
Retained earning unappropriated	461.4
Company's portion of total shareholders' equity	777.4
Non-controlling interest	0.0
Total shareholders' equity	777.4
Total liabilities and shareholders' equity	1,141.4

2.1.6 Advantages of a connected transaction

1) Speed of execution

The Company can negotiate the price and terms of transaction within the given period as Mr.Prasit has a full understanding of the GI Sheet business. The divestment in TIWI to Mr.Prasit would be faster than negotiating with other people. Moreover, Mr.Prasit has agreed with Ms.Parleerat that within 1 year after the tender offer period, if the Board of Directors of the Company does not satisfy with TIWI's performance and/or TIWI cannot yield positive net profit, Ms.Parleerat has a right to ask Mr.Prasit to buyout TIWI

2) Appropriate transaction price

As the IFA has evaluated TIWI's fair value with various methods, the IFA deems that the price of the transaction at be 20.0 THB million is appropriate compares to its fair value at 5.8 THB million. However, the aforementioned price of 20.0 THB million is a price that came from negotiation between both parties which goes in line with the agreement that Mr.Prasit would have to buy TIWI at a price that is not less than the Book Value and higher than the Company's fair value which will benefit the Company

2.1.7 Disadvantages of a connected transaction

1) Conflict of interest may occur

A transaction with a connected person may result in a conflict of interest, which would not be beneficial for the company. In this transaction, the Company appointed IFA to justify the appropriateness of the transaction which would help shareholders of the Company to evaluate the transaction better. The transaction will need 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

interested shareholders. Moreover, the transaction will have to be fair and at the best interest of the Company's shareholders at arm-length basis as well as the Board of Directors must act carefully and honest with fiduciary duties, which the Board of Directors deems the transaction is justified

2.2 Risk factors of the transaction

1) Risk of the transaction not getting an approval from the Board of Directors

As the transaction is regarded as a connected transaction of a listed company as the buyer is a member of the Board of Directors, a major shareholder, and a member of TIWI's Board of Directors. The transaction size equals to 220.3 THB million which is more than 3.0 percent of the Company's NTA and more than 20.0 THB million which will need 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 interested shareholders.

2.3 Appropriateness of The Transaction Price

IFA justify the appropriateness of the transaction as follows

Valuation methodologies	Fair value (THB mil)	Justification
Book Value Approach	5.8	<u>Appropriate</u> because book value of TIWI has reflected fair assets value as per accounting standards, which including (1) inventory at cost of THB 405.5 million less allowance for obsolete inventory value of THB 26.4 million, net of THB 379.2 million, which equivalent to 66.3 percent of total assets and (2) Furniture, fixture, and vehicle at cost of THB 19.7 million less accumulated depreciation of THB 1.2 million, net of THB 18.5 million, which equivalent to 3.2 percent of total assets. IFA studied net realizable value approach of inventory and found that TIWI has appraised its inventory appropriate according to accounting standards which it is recently appraised and management expects that there is no significant change in market price (refer to further details in section 3.1 Book Value Approach)). Furthermore, GI business is affected by economic contraction, delay in investment from private sector and

Valuation methodologies	Fair value (THB mil)	Justification
		decrease in spending for household sector, which make an uncertainty in TIWI performance. Hence, book value approach which is reflected assets' fair value according to accounting standards, is presently appropriate for current market conditions.
Market Price Approach	N/A	<u>Cannot evaluate by this approach</u> because TIWI is not listed in any stock exchange.
Market Comparable Approach P/BV Multiple	3.1 – 3.9	<u>Not appropriate</u> because the companies which are taken as peers may have different factors affected their book value.
P/E Multiple	N/A	<u>Cannot calculate by this approach</u> because Pro-forma income statement of TIWI for the fiscal year ended December 31, 2020 has net loss.
(1) EV/EBITDA Multiple	N/A	<u>Cannot calculate by this approach</u> because Pro-forma income statement of TIWI for the fiscal year ended December 31, 2020 has negative EBITDA.
Discounted Cash Flow Approach	Negative FCFF	<u>Not appropriate</u> because the projection of TIWI has net loss and negative FCFF.

From the valuation, Book Value approach is the most appropriate valuation method because the GI Sheet business is affected from a deceleration from household consumption and making the future profit uncertain. IFA has evaluate the Company's inventory recognition and has found that the value of inventory have not changed significantly.

2.4 Appropriateness of the transaction

From the condition stated in the SPA agreement, the conditions are appropriate because the Company must seek shareholders' approval on the transaction as three-fourth of the shareholders must approve the transaction as the transaction is regarded as a connected transaction and TIWI must seek approval from

financial institution (lender) to approve the change in shareholding structure. IFA deems that the conditions are appropriate and is in line with the relevant regulations.

3. The Appropriateness of Transaction Price

Due to the change in fiscal year-end in 2018 from March 31 to December 31, the Company prepared the financial statement ended December 31, 2018 and 2019. Moreover, the Company had done business restructuring in 2020. The Company, hence, prepared pro-forma income statement of GI business for the fiscal year ended December 31, 2020. Therefore, IFA has evaluated TIWI value by referring to the following financial statements.

Approach	Fiscal Year
Book Value Approach	2020
Market Comparable Approach	2020
Discounted Cash Flow Approach	2017 - 2020 Due to COVID-19 effects in 2020, IFA referred 4-year historical financial information for DCF assumptions.

IFA refers 4-year historical financial information to statement of financial position and GI business performance as below.

Statement Year	Reference	Remark
2017	Separate financial statement of NOVA, prepared by management for the year ended December 31, 2017	Only operated GI business NOVA changed fiscal year-end from March 31 to December 31
2018	Consolidated financial statement of NOVA, prepared by management for the year ended December 31, 2018	Only operated GI business NOVA changed fiscal year-end from March 31 to December 31
2019	Audited consolidated financial statement of NOVA for the fiscal year ended December 31, 2019	Only operated GI business
2020	<ul style="list-style-type: none"> Audited financial statement of TIWI for the fiscal year ended December 31, 2020 by the same auditor with NOVA Pro-forma income statement of GI Business, prepared by management for the fiscal year ended December 31, 2020 (“Pro-forma income statement 	As if NOVA transferred GI business to TIWI since January 31, 2020 (collectively called “ TIWI performance for 2020 ”)

Statement Year	Reference	Remark
	of TIWI for the fiscal year ended December 31, 2020")	

Furthermore, IFA also refers to information and assumption obtained from the Company and interviewed management team and related staff. IFA assumes that information received from the Company and public information are correct, complete, and true. Moreover, the assumptions are taken on current situation and information which could be found at present. However, if there are any changes to market conditions or external conditions or any unexpected conditions, it may affect the fair value of TIWI significantly.

IFA has considered the appropriateness of transaction price by respective approach below.

Approach	Fair Value (THB mil)	Rationale
3.1 Book Value Approach	5.8	<u>Appropriate</u> because book value of TIWI has reflected fair assets value as per accounting standards, which including (1) inventory at cost of THB 405.5 million less allowance for obsolete inventory value of THB 26.4 million, net of THB 379.2 million, which equivalent to 66.3 percent of total assets and (2) Furniture, fixture, and vehicle at cost of THB 19.7 million less accumulated depreciation of THB 1.2 million, net of THB 18.5 million, which equivalent to 3.2 percent of total assets. IFA studied net realizable value approach of inventory and found that TIWI has appraised its inventory appropriate according to accounting standards which it is recently appraised and management expects that there is no significant change in market price (refer to further details in section 3.1 Book Value Approach)). Furthermore, GI business is affected by economic contraction, delay in investment from private sector and decrease in spending for household sector, which make an uncertainty in TIWI performance. Hence, book value approach which is reflected assets' fair value according to accounting standards, is

Approach	Fair Value (THB mil)	Rationale
		presently appropriate for current market conditions.
3.2 Market Price Approach	N/A	<u>Cannot evaluate by this approach</u> because TIWI is not listed in any stock exchange.
3.3 Market Comparable Approach		
3.3.1 P/BV Multiple	3.1 – 3.9	<u>Not appropriate</u> because the companies which are taken as peers may have different factors affected their book value.
3.3.2 P/E Multiple	N/A	<u>Cannot calculate by this approach</u> because Pro-forma income statement of TIWI for the fiscal year ended December 31, 2020 has net loss.
3.3.3 EV/EBITDA Multiple	N/A	<u>Cannot calculate by this approach</u> because Pro-forma income statement of TIWI for the fiscal year ended December 31, 2020 has negative EBITDA.
3.4 Discounted Cash Flow Approach	Negative FCFF	<u>Not appropriate</u> because the projection of TIWI has net loss and negative FCFF.

3.1 Book Value Approach

Valuation by book value approach could reflect the Company's financial position and performance as at certain period. The IFA considered valuation by book value approach has referred to the audited financial statement of TIWI as at December 31, 2020 as details below:

Description	As at December 31, 2020
Total assets	572.0 THB mil
<u>Less</u> Total liabilities	(566.3) THB mil
Book value of TIWI	5.8 THB mil

Fair value of TIWI calculated by book value approach as at December 31, 2020 is THB 5.8 million. Although the book value approach is only reflected TIWI value at particular time and will not reflect future TIWI performance, key assets of TIWI as at December 31, 2020 has reflected fair value due to accounting

standards which including (1) inventory at cost of THB 405.5 million less allowance for obsolete inventory value of THB 26.4 million, net of THB 379.2 million, which equivalent to 66.3 percent of total assets and (2) Furniture, fixture, and vehicle at cost of THB 19.7 million less accumulated depreciation of THB 1.2 million, net of THB 18.5 million, which equivalent to 3.2 percent of total assets. For inventory, refer to Thai Accounting Standards 2 Inventories (TAS 2) dated August 13, 2020 No. 9 – 10 which indicated that inventories shall be gauged its value by cost approach or net realizable value approach, whichever is lower. Inventory cost shall include acquisition cost, transformation cost, and other costs to make it to finished goods. TIWI has set up obsolescence policy to evaluate inventory value by inventory age range. Moreover, TIWI also compare market price with inventory cost, which it will be booked at the lower value. In the period after issuing audited financial statement of TIWI as at December 31, 2020, management view that there might not have significant change in GI prices. Furthermore, GI business is affected by COVID-19 and awaiting capital injection from government, investment from private sector, and spending from household sector, which make an uncertainty in TIWI performance. Hence, book value approach which is reflected assets' fair value according to accounting standards, is presently appropriate for current market conditions.

3.2 Market Price Approach

- Cannot evaluate by this approach because TIWI is not listed in any stock exchange-

3.3 Market Comparable Approach

The market comparable approach is considered by comparing the information and/or ratios of companies within the same industry or operating the similar business. IFA has evaluated under the assumption that selected peers have been through the similar situation, market mechanism, demand and supply. However, there may have other conditions that could be different such as performance, sources of revenue, financial structure, financial position, and accounting policy, etc.

IFA has considered the market comparable approach in 3 different multiples; (1) Price to Earnings Ratio Multiple : P/E (2) Price to Book Value Ratio Multiple : P/BV and (3) Enterprise Value to Earnings Before Interest, Tax, Depreciation, and Amortization Multiple : EV/EBITDA

Company Name	Ticker	Business Type	Key Products
Asia Metal Public Company Limited	AMC	Full service for iron products	<ul style="list-style-type: none"> - Hot-Rolled Coil and Cold-Rolled Coil - Slitting Coil - Iron Sheet - Iron Pipe - C Light Lip Channel

Company Name	Ticker	Business Type	Key Products
City Steel Public Company Limited	CITY	Manufacturer and distributor of metal products	<ul style="list-style-type: none"> - Manufacturing and installing structural products such as hot-rolled coil, cold-rolled coil, pipe, and construction steel, etc. - Related metal products for storing and conveying equipment - Full metal processing
CSP Steel Center Public Company Limited	CSP	Full service for iron products	<ul style="list-style-type: none"> - Hot-Rolled Coil and Cold-Rolled Coil - Slitting Coil - Plate - Structural pipe
G J Steel Public Company Limited	GJS	Manufacturer of hot-rolled coil and related products	<ul style="list-style-type: none"> - Hot-Rolled Coil - Tempered Hot-Rolled Coil - Hot Rolled Pickled & Oiled Product
Permsin Steel Works Public Company Limited	PERM	Full service for iron products	<ul style="list-style-type: none"> - Cold-Rolled Steel - Hot-Rolled Steel - Electro-galvanized Steel - Round pipe, square pipe, flat pipe, and C Light Lip Channel
Siam Steel Service Center Public Company Limited	SSSC	Manufacturer of steel equipment	<ul style="list-style-type: none"> - Cutting Sheet - Slitting Coil - Corrugated Coated Sheet
The Steel Public Company Limited	THE	Manufacturer and distributor of steel and structural steel	<ul style="list-style-type: none"> - Hot-Rolled Coil - Hot-Rolled Plate - Slitting Coil - Sheet - Galvanized Iron - Structural steel
TMT Steel Public Company Limited	TMT	Manufacturer and distributor of steel	<ul style="list-style-type: none"> - Hot-Rolled Plate - Structural steel

Remark:

1. Form 56-1
2. The aforementioned peers used to compare certain multiples, has operated in the similar business and manufactured or provided business in the same sector such as galvanized iron sheet, hot-rolled iron plate, cold-rolled iron sheet, coil or metal sheet.

Financial information of the peers as below:

Unit: THB mil

Ticker	Total Assets (The latest financial statement)	Trailing 12-month of Profit/(Loss)	Market Price as at March 10, 2021
AMC	3,740.0	135.8	1,344.3
CITY	1,340.3	(13.4)	549.0
CSP	2,004.5	84.3	570.6
GJS	14,857.4	(605.3)	5,097.4
PERM	2,747.9	26.2	1,620.0
SSSC	3,298.1	75.4	1,536.0
THE	4,325.5	(132.0)	2,104.9
TMT	8,840.7	537.9	7,140.2
TIWI	572.0	(132.1)	No market price because TIWI is not a listed company

Remark:

1. www.set.or.th
2. SETSMART
3. Audited financial statement of TIWI as at December 31, 2020
4. Pro forma income statement of TIWI for the period ended December 31, 2020

3.3.1 Price to Book Value Ratio Multiple : P/BV

IFA has taken daily P/BV of peers in a different period including 30, 60, 90, 180, 360 days from March 10, 2021 backwards which is the date that the Company's board of directors resolved the deposition of an investment in TIWI to connected party. The details are as follows.

Unit: Times

Ticker	P/BV Multiple				
	360 days	180 days	90 days	60 days	30 days
AMC	0.37	0.42	0.51	0.52	0.53
CITY	0.39	0.41	0.41	0.41	0.41
CSP	0.62	0.63	0.71	0.74	0.81
GJS	0.23	0.29	0.37	0.39	0.40
PERM	0.62	0.76	0.98	1.02	1.08
SSSC	0.46	0.49	0.53	0.53	0.53

Unit: Times

Ticker	P/BV Multiple				
	360 days	180 days	90 days	60 days	30 days
THE	0.93	1.00	1.10	1.12	1.16
TMT	1.52	1.79	2.05	2.08	2.11
Median	0.54	0.56	0.62	0.64	0.67

Remark: SETSMART and illustrate in 2 digits

By considering fair value of TIW and TIWI with P/BV multiple, IFA will take the latest financial statement ended December 31, 2020, multiply by median of P/BV multiple as the following details.

Enterprise Value = Book Value x Median of P/BV per share
--

TIWI value by P/BV Multiple	Average P/BV Multiple				
Historical Data	360 days	180 days	90 days	60 days	30 days
Median of P/BV (times)	0.54	0.56	0.62	0.64	0.67
Book Value of TIWI (THB million)	5.8				
Fair value of TIWI (THB million)	3.1	3.2	3.6	3.7	3.9

From the above table, fair value of TIWI by P/BV multiple as at December 31, 2020 is between THB 3.1 – 3.9 million. However, evaluating the fair value by P/BV multiple may not reflect intrinsic value because there may have certain conditions affected peers' book value such as financial structure, company size, business policy, and accounting policy. Moreover, this approach will not take into account of expected performance in the future. IFA hence opines that P/BV multiple is not appropriate to evaluate fair value of TIWI.

3.3.2 Price to Earnings Ratio Multiple : P/E

IFA has taken daily P/E of peers in a different period including 30, ,60, 90, 180, 360 days from March 10, 2021 backwards which is the date that the Company's board of directors resolved the deposition of an investment in TIWI to connected party. The details are as follows.

Unit: Times

Ticker	P/E Multiple				
	360 days	180 days	90 days	60 days	30 days
AMC	8.3	11.3	13.7	13.4	12.4
SSSC	13.8	16.8	19.5	19.5	19.7

Unit: Times

Ticker	P/E Multiple				
	360 days	180 days	90 days	60 days	30 days
TMT	14.5	15.3	15.1	15.0	13.9
Median	13.8	15.3	15.1	15.0	13.9

Remark:

1. SETSMART
2. CITY CSP GJS PERM and THE has net loss for trailing 12-month performance in certain period which may not reflect the appropriate P/E multiple; hence, IFA excluded those peers for a calculation of median.

By considering fair value of TIWI by P/E multiple, IFA takes TIWI performance referred to Pro-forma income statement of TIWI for the fiscal year ended December 31, 2020, multiply by median of P/E multiple as the following details:

Enterprise Value = Net Profit x Median of P/E

TIWI Value by P/E Multiple	Average P/E Multiple				
Historical Data	360 days	180 days	90 days	60 days	30 days
Median of P/E (times)	13.8	15.3	15.1	15.0	13.9
Net profit/(loss) from Pro-forma income statement of TIWI for the fiscal year ended December 31, 2020 (THB mil)	(132.1)				
Fair value of TIWI (THB mil)	Cannot calculate due to net loss for the period				

From the above table, TIWI performance shows that it has net loss from Pro-forma income statement of TIWI for the fiscal year ended December 31, 2020. Hence, it cannot calculate the fair value by using P/E multiple approach. IFA therefore opines that P/E Multiple is not appropriate to evaluate TIWI value.

3.3.3 Enterprise Value to Earnings Before Interest, Tax, Depreciation, and Amortization Multiples Approach: EV/EBITDA

IFA has taken daily EV/EBITDA of peers in a different period including 30, ,60, 90, 180, 360 days from March 10, 2021 backwards which is the date that the Company's board of directors resolved the deposition of an investment in TIWI to connected party. The details are as follows.

Unit: Times

Ticker	EV/EBITDA Multiple				
	360 days	180 days	90 days	60 days	30 days
AMC	8.6	8.6	8.1	7.2	7.3
SSSC	12.0	14.9	10.6	6.2	6.3
TMT	12.1	12.5	11.6	10.4	10.6
Median	18.0	15.4	11.6	10.1	10.3

Remark:

1. SETSMART
2. CITY had negative EV in certain period which may not reflect the appropriate EV/EBITDA multiple; hence, IFA excluded CITY for a calculation of median.
3. CITY CSP GJS PERM and THE had negative EBITDA for trailing 12-month performance in certain period which may not reflect the appropriate EV/EBITDA multiple; hence, IFA excluded those peers for a calculation of median.

By considering fair value of TIWI by EV/EBITDA multiple, IFA takes TIWI performance referred to Pro-forma income statement of TIWI for the fiscal year ended December 31, 2020, multiply by median of EV/EBITDA multiple as the following details:

Enterprise Value = Earning before tax, interest, depreciation, and amortization x Median of EV/EBITDA
--

TIWI Value by EV/EBITDA Multiple	EV/EBITDA Multiple				
Historical Date	360 days	180 days	90 days	60 days	30 days
Median of EV/EBITDA (times)	18.0	15.4	11.6	10.1	10.3
EBITDA referred to Pro-forma income statement of TIWI for the fiscal year ended December 31, 2020 (THB mil)	(99.8)				
Fair value of TIWI (THB mil)	Cannot calculate due to negative EBITDA for the period				

From the above table, TIWI performance shows that it has negative EBITDA from Pro-forma income statement of TIWI for the fiscal year ended December 31, 2020. Hence, it cannot calculate the fair value by using EV/EBITDA multiple approach. IFA therefore opines that EV/EBITDA Multiple is not appropriate to evaluate the Company's value.

3.4 Discounted Cash Flow Approach: DCF

The Discounted Cash Flow approach is the net free cash flow projection which forecasted from the expected cash received for business operation. This is to evaluate a present value by discounted value with the TIWI Weighted Average Cost of Capital (WACC). For the part of manufacturing and distributing of GI sheets business, IFA forecasted cashflow in the next 10 years, 2021 – 2030 on the assumption that there will be no major change and the Company runs its business as usual. IFA has considered that 10-year projection has cover the business cycle for this industry. In addition, IFA has compared DCF assumption between the Company's assumption which disclosed in information memorandum and IFA's assumption in Appendix 2 Comparison of DCF Assumption.

The details of the valuation are as follows:

3.4.1 Industry Overview

Due to global market has been affected by the outbreak of COVID-19 since the beginning of 2020 and several industries are disrupted to decrease manpower movement. The effect of COVID-19 outbreak continues even though there are positive news on COVID-19 vaccine. Moreover, private and household sectors has now been adaptable to the new normal since quarter 3 of 2020 to let the domestic market recover. Furthermore, government has launched several measures to decrease an effect on economy contraction, for example, increasing cash flow in economy by launching a consumer spending program, decreasing certain cost of living, supporting loan to private sector with low interest rate, and postponing principal repayment and interest expense for private sector. However, consumer product index or core inflation rate as at February 2021 still shows negative of 1.2 percent year-on-year, continuing to be the 12th month since COVID-19 outbreak in Thailand.

TIWI operates its business in iron industry by manufacturing and distributing galvanized iron sheet. This galvanized iron sheet is produced in the downstream of iron industry. The process of transforming semi-finish iron to finished iron products through hot rolled, cold rolled, coated, forged and casted iron. Any change occurred in iron industry may affect the operation of the Company. When considering supply chains and customer of the Company, majority of them are using the Company's galvanized iron sheet in construction and agriculture industry.

In term of cost of raw materials, TIWI has an effect from an increase in iron and semi-finish iron which categorized as slab. Iron price in global market has a compound annual growth rate (CAGR) between May

2020 and January 2021 at 8.4 percent (refer to an analysis: the reason why global iron prices increase by Iron and Steel Institute of Thailand dated on January 30, 2021 and IMF) and slab price has a compound annual growth rate (CAGR) between October 2020 and January 2021 at 12.6 percent (refer to an analysis: the reason why global iron prices increase by Iron and Steel Institute of Thailand dated on January 30, 2021 and IMF). The increase in iron and slab price are due to higher demand from China. During COVID-19 outbreak, Europe's and Japan's iron smelting furnace have to stop its operations for a while, however, China has higher demand on iron with an increase demand of 8.0 percent in 2020 comparing with 2019 (refer to publication from Thansettakij dated on January 19, 2021). In addition, China has become major exporter of semi-finish iron in global market. By the way recently China issued measure to increase export tax and lead semi-finish iron global price to increase. The Federation of Thai Industries expects that the pressure from China will decrease and this industry will have positive sign when the COVID-19 outbreak better, which could be in quarter 2 of 2021. This would help TIWI to perform better on cost of raw materials subsequently.

In term of selling price, selling price of product sold by TIWI has not likely increased at the same rate as raw material price because it still got dumping by substitute products from foreign competitors, China. However, on August 3, 2020 Thai government issued the anti-dumping tax rate to China's GI products and on December 8, 2020 the Comptroller General's Department issued "Made in Thailand" policy referred to the Announcement of Ministerial Regulations, which enforce government agencies to procure domestic supplies at least 60 percent of total amount and including construction project which shall procure domestic steel at least 90 percent of total steel used in project. "Made in Thailand" project is started on February 2021, however, it would directly benefit rebar and structural steel only.

Refer to Krungsri research, demand on iron sheet in 2021 – 2023 will recover from 2020 by 6.3 million tons per year. By the way, those demand will likely support automotive and electronic appliance sectors, which are not TIWI's key customers. Moreover, GI sheets will still have excess capacity with contraction in production because Thailand has no upstream iron production, hence, domestic producer has low competitiveness on cost and has to follow the global market price which has high fluctuation recently. This leads to the higher cost of production comparing with foreign competitor, China.

3.4.2 Sales

IFA forecasts the growth on sales of GI sheets by considering quantity and price. The Company sold 9,856 – 12,289 tons in 2017 – 2020 at average price per ton of THB 33,301 – 42,536 per ton. After considering with market condition and competitive conditions, IFA forecasted number of products sold in 2020 – 2029 by an average of product sold between 2017 and 2020. An average price per ton is forecasted for 2021 to equal to 2020 and for 2022 - 2030 to growth by average 20-year core inflation at 1.10 percent per year as the table below:

Unit: Tons

Description	2017A	2018A	2019A	2020A	2021F – 2030F	Rationale
(1) Number of products sold (tons)	10,591	12,135	9,856	12,289	11,218	After considered current market conditions and market competitiveness, IFA assumes number of products sold in 2021 – 2030 by an average of product sold between 2017 and 2020 which equivalent to 11,218 tons with no growth during 2021 – 2030. Because there is no certain in market situation and in consumption from construction sector and agriculture sector which might not shift their demand back to domestic suppliers. Hence, IFA assumes on conservative basis as mentioned above.
- Coil and ZAM	3,972	4,955	3,106	3,399	3,858	
- GI sheets	6,599	7,081	6,626	8,763	7,267	
- Iron sheets and Metal sheets	20	99	123	127	92	
<i>Growth (percent)</i>	<i>24.2</i>	<i>14.6</i>	<i>(18.8)</i>	<i>24.7</i>	<i>-</i>	

Description	2017A	2018A	2019A	2020A	2021F – 2030F	Rationale
(2) Average price per ton (THB)	40,361	42,536	37,380	33,301	33,301 – 37,145	Selling price of GI in 2019 – 2020 has shown the effect of dumping from foreign competitors with high competitiveness. Industrial material price index showed that compound annual growth rate (CAGR) in the past 10 years has negative growth of 0.6 percent and compound annual growth rate (CAGR) in the past 20 years has growth of 3.1 percent (refer to industrial material index by Ministry of Commerce). IFA, hence, assumes average price in 2021 to equal to that in 2020 as the market is awaiting to recover. For 2022 – 2030 IFA assumes on conservative basis to project average price by growth at 1.1 percent per year according to average 20-year core inflation, Bank of Thailand which can reflect future expense's growth by the expected time value of money.
- Coil and ZAM	31,382	31,456	30,237	25,246	25,246 – 27,855	
- GI sheets	48,169	56,679	42,324	32,331	32,331 – 36,671	
- Iron sheets and Metal sheets	41,532	39,473	39,580	42,326	42,326 – 46,699	
<i>Growth (percent)</i>	<i>21.2</i>	<i>5.4</i>	<i>(12.1)</i>	<i>(10.9)</i>	<i>1.1</i>	
Total Sales (THB mil)	443.34	561.1	379.3	374.6	336.3 – 371.0	

3.4.3 Service Revenue

In 2021 – 2030 IFA forecasted by and average number of projects during 2017 - 2020, which equivalent to 29 projects per year. For an average price per project IFA forecasted 2021 by an average project value between 2017 and 2020 and afterwards to growth by average 20-year core inflation at 1.10 percent as the table below:

Unit: Projects

Description	2017A	2018A	2019A	2020A	2021F – 2030F	Rationale
(1) Number of projects (project)	26	25	38	25	29	IFA has considered market conditions and affects from COVID-19 which started since March 2020, and consequently lead to less demand in GI sheets to install in construction project in 2020. IFA thereby assumes number of projects from 2021 to 2030 equivalent to average number of projects during 2017 and 2020, which reflect normal market situation and an affect from COVID-19 factors.
<i>Growth (project)</i>	6	(1)	13	(13)	-	

Description	2017A	2018A	2019A	2020A	2021F – 2030F	Rationale
(2) Average price per project (THB)	756,150	637,115	409,201	954,054	689,130 - 760,333	After considering market competition in GI business domestically, including project size provided by TIWI. In 2019 – 2020 market price of GI sheets in Thailand has decreased due to price war and dumping from foreign competitors. However, in 2020 average project size serviced by TIWI is higher. IFA takes a conservative basis to project future average project value. Average project value of 2021 is an average of project value during 2017 to 2020 which reflect normal market situation and an affect from COVID-19 factors. Average project value of 2022 – 2030 is assumed to growth by 1.1 percent from 2021 according to average 20-year core inflation, Bank of Thailand which can reflect future expense's growth by the expected time value of money.
<i>Growth (percent)</i>	<i>(12.0)</i>	<i>(15.7)</i>	<i>(35.8)</i>	<i>133.2</i>	<i>1.1</i>	
Total service revenue (THB mil)	19.7	15.9	15.5	23.9	19.6 – 21.7	

3.4.4 Cost of Goods Sold

IFA projected cost of goods sold in 2021 – 2030 by referring to proportion of cost of goods sold deducting depreciation and PPE rental to total sales during 2017 to 2020. According to the shareholders' meeting No. 1/2020 on June 9, 2020 resolved NOVA to dispose PPE to TCB and TIWI to lease back those PPE for its normal operations. Hence, PPE depreciation will not be recognized in TIWI's financial statement in the future.

Unit: THB mil

Description	2017A	2018A	2019A	2020A	2021F – 2030F	Rationale
Cost of goods sold before depreciation and PPE rental	325.0	458.4	338.5	451.0	306.6 – 338.2	Refer to PPE rental agreement between TIWI and TCB, it is shown that during August to December the rental is recognized in income statement which partially recognized THB 2.1 million in cost of goods sold. However, for the period of 2021 – 2030, IFA assumed that the PPE rental which will be recognized in administrative expense for illustration purpose. (refer to section 3.4.8 Administrative Expenses). Therefore, IFA projected cost of goods sold ratio in 2021 – 2030 of 91.2 percent by an average proportion of cost of goods sold deducting depreciation and PPE rental to total sales during 2017 to 2020 of 73.3 – 120.4.
<i>Proportion of Cost of goods sold before depreciation and PPE rental on total sales (percent)</i>	73.3	81.7	89.3	120.4	91.2	
Depreciation	15.3	13.3	12.9	7.0	-	
PPE rental	-	-	-	2.1	-	
Cost of goods sold - Total	340.3	471.8	351.5	460.1	306.6 – 338.2	
<i>Proportion of Cost to sales on total sales (percent)</i>	76.8	84.1	92.7	122.8	91.2	

3.4.5 Cost of service

IFA projected cost of service in 2021 – 2030 by referring to proportion of cost of service deducting depreciation and PPE rental to total service revenue during 2017 to 2020. According to the shareholders' meeting No. 1/2020 on June 9, 2020 resolved NOVA to dispose PPE to TCB and TIWI to lease back those PPE for its normal operations. Hence, PPE depreciation will not be recognized in TIWI's financial statement in the future.

Unit: THB mil

Description	2017A	2018A	2019A	2020A	2021F – 2030F	Rationale
Cost of service before depreciation and PPE rental	12.4	18.5	16.1	19.8	17.9 – 19.8	Refer to PPE rental agreement between TIWI and TCB, it is shown that during August to December the rental is recognized in income statement which partially recognized THB 0.1 million in cost of service. However, for the period of 2021 – 2030, IFA assumed that the PPE rental which will be recognized in administrative expense for illustration purpose. (refer to section 3.4.8 Administrative Expenses). Therefore, IFA projected cost of service ratio in 2021 – 2030 of 91.4 percent by an average proportion of cost of service deducting depreciation and PPE rental to total service revenue during 2017 to 2020 of 62.9 – 116.1.
<i>Proportion of Cost of service before depreciation and PPE rental on total service revenue (percent)</i>	<i>62.9</i>	<i>116.1</i>	<i>103.5</i>	<i>83.1</i>	<i>91.4</i>	
Depreciation	0.1	0.0	0.2	0.3	-	
PPE rental	-	-	-	0.1	-	
Cost of service - Total	12.4	18.5	16.3	20.2	17.9 – 19.8	
Proportion of Cost to service – Total on total service revenue (percent)	63.2	116.3	104.9	84.8	91.4	

3.4.6 Other Revenue

Unit: THB mil

Description	2017A	2018A	2019A	2020A	2021F – 2030F	Rationale
(1) Interest income	2.4	2.1	2.7	1.4	0.1 – 0.0	To project other revenue in 2021 – 2030, the information shown that TIWI has interest income from deposit and from loans to employee. Hence, IFA assumes that TIWI will have no interest income from deposit in the projected period, and for the interest income from loans to employees, IFA refers to repayment schedule and interest rate of 5.25 percent.

Unit: THB mil

Description	2017A	2018A	2019A	2020A	2021F – 2030F	Rationale
(2) Other revenue	1.4	2.2	1.3	2.2	1.4 – 1.5	Other revenue of TIWI is revenue from sale of scrap, coil, paper, plastic and etc, which are waste from production line. IFA assumes other revenue in 2021 – 2030 at 0.4 percent of total revenue from sale and service, which equivalent to the average proportion of other revenue to total revenue from sales and service in 2017 – 2020.
(3) Gain(Loss) on sale of assets	-	-	-	38.8	-	IFA assumes there is no gain/(loss) on sale of asset in 2021 – 2030. This is because the amount of THB 38.8 million which is a gain recognized in NOVA financial statement as at December 31, 2020 from the deposition of PPE to TCB. The disposition is resolved in board of directors No. 1/2020 on June 9, 2020 at THB 250.0 million which is higher than net book value of assets. Hence, IFA assume there is no disposition transaction at TIWI, and it will not affect TIWI's financial statement.
Total other revenue	3.8	4.4	4.1	42.4	1.5 – 1.5	

3.4.7 Selling Expenses

Unit: THB mil

Description	2017A	2018A	2019A	2020A	2021F – 2030F	Rationale
(1) Staff expenses	5.4	7.1	8.1	6.2	6.3 – 7.6	In 2021 – 2030 is assumed growth from 2019 at 2.1 percent, refer to the actual growth on average staff's salary in 2017 – 2020.
(2) Transportation and entertainment expenses	1.7	2.9	2.8	1.9	1.9 – 2.1	In 2021 – 2030 is assumed growth from 2020 at 1.10 percent, refer to average 20-year core inflation, Bank of Thailand which can reflect future expense's growth by the expected time value of money.
(3) Marketing expenses	0.2	0.6	0.8	0.2	0.2 – 0.2	
(4) Other selling expenses	1.2	0.3	0.2	0.1	0.1 – 0.1	
Total selling expenses	8.6	10.9	11.9	8.4	8.5 – 10.1	
<i>Growth (percent)</i>	<i>N/A</i>	<i>27.0</i>	<i>9.3</i>	<i>(29.3)</i>	<i>1.8 – 1.9</i>	
<i>Selling expenses to total revenue (percent)</i>	<i>1.8</i>	<i>1.9</i>	<i>3.0</i>	<i>2.1</i>	<i>2.4 – 2.6</i>	

3.4.8 Administrative Expenses

Unit: THB mil

Description	2017A	2018A	2019A	2020A	2021F – 2030F	Rationale
(1) Staff expenses	6.5	14.6	6.1	8.3	8.5 – 10.3	Staff expense in 2021 – 2030 is assumed growth from 2019 at 2.1 percent, refer to the actual growth on average staff's salary in 2017 – 2020.
(2) Directors' remuneration	0.9	1.1	1.1	2.4	1.1 – 1.2	In 2021 – 2030 is assumed growth from an average of 2017 - 2019 at 1.10 percent, refer to average 20-year core inflation, Bank of Thailand which can reflect future expense's growth by the expected time value of money.
(3) Tax and fee	1.7	1.8	1.5	4.9	1.7 – 1.9	Exclusion of 2021 due to the higher directors' remuneration in 2020 from an increase in number of board of directors' meeting.
(4) Advisory and professional fee	3.1	11.0	3.5	11.2	3.4 – 3.7	In 2021 – 2030 is assumed growth from an average of 2017 and 2019, which are a normal year without expenses from acquisition and disposition and related transaction, at 1.10 percent, refer to average 20-year core inflation, Bank of Thailand,

Unit: THB mil

Description	2017A	2018A	2019A	2020A	2021F – 2030F	Rationale
						which can reflect future expense's growth by the expected time value of money.
(5) Transportation cost	3.8	4.6	2.6	0.6	0.6 – 0.7	In 2021 – 2030 is assumed growth from 2020 at 1.10 percent, refer to average 20-year core inflation, Bank of Thailand to reflect future expense's growth by the expected time value of money.
(6) Utility expenses	1.5	1.5	1.1	0.9	0.9 – 1.0	
(7) Other administrative expenses	6.9	4.5	3.9	5.8	5.8 – 6.4	
(8) Depreciation	2.1	2.3	1.8	1.5	0.2 – 0.0	refer to projection on Plant, Property and Equipment and TIWI accounting policy.
(9) PPE rental to TCB	-	-	-	0.3	3.3 – 3.3	THB 8 million rental per year due in August every year, the rental of THB 3.3 million will reflect in income statement for period of August – December, and the rest will be reflected in prepaid rental (refer to section 3.4.13 Other Receivables)
Total administrative expenses	26.6	41.4	21.7	35.8	25.5 – 28.5	
<i>Growth (percent)</i>	<i>N/A</i>	<i>55.8</i>	<i>(47.7)</i>	<i>65.3</i>	<i>(28.8) – 1.3</i>	
<i>Administrative expenses to Total revenue (percent)</i>	<i>5.7</i>	<i>7.2</i>	<i>5.5</i>	<i>9.0</i>	<i>7.2 – 7.3</i>	

Remark: Staff expenses in 2018 of THB 4.76 million is expenses occurred by Sun Power Corporation Company Limited, was a subsidiary in 2018. Hence, IFA has excluded the amount of THB 4.76 million before forecasting the staff expenses for the Company.

3.4.9 Other Expenses

Unit: THB mil

Description	2017A	2018A	2019A	2020A	2021F – 2030F	Rationale
(1) Loss from an impairment of asset	-	-	-	17.5	-	Loss from an impairment of asset is from the appraisal machinery value which appraised by the appraiser listed in SEC. The amount of THB 17.5 million is a different off net book value and appraisal value of machinery and was recognized in fiscal year 2020. However, the machinery was sold from NOVA to TCB on July 3, 2020 at net book value. The amount of THB 17.5 million would be reversed in statement. Therefore, IFA assumes there will have no loss from an impairment of asset in TIWI's financial statement during 2021 to 2030.

3.4.10 Management Remuneration

Unit: THB mil

Description	2017A	2018A	2019A	2020A	2021F – 2030F	Rationale
Management remuneration	10.5	10.2	9.7	7.3	7.5 – 9.0	Management remuneration in 2021 – 2030 is assumed to growth by 2.1 percent from 2020. The projected growth refers to an average growth of staff salary in 2017 – 2020. The decrease of management remuneration in 2019 was due to the resignation of one management and TIWI has no plan to recruit new management in presently. Moreover, in quarter 3 of 2020, the rent on vehicle as management's welfare has expired, hence management remuneration in 2020 decreased.
<i>Growth (percent)</i>	<i>N/A</i>	<i>(2.6)</i>	<i>(4.2)</i>	<i>(24.7)</i>	<i>2.1</i>	

3.4.11 Finance Cost

TIWI has interest-bearing debt in terms of short-term loan including one trust receipt and 2 promissory notes, in total of THB 477.0 million as at December 31, 2020, which those interest rate are between 1.3 – 2.0 percent. For liabilities under lease, IFA refers to repayment schedule and discount rate provided by TIWI. The discount rate are 5.5 percent for lease on land and building and 4.7 percent for lease on machinery, which prepared by TIWI. Moreover, IFA assumes TIWI will drawdown more short-term loan from financial institution on the shortage cash to run normal business, and assumes interest rate of 1.5 percent referred to a weighted average interest rate of outstanding borrowings as at December 31, 2020.

3.4.12 Working Capital

Unit: THB mil

Description	2017A	2018A	2019A	2020A	2021F – 2030F	Rationale
Account receivables	24.9	38.8	18.1	19.4	19.2 – 21.2	Account receivables in 2021 – 2030 is calculated by an average debt collection period in 2017 – 2020.
<i>Debt collection period (days)</i>	19.4	24.2	16.5	17.6	19.4	
Account payables	12.1	44.5	0.9	44.5	23.5 – 26.0	Account payables in 2021 – 2030 is calculated by an average debt payment period in 2017, 2018 and 2020 due to debt payment period in 2019 is an outlier, due to the delay in purchase of raw materials at the end of 2019.
<i>Debt payment period (days)</i>	12.3	32.7	0.9	33.2	26.1	
inventory	492.1	534.3	583.1	405.5	415.3 – 458.2	Inventory balance in 2021 – 2030 is calculated by an average inventory turnover in 2017 – 2020.
<i>Inventory turnover (days)</i>	520.6	407.7	597.3	316.7	460.7	

3.4.13 Other Receivables

Other receivable including prepaid expenses, unbilled service revenue, receivables related to tax, including prepaid rental. The prepaid rental is from lease on PPE from TCB, which IFA assumes TIWI will have to pay rental in August each year at THB 8.0 million and the for the fiscal year-end at December, TIWI will recognize rental into income statement for the period between August and December and will have prepaid rental for the period of January – July each year at THB 4.7 million. Moreover, IFA assumes other receivables with related companies, TIWI will get repayment and no other receivables with related company in 2021 – 2030. For receivable related to tax, it is assumed to be constant from 2020.

3.4.14 Loans to Related Party

As at December 31, 2020 TIWI has short-term lending to related company at THB 12.0 million. Refer to information from the Company, IFA assumes TIWI will get repayment from related company and will have no further loans to related party in 2021 – 2030.

3.4.15 Plant, Property, and Equipment (PPE)

According to Extraordinary General Meeting No. 1/2020 dated on June 9, 2020, it resolved NOVA to dispose PPE to TCB which is completed on July 3, 2020 and TIWI has entering into lease to rent back those PPE for its normal operation on GI business.

Unit: THB mil

Description	2017A	2018A	2019A	2020A	2021F – 2030F	Rationale
Land	65.2	65.2	65.2	-	-	The lease back transaction of TIWI, IFA has considered projection according TFRS16 (lease), which the leases are shown under right of uses and liabilities under lease (refer to section 3.4.16 Right of Uses and 3.4.18 Liabilities under Lease). Moreover, TIWI machinery will still have adequate capacity on machinery in 2021 – 2030.
Buildings	145.6	139.6	139.6	-	-	
Machinery	319.0	329.2	332.0	16.4	-	

Unit: THB mil

Description	2017A	2018A	2019A	2020A	2021F – 2030F	Rationale
Furniture and office equipment	10.6	13.9	10.6	0.5	0.6 – 0.8	Furniture and office equipment are assumed to have replacement cost of 5.0 percent per year on furniture and office equipment value at the beginning of 2021.
Vehicles	1.4	1.4	1.4	2.8	0.4 – 0.6	Vehicles as at December 31, 2020 are under lease at THB 2.4 million and not under lease at THB 0.4 million. For vehicles under lease, IFA has considered projection according TFRS16 (lease), which the leases are shown under right of uses and liabilities under lease. On the other hand, vehicles which are not under lease, IFA assumes there is maintenance cost only with no other new investment on vehicles because TIWI still have vehicles under lease which will be finished in 2021 – 2024, however, IFA assumes to extend it until the end of projection period (refer to section 3.4.16 Right of Uses and 3.4.18 Liabilities under Lease).

Unit: THB mil

Description	2017A	2018A	2019A	2020A	2021F – 2030F	Rationale
PPE – Total	541.8	549.3	548.9	19.7	1.0 – 1.4	
<u>Less</u> Accumulated depreciation	(345.1)	(360.3)	(374.9)	(1.3)	(0.3) – (1.3)	Refer to accounting policy on depreciation method
PPE – Net	190.0	188.6	174.0	18.5	0.6 – 0.1	

Remark: TIWI's financial statement is prepared by applying standards for Non-Publicly Accountable Entities (NPAEs) which has not reflected liabilities under lease from the rental transaction from TCB, which could be refer to Thai Financial Reporting Standards No. 16 Lease (TFRS16).

3.4.16 Right of Uses

Right of uses are from the lease on PPE and transferred vehicles from NOVA during July to August 2020. Projected right of uses and amortization, IFA refers to an amortization schedule, repayment schedule and discount rate of 5.5 percent for land and buildings and 4.7 percent for machinery, prepared by TIWI.

3.4.17 Loans to Employee

TIWI has provided a benefit for qualified employee to borrow, which has an outstanding as at December 31, 2020 of THB 5.3 million. The projected outstanding lending and interest in 2021 – 2030, IFA refers to loan agreement and repayment schedule prepared by TIWI.

3.4.18 Liabilities and Borrowings

Unit: THB mil

Description	2017A	2018A	2019A	2020A	2021F – 2030F	Rationale
Liabilities under lease	1.2	1.0	0.6	17.0	99.9 – 70.1	Liabilities under lease in 2017 – 2019 are leases on vehicle and in 2020 are leases from the lease back transaction from TCB. TIWI has to pay THB 8.0 million per year on the lease back transaction. The liabilities under lease for lease back transaction are discounted from 5.5 percent for land and buildings and 4.7 percent for machinery, which prepared by TIWI.

Remark: TIWI's financial statement is prepared by applying standards for Non-Publicly Accountable Entities (NPAEs) which has not reflected liabilities under lease from the rental transaction from TCB, which could be refer to Thai Financial Reporting Standards No. 16 Lease (TFRS16).

Unit: THB mil

Description	2017A	2018A	2019A	2020A	2021F – 2030F	Rationale
Short-term borrowings from financial institution (trust receipt and promissory note)	37.3	63.6	78.9	477.0	493.0 – 868.0	Short-term borrowings are a trust receipt to pay for an inventory transfer from NOVA and a promissory note for working capital. IFA assumes that in the projected period, TIWI will drawdown more short-term borrowings for an adequate cash. The finance cost for the incremental borrowings is at 1.5 percent referred to a weighted average interest rate of an outstanding borrowings as at December 31, 2020.

3.4.19 Discount Rate

Valuation by discounted cashflow approach will take a discounted rate (WACC) into account to forecast present value of the free cash flow as the formula below:

$$WACC = (IBD/(IBD+E) \times K_d \times (1-T)) + (E/(IBD+E) \times K_e)$$

Variables	Definition	2021F – 2030F	Assumption
IBD/(IBD+E)	Interest-bearing debt portion	68.8 percent	Interest-bearing debt portion refer to TIWI financial statement as at December 31, 2020 deducted by a deposit guarantee by director/shareholder of TIWI because it is similar to cash from equity. TIWI has IBD of THB 494.0 million, deducted a deposit guarantee by director/shareholder of THB 150.0 million, total IBD for calculation of THB 344.0 million.
E/(IBD+E)	Equity portion	31.2 percent	Equity portion refer to TIWI financial statement as at December 31, 2020 added by a deposit guarantee by director/shareholder of TIWI because it is similar to cash from equity. TIWI has equity of THB 5.8 million, added a deposit guarantee by director/shareholder of THB 150.0 million, total equity for calculation of THB 155.8 million.
T	Corporate income tax rate	20.00 percent	Refer to legal corporate income tax rate
K _d	Cost of interest-bearing debt	5.3 percent	Average Minimum Loan Rate (MLR) of 3 major banks in Thailand.
K _e	Cost of equity or expected return rate on equity	16.9 percent	The Calculation of expected return by Capital Asset Pricing Model (“CAPM”)
WACC	Weighted average cost of capital	8.2 percent	A product from the above formula

The calculation of Capital Asset Pricing Model (CAPM) to evaluate expected return on equity (K_e)

$$K_e = R_f + \beta(R_m - R_f)$$

Variables	Definition	2021F – 2030F	Assumption
R_f	Risk-free rate	2.6 percent	Refer to interest rate of 20-year government bond as at March 10, 2021
R_m	Market return	12.4 percent	Refer to Average 20-year SET Total Return Index (SETTRI) as at March 10, 2021
β (Beta)	Equity beta	1.5	Refer to historical unlevered beta of peers which listed in SET including AMC CITY CSP GJS PERM SSSC THE and TMT. IFA considered historical unlevered beta 1-year from March 10, 2021 and adjusted by TIWI interest-bearing debt to equity as at December 31, 2020 adjusted by a deposit guarantee by director/shareholder of TIWI.

Remark:

1. THAIBMA
2. www.set.or.th
3. Bloomberg

To calculate the unlevered beta of peers, IFA uses the Hamada Equation as the formula below:

$$\beta_L = \beta_u \times (1 + ((1-T) \times (IBD/E)))$$

Variables	Definition	2021F – 2030F	Assumption
β_u	Unlevered beta of peers	0.5	Unlevered Beta of peers, which listed in SET
T	Corporate income tax rate	20.0 percent	Refer to legal corporate income tax rate
IBD/E	Interest-bearing debt portion	2.2 times	Interest-bearing debt to equity refers to financial statement as at December 31, 2020 adjusted by a deposit guarantee by director/shareholder of TIWI.

Variables	Definition	2021F – 2030F	Assumption
β_L	Levered beta of peers	1.5	Unlevered Beta of peers, which listed in SET and adjusted by IBD/E as at December 31, 2020 adjusted by a deposit guarantee by director/shareholder of TIWI.

Unlevered Beta (β_u) of peers, which listed in SET is calculated by using historical levered beta of peers 1-year back from March 10, 2021 and adjusted by taking IBD/E of respective company as the above Hamada Equation.

Ticker	Levered beta	IBD/E	Unlevered beta
AMC	0.9	0.6	0.6
CITY	0.6	0.0	0.6
CSP	0.6	2.4	0.2
GJS	0.9	0.1	0.8
PERM	0.9	1.0	0.5
SSSC	0.6	0.0	0.6
THE	0.6	1.5	0.3
TMT	0.5	1.6	0.2
Median of unlevered beta (β_u)			0.5

Remark:

1. www.set.or.th
2. IBD/E refers to the latest disclosed financial statement of listed company.

3.4.20 Terminal Value

IFA assumes 10-year projection for DCF, 2021 – 2030 because it can cover the Company business cycle. Moreover, for the period after 10-year projection IFA assumes there is no growth on conservative basis due to the uncertainty on domestic and overseas market.

3.4.21 Projection

Unit: THB mil

Description	2017A	2018A	2019A	2020A	2021F	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F
Revenue from sales	443.3	561.1	379.3	374.6	336.3	340.0	343.7	347.5	351.3	355.1	359.0	363.0	367.0	371.0
Revenue from service	19.7	15.9	15.5	23.9	19.6	19.9	20.1	20.3	20.5	20.7	21.0	21.2	21.4	21.7
Total revenue	463.0	577.0	394.8	398.5	355.9	359.8	363.8	367.8	371.8	375.9	380.0	384.2	388.4	392.7
Cost of goods sold	(340.3)	(471.8)	(351.5)	(460.1)	(306.6)	(309.9)	(313.3)	(316.8)	(320.3)	(323.8)	(327.3)	(330.9)	(334.6)	(338.2)
Cost of service	(12.4)	(18.5)	(16.3)	(20.2)	(17.9)	(18.1)	(18.3)	(18.5)	(18.7)	(19.0)	(19.2)	(19.4)	(19.6)	(19.8)
Gross profit	110.2	86.7	27.0	(81.9)	31.4	31.7	32.1	32.4	32.8	33.1	33.5	33.9	34.2	34.6
Other revenue	3.8	4.4	13.8	42.4	1.5	1.5	1.4	1.4	1.5	1.5	1.5	1.5	1.5	1.5
Selling expenses	(8.6)	(10.9)	(11.9)	(8.4)	(8.5)	(8.7)	(8.9)	(9.0)	(9.2)	(9.4)	(9.5)	(9.7)	(9.9)	(10.1)
Administrative expenses	(26.6)	(41.4)	(21.7)	(35.8)	(25.5)	(25.9)	(26.2)	(26.5)	(26.8)	(27.1)	(27.4)	(27.8)	(28.1)	(28.5)
Other expenses	-	-	-	(17.5)	-	-	-	-	-	-	-	-	-	-
Management remuneration	(10.5)	(10.2)	(9.7)	(7.3)	(7.5)	(7.6)	(7.8)	(8.0)	(8.1)	(8.3)	(8.5)	(8.7)	(8.8)	(9.0)
Gain/(Loss) on exchange rate - net	1.5	1.0	0.5	0.0	-	-	-	-	-	-	-	-	-	-
EBIT	70.0	29.7	(2.0)	(108.5)	(8.6)	(9.0)	(9.4)	(9.6)	(9.9)	(10.1)	(10.4)	(10.8)	(11.1)	(11.5)
Finance cost	(0.4)	(1.8)	(2.8)	(6.8)	(13.1)	(13.3)	(13.5)	(13.7)	(13.9)	(14.2)	(14.4)	(14.7)	(14.9)	(15.1)
EBT	69.6	27.8	(4.8)	(115.3)	(21.7)	(22.3)	(22.8)	(23.4)	(23.8)	(24.3)	(24.9)	(25.5)	(26.0)	(26.6)
Income tax expense	-	(0.5)	(0.6)	(16.6)	-	-	-	-	-	-	-	-	-	-
Net profit/(loss)	69.6	27.3	(5.3)	(131.8)	(21.7)	(22.3)	(22.8)	(23.4)	(23.8)	(24.3)	(24.9)	(25.5)	(26.0)	(26.6)

Unit: THB mil

Description	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
EBIT	(8.6)	(9.0)	(9.4)	(9.6)	(9.9)	(10.1)	(10.4)	(10.8)	(11.1)	(11.5)
Income tax expenses	-	-	-	-	-	-	-	-	-	-
Earnings before interest and after tax	(8.6)	(9.0)	(9.4)	(9.6)	(9.9)	(10.1)	(10.4)	(10.8)	(11.1)	(11.5)
<u>Add</u> Depreciation	(5.8)	(5.8)	(5.8)	(5.9)	(6.0)	(5.6)	(5.6)	(5.6)	(5.3)	(4.6)
<u>Less</u> CAPEX	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<u>Less</u> an increase/(decrease) in working capital	(26.1)	(4.5)	(4.6)	(4.6)	(4.7)	(4.7)	(4.8)	(4.8)	(4.9)	(4.9)
FCFF	(40.5)	(19.3)	(19.7)	(20.1)	(20.4)	(20.4)	(20.8)	(21.1)	(21.3)	(21.0)
Terminal Value										(256.1)

3.4.22 Summary of projection and fair value of TIWI

According to the aforementioned assumption and projection, it is shown that TIWI's performance and FCFF in 2021 – 2030 has a negative value. Moreover, when take cash and cash equivalent and outstanding interest-bearing debt as at December 31, 2020 of THB 34.9 million and THB (494.0) million respectively, TIWI's fair value will be negative for DCF approach.

Furthermore, IFA has also considered the effects from external factors such as market situation, natural environment, government policy, which may consequently result in TIWI's business plan and financial policy which taken in IFA's assumption to evaluate fair value of TIWI. Thus, IFA do a sensitivity analysis on the change in fair value of TIWI connected to key factor, which is proportion of cost of goods sold to total sale. The change might be from a fluctuation of raw material in global market which if it has positive signal on relief in supply from China and effective government capital injection due to COVID-19. Proportion of cost of goods sold to total sale shows 76.8 – 122.8 percent in 2017 – 2020. Then IFA studied the change on FCFF by taking the best proportion of cost of goods sold of 76.8 percent, FCFF and terminal value at present value (discount rate of 8.2 percent) will be THB 359.0 million. However, when take cash and cash equivalent and outstanding interest-bearing debt, fair value of TIWI will still be negative as the table below.

Unit : THB mil

Description	Base case (%COGS of 91.2)	Best case (%COGS of 76.8)
FCFF and terminal value at discount rate of 8.2 percent	(270.4)	359.0
Add cash and cash equivalent as at December 31, 2020	34.9	34.9
<u>Less IBD</u> as at December 31, 2020	(494.0)	(494.0)
Fair value of TIWI by DCF	(729.5)	(100.1)

IFA hence opines that discounted cash flow approach (DCF) is not appropriate due to the fluctuation of production cost and current market situation, COVID-19, dumping from foreign competitors. Moreover, the projection is shown that TIWI will have negative FCFF in 2021 – 2030. The abovementioned information has come into conclusion that DCF may not appropriate to evaluate TIWI's fair value at this moment.

4. Summary of the IFA's Opinion

As the 3/2564 Company's Board of Directors Meeting on March 10, 2021 approved the Company to divest its investment in TIWI, a subsidiary which the Company holds 99.99 percent of its total paid-up shares equals to 3,899,997 shares at 10.0 THB per share to Mr.Prasit (a connected person) for a total of 20,000,000 THB due to TIWI has continually loss, which was unlike what the Board of Directors has expected.

In evaluating the appropriateness of the connected transaction, IFA analyze origination and purpose of the transaction, appropriateness of the transaction, advantages disadvantages and consequences of the transaction, advantages and disadvantages of the connected transaction and risk factors of the transaction as well as the appropriateness of transaction price.

In conclusion, IFA deems that the transaction would benefit the Company as the divestment would decrease the Company's loss from GI Sheet business, decrease the Company's interest expense, receive cash from the divestment of TIWI and increase funding option for future investment. However, the divestment of TIWI wouldn't affect the Company's operation as the Company will continue to operate in energy business. The transaction price of 20.0 THB million is justified as the price is higher than TIWI's fair value (referred to 3 The Opinion of the Independent Financial Advisor on Connected Transaction Price), thus, IFA deems that the transaction is appropriate. However the decision to approve or disapprove the transaction is up to the Company's shareholders as they should evaluate the transaction based on documentation and other attachment that comes with the Annual General Meeting 2020 on April 30, 2021.

The IFA opinion is

IFA assumes that all of the information received from the aforementioned sources are valid and complete, the IFA also gave opinion based on current situation, any significant change in the core assumptions may result in the change of IFA's projections and may affect the shareholders' decision to proceed with the transactions. In any case, IFA does not vouch for the successfulness of the transactions and does not have an obligation to amend the opinion to reflect the changes in current situation or revised the IFA report in the future.

IFA has studied the characteristics of the transactions, relevant assets, Appropriateness of the transaction prices, advantages, disadvantages and other relevant factors with professional standard by holding the shareholders' interests as a top priority. The decision to proceed with the transactions will solely depend on the resolutions of the 1/2021 EGM on April 30,2021.

Sincerely yours,
Pioneer Advisory Company Limited

(Miss Duenpun Lilavivat)
Authorized Director and Supervisor

Appendix 1 Company Information

(1) General information

Company Name	: Nova Empire public company limited
Business Type	: Production and distribution of galvanized iron sheet and roofing and siding installation service, Electricity generation business
Location of Head Office	: No. 88 Soi Bangna-Trad 30, Theprattana Road, Bangna Tai, Bangna Bangkok
Registration Number	: 0107537001714
Registration Date	: April 10, 2501
Listing Date	: Jan 25, 2536
Registered Capital (THB)	: 70,000,000
Paid-up Capital (THB)	: 69,999,412
Telephone Number	: -
Fax Number	: -
Website	: http://www.tiw.co.th

(2) Company Overview

(2.1) Key milestones

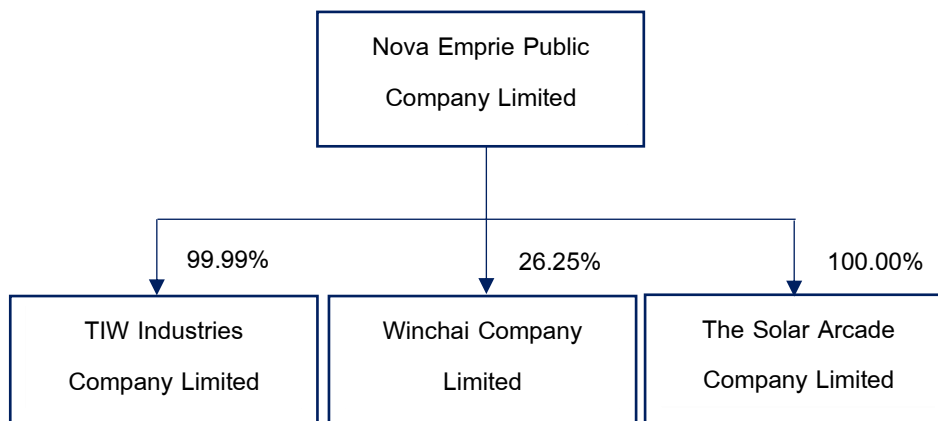
Year	Key milestones
1958	<ul style="list-style-type: none"> - TIW was incorporated on April 10, 1958 as a joint venture between Mr.Boonchitra Katerainark and Kinoshita Co., Ltd., Japan. - The Company started its operations with the objective to produce galvanized iron sheet (“GI sheet”) to support domestic demand and to substitute supply from overseas. As TIW was the first GI sheet producer in Thailand, the Company was granted a tax privilege under the Industrial Promotional Act by Board of Investment of Thailand (BOI).
1960	<ul style="list-style-type: none"> - Production line was operated with modern equipment at that time. Additionally, the Company had produced its first 1,000 GI sheet and humbly offered to His Majesty the King Rama IX of Thailand.
1992	<ul style="list-style-type: none"> - TIW submitted the listing application, which its major shareholders are (1) Mitsui & Co., Ltd. (2) Mitsiam International Co., Ltd and (3) Leeswadtrakul Family. - The Company relocated its head office from Bangkok to Samutprakarn province as well as constructed new factory. Furthermore, it streamlined production process to be able to support more variety of GI sheet products and new demand.
1994	<ul style="list-style-type: none"> - A conversion of the Company from “Company Limited” to “Public Company Limited” and increased it registered capital to THB 100 million on May 18, 1994. However, the registered capital has not fully paid yet.

Year	Key milestones
1995	<ul style="list-style-type: none"> - Increased its paid-up capital by 1 million shares at par value of THB 10 per share via right offering to allocate to existing shareholders, totally THB 60 million paid-up capital after the capital increase. - Launched color-coated GI sheets to domestic market and neighboring countries.
2004	<ul style="list-style-type: none"> - Started its roofing and siding installation services to support contractors and domestic construction projects.
2008	<ul style="list-style-type: none"> - Mitsui & Co., Ltd. transferred entire number of shares holding by Mitsui & Co., Ltd. to Mitsui & Co (Asia Pacific) Pte. Ltd., its subsidiary.
2012	<ul style="list-style-type: none"> - Launched new product, Metal Sheet, modernized and easy installed. This product is usually used for roofing and siding house and building.
2015	<ul style="list-style-type: none"> - Major shareholding structure was changed as Mr. Prasit Kanchansakdichai obtained TIW's share by tender offer under regulation of the Securities Exchange Commission. Subsequently, on August 3, 2015 Mr. Prasit Kanchansakdichai was holding total of 4,610,168 shares, which equal to 76.84 percent of total shareholding.
2016	<ul style="list-style-type: none"> - TIW's GI sheet, branded "Three Stars", was granted a certification on its quality standard by the Thai Industrial Standard (TIS).
2017	<ul style="list-style-type: none"> - Launched Ridge with various models. - Invested two new corrugated machines in both large and small size.
2018	<ul style="list-style-type: none"> - Change in shareholding structure as Mr. Kriangchai Danchaivichit acquired 1,304,000 shares from Mr. Prasit Kanchansakdichai, representing 21.73 percent of total shareholding on February 12, 2018. - From February 27 to March 6, 2018 the Company has set up two subsidiaries, named Sun Power Corporation Co., Ltd. ("Sun Power") and TIW Industries Co., Ltd. ("TIWI") with 99.99 percent shareholding in both subsidiaries. (1) Sun Power was incorporated with registered capital of THB 1 million. The objective is to operate solar power plant business. (2) TIWI was incorporated with registered capital of THB 1 million. The objective is to operate same business as TIW and/or other supporting businesses. - The Board of Directors' Meeting No. 6/2018 on June 11, 2018 has a resolution to approve an indirect share acquisition of Ubon Bio Ethanol Public Company Limited ("UBE"), representing 20 percent of UBE's issued shares. As the Company acquired 99.99 percent of Group K Corporation Co., Ltd. ("Group K") from Miss Sureeyot Kousurat and Capital K Limited ("Capital K") (Capital K is registered company in Hong Kong of which 100 percent of shares held by Miss Sureeyot Kousurat). Capital K holds 99.99 percent of shares in STK Capital Co., Ltd. ("STK") which also holds 20 percent of issued shares in UBE.

Year	Key milestones
	<ul style="list-style-type: none"> - The Board of Directors' Meeting No. 6/2018 on June 11, 2018 has a resolution to decrease its registered capital by THB 40 million, from THB 100 million to THB 60 million. The decrease in THB 40 million of registered capital represents 4 million shares of unallotted ordinary shares at par value of THB 10 per share. Moreover, to comply with acquisition plan of 99.99 percent shareholding in Group K, the Company increased 1,305,000 newly issued ordinary shares at par value of THB 10 per share via private placement at the transaction price of THB 400 per share. - On November 13, 2018, the Company cancelled an issuance and offering of private placement and cancelled the acquisition of Group K's shares as well as delayed its business transfer to subsidiary.
2019	<ul style="list-style-type: none"> - The Board of Directors' Meeting No. 2/2019 on February 28, 2019 has a resolution to dispose an investment in Sun Power, 100 percent of its holding.
2020	<ul style="list-style-type: none"> - The Audit Committee's Meeting - The Board of Directors' Meeting No. 3/2020 on April 21, 2020 has a resolution to approve (1) the Disposition of Asset (2) the Acquisition of Leasehold and (3) the Acquisition of Operating Asset in Solar Power Plant Business. - EGM 1/2563 on June 9, 2020 approved the sale and leaseback transaction to improve the Company's cash flow including (1) approved the Company to sell its assets (2) approved TIWI to leaseback the aforementioned assets (3) approved the Company to invest in energy business by having the Company invest in 99.99 percent of ARCADE (a subsidiary that invests in 9 power business companies) - On July 30, 2020 The Company received a tender offer for all of the Company's shares from Ms.Parleerat on a condition that the tender offer would be cancelled if Ms.Parleerat receive less than 55.18 percent of the Company's total shares after the tender offering period at 181 thb per share. Ms.Parleerat has no intention in delisting the Company - On July 30, 2020 Ms.Parleerat has signed the sale and purchase agreement with Mr.Prasit to receive a total of 3,311,368 shares equal to 55.18 percent of the Company's total shares at 181 thb per share. The tender offering period was August 3 -11, 2020 and August 13 – September 9, 2020 (a total of 25 days) - On August 14, 2020 the shareholding structure of the Company changes as the aforementioned tender offer was executed. Leaving Ms.Parleerat as a major shareholder of the Company with 3,311,368 shares equals to 55.18 percent of the Company's total shares and Mr.Prasit remained with 654,000 shares, equals to 10.90 percent of the Company's total shares

Year	Key milestones
	<ul style="list-style-type: none">- On September 9, 2020, Ms.Parleerat has submitted tender offer of 3,691,968 shares, approximately 61.53 percent of total paid-up capital of NOVA
2564	<ul style="list-style-type: none">- EGM 1/2564 approval of investment in Winchai Company Limited by acquiring 2,598,750 shares (26.25 percent of paid-up shares) from Ms.Parleerat at 660,000,000 THB million- EGM 1/2564 approval of reduction of capital from 73,050,000 THB to 60,000,000 THB- EGM 1/2564 approval of par change from 10.0 THB to 0.50 THB- EGM 1/2564 approval of capital increase from 60,000,000 THB to 70,000,000 THB by adding 20,000,000 shares at 0.50 THB/share for rights offering- EGM 1/2564 approval for change of the Company names and stamps

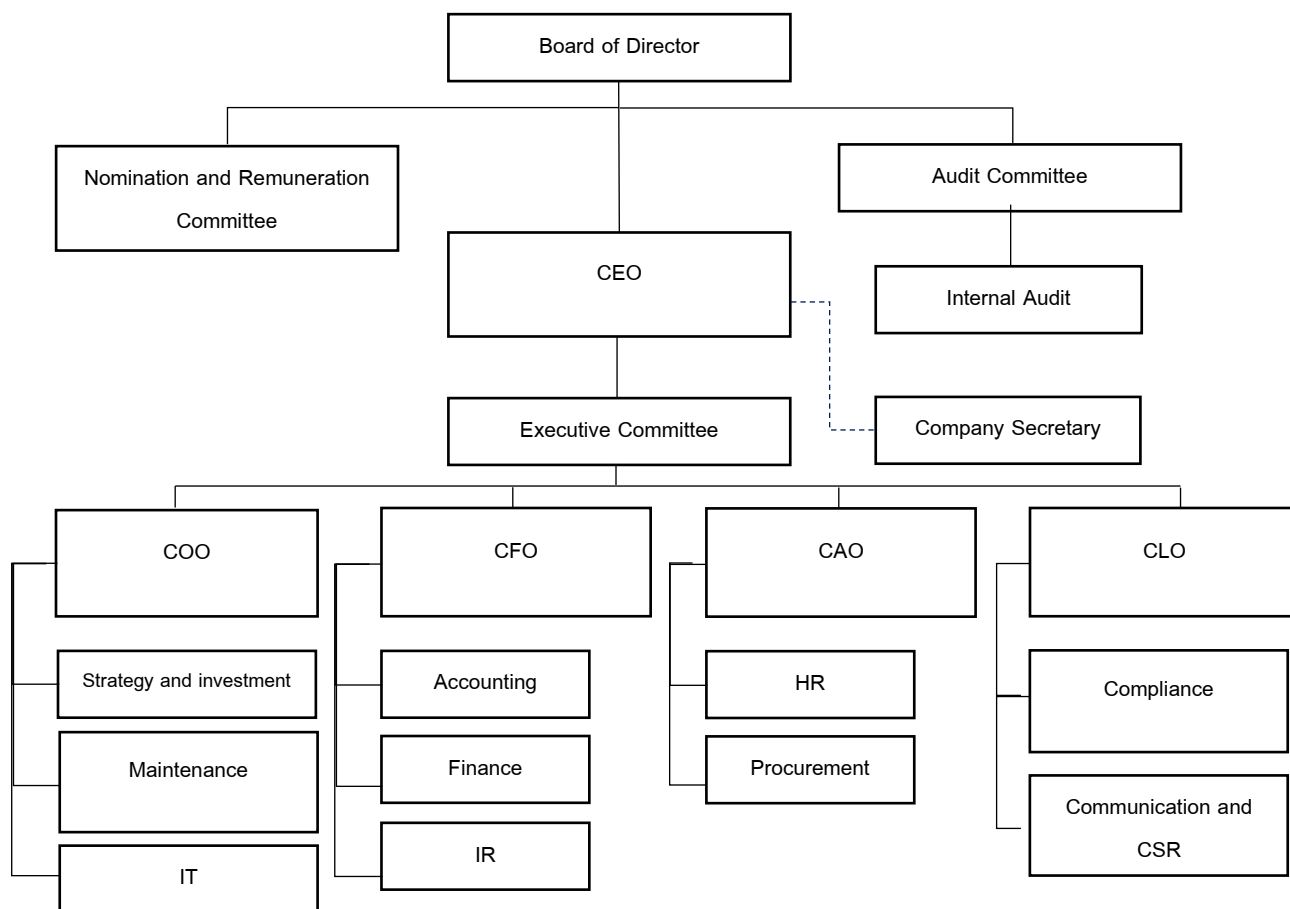
(2.2) Organization structure



(2.3) Shareholders as of December 31, 2020

Number	Name	Shares	Percent
1	Ms. Parleerat Panboonhom	73,839,360	61.53
2	Mr. Prasit Kanchanasakdichai	13,080,000	10.90
3	Mr. Kriangkrai Danchavichit	13,000,000	10.83
4	Mitsiam International Co., Ltd.	6,000,000	5.00
5	Mrs. Wilaiwan Arjariyanondha	1,060,000	0.88
6	Miss Kuntida Khongrunghphakorn	620,000	0.52
7	Ubs Ag London Branch	618,000	0.52
8	Mr. Surot Treelotwong	600,000	0.50
9	Mr. Thaninchot Tantiphantharak	550,000	0.46
10	Mr, Jarungsak Duangrattanachaya	478,000	0.40

(2.4) Organization Chart



(2.5) Board of Director as of 31 December 2020

Number	Name	Position
1	Ms. Parleerat Panboonhom	Chairman of the BoD
2	Mr. Prasit Kanchanasakdichai	BoD
3	Mr. Kriangchai Trinaphakon	BoD
4	Mr. Kriangkrai Danchavichit	BoD
5	Mr. Sudwin Panyawongkhanti	BoD
6	Mrs. Rattana Sithiprasart	BoD
7	Miss Punchada Siriwannabus	BoD
8	Miss Sukanya Thipmani	BoD

(2.6) Audit Committee as of 31 December 2020

Number	Name	Position
1	Mr. Sudwin Panyawongkhanti	Chairman of Audit Committee
2	Mrs. Rattana Sithiprasart	Audit Committee
3	Miss Punchada Siriwannabus	Audit Committee

(2.7) Personnel as of 31 December 2020

Number	Unit	Amount (person)
1	Management	3
2	Roofing & Siding Installation Department	10
3	Factory Department	108
4	Procurement Department	3
5	Sales and Marketing Department	19
6	Human Resource and General Administration Apartment	12
7	Accounting and Finance Department	11
	Total	166

(3) Business Overview

Electricity Generation Business

Currently the Company invest in the following companies

- (1) The Solar Arcade Company Limited, a subsidiary that the company holds 99.99 percent of paid-up shares operating in solar rooftop business
- (2) Winchai Company Limited. A subsidiary that the company holds 99.99 percent of paid-up shares operating in wind energy business

(3.1) Target Customer

GI Sheet Business

- (1) House owner or farmer to use for repairing their house, warehouse, grape arbor, partition etc.
- (2) Construction contractor or real estate project owner to use as the construction part of landed house, condominium, apartment, factory, garage etc.

Electricity Generation Business

- (1) MEA, PEA and EGAT

(3.2) Competition and competitors

GI Sheet Business

The steel industry in Thailand has a high level of competition due to many competitors in the market who import GI sheet from People's Republic of China (“**China PRC**”). GI sheet imported from China PRC is lower price and quality comparing to those manufactured in Thailand. Several competitors imported it and dump its price in Thailand’s market and create higher competition, which consequently decreasing in number of Thai GI sheet manufacturer.

Nonetheless, situation of industry competition in Thailand will depend on future anti-dumping policy from Thai government and an announcement to oblige GI sheet product selling in Thailand shall meet Thai Industrial Standards (TIS).

Competitors in GI sheet industry can be classified into two groups as follows.

- (1) Corrugated GI sheet: TIW has a competitiveness same as the other major manufacturers including:
- Bangkok Steel Industry Public Company Limited;
 - The Tree Sourcing Company Limited;
 - Siam Box Company Limited.
- (2) Metal sheet: TIW can manufacture quality product compared to other three major manufacturers below:
- NS BlueScope (Thailand) Limited;
 - Bangkok Steel Industry Public Company Limited;
 - Dongbu Thai Steel Co., Ltd.

Electricity Generation Business

-N/A-

(3.3) Marketing Strategy

GI Sheet Business

The Company continuously operates and follows the operational and marketing policies as below;

- (1) To develop products and services serving the change in customers’ need. TIW has successfully launched new products in the past few years such as:
- Colored metal sheet coil or PPGI is widely used for roofing in replacement of tiles and corrugated GI sheet. There are presently no more than four GI sheet manufacturers. The Company’s colored metal sheet coil has been certified TIS. 2131-2545 from Thai Industrial Standards Institute.
 - Rain gutter and relating equipment which TIW has an expertise in manufacturing it with high technology machinery.

- (2) To strengthen business alliance to help on developing new products. In the past two year, the Company cooperates with Nisshin Steel (Thailand) Company Limited in developing new product and import ZAM with newest technology. ZAM is widely used particularly in housing structure, large building structure, foundation of pedestrian or vehicle bridges, agricultural and solar farm.
- (3) To enhance customer base in the industry. TIW set up sales and marketing team to designate them to covering area in Thailand. Also, the sales and marketing team is to visit existing distributors and partners in every area to obtain updated information and news, which will allow the Company to adjust or enhance its marketing plan due to present situation.
- (4) In respect of sales and marketing, TIW has set policies to serve customers as below.
- Fair treatment of customers
The key policy of TIW is to treat its customers as an important stakeholder by delivering quality product and service timely. This is to maximize customer satisfaction, maintain a relationship, prevent a conflict of interest, and negotiate its business with customers on a fair basis.
 - Pre-sales responsibility
TIW has a policy to manufacture and distribute quality products to serve customer. It focuses on every procedure in manufacturing prior to distribution to customers. Moreover, the Company has regularly analyzed customers' need to ensure that TIW provides accurate information to customers with respect.
 - Sales responsibility
The Company's policy is to distribute its quality product at fair price including an issuance of accurate documents such as tax invoice, product warranty and delivery receipt. During sales negotiation and delivering time, customers are encouraged to review all documents to prevent any mistakes which may arise.
 - After-sales responsibility
The Company provides an after-sale service for both products and documents. For instance, if customer needs to claim damaged product, TIW's operational team will visit customer on site to analyze the cause of damage to summarize and report it. After that the team will process for a rectification to prevent its future damage as well as gather recommendation and comments from customers, which create a competitiveness for TIW in the market.
 - Occupational health, safety and environment
The Company has set a policy to decrease an environmental impact from operations by encouraging staff to follow business ethics and code of conduct. TIW regularly manages its work environment including water pollution, air pollution, light and sound and industrial waste up to government standard.

Electricity Generation Business

-N/A-

(3.4) Revenue Structure

Revenue structure per business unit in 2020

Business Unit	Revenue	Proportion (Percent)
Revenue from GI Sheet sale	986.62	90
Revenue from installation service	41.50	4
Sale from ZAM steel and byproduct	-	0
Revenue from solar rooftop business	21.15	2
Other revenue	42.61	4
Total revenue in 2020	1,091.90	100

Revenue Structure

Items	2018 (April – December 2018)		2019 (12 Months)		2020 (12 Months)	
	THB million	percent	THB million	percent	THB million	percent
	Intra-country sale	359.42	99.92	378.93	99.92	366.44
Cross-boarder sale	0.27	0.08	0.32	0.08	-	-
Total sale	359.73	100.00	379.25	100.00	366.44	100
Increase (decrease) in sale	(179.27)	(33.26)	19.52	5.43	(12.81)	(3.38)

Revenue from installation in the past 3 years

Items	2018 (April – December 2018)		2019 (12 Months)		2020 (12 Months)	
	THB million	percent	THB million	percent	THB million	percent
	Intra-country sale	14.61	100.00	15.5	100.00	23.85
Cross-boarder sale	-	-	-	-	-	-
Total sale	14.62	100.00	15.5	100.00	23.85	100
Increase (decrease) in sale	0.62	4.43	0.93	6.36	9.23	59.55

Sale of ZAM in the past 3 years

Items	2018 (April – December 2018)		2019 (12 Months)		2020 (12 Months)	
	THB million	percent	THB million	percent	THB million	percent
Intra-country sale	5.70	100.00	4.79	100.00	8.17	100
Cross-boarder sale	-	-	-	-	-	-
Total sale	5.70	100.00	4.79	100.00	8.17	100
Increase (decrease) in sale	0.41	11.91	(0.91)	(15.96)	3.38	70.56

โครงสร้างรายได้จากธุรกิจผลิตและจำหน่ายไฟฟ้าจากพลังงานแสงอาทิตย์ในรอบ 3 ปีที่ผ่านมา

Items	2018 (12 Months)		2019 (12 Months)		2020 (12 Months)	
	THB million	percen t	THB million	percen t	THB million	percent
Intra-country sale	60.62	100.00	56.70	100.00	50.58	100
Cross-boarder sale	-	-	-	-	-	-
Total sale	60.62	100.00	56.70	100.00	50.58	100
Increase (decrease) in sale	3.09	5%	(3.92)	(127%)	(6.12)	156%

(3.5) Industry outlook

GI Sheet business

referred to 3.4.1 Industry outlook

Electricity generation business

Electricity generation business in Thailand is an Enhanced Single Buyer Model, having EGAT as both electricity generator and buyer of electricity and PEA and MEA as a buyer from Very Small Power Producer: VSPP

In general, the direction of electricity business depends on (1) Thailand's electricity demand and (2) Government policies which align with PDP and AEDP as well as the pricing policy.

Power producers in Thailand can be categorized into 2 groups as per input (1) Main energy business such as natural gas, coal/lignite, hydro power and gasoline with 57.2 percent of total electricity generation in 2019 and (2) Renewable energy which consisted of Biomass, Biogas, Trash, Wind energy, Solar energy and Hydro energy

In 2020, Electricity consumption in Thailand was affected from Covid-19 which caused the industry to decelerate however, the lockdown policy had people working from home which increase the Company's household power usage

(4) The Company's financial information

1) Statement of Financial Position as of December 31, 2018 – 2020 audited by approved auditor, Deloitte

Statement of Financial Position	As of December 31		
	2018	2019	2020
Cash	103.1	91.1	653.1
Temporary investment	81.5	-	-
Accounts receivable	41.2	32.8	54.4
Contracted assets	-	1.6	8.6
Loan to employees dued in 1 year	2.5	2.7	2.3
Inventory	515.1	552.3	378.3
Other current assets	6.0	3.7	1.7
Total current assets	749.3	684.2	1,098.4
Restricted deposit	45.0	70.0	66.7
Investment in subsidiaries	-	-	-
Other long-term investment	1.2	1.2	-
Other non-current financial assets	-	-	-
Long-term loan to employee	3.1	3.6	3.0
PPE	188.6	174.0	307.1
Right of use	-	-	166.9
Deferred assets	15.7	15.7	-
Goodwill	-	-	67.8
Other non-current asset	-	-	2.6
Total non-current assets	253.5	264.4	614.1
Total assets	1002.8	948.6	1,712.6
Short-term loans from financial institute	63.6	78.9	477.7
Accounts payable	55.8	8.6	59.5
Long-term loan due in 1 year	-	-	36.6
Rental contract due in one year	0.4	0.3	7.1
Short-term loans from related parties	-	-	8.0
Short-term loans	13.1	-	48.0

Statement of Financial Position	As of December 31		
	2018	2019	2020
Deferred tax	-	-	2.0
Other current liability	1.4	0.6	1.5
Total current liability	134.2	88.4	640.4
Lease	0.7	0.3	215.8
Long-term loan from financial institution	-	-	126.6
Employee benefit	19.8	23.2	22.4
Total non-current liabilities	20.5	23.5	364.8
Total liabilities	154.7	111.9	1,005.1
Paid-up capital	60.0	60.0	60.0
Share premium	140.0	140.0	140.0
Retained earnings	10.0	10.0	10.0
Retained earning – reserved	106.0	106.0	106.0
Retained earning – unallocated	532.1	520.7	391.4
Company's equity	848.1	836.7	707.4
Non-controlling interest	0.0	0.0	0.0
Total shareholders' equity	848.1	836.7	707.4
Total liabilities and shareholders' equity	1,002.8	948.6	1,712.6

- 2) Income statement for the year ending December 31, 2020 which was audited by approved auditor for the period of April 1, 2018 - December 31, 2018. And Income statement for the year ending December 31, 2019 – 2020. However, IFA shows financial information of the Company for 2020 as GI Sheet business to reflect the performance.

Income Statement	For the year ending December 31		
	2018	2019	2020
Sale revenue	561.1	379.3	395.8
Service revenue	15.9	15.5	23.9
Total sale and service revenue	577.0	394.8	419.6
Cost of goods sold	471.8	351.5	472.1
Cost of service	18.5	16.3	20.2
Total cost of sale and service	490.3	367.8	492.3

Income Statement	For the year ending December 31		
	2018	2019	2020
Gross profit	86.7	27.0	(72.7)
Gain from sale of subsidiary	-	9.7	0.0
Other income	4.4	4.1	25.0
Selling expense	(10.9)	11.9	8.4
Administrative expense	(51.6)	31.4	44.0
Sale from currency exchange	1.0	0.5	0.0
Profit (loss) before financial cost and tax expense	29.7	(2.0)	(100.1)
Financial cost	1.8	2.8	12.3
Profit (loss) from tax expense	27.8	(4.8)	(112.4)
Tax expense	0.5	0.6	16.6
Profit (loss) for the year	27.3	(5.3)	(129.3)
Profit (loss) from GI Sheet business	27.3	(5.3)	(132.1)
Profit (loss) excluding GI sheet business	-	-	2.9

Remarks:

- 1) Referred to 1.5.3 TIWI's performance
 - 2) The Company invested in ARCADE which operate in electricity generation business from July 202 going forward
- (5) Legal disput
-N/A-
- (6) Subsidiaries
Subsidiaries of the Company
- 1.) TIWI
 - 2.) ARCADE
- Changes in the Company's structure referred to 1.2 Company's structure

Appendix 2 Comparison of DCF Assumption

IFA has compared assumption on DCF between the Company's assumption, which disclosed in information memorandum regarding the disposition of assets and the connected transaction, and IFA's assumption as per table below.

Description	The Company's Assumption	IFA's Assumption	Rationale on IFA's Assumption
1. Projected period	2021 - 2030 (10 years)	2021 - 2030 (10 years)	10-year projection shall cover business cycle of TIWI
2. Revenue from sales			
2.1 Projected unit sold	Projected unit sold in 2021 is constant from 2020 and from 2022 – 2030 to grow by CAGR 3.9 percent per year	Equivalent to an average of unit sold in 2017 – 2020 and no growth afterwards	IFA assumes that an average of 2017 – 2020 can reflect a normal market situation in 2017 – 2018 and abnormal market situation in 2019 – 2020 from price dumping and COVID-19
2.2 Projected selling price	Equivalent to selling price in 2020	Selling price in 2021 equals to that in 2020 and since 2022 to grow by 1.1 percent per year, refer to core inflation rate 20-year	IFA has studied price index of iron and steel product which shows that it has 10-year CAGR of negative 0.6 and 20-year CAGR of positive 3.1 percent (refer to data from Ministry of Commerce) Hence, on conservative basis to assume growth at 1.1 percent, 20-year core inflation rate

Description	The Company's Assumption	IFA's Assumption	Rationale on IFA's Assumption
3. Cost of goods sold	Average % cost of goods sold in 2017 - 2019	Average % cost of goods sold in 2017 – 2020 which deducted depreciation and PPE rental.	Because NOVA sold PPE to third party. Hence, IFA assumes TIWI will not have to recognize those depreciation. By the way PPE rental has reflected in administrative expense.
4. Cost of service	Average % cost of service in 2017 - 2019	Average % cost of service in 2017 – 2020 which deducted depreciation and PPE rental.	Because NOVA sold PPE to third party. Hence, IFA assumes TIWI will not have to recognize those depreciation. By the way PPE rental has reflected in administrative expense.
5. Selling expenses	Growth by 2.0 percent	To break down expenses into expenses related to employee to grow by 2.1 percent due to historical data and other expenses to grow by 1.1 percent due to 20-year core inflation rate.	To break down expenses for more accurate projection.
6. Administrative expenses	Growth by 2.0 percent	To break down expenses into expenses related to employee to grow by 2.1 percent due to historical data and other expenses to grow by 1.1 percent due to 20-year core inflation rate.	To break down expenses for more accurate projection.
7. PPE rental	THB 8.0 million per year	Rental of THB 8.0 million will be recognized in income statement for the period of August – December and the rest will be recognized as prepaid rental.	To reflect realized rental in income statement by fiscal year

Description	The Company's Assumption	IFA's Assumption	Rationale on IFA's Assumption
8. Depreciation	Office equipment at 5 years on straight line basis	Office equipment and vehicle at 5 years on straight line basis	Refer to notes to financial statement of TIWI
9. Discount rate	7.5 percent	8.2 percent	
9.1 Risk Free Rate (Rf)	Refer to 10-year government bond yield at 1.8 percent as at March 1, 2021	Refer to 20-year government bond yield at 2.6 percent as at March 10, 2021	To refer risk free rate on domestic market
9.2 Unlevered Beta	Median on beta of GJS AMC SSSC TMT PERM CSP CITY and THE 5-year record from March 1, 2021, equals to 0.5	Median on beta of GJS AMC SSSC TMT PERM CSP CITY and THE 1-year record from March 10, 2021, equals to 0.5	To refer beta of listed companies, which operate in the similar business
10. Terminal Value Growth	No growth	No growth	Assume on a conservative basis