

(Translation)

Opinion of the Independent Financial Advisor  
Regarding the Disposal of Asset and Connected Transaction

of



Premier Technology Public Company Limited

Prepared by



KGI Securities (Thailand) Public Company Limited

October 16, 2024

## Table of Contents

Executive Summary .....	9
Part 1: General details of the connected transaction.....	15
1. Nature and description of the transaction .....	14
1.1 Objective and background of the transaction .....	14
1.2 Date of the transaction .....	15
1.3 Agreement parties and their relationship .....	16
1.4 Description of the asset being disposed of.....	19
1.5 Total value of the asset being disposed of, payment terms, and criteria for determination of the consideration value .....	25
1.6 Calculation of transaction size .....	26
1.7 Conditions for the transaction .....	28
1.8 Agreements related to the transaction .....	28
1.9 Plan for use of proceeds from the transaction .....	30
1.10 Expected benefits to the Company .....	30
1.11 Connected persons and/or shareholders with a vested interest and not entitled to vote .....	30
1.12 Profile of the Company.....	30
Part 2: Opinion of the Independent Financial Advisor on reasonableness of the connected transaction.....	31
2.1 Objective and necessity of the transaction .....	31
2.2 Advantages and disadvantages of the transaction.....	31
2.3 Comparison of benefits and disadvantages between entering into the transaction with the connected person and the transaction with a third party.....	37
Part 3: Opinion of the Independent Financial Advisor on fairness of price and conditions for the connected transaction ...	39
3.1 Appropriateness and fairness of price .....	39
3.2 Property appraisal.....	48
Part 4: Conclusion of the Independent Financial Advisor's opinion on the connected transaction .....	61
Attachment 1: Profile of Premier Fission Capital Co., Ltd.	

Abbreviation

"The Company" or "PT"	Premier Technology Plc.
"Purchaser" or "PFC"	Premier Fission Capital Co., Ltd.
"PT Subsidiary" or "DCS"	Datapro Computer Systems Co., Ltd.
PMFG	Premier Manufacturing Co., Ltd.
PRH	Premier Resorts & Hotels Co., Ltd.
PPN	Premier Planner Co., Ltd.
"Land and Buildings Sale and Purchase Agreement"	An agreement to sell and to purchase a plot of land with buildings thereon, covering a total area of 6 rai 1 ngan 51 square wah or equivalent to 2,551 square wah, located in Nong Bon Subdistrict, Prawet District, Bangkok, between Premier Fission Capital Co., Ltd., as the purchaser, and Premier Technology Plc., as the seller
"Land and Buildings Disposal Transaction"	A connected transaction by the Company to sell a plot of land with buildings thereon, covering a total area of 6 rai 1 ngan 51 square wah or equivalent to 2,551 square wah, located in Nong Bon Subdistrict, Prawet District, Bangkok, to Premier Fission Capital Co., Ltd. at an approximate price of Baht 450,000,000
"Asset Being Disposed of"	One plot of land and buildings related to the transaction, comprising: 1. Land under Title Deed No. 188390 with a total area of 6 rai 1 ngan 51 square wah or equivalent to 2,551 square wah; 2. Premier Place Building; and 3. All other structures and component parts located on such land
"Independent Valuer" or "TAP"	TAP Valuation Co., Ltd.
"IFA" or "KGI"	KGI Securities (Thailand) Plc.
"SEC"	The Office of the Securities and Exchange Commission
"SET"	The Stock Exchange of Thailand
"Notifications on Acquisition or Disposal"	The Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated August 31, 2008, (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B.E. 2547, dated October 29, 2004, (as amended)

<p>"Notifications on Connected Transactions"</p>	<p>The Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Entering into Connected Transactions, dated August 31, 2008, (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546, dated November 19, 2003, (as amended)</p>
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No. IB 071/24

October 16, 2024

Subject Opinion of the Independent Financial Advisor on the connected transaction and disposal of asset  
Premier Technology Plc.

To Shareholders of Premier Technology Plc.

The Land and Buildings Disposal Transaction between the Company and PFC is regarded as an asset disposal transaction pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated August 31, 2008, (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B.E. 2547, dated October 29, 2004, (as amended) ("Notifications on Acquisition or Disposal"). The maximum size of the transaction is 18.67%, calculated on the total value of consideration basis according to the Company's consolidated financial statements ended June 30, 2024. Since the transaction size is more than 15% but less than 50%, the Company is required to disclose information on the transaction to the Stock Exchange of Thailand ("SET") and submit a circular to its shareholders within 21 days from the date of information disclosure to the SET, providing therein the minimum information according to the prescribed requirements. However, the Land and Buildings Disposal Transaction is deemed as the sale or transfer of business of the Company in essential part to other person pursuant to Section 107 (2) of the Public Limited Companies Act B.E. 2535 (as amended) ("Public Limited Companies Act"), which must obtain an approval from the shareholders' meeting by votes not less than three-fourths of the total votes of the shareholders who attend the meeting and have the right to vote. Therefore, the Company will seek an approval for the said asset disposal transaction from the shareholders' meeting on the same occasion as the connected transaction.

Moreover, as PFC is a connected person of the Company, the Land and Buildings Disposal Transaction constitutes a connected transaction in the category of transaction related to assets or services pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Entering into Connected Transactions, dated August 31, 2008, (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546, dated November 19, 2003, (as amended) ("Notifications on Connected Transactions"). The transaction size is equal to 62.58% of the Company's net tangible assets ("NTA") according

to its consolidated financial statements ended June 30, 2024. Since the transaction size is higher than 3% of the Company's NTA and exceeds Baht 20 million, it is deemed a large-sized connected transaction and, hence, the Company is required to disclose information on the transaction to the SET and appoint an independent financial advisor (IFA) to provide opinion on the transaction, as well as to seek an approval for such transaction from the shareholders' meeting by votes not less than three-fourths of the total votes of the shareholders who attend the meeting and have the right to vote, excluding votes of the shareholders having a vested interest.

In the above connection, the Board of Directors' Meeting No. 3/2024 on August 7, 2024 resolved to appoint KGI Securities (Thailand) Plc. as an independent financial advisor to provide opinion on reasonableness of price and conditions for the disposal of asset and the connected transaction to the Company's shareholders as a basis for their consideration and approval of such transaction.

This IFA report has been prepared based on information obtained from interviews with the Company's executives, information and documents received from the Company, the Company's information available publicly, and other information derived from general sources. Moreover, the IFA has rendered our opinion on the transaction based on the environment at the time of conducting this study. Therefore, if the information used for this study changes significantly in the future, it may cause a relative change to the IFA's opinion. The information used for the preparation of this report includes:

- Resolution of the Company's Board of Directors in relation to the transaction;
- Information Memorandum on the transaction of the Company, dated August 7, 2024, as amended;
- Annual registration statement 2023 (Form 56-1 One Report) of the Company and its affiliates;
- The Company's financial statements, audited by a certified public accountant, for the years ended December 31, 2021-2023 and reviewed financial statements for the six-month period ended June 30, 2024;
- The Company's financial information for 2021-2023 and the six-month period ended June 30, 2024 that is relevant to the operation of "Premier Place" office building business;
- Important documents of the Company and PFC, namely affidavits, memorandum and articles of association, and list of shareholders;
- Permits and office space rental agreements material to the operation of property for rent business of PT;
- The draft Land and Buildings Sale and Purchase Agreement between the Company and PFC;
- The property appraisal report on Premier Place Building prepared by an independent valuer, TAP Valuation Co., Ltd., dated September 12, 2024;

- Minutes of the Extraordinary General Meeting of Shareholders No. 1/2024 on September 20, 2024 and minutes of the Board of Directors' Meeting No. 6/2024 on October 15, 2024 of PFC; and
- Information obtained from interviews with the Company's executives and staff, and information and documents received from the Company and PFC.

*The preparation of this report is subject to the following assumptions and limitations:*

- All information, assumptions and documents obtained, information from interviews, publicly available information, information from general sources, and other related information are true, correct, complete, reliable and close to the present circumstances.
- There is not any incident that has occurred, is going to occur or will likely occur and may have a material impact on the performance and financial position of the Company and PFC.
- None of the information changes materially after it has been made available to the IFA (October 1, 2024).
- The financial information and assumptions for financial forecasting of the office building have been prepared by the Company's executives, and the IFA has determined the possibility and suitability of the main assumptions and guidelines on the financial projection obtained from the executives. In addition, the appraisal of land and buildings using the discounted cash flow approach herein is based on the actual rental agreements of the Company.
- The terms and conditions under any asset sale and purchase agreement related to the transaction between the Company and PFC must hereafter not change from the terms and conditions agreed upon by the two parties in the draft Land and Buildings Sale and Purchase Agreement on Premier Place Building. However, the IFA's opinion is expressed under assumption that such information and documents are correct, complete, valid and legally enforceable, and none of the material information has a significant impact on our opinion.
- The fact that PFC is not a SET-listed company and, hence, its significant information is not made publicly available results in a limited scope of the IFA's opinion. Therefore, our opinion on the transaction is given based primarily on the information of PT and PFC obtained from interviews with their respective executives, including the information received from PT and PFC and other information derived from general sources.

We prepared this opinion report on the connected transaction and the disposal of asset of the Company as of October 16, 2024. We hereby certify that we have performed the above study and analysis according to professional standards, considering such information with due care and rationality as required of a professional, and have provided all reasons based on the information and analysis with fairness and in the interests of the Company's minority shareholders. Nonetheless, our opinion is based on the assumption that all

information, assumptions and documents obtained, information from interviews, publicly available information, and other related information are true, correct, complete and reliable, and none of the information changes materially after it has been made available to us. Accordingly, we may neither certify nor guarantee the accuracy or completeness of the information we have obtained. Our opinion is provided from an analysis of information available at the time of performing the study and preparing this report under the assumptions established from evaluation of the viability of various events that will take place based on only the current incidents at the time of preparing this report. Thus, if such factors change significantly, it could cause a relative change to our opinion given herein, as well as to the appropriate transaction value. This report is intended to provide opinion on the connected transaction and the disposal of asset only.

We have prepared the original of this report in Thai language and provided an English translation for the convenience of non-Thai shareholders. In case of any discrepancy between the Thai and the English versions, the original Thai version shall prevail.

The decision whether to approve the connected transaction and the disposal of asset is to be made primarily at the discretion of the Company's shareholders. It is recommended that the shareholders should study the information and consider the reasons, advantages, disadvantages, risk factors, limitations and opinion in various aspects related to the transaction provided herein with carefulness and prudence before making such decision. In this regard, our opinion is by no means a warranty of the success of the transaction and the impacts that may arise. The IFA shall not be held responsible for any potential impacts from the transaction, whether directly or indirectly.

In view of the reasonableness of the disposal of land and buildings of Premier Place Building based on the information and assumptions mentioned above, the IFA would like to express our opinion on the connected transaction and the disposal of asset as follows:



## Executive Summary

The Board of Directors' Meeting No. 3/2024 of Premier Technology Plc. ("the Company" or "PT") on August 7, 2024 resolved to propose for consideration and approval at the Extraordinary General Meeting of Shareholders No. 1/2024 the disposal of land and buildings under Title Deed No. 188390 with a total area of 6 rai 1 ngan 51 square wah or equivalent to 2,551 square wah, included of Premier Place Building, located in Nong Bon Subdistrict, Prawet District, Bangkok, to Premier Fission Capital Co., Ltd. ("PFC"), which is the person who submitted the offer to purchase the land and buildings of Premier Place Building and is a connected person of the Company, with a total consideration value of Baht 450,000,000 ("Land and Buildings Disposal Transaction").

The Land and Buildings Disposal Transaction with PFC is regarded as an asset disposal transaction pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated August 31, 2008, (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B.E. 2547, dated October 29, 2004, (as amended) ("Notifications on Acquisition or Disposal"). The maximum size of the transaction is 18.67%, calculated on the total value of consideration basis according to the Company's consolidated financial statements ended June 30, 2024. Since the transaction size is more than 15% but less than 50%, the Company is required to disclose information on the transaction to the Stock Exchange of Thailand ("SET") and submit a circular to its shareholders within 21 days from the date of information disclosure to the SET, providing therein the minimum information according to the prescribed requirements. However, the Land and Buildings Disposal Transaction is deemed as the sale or transfer of business of the Company in essential part to other person pursuant to Section 107 (2) of the Public Limited Companies Act B.E. 2535 (as amended) ("Public Limited Companies Act"), which must obtain an approval from the shareholders' meeting by votes not less than three-fourths of the total votes of the shareholders who attend the meeting and have the right to vote. Therefore, the Company will seek an approval for the said asset disposal transaction from the shareholders' meeting on the same occasion as the connected transaction.

Moreover, as PFC is a connected person of the Company, the Land and Buildings Disposal Transaction constitutes a connected transaction in the category of transaction related to assets or services pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Entering into Connected Transactions, dated August 31, 2008, (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546, dated November 19, 2003, (as amended) ("Notifications on Connected

Transactions"). The transaction size is equal to 62.58% of the Company's net tangible assets ("NTA") according to its consolidated financial statements ended June 30, 2024. Since the transaction size is higher than 3% of the Company's NTA and exceeds Baht 20 million, it is deemed a large-sized connected transaction and, hence, the Company is required to disclose information on the transaction to the SET and appoint an independent financial advisor (IFA) to provide opinion on the transaction, as well as to seek an approval for such transaction from the shareholders' meeting by votes not less than three-fourths of the total votes of the shareholders who attend the meeting and have the right to vote, excluding votes of the shareholders having a vested interest.

The Company has appointed KGI Securities (Thailand) Plc. as an independent financial advisor ("IFA" or "KGI") to provide opinion together with various factors such as reasonableness, conditions for the connected transaction, appropriateness of disposal value and price of the connected transaction, including the advantages, disadvantages and risks of the transaction, the details of which are as follows:

Premier Technology Plc. ("the Company" or "PT") was established in 1973 in the name Thai Electronic Industry Co., Ltd. to operate an electronic equipment manufacturing business. It was registered as a public company in 1992 and changed the core business to IT investment through its subsidiary, DCS, in 2005. Then in 2011, the Company invested in "Premier Place" Building to serve as an office and a data center and to rent out a part of the building. Presently, the Company and its subsidiary have still engaged in the IT service provision for enterprise management and the office building rental to outsiders such as leading organizations or institutions. The Company's core businesses are categorized into two groups: 1) office building rental service and 2) IT service for enterprise management.

According to the Company's management, the purposes of the transaction are to generate cash flow for the core business of IT service and data center and to protect the shareholders' interests. In the present circumstances where the Company has minimized the use of office space, compared with the past, to align with the trend of remote working and temporary staffing, the possession of the office building in the Company's name is deemed no longer crucial for its business operation when compared with the past operation. Moreover, the Company needs to use proceeds from this asset disposal transaction for development of the IT business into a fully-fledged service operation. Meanwhile, PFC, the Company's affiliate, desires to purchase and invest in the said office building since PFC itself has been contracted to undertake the management of Premier Place Building and, thus, is familiar with the office rental business.

After the Board of Directors' approval of the transaction, the Company plans to use proceeds from the Land and Buildings Disposal Transaction for expansion of its core business related to IT service so as to continuously generate returns in line with the industry growth. This is expected to be more beneficial to the Company and all shareholders than the existing office rental business.

The advantages and benefits of the transaction are that (1) the Company will obtain funds for further investment in its core business in the amount of Baht 450.00 million, (2) it will enjoy a profit from the sale of asset in the amount of Baht 212.63 million, and (3) it will not bear the risk from adverse impact in the real estate business. At the same time, the disadvantages and risks of the transaction include (1) risk from reliance on income from the IT business, the Company's core activity, which, however, has a tendency to grow and is expected to generate a consistent stream of revenue and profit, and (2) risk to its subsidiary from cancellation of the rental agreement or change in the rental conditions which may affect the business operation. Nevertheless, since the purchaser of the land and buildings, PFC, is the Company's affiliate, the Company believes that DCS will be able to rent the office space for business operation on a continuous basis and will incur the expenses under the rental agreement and the service agreement that are payable to the lessor as agreed in the original agreements.

Given that the Company does not enter into the transaction, the advantages and benefits are that the Company can still diversify its business risk. Meanwhile, the disadvantages and risks are as follows: (1) the Company will not obtain funds from the disposal of land and buildings, and (2) it may lose the opportunity to additionally invest in the core business and/or the potential business.

Moreover, the sale of land and buildings to the connected person will create the advantages and benefits from (1) rapid negotiation about conditions for the transaction, and (2) uninterrupted business operation. On the other hand, the disadvantages and risks of the transaction with the connected person are that the Company may lose the opportunity to compare such transaction with the third party's offer which may provide a higher value.

However, the advantages and benefits from entering into the transaction with a third party are that the Company may receive a better offer or a higher sale value, whereas the disadvantages include (1) a lengthy process of asset disposal and (2) risk to the Company's subsidiary from cancellation or change of the rental agreement.

In view of the objectives of the transaction, the advantages, benefits, disadvantages and risks described above, we are of the opinion that the disposal of land and buildings will be beneficial to the Company and its shareholders since the Company plans to use funds from the said transaction for additional investment

according to its policy on investment in IT business with an expected minimum rate of return of 10%, which is higher than the rate of return of 2%-3% received by the Company from the office rental business.

#### Appropriateness of the transaction's fair value

For the Land and Buildings Disposal Transaction, the Company engaged TAP Valuation Co., Ltd. ("TAP" or "Independent Valuer"), which is on the SEC's approved list of independent appraisers, to evaluate the asset to be disposed of for public purposes as per the property appraisal report No. TAP-MM/1486/0867, dated September 12, 2024, in order to identify the property's market value, using the cost approach and the income approach. However, the cost approach did not reflect the true market value and future profitability of the asset. Meanwhile, under the income approach, there was an assumption of fund reserve for future renovation, projected based on information from the overall office rental business, which differs from the Company's forecast on capital expenditure for building renovation for 2024-2033. Besides, the income approach did not include revenues receivable by the Company from new tenants that signed the rental agreement and service agreement with the Company after the date of appraisal by TAP, involving a total rented area of 2,293.97 square meters or roughly 23% of the total lettable area of the office building. Therefore, we did not use the fair value appraised by TAP as a reference value, but as a basis for consideration.

Table comparing the sale and purchase value under the draft agreement with the fair value

Sale and purchase value under the draft agreement (Baht million)	Fair value appraised by TAP (Baht million)	Fair value appraised by IFA (Baht million)
450.00	Cost approach: 462.76 Income approach: 427.00	Best case: 525.72 Base case: 443.42 Worst case: 381.86

We view that a suitable method for measuring a fair value of the land and buildings is the discounted cash flow (DCF) approach. By this approach, we have arrived at a fair value of the property of Baht 443.42 million in the base case, which is lower than the sale and purchase price of Baht 450.00 million by Baht 6.58 million or 1.46% of the sale and purchase price. From a sensitivity analysis, the property's fair value is in a range of Baht 381.86 million – Baht 525.72 million. Therefore, we deem that the transaction value of Baht 450.00 million is reasonable, considering that the DCF approach focuses on future operation and profitability of the land and buildings based on the net present value of cash flow to the Company in the future, including the overall economic and industrial trends. The sale and purchase price is higher than the lowest of the appraised fair value by Baht 68.14 million or 15.14% of the sale and purchase price, and is lower than the highest of the appraised fair value by Baht 75.72 million or 16.83% of the sale and purchase price.

Sale and purchase value under the draft agreement (Baht million)	Fair value of appraised property (lowest – highest) (Baht million)	(Lower) or higher (Baht million)
450.00	Best case: 525.72 Base case: 443.42 Worst case: 381.86	Higher: 75.72 Lower: (6.58) Lower: (68.14)

In view of the appropriateness of the disposal of land and buildings of the Company to its connected person at a total price of Baht 450.00 million, we are of the opinion that the sale and purchase price is higher than the property's fair value appraised herein at Baht 443.42 million in the base case and in a range of Baht 381.86 million – Baht 525.72 million from the sensitivity analysis. Therefore, we deem that the sale and purchase price of the land and buildings to be sold to PFC, the Company's connected person, at Baht 450.00 million is an appropriate price.

#### Appropriateness of conditions for the transaction

For the Land and Buildings Disposal Transaction between the Company and PFC, the conditions set out in the draft Land and Buildings Sale and Purchase Agreement are the general conditions of such agreement and the same conditions as those applicable to the transaction with a non-connected party. However, according to the conditions in the said draft agreement, the transfer of ownership must be registered within 120 days, which is longer than the general case by about 30 days. Amid the current slowdown in the economy and the real estate industry, it may be time-consuming not only to acquire a potential buyer of such high-value land and buildings but also to apply for loans from financial institutions. The said registration period that is about 30 days longer is accordingly deemed acceptable. The Company will receive from the purchaser a deposit for the asset in the amount of Baht 45.00 million on the agreement signing date and the remaining Baht 405.00 million on the date of registration of property ownership transfer, and will transfer all related rights, permits, and agreements to the purchaser on the date of registration of property ownership transfer, duly and completely as required by laws. Therefore, we view that the conditions for the transaction are appropriate.

Based on the above reasons, we are of the opinion that the Land and Buildings Disposal Transaction is reasonable and beneficial to the Company's shareholders. Therefore, it is recommended that the shareholders vote in favor of the transaction.

However, the decision whether to approve or disapprove the transaction depends primarily on the shareholders' judgment. The persons with a conflict of interest shall not be entitled to vote on this agenda item and, thus, the voting for or against the transaction shall rest with all other shareholders.

**Part 1: General details of the connected transaction****1. Nature and description of the transaction****1.1 Objective and background of the transaction**

The Board of Directors' Meeting No. 3/2024 of Premier Technology Plc. ("the Company" or "PT") on August 7, 2024 resolved to propose for consideration and approval at the Extraordinary General Meeting of Shareholders No. 1/2024 the disposal of land and buildings under Title Deed No. 188390 with a total area of 6 rai 1 ngan 51 square wah or equivalent to 2,551 square wah of Premier Place Building, located in Nong Bon Subdistrict, Prawet District, Bangkok, to Premier Fission Capital Co., Ltd. ("PFC"), which is the person who submitted the offer to purchase the land and buildings of Premier Place Building and is a connected person of the Company, with a total consideration value of Baht 450,000,000 ("Land and Buildings Disposal Transaction").

The Land and Buildings Disposal Transaction between the Company and PFC is regarded as an asset disposal transaction pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated August 31, 2008, (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B.E. 2547, dated October 29, 2004, (as amended) ("Notifications on Acquisition or Disposal"). The maximum size of the transaction is 18.67%, calculated on the total value of consideration basis according to the Company's consolidated financial statements ended June 30, 2024. Since the transaction size is more than 15% but less than 50%, the Company is required to disclose information on the transaction to the Stock Exchange of Thailand ("SET") and submit a circular to its shareholders within 21 days from the date of information disclosure to the SET, providing therein the minimum information according to the prescribed requirements. However, the Land and Buildings Disposal Transaction is deemed as the sale or transfer of business of the Company in essential part to other person pursuant to Section 107 (2) of the Public Limited Companies Act B.E. 2535 (as amended) ("Public Limited Companies Act"), which must obtain an approval from the shareholders' meeting by votes not less than three-fourths of the total votes of the shareholders who attend the meeting and have the right to vote. Therefore, the Company will seek an approval for the said asset disposal transaction from the shareholders' meeting on the same occasion as the connected transaction.

Moreover, as PFC is a connected person of the Company, the Land and Buildings Disposal Transaction constitutes a connected transaction in the category of transaction related to assets or services pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Entering into Connected Transactions, dated August 31, 2008, (as amended), and the Notification of the Board of Governors of the Stock

Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546, dated November 19, 2003, (as amended) (“Notifications on Connected Transactions”). The transaction size is equal to 62.58% of the Company’s net tangible assets (“NTA”) according to its consolidated financial statements ended June 30, 2024. Since the transaction size is higher than 3% of the Company’s NTA and exceeds Baht 20 million, it is deemed a large-sized connected transaction and, hence, the Company is required to disclose information on the transaction to the SET and appoint an independent financial advisor (IFA) to provide opinion on the transaction, as well as to seek an approval for such transaction from the shareholders’ meeting by votes not less than three-fourths of the total votes of the shareholders who attend the meeting and have the right to vote, excluding votes of the shareholders having a vested interest.

## 1.2 Date of the transaction

The Company will enter into the Land and Buildings Sale and Purchase Agreement on Premier Place Building with PFC with a total consideration of Baht 450,000,000, in form and under the terms and conditions as determined by the Company, within 60 days from the date the shareholders’ meeting of the Company resolves to approve the sale of land and buildings of Premier Place Building to PFC, and will transfer the ownership of land and buildings to the purchaser within 120 days of the agreement signing.

**Table 1-1: Timeline for the Land and Buildings Disposal Transaction**

Details	Timeline
1) The Company’s Board of Directors resolves to propose the Land and Buildings Disposal Transaction for consideration and approval at the shareholders’ meeting.	August 7, 2024
2) The Company’s shareholders consider and approve the Land and Buildings Disposal Transaction.	November 27, 2024
3) The Company and the purchaser sign the Land and Buildings Sale and Purchase Agreement on Premier Place Building. The purchaser will pay a deposit for the asset to the seller at 10% of the agreed sale and purchase price, amounting to Baht 45,000,000, on the same day as the agreement signing.	Within 60 days from the date the shareholders’ meeting of the Company approves the transaction

4) The Company proceeds with the sale and transfer of ownership of land and buildings of Premier Place Building to the purchaser. The purchaser will pay the remainder of Baht 405,000,000 on the same day as the ownership transfer, and the seller will transfer all rights, permits, and agreements related to the asset agreed for sale and purchase and the use of public utilities in the asset agreed for sale and purchase to the purchaser upon registration of ownership transfer.	Within 120 days after agreement signing
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### 1.3 Agreement parties and their relationship

On August 7, 2024, the Board of Directors' Meeting No. 3/2024 of the Company considered the parties to the agreement and their relationship with the listed company, as follows:

Table 1-2: Agreement parties and their relationship

<b>Purchaser:</b>	Premier Fission Capital Co., Ltd. ("PFC")
<b>Seller:</b>	Premier Technology Plc. (" <b>the Company</b> " or "PT")
<b>Relationship:</b>	<p>1) PFC holds a stake of 5.71% of the Company's registered and paid-up capital.</p> <p>2) PFC is a connected person of PT through the following relationships:</p> <ul style="list-style-type: none"> <li>- Mr. Vichien Phongsathorn is a related person as he is (a) a director of PT and PFC; (b) the spouse of Mrs. Vimonthip Phongsathorn, who is the major shareholder of PT; (c) a shareholder holding 48.50% of the registered and paid-up capital of Premier Manufacturing Co., Ltd. (PMFG), which holds a stake of 71.92% of PFC's registered and paid-up capital; (d) an indirect shareholder holding 23.52% of the registered and paid-up capital of Premier Resorts &amp; Hotels Co., Ltd. (PRH), which holds a stake of 27.96% of PFC's registered and paid-up capital; and (e) a shareholder holding 0.10% of the registered and paid-up capital of Premier Planner Co., Ltd. (PPN), which holds a stake of 0.11% of PFC's registered and paid-up capital.</li> <li>- Mrs. Vimonthip Phongsathorn is a related person as she is (a) a major shareholder holding 36.96% of PT's registered and paid-up capital; (b) the spouse of Mr. Vichien Phongsathorn, who is a director of PT and PFC; (c) a shareholder holding less than 0.01% of the registered and paid-up capital of PMFG, which holds a stake of 71.92% of PFC's registered and paid-up capital; and (d) a shareholder holding, directly and indirectly, 1.25% of the registered and paid-up capital of PRH, which holds a stake of 27.96% of PFC's registered and paid-up capital.</li> </ul>



	<ul style="list-style-type: none"> <li>- Mr. Suradej Boonyawatana is a director of PT and PFC.</li> <li>- Mrs. Duangthip Eamrungraj is a related person as she is (a) a shareholder holding 0.70% of PT's registered and paid-up capital; (b) a director of PT and PFC; and (c) a shareholder holding 0.10% of the registered and paid-up capital of PPN, which holds a stake of 0.11% of PFC's registered and paid-up capital.</li> <li>- Mrs. Walairat Pongjitt is a related person as she is (a) a shareholder holding 0.25% of PT's registered and paid-up capital; (b) a director of PT and PFC; (c) a shareholder holding 1.00% of the registered and paid-up capital of PMFG, which holds a stake of 71.92% of PFC's registered and paid-up capital; and (d) a shareholder holding, directly and indirectly, 0.84% of the registered and paid-up capital of PRH, which holds a stake of 27.96% of PFC's registered and paid-up capital.</li> <li>- Miss Thipchaya Phongsathorn is a related person as she is (a) a shareholder holding 0.03% of PT's registered and paid-up capital; (b) a shareholder holding 0.01% of PFC's registered and paid-up capital; (c) a director of PFC; (d) the daughter of Mr. Vichien Phongsathorn and Mrs. Vimonthip Phongsathorn; (e) a shareholder holding 49.50% of the registered and paid-up capital of PMFG, which holds a stake of 71.92% of PFC's registered and paid-up capital; (f) a shareholder holding, directly and indirectly, 73.91% of the registered and paid-up capital of PRH, which holds a stake of 27.96% of PFC's registered and paid-up capital; and (g) a shareholder holding 99.80% of the registered and paid-up capital of PPN, which holds a stake of 0.11% of PFC's registered and paid-up capital.</li> <li>- Miss Sumittra Phongsathorn is a related person as she is (a) the sibling of Mr. Vichien Phongsathorn, who is a director of PT and PFC; (b) a shareholder holding 1.00% of the registered and paid-up capital of PMFG, which holds a stake of 71.92% of PFC's registered and paid-up capital; and (c) an indirect shareholder holding 0.49% of the registered and paid-up capital of PRH, which holds a stake of 27.96% of PFC's registered and paid-up capital.</li> </ul>
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Source: List of Shareholders (BorOrChor.5) of PFC, as of July 23, 2024

List of Shareholders (BorOrChor.5) of PMFG, as of July 23, 2024

List of Shareholders (BorOrChor.5) of PRH, as of July 23, 2024

List of Shareholders (BorOrChor.5) of PPN, as of February 18, 2019

List of shareholders as at the register book closing date of PT on March 4, 2024

PT's affidavit as of June 21, 2024

PFC's affidavit as of July 3, 2024

The Board of Directors' Meeting No. 3/2024 of the Company on August 7, 2024 resolved to propose for consideration and approval at the shareholders' meeting the disposal of land and buildings of Premier Place Building to PFC. PFC changed its shareholders on September 13, 2024 to be as follows:

No.	Name	% Shareholding	
		<sup>1/</sup> As of Aug 7, 2024	<sup>2/</sup> As of Sep 13, 2024
1	Premier Manufacturing Co., Ltd. (PMFG)	71.92	72.04
2	Premier Resorts & Hotels Co., Ltd. (PRH)	27.96	27.96
3	Premier Planner Co., Ltd. (PPN)	0.11	-
4	Miss Thipchaya Phongsathorn	<0.01	<0.01
Total		100.00	100.00

Source: 1/ List of Shareholders (BorOrChor.5) of PPN, as of February 18, 2019

2/ List of Shareholders (BorOrChor.5) of PFC, as of September 13, 2024

However, the said change has no effect on the shareholding of PFC's ultimate shareholders since the directors and major shareholders of the Company, including their related persons and close relatives, still are the major shareholders and/or controlling persons in PRH and PMFG, the juristic persons that are the major shareholders and/or controlling persons in PFC.

Please see list of PFC's shareholders in Attachment 1.

#### 1.4 Description of the asset being disposed of

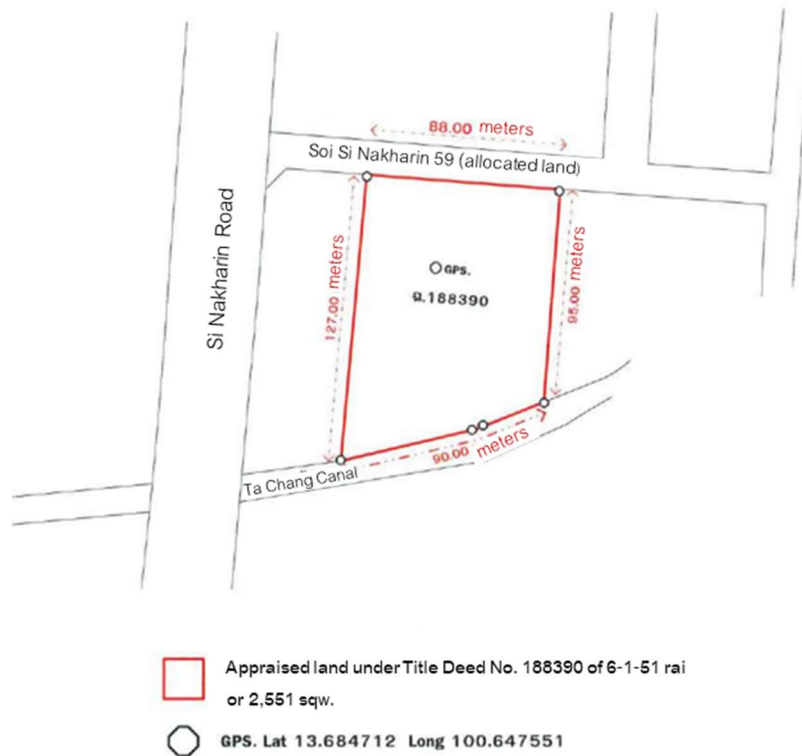
##### 1.4.1 Information on the asset

Table 1-3: Details of the asset being disposed of under the Land and Buildings Disposal Transaction

Type of asset	Land and buildings
Total area	6 rai 1 ngan 51 square wah (2,551 square wah)
Location	No. 2 Premier Place Building, Soi Si Nakharin 59 (Soi Premier 2), Si Nakharin Road, Nong Bon Subdistrict, Prawet District, Bangkok
Ingress/egress rights	Provided via land allocation
Land document	Title Deed No. 188390 for one plot of land with a total area of 6 rai 1 ngan 51 square wah or equivalent to 2,551 square wah
Owner of land and buildings	Premier Technology Plc.
Details of buildings and structures	<p>Totaling five items:</p> <ol style="list-style-type: none"> <li>1. A six-storied office building with one underground floor</li> <li>2. Two guard houses</li> <li>3. A fire pump house</li> <li>4. Two parking lots (an open structure with roof)</li> <li>5. Concrete parking ground, approx. 4,350.00 square meters</li> </ol>
Building construction permit	Original Building Permit No. 932/2532 issued on September 29, 1989 and renewed Permits No. 174/2534 issued on February 25, 1991 and No. 17/2566 issued on January 16, 2023 for construction, alteration or demolition of a six-storied office building with one underground floor
Registered encumbrances	None
Town planning regulations	According to Bangkok Metropolitan Comprehensive Plan (2013), the appraised property is located in the medium-density residential area, Orange Zone Yor.7-22, with a floor area ratio (FAR) of 5 : 1 and an open space ratio (OSR) of 6%.
Appraised market value	<ol style="list-style-type: none"> <li>1. Cost approach: <ul style="list-style-type: none"> <li>- Land area of 2,551 square wah valued at Baht 140,000/square wah or Baht 357,140,000 in total</li> <li>- Five items of buildings and structures valued at Baht 105,620,000</li> <li>- Total property value of Baht 462,760,000</li> </ul> </li> <li>2. Income approach <ul style="list-style-type: none"> <li>- Total market value of Baht 427,000,000</li> </ul> </li> </ol>

Source: Property appraisal report of TAP Valuation Co., Ltd., No. TAP-MM/1486/0867, dated September 12, 2024

Figure 1 – 1: Land layout and aerial picture



Land layout



Aerial picture

Figure 1-2: Current pictures of buildings & structures on the land

Office building



The outside of Premier Place Building



Common area on 1<sup>st</sup> Floor



Sample office space for rent on 3<sup>rd</sup> Floor





Lifts and lift lobby on 3<sup>rd</sup> Floor



Water pump and fire pump on underground floor

#### Guard houses



Guard house No. 1

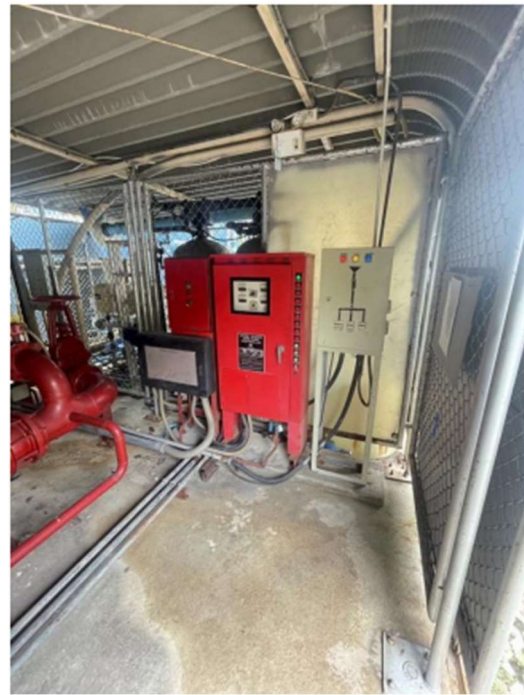


Guard house No. 2

Fire pump house



The outside of fire pump house



The inside of fire pump house

Concrete parking ground and parking lots



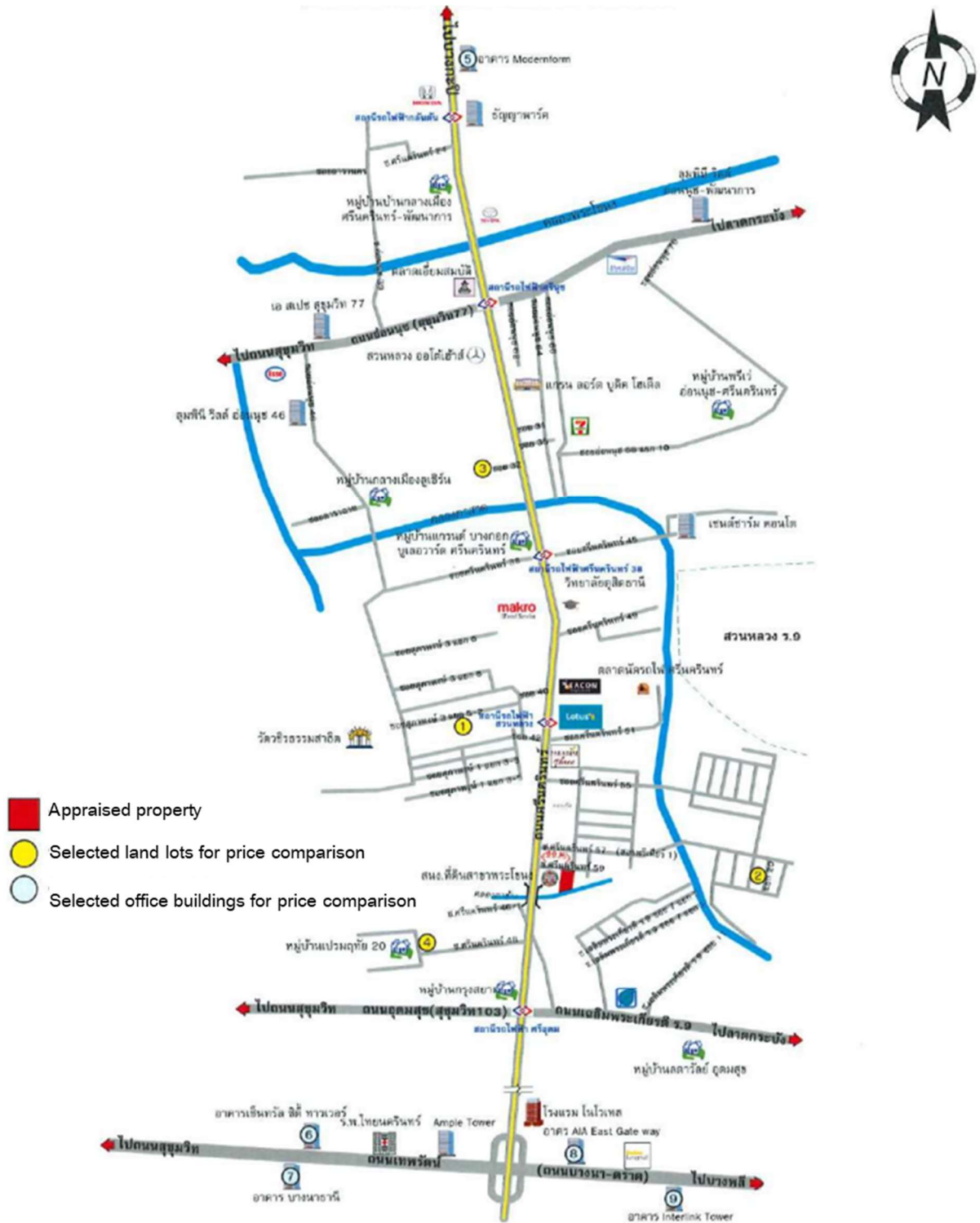
Concrete parking ground and open parking lot with  
roof No. 1



Concrete parking ground and open parking lot with  
roof No. 2



Figure 1-3: Map showing property location



Source: Property appraisal report of TAP Valuation Co., Ltd., No. TAP-MM/1486/0867, dated September 12, 2024



**1.5 Total value of the asset being disposed of, payment terms, and criteria for determination of the consideration value**

**Total value of the asset being disposed of**

Total value of the asset being disposed of, comprising a plot of land of 6 rai 1 ngan 51 square wah or equivalent to 2,551 square wah, including the structures, buildings, and parking lots on such land, is equal to the sale and purchase price of Baht 450,000,000.

**Payment terms**

The Company will receive from PFC a deposit for the asset in the amount of Baht 45,000,000, payable in form of a cashier's check, on the agreement signing date and the remaining Baht 405,000,000 on the date of registration of property ownership transfer.

**Criteria for determination of the consideration value**

According to the resolution of the Company's Board of Directors on August 7, 2024, the total value of consideration for the sale of land and buildings of Premier Place Building of the Company to PFC is Baht 450,000,000, based on the appraisal reports of two SEC-approved valuers prepared for internal use as a basis of consideration and not for use in the sale and purchase or as a reference for public purposes. They include (1) Brent Joe Cosens Consulting Co., Ltd. ("BJC"), as per the property appraisal report dated December 19, 2023, with the property appraised by the income approach at Baht 329.27 million; and (2) Advance Property and Consultant Co., Ltd. ("Advance"), as per the property appraisal report dated December 15, 2023, with the property appraised by the cost approach at Baht 484.81 million.

However, after the resolution passed by the Board of Directors' meeting of the Company in August 2024 to enter into the transaction, the Company engaged another appraiser, TAP Valuation Co., Ltd. ("TAP"), to perform the asset appraisal for use in the sale and purchase or as a reference for public purposes in the stock market and to reflect the asset's present value before entering into the transaction. TAP appraised such property at Baht 427.00 million, using the income approach, which was deemed by TAP as a suitable method and could most accurately reflect the property's market value.

Table 1-4: Appraised value vs. sale and purchase price of land and buildings

Appraisal approach	Asset appraised	Appraised value		Sale and purchase price
		Price/sqw. (Baht)	Total value (Baht million)	Total price (Baht million)
1. Cost approach	Land	140,000	357.14	450
	Buildings	-	105.62	
	Total		462.76	
2. Income approach	Land and buildings	-	427.00	450

Source: Property appraisal report of TAP Valuation Co., Ltd., No. TAP-MM/1486/0867, dated September 12, 2024

## 1.6 Calculation of transaction size

Details of the transaction size calculation, based on financial information from the Company's consolidated financial statements ended June 30, 2024, are as follows:

### 1.6.1 Calculation of size of the asset disposal transaction

Table 1-5: Calculation of size of the asset disposal transaction

Basis of calculation	Calculation formula	Transaction size (%)
1. Net tangible assets	Not applicable since this is not a disposal of securities	None
2. Net profit	Not applicable since this is not a disposal of securities	None
3. Total value of consideration	$\frac{\text{Total value of consideration} \times 100}{\text{Total assets of the Company}}$ $= \frac{\text{Baht 450.00 million} \times 100}{\text{Baht 2,410.91 million}}$	18.67
4. Securities value	Not applicable since there is no issuance of equity shares	None
Maximum size under the total value of consideration basis		18.67
Total maximum size of this asset disposal transaction + transactions in previous 6 months <sup>2/</sup> under the total value of consideration basis		18.67

Remark:

1/ Total assets from the Company's consolidated financial statements for the six-month period ended June 30, 2024, duly reviewed by the auditor

2/ In the previous six months, the Company did not enter into any other asset disposal transactions.

The Land and Buildings Disposal Transaction has the maximum size of 18.67% under the total value of consideration basis according to the Company's consolidated financial statements ended June 30, 2024. The Company did not enter into any other asset disposal transactions during the previous six months; therefore, the maximum size of the said asset disposal transaction is equal to 18.67% under the total value of consideration basis. Since the transaction size is more than 15% but less than 50%, the Company is required, pursuant to the Notifications on Acquisition or Disposal, to disclose information on the transaction to the SET and submit a circular to its shareholders within 21 days from the date of information disclosure to the SET, providing therein the minimum information according to the prescribed requirements. However, the Land and Buildings Disposal Transaction is deemed as the sale or transfer of business of the Company in essential part to other person pursuant to Section 107 (2) of the Public Limited Companies Act, which must obtain an approval from the shareholders' meeting by votes not less than three-fourths of the total votes of the shareholders who attend the meeting and have the right to vote.

#### 1.6.2 Calculation of size of the connected transaction

Table 1-6: Calculation of net tangible assets (NTA)

Financial information	(Unit: Baht million)
Total assets	2,410.91
Less Total liabilities	(1,637.83)
Less Intangible assets	-
Less Deferred tax assets	(31.15)
Less Right-of-use assets	(22.83)
Less Goodwill	-
Less Non-controlling interests	-
NTA	719.11
Total value of consideration + transactions in previous 6 months	<sup>1/</sup> 450.00

Basis of calculation	Calculation formula	Transaction size
NTA	Total value of consideration / The Company's NTA = Baht 450 million / Baht 719.11 million	62.58%
Total maximum size of this connected transaction + transactions in previous 6 months <sup>1/</sup>		62.58%

Remark: 1/ In the previous six months, the Company did not enter into any other connected transactions with PFC.

The Company will enter into the Land and Buildings Disposal Transaction with PFC, which is its shareholder. The two parties also have the following relationships: (1) they have four common directors, namely Mr. Vichien Phongsathorn, Mr. Suradej Boonyawatana, Mrs. Duangthip Eamrungrroj, and Mrs. Walairat Pongjitt; and (2) Mrs. Vimonthip Phongsathorn, the Company's major shareholder, is the spouse of Mr. Vichien Phongsathorn who is the director of both the Company and PFC. Since the directors and major shareholders of the Company, including their related persons and close relatives, are the major shareholders and/or controlling persons in PRH and PMFG, the juristic persons that are the major shareholders and/or controlling persons in PFC, this transaction, therefore, constitutes a connected transaction in the category of transaction related to assets or services, with the transaction size equal to 62.58% of the Company's NTA. However, since the Company did not enter into any other connected transactions with PFC in the previous six months, the maximum transaction size is accordingly equal to 62.58% of the Company's NTA, which is higher than 3% of its NTA and exceeds Baht 20 million based on its consolidated financial statements ended June 30, 2024. As a result, this is deemed a large-sized connected transaction pursuant to the Notifications on Connected Transactions and, hence, the Company is required to disclose information on the transaction to the SET and appoint an independent financial advisor (IFA) to provide opinion on the transaction, as well as to seek an approval for such transaction from the shareholders' meeting by votes not less than three-fourths of the total votes of the shareholders who attend the meeting and have the right to vote, excluding votes of the shareholders having a vested interest. In this regard, the Company will seek an approval for the asset disposal transaction, which is deemed as the sale or transfer of business of the Company in essential part to other person pursuant to Section 107 (2) of the Public Limited Companies Act, and the connected transaction from the shareholders' meeting on the same occasion.

#### **1.7 Conditions for the transaction**

The Company will enter into the asset disposal transaction and the connected transaction after the Extraordinary General Meeting of Shareholders No. 1/2024, which will be held on November 27, 2024, has resolved to approve those transactions, with the required affirmative votes not less than three-fourths of the total votes of the shareholders who attend the meeting and have the right to vote, excluding votes of the shareholders having a vested interest.

#### **1.8 Agreements related to the transaction**

For the Land and Buildings Disposal Transaction, the Company will enter into the Land and Buildings Sale and Purchase Agreement. The key terms and conditions in the draft agreement are summarized below:

Table 1-7: Summary of the draft Land and Buildings Sale and Purchase Agreement on Premier Place Building

Agreement parties	<p>Purchaser: Premier Fission Capital Co., Ltd. ("PFC")</p> <p>Seller: Premier Technology Plc. ("the Company" or "PT")</p>
Asset agreed for sale and purchase	<p>Land and buildings, comprising:</p> <ol style="list-style-type: none"> <li>1. A plot of land under Title Deed No. 188390 with a total area of 6 rai 1 ngan 51 square wah or equivalent to 2,551 square wah, located in Nong Bon Subdistrict, Prawet District, Bangkok;</li> <li>2. Premier Place Building, located at No. 2 Soi Premier 2, Nong Bon Subdistrict, Prawet District, Bangkok; and</li> <li>3. All other structures and component parts located on such land, including solar roof, parking lots, and equipment of the buildings and structures</li> </ol>
Sale and purchase price and payment terms	<p>The sale and purchase price of land and buildings and payment terms are as follows:</p> <p>The Purchaser shall pay a deposit for the asset agreed for sale and purchase to the Seller at 10% of the agreed sale and purchase price, or amounting to Baht 45,000,000, payable in form of a cashier's check, on the agreement signing date.</p> <p>The remaining price of Baht 405,000,000 shall be paid by the Purchaser to the Seller on the date of registration of property ownership transfer.</p>
Key conditions	<ol style="list-style-type: none"> <li>1. The Seller agrees to transfer to the Purchaser all rights, permits, and agreements related to the asset agreed for sale and purchase and the use of public utilities in the asset agreed for sale and purchase, which exist at the time of this agreement signing and as of the date of registration of ownership transfer.</li> <li>2. The date to register the transfer of ownership of the asset agreed for sale and purchase shall be within 120 days of this agreement signing.</li> <li>3. The parties hereto agree that the obligations regarding payment of the transfer fee, relevant taxes, and stamp duty shall be as prescribed by laws.</li> <li>4. If the Purchaser fails to accept the ownership transfer or to make the payment in full as agreed or breaches any of the conditions in material respect, the Purchaser shall be deemed as a defaulting party and</li> </ol>

	<p>agrees to allow the Seller to forfeit the deposit in full and terminate this agreement forthwith.</p> <p>5. If the Seller breaches any of the conditions in material respect, the Seller shall be deemed as a defaulting party and agrees to allow the Purchaser to exercise the right to terminate the agreement. The Seller shall refund all deposit to the Purchaser; otherwise, the Purchaser may exercise the right to force the Seller to comply with the agreement and claim damages from the Seller.</p>
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Source: The draft Land and Buildings Sale and Purchase Agreement

### 1.9 Plan for use of proceeds from the transaction

The Company will use proceeds from the Land and Buildings Disposal Transaction to expand its investment in the total IT solutions business. It is in the process of conducting a feasibility study on various alternatives to ensure the best interests of the Company and its shareholders. Such funds will also be used as working capital in the business in order to boost the Company's liquidity.

### 1.10 Expected benefits to the Company

1. Its financial position and liquidity will be improved by the income receivable from the sale of land and buildings.
2. Shareholders' return will be increased by the income receivable from the sale of asset. Also, there will be a greater opportunity of total IT solutions business expansion due to the improved liquidity of the Company, which depends on results of the viability study on various alternatives for the total IT solutions business. The Company will incorporate the directly related factors and external factors into the said study to ensure the maximum benefit to the Company. Also, the Company plans to diversify its investment to businesses related to its core business so as to align with rapid growth in the IT industry's hardware and software markets and better address the diverse customer needs.

### 1.11 Connected persons and/or shareholders with a vested interest and not entitled to vote

Please see list of the connected persons and/or shareholders who have a vested interest and are not entitled to vote in the consideration and approval of the asset acquisition transaction and connected transaction of the Company at the Extraordinary General Meeting of Shareholders No. 1/2024, which will be held on November 27, 2024, provided in the Information Memorandum Regarding the Disposition of Asset and Connected Transaction (Enclosure No. 2 of this Notice of the Extraordinary General Meeting of Shareholders).

#### 1.12 Profile of the Company

Please see the Company's profile provided in the Information Memorandum Regarding the Disposition of Asset and Connected Transaction, Schedule 2 (Enclosure No. 2 of this Notice of the Extraordinary General Meeting of Shareholders).

**Part 2: Opinion of the Independent Financial Advisor on reasonableness of the connected transaction****2.1 Objective and necessity of the transaction**

The Board of Directors' Meeting No. 3/2024 of the Company on August 7, 2024 resolved to propose for consideration and approval at the Extraordinary General Meeting of Shareholders No. 1/2024 the disposal of land and buildings under Title Deed No. 188390 with a total area of 6 rai 1 ngan 51 square wah or equivalent to 2,551 square wah, included of Premier Place Building, located in Nong Bon Subdistrict, Prawet District, Bangkok, to PFC, which is the person who submitted the offer to purchase the land and buildings of Premier Place Building and considered a connected person of the Company, with a total consideration value of Baht 450,000,000 ("Land and Buildings Disposal Transaction"). The approval of such transaction was based on the appraisal reports of two SEC-approved valuers prepared for internal use as a basis of consideration and not for use in the sale and purchase or as a reference for public purposes. They include (1) Brent Joe Cosens Consulting Co., Ltd. ("BJC"), as per the property appraisal report dated December 19, 2023, with the property appraised by the income approach at Baht 329.27 million; and (2) Advance Property and Consultant Co., Ltd. ("Advance"), as per the property appraisal report dated December 15, 2023, with the property appraised by the cost approach at Baht 484.81 million.

After the resolution passed in August 2024 to enter into the transaction, the Company engaged another appraiser, TAP Valuation Co., Ltd. ("TAP"), to perform the asset appraisal for use in the sale and purchase or as a reference for public purposes in the stock market and to reflect the asset's present value before entering into the transaction. TAP appraised such property at Baht 427.00 million, using the income approach.

The Company also took into consideration the industry situation and trends of the IT business and office building rental business, including its investment policy and expected return on additional investment in the future, and financial information in 2021-2023 and the six-month period ended June 30, 2024 for each type of its business. The Company has therefore decided to enter into the Land and Buildings Disposal Transaction in order to secure funding for the expansion of investment in the IT business in the future, which will generate favorable returns for the Company and its shareholders.

**2.2 Advantages and disadvantages of the transaction****2.2.1 Advantages and benefits of the transaction****2.2.1.1 The Company will obtain funds for investment in its core business.**

Since more than 99% of PT Group's revenues were contributed by their IT business, therefore, the office space rental is not the Company's core activity. Besides, having no permanent staff with skills in the management of its office buildings for rent, the Company has to outsource this task to PFC, which is a member company in the shareholder group. From the past three-year performance during 2021-2023 of the office



building rental business, it recorded the average occupancy rate of 67%, with the tenants that are PT's affiliated companies renting more than 70% of the total lettable area, and the average rate of return of 2%-3%, which is lower than that of 10%-11% obtained from the IT business, the Company's core activity.

Overall, revenues from the IT business made up more than 99% of a total revenue from sales, rental and services of the Company, and have steadily been improved, from Baht 2,083.43 million in 2021 to Baht 3,477.31 million in 2023, representing an average growth rate of 29.6% per year, and from Baht 1,682.92 million in H1/2023 to Baht 2,015.55 million in H1/2024, equivalent to a growth rate of 19.8% per year. This was consistent with growth in the IT industry. Based on information from the Digital Economy Promotion Agency (depa),<sup>1</sup> the IT sector saw a continuous increase rate during 2021-2023, with its market value rising from Baht 1.66 trillion in 2021 to Baht 2.02 trillion in 2023, representing an average growth rate of 10.8% per year. In 2023, hardware and smart device business captured the largest market share of 72.0%, followed by digital and software service, 15.2%, and software service, 10.6%. Depa has predicted that these three sub-sectors will continue to grow over the next three years, by an average 9.7%, 14.5%, and 11.1% respectively, propelled by factors such as transformation to the digital era, notably data storage in a data center, and application of software programs for efficiency enhancement in organizations.

Moreover, demand for cloud services and Software-as-a-Service (SaaS) is expected to increase, along with growth in various digital services, particularly Fintech and Health Tech that are still in their infancy. According to Kasikorn Research Center's Industry Outlook Report,<sup>2</sup> Thailand's data center market will likely witness stronger growth, driven by three encouraging factors: (1) rising demand for data center service in Thai business sector; (2) a huge power reserve in the country; and (3) the government supports sector's policy on data center investment promotion.

In view of such promising trend of the IT industry, the Company will enter into the Land and Buildings Disposal Transaction and bring in Baht 450.00 million, which it will use for additional investment in the IT business, the core activity that it has had expertise in. The Company expects to generate a higher rate of return and aims to invest in IT-related businesses that could deliver a return of at least 10%.

#### 2.2.1.2 The Company will enjoy a profit from the sale of asset.

By entering into the Land and Buildings Disposal Transaction, the Company will receive a profit from sale of asset, after deduction of all expenses, in the amount of around Baht 212.63 million, based on the agreed sale and purchase price of land and buildings of Premier Place Building of Baht 450.00 million and the book value as of June 30, 2024 of Baht 216.47 million. The transaction will be subject to related expenses and taxes,

<sup>1</sup> Digital Industry 2023, September 10, 2024, depa and IMC institution

<sup>2</sup> Current Issue Vol.30 No. 3461, dated March 4, 2024, Kasikorn Research Center

including ownership transfer fee of 2% of the appraised value of the Department of Lands (estimated<sup>3</sup>), withholding corporate income tax of 1.0% of the selling price or the appraised value (whichever is higher), and specific business tax on sale of operating assets of a juristic entity of 3.3% of the selling price or the appraised value (whichever is higher). The IFA has made an initial estimate to reflect the profit obtainable by the Company from the transaction, as follows:

Particulars	Amount (Baht)
Offering price	450,000,000.00
Book value as of June 30, 2024	(216,468,933.29)
<b>Profit before expenses</b>	<b>233,531,066.71</b>
<u>Less</u> Transfer fee (2.0%*)	(1,553,338.80)
<u>Less</u> Withholding income tax (1.0%)	(4,500,000.00)
<u>Less</u> Specific business tax (3.3%)	(14,850,000.00)
<b>Net profit</b>	<b>212,627,727.91</b>

Remark: \*As set out in the draft sale and purchase agreement, the transfer fee payment shall be as prescribed by law, i.e., the seller and the purchaser agree to pay the transfer fee on a 50:50 basis, amounting to Baht 1,553,338.80 each (estimated<sup>3</sup>).

### 2.2.1.3 The Company will not bear the risk from adverse impact in the real estate business.

From a real estate analysis conducted by Real Estate Data Institute, CBRE Real Estate Research Department,<sup>4</sup> and Knight Frank Chartered (Thailand) Co., Ltd. (Knight Frank)<sup>5</sup> with a survey of office spaces in Bangkok in the first half of 2024, it has been found that, with the opening of several new office buildings in midtown Bangkok, the new office spaces have considerably increased by 127,784 square meters, while the occupancy rate remains at around 80%, versus the pre-Covid-19 highest level of 90%-95%. Moreover, new tenants have a tendency to rent office spaces in the central business district (CBD) areas such as Silom, Sathon, Rama 4, Phloen Chit, Witthayu, Asok, Sukhumvit, etc., leading the office buildings in non-CBD areas to become less attractive to the new tenants and see their occupancy rate dropping by 2.7% from the first quarter of 2024. As for the Company's office building, Premier Place, it is located in Prawet District, Bangkok, which is a non-CBD area, and, thus, will likely be affected by the said factor. As a result, by disposing of such property, the Company will no longer have to bear the risk from operation of the office rental business. After completion of the Land and Buildings Disposal Transaction, DCS, the Company's subsidiary, will continue to rent such office space for its business operation and, therefore, will still incur the expenses under the rental agreement and the service agreement that are payable to the lessor as agreed in the original agreements.

<sup>3</sup> Based on the calculation of appraised value by the Department of Lands, available from website of the Treasury Department

<sup>4</sup> Bangkok Property Market Report for Q2/2024, dated August 15, 2024, CBRE Real Estate Research Department (CBRE Thailand)

<sup>5</sup> Knight Frank – Occupier Strategy & Solution, April 26, 2024, Knight Frank Chartered (Thailand) Co., Ltd.

## 2.2.2 Disadvantages and risks of the transaction

### 2.2.2.1 Risk from reliance on income from the IT business

The Company's business portfolio currently consists of office building rental and investment in IT business. If it sells the land and buildings of Premier Place Building, which is its only office building, the Company will no longer earn the rental and service revenues that it has consistently received from the tenants under the space rental agreement and the service agreement. The Company will then solely operate the IT business, which will cause its revenues to decrease by around Baht 16 million – Baht 22 million or 0.40% – 1.00% of total revenues, based on its rental and service revenues from the office rental business in 2021-2023. The Company will use proceeds from such asset disposal for its business expansion in order to generate returns for its shareholders.

According to Kasikorn Research Center's analysis, Thailand's data center market will likely to grow by an average of 31.2% per year, driven by three encouraging factors: (1) rising demand for data center service in Thai business sector; (2) a huge power reserve in the country; and (3) the government sector's policy on data center and IT service investment promotion. Furthermore, based on the analysis by Gartner, Inc.,<sup>6</sup> it is predicted that the IT industry will continue to expand, as evident from an increase in worldwide IT spending, which is projected by Gartner to grow by 6.8% from 2023 to USD 5 trillion in 2024. At the same time, IT services are forecast to grow by 8.7% from 2023 and are expected to record the top spending in the IT industry in 2024, spurred by the digitization demand from various agencies and organizations. Therefore, despite its sole investment in the IT business, the Company is expected to constantly generate income and profit from operation due to the variety of IT business and the growth prospect from the said encouraging factors.

### 2.2.2.2 Risk from cancellation of the rental agreement or change in the rental conditions which may affect the business operation

As of June 30, 2024, Datapro Computer Systems Co., Ltd. ("DCS"), the Company's subsidiary, has leased more than 28% of the lettable area of Premier Place Building for its business operation. Therefore, the disposal of such property may expose DCS to risk from cancellation of the rental agreement or change in conditions of the rental agreement, which could affect its expenses and/or the business operation of the Company and DCS. Should the rental agreement be canceled, it may be time- and cost-consuming to acquire a new suitable office space since its data storage service or server room and data center require a large area and infrastructure to support data processing and communication, including power system, ventilation system, air-conditioning system, power generator, and access system for network security. Therefore, the sale of its

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<sup>6</sup> <https://www.gartner.com/en/newsroom/press-releases/01-17-2024-gartner-forecasts-worldwide-it-spending-to-grow-six-point-eight-percent-in-2024>

land and office building may pose such risk to the Company. However, since the purchaser, PFC, is the Company's affiliate, the building management and rental are expected not to change significantly, nor to affect the business operation of the Company and DCS. The Company expects that DCS will be able to rent the space for its business operation on a continuous basis and will still incur the expenses under the rental agreement and the service agreement that are payable to the lessor at the rate and according to the commercial terms and conditions as applicable in general. The renewal of the rental agreement and the service agreement will be subject to the conditions specified therein. The Company will transfer the rights and obligations under such agreements on the date of registration of ownership transfer to the purchaser. In 2021-2023, DCS incurred the expenses under the rental agreement and the service agreement in the amount of Baht 18 million – Baht 25 million. For 2024, such expenses are estimated by DCS at Baht 16 million. At the same time, the Company will additionally record such expenses in its consolidated financial statements because, over the past years, the such expenses had been recorded as a related party transaction between the Company and its subsidiary, with the transaction being eliminated accordingly.

### **2.2.3 Advantages and benefits of not entering into the transaction**

#### **2.2.3.1 The Company can still diversify its business risk.**

Operating a variety of businesses can help mitigate risk from any potential impacts arising from internal and external factors of each business line. If the Company does not enter into the transaction, it will have two different sources of income, the office rental business and the IT business. Nonetheless, over the past three years, its rental and service income made up no more than 2% of revenues from sales, rental and services.

### **2.2.4 Disadvantages and risks of not entering into the transaction**

#### **2.2.4.1 The Company will not obtain funds from the disposal of land and buildings.**

The economic slowdown from the past years to present has adversely impacted the property sector, while new office buildings have faced a situation where rental demand is less than supply. Moreover, office buildings and other structures depreciate over time and usage and have to vie for tenants as well as compete in pricing. If the Company does not enter into the transaction, it will not receive funds from the disposal of its land and buildings and may lose the opportunity to sell the land and buildings at a reasonable price, whereas finding a prospective buyer might be time-taking.

**2.2.4.3 The Company may lose the opportunity to additionally invest in the core business and/or the potential business.**

The Company has a policy to make additional investment in the IT business. If it does not enter into the transaction, it will not obtain funds from the asset disposal of Baht 450.00 million. Although it can secure funds from other sources such as fund raising from its shareholders and/or financial institutions, this may involve a lengthy process. Therefore, it is likely that the Company may lose the opportunity to additionally invest in the core business and/or the potential business.

**2.3 Comparison of benefits and disadvantages between entering into the transaction with the connected person and the transaction with a third party**

**2.3.1 Advantages and benefits of entering into the transaction with the connected person**

**2.3.1.1 Rapid negotiation about conditions for the transaction**

The Company has received the offer to purchase the land and buildings from PFC, which is its connected person. Therefore, the process regarding documents and negotiation about conditions for the transaction can be carried out rapidly because PFC is familiar with the property and the management of office rental business.

**2.3.1.2 Uninterrupted business operation**

Since a part of the property has been leased to DCS, the Company's subsidiary, for its business operation for more than 28% of the total lettable area of Premier Place Building as of June 30, 2024, the sale of such property to the connected person will therefore be beneficial to the Company in that the said office space can still be leased for continuous business operation. Moreover, it can negotiate for the conditions and rent rate that are acceptable or not different from the previous terms. This could also mitigate risk of the rental agreement being canceled, which will affect its business operation, or risk of rent increase, which will affect its costs and operation.

**2.3.2 Disadvantages and risks of the transaction with the connected person**

**2.3.2.1 A loss of opportunity to compare the transaction with a third party's offer which may provide a higher value**

The Land and Buildings Disposal Transaction results from the Company receiving an offer to purchase the property from PFC. Therefore, it is likely that the Company will lose the opportunity to compare such offer and may receive a better offer from a third party in case it proposes to sell the property in general.

### **2.3.3 Advantages of entering into the transaction with a third party**

#### **2.3.3.1 The Company may receive a better offer or a higher sale value.**

If the Company proposes to sell the land and buildings in general, it may receive a better offer or a higher sale value from other prospective buyers. In particular, given there are several interested buyers, the Company will likely receive an offer or sale value from a third party that are more favorable than the offer from the connected person.

### **2.3.4 Disadvantages of entering into the transaction with a third party**

#### **2.3.4.1 A lengthy process of asset disposal**

Amid the tough economic time and growth in the real estate business, if the Company proposes to sell the land and buildings in general, the disposal of such property may be time-consuming. Its Premier Place Building is located in Prawet District, Bangkok, which is a non-CBD area, while there are an increasing number of new office buildings in the CBD areas such as Silom, Sathon, Rama 4, Phloen Chit, Witthayu, Asok, Sukhumvit, etc. In addition, to invest in such high-value land and buildings, the investors must determine the property's suitability in terms of location, communication, environment, facilities, and obtainable benefits. Thus, they may need a longer time to make a decision than PFC, which is already familiar with the property.

#### **2.3.4.2 Risk from cancellation or change of the rental agreement**

DCS needs to rent the space in Premier Place Building to serve as its office and data center. If the Company enters into the transaction with a third party, DCS may be exposed to risk of the rental agreement being canceled, or the rental conditions or rent rate being revised, or the new owner/lessor changing the building management for other purpose or terminating the agreement, which will affect the business operation and costs of the Company and DCS.

**Part 3: Opinion of the Independent Financial Advisor on fairness of price and conditions for the connected transaction**

**3.1 Appropriateness and fairness of price**

For the Land and Buildings Disposal Transaction, the Company engaged TAP Valuation Co., Ltd. ("TAP" or "Independent Valuer"), which is on the SEC's approved list of independent appraisers, to evaluate the asset being disposed of for public purposes as per the property appraisal report No. TAP-MM/1486/0867, dated September 12, 2024, in order to identify the property's market value, using the cost approach and the income approach. Details of the property appraised are as follows:

**Summary of vacant land appraisal by TAP or Independent Valuer**

Type of property	Land and buildings
Total area	6 rai 1 ngan 51 square wah (2,551 square wah)
Location	No. 2 "Premier Place Building," Soi Si Nakharin 59 (Soi Premier 2), Si Nakharin Road, Nong Bon Subdistrict, Prawet District, Bangkok
Ingress/egress rights	Provided via land allocation
Land document	Title Deed No. 188390 for one plot of land with a total area of 6 rai 1 ngan 51 square wah or equivalent to 2,551 square wah
Owner of land	Premier Technology Plc.
Details of buildings and structures	<p>Totaling five items:</p> <ol style="list-style-type: none"> <li>1. A six-storied office building with one underground floor</li> <li>2. Two guard houses</li> <li>3. A fire pump house</li> <li>4. Two parking lots (an open structure with roof)</li> <li>5. Concrete parking ground, approx. 4,350.00 square meters</li> </ol>
Owner of buildings	Premier Technology Plc.
Building construction permit	Original Building Permit No. 932/2532 issued on September 29, 1989 and renewed Permits No. 174/2534 issued on February 25, 1991 and No. 17/2566 issued on January 16, 2023 for construction, alteration or demolition of a six-storied office building with one underground floor
Registered encumbrances	None
Town planning regulations	According to Bangkok Metropolitan Comprehensive Plan (2013), the appraised property is located in the medium-density residential area, Orange Zone Yor.7-22, with a floor area ratio (FAR) of 5:1 and an open space ratio (OSR) of 6%.

Appraisal purpose	For public purposes
Appraised market value	<p>1. Cost approach:</p> <ul style="list-style-type: none"> <li>- Land area of 2,551 square wah valued at Baht 140,000/square wah or Baht 357,140,000 in total</li> <li>- Five items of buildings and structures valued at Baht 105,620,000</li> <li>- Total property value of Baht 462,760,000</li> </ul> <p>2. Income approach</p> <ul style="list-style-type: none"> <li>- Total market value of Baht 427,000,000</li> </ul>
Appraisal date	August 31, 2024

### 3.1.1. Cost approach

TAP separately appraised the land and buildings as follows:

**Land:** The valuer used the market approach for land appraisal and the sale comparison approach and sale adjustment grid for cost calculation, by comparison with other similar properties in terms of location, environment, land size and shape, public utilities, land use potential, etc. Then, price was adjusted where it differed from the market data, before analyzing with the weight quality score to obtain the property's price. By this approach, TAP appraised the land at Baht 140,000 per square wah and at Baht 357,140,000 for the total land area of 2,551 square wah.

**Buildings and structures:** The valuer used the depreciated replacement cost approach to appraise buildings and structures located on the land, by calculating the reconstruction cost for replacement of the buildings to obtain new buildings and structures with equivalent efficiency, usable area and capability. TAP applied the construction cost per unit (Baht/square meter) as at the appraisal date, less depreciation by physical condition and age of the buildings and structures, to arrive at their depreciated replacement cost. By this method, TAP valued the buildings at Baht 105,620,000.

TAP estimated the cost of only the land, buildings, and component parts fixed to the land and buildings. Thus, the asset appraised included land, buildings and their component parts, road and improvements, and lift system. To sum up, the land, buildings and structures were appraised by the cost approach at a total of Baht 462,760,000.



Appraisal approach	Asset appraised	Price/sqw (Baht)	Total price (Baht)
Cost approach	Land	140,000	357,140,000
	Buildings: 1. A six-storied office building with one underground floor 2. Two guard houses 3. A fire pump house 4. Two parking lots (an open structure with roof) 5. Concrete parking ground, approx. 4,350.00 square meters	-	105,620,000
Total			462,760,000

However, other asset items that were not included in the cost estimation because they are not fixed to the land consist of solar roof, air-conditioners, automatic doors, telephone sets, restroom equipment, and CCTVs.

In such asset appraisal, TAP compared the appraised property with four nearby land lots and assigned scores to them based on factors such as location, environment, land size and shape, land level, communication, road in front, public utilities, legal restrictions, and land use potential, with the scores being weighted as appropriate. Here are details of the nearby properties for sale comparison:

## Nearby properties for sale comparison

No.	Particulars	Appraised property	Comparable land			
			1	2	3	4
1.	Type of property	Land and buildings	Vacant land	Vacant land	Vacant land	Vacant land
2.	Area as per title deed	6-1-51 rai or 2,551 square wah	1-3-57 rai or 757 square wah	1-0-40 rai or 440 square wah	3-3-42 rai or 1,542 square wah	5-2-24 rai or 2,224.0 square wah
3.	Location	Soi Si Nakharin 59	Soi Si Nakharin 40	Soi Si Nakharin 57	Soi Si Nakharin 32	Soi Si Nakharin 48
4.	GPS: Lat/Long	13.684712 / 100.647551	13.692533 / 100.643544	13.684693 / 100.658154	13.704930 / 100.644444	13.681969 / 100.643558
5.	Distance from main road	Approx. 60.00 meters	Approx. 440.00 meters	Approx. 1,340.00 meters	Approx. 85.00 meters	Approx. 400.00 meters
6.	Land shape	Trapezoid	Rectangle	Rectangle	Polygon	Irregular quadrilateral
7.	Width x length (meter)	88.00 × 95.00 meters	Approx. 47.00 x 44.00 meters	Frontage of approx. 40.00 meters	Approx. 75.00 X 90.00 meters	Frontage of approx. 42.00 meters; length of approx. 226.00 meters
8.	Land level against road in front	Land filled; 0.30 meters above road level	Land filled to road level	Land filled to road level	Land filled to road level	Land filled to road level
9.	Public utilities	Electricity, water supply & telephone	Electricity, water supply & telephone	Electricity, water supply & telephone	Electricity, water supply & telephone	Electricity, water supply & telephone
10.	Road surface/right of way (meter)	Asphalt, 10/14 meters	Reinforced concrete, 6/8 meters	Reinforced concrete, 6/8 meters	Reinforced concrete, 5/6 meters	Reinforced concrete, 5/6 meters
11.	Sides of land adjacent to a road	1 side	2 sides	1 side	1 side	1 side
12.	Present land use	Office building	Vacant	Vacant	Vacant	Vacant
13.	Offering price	-	Baht 150,000/sq. wah	Baht 130,000/sq. wah	Baht 120,000/sq. wah	Baht 150,000/sq. wah
14.	Condition (net/negotiable/others)	-	Negotiable	Negotiable	Negotiable	Negotiable
15.	Date of data survey	August 2024	August 2024	August 2024	August 2024	August 2024
16.	Town plan	Medium-density residential area (Orange Zone)	Medium-density residential area (Orange Zone)	Medium-density residential area (Orange Zone)	Medium-density residential area (Orange Zone)	Medium-density residential area (Orange Zone)
17.	Land use potential	Commercial	Commercial & residential	Commercial & residential	Commercial & residential	Commercial & residential
18.	Superior/inferior to the property	-	Smaller size; similar location	Smaller size; similar location	Smaller size; similar location	About the same size & location

### Land value analysis with sale adjustment grid

Details of land	Unit	Appraised property	Data 1	Data 2	Data 3	Data 4
Type of property		Land and buildings	Vacant land	Vacant land	Vacant land	Vacant land
Area	Sqw.	2,551	757	440	1,542	2,224
Offering price for sale/purchase	Baht/sqw.	-	150,000	130,000	120,000	150,000
Negotiable/adjusted price	Baht/sqw.	-	-15,000	-5,000	-7,500	-20,000
Net price after adjustment	Baht/sqw.	-	135,000	125,000	112,500	130,000
Factors used in analysis	Weight	Score	Score	Score	Score	Score
Location	20	9	8	8	8	8
Environment	15	9	8	8	7	7
Land size and shape	10	8	8	8	8	8
Land level	10	8	7	7	7	7
Communication	10	8	7	6	6	7
Road in front	5	8	8	8	6	8
Public utilities	5	8	7	7	7	7
Legal restrictions	5	8	8	8	8	8
Land use potential	20	8	8	7	7	8
<b>Total WQS</b>	<b>100</b>	<b>835</b>	<b>775</b>	<b>745</b>	<b>720</b>	<b>760</b>
Adjustment ratio	100%		1.08	1.12	1.16	1.10
Indicated price			145,452	140,101	130,489	142,829
% Comparable			27.45%	24.51%	22.06%	25.98%
Comparable value			39,928	34,338	28,780	37,108
<b>Market value of land</b>	<b>Baht/sqw.</b>	<b>140,154</b>				
<b>Rounded value</b>	<b>Baht/sqw.</b>	<b>140,000</b>				

### Value of buildings

TAP appraised value of the buildings by calculating the total area of the office building, guard houses, fire pump house, parking lots, and concrete parking ground, compared with the appraised unit cost of the Valuers Association of Thailand for each of such items, to obtain the replacement cost, which was then deducted by depreciation according to the physical condition of each item. TAP appraised all five items of the buildings and structures, using the depreciated replacement cost approach, at a total of Baht 105,620,000.

Details of the analysis of the building value are shown below:

### Analysis of value of the buildings and structures by the depreciated replacement cost approach

No.	Buildings and structures	Total area (sqm.)	Replacement value (Baht)	Depreciation	Total value of buildings
1	A six-storied office building with one underground floor				
	- Internal area	11,295.00	237,195,000.00	-56%	104,365,800.00
		11,295.00	237,195,000.00		104,365,800.00
2	Two guard houses				
	- Guard house No. 1	15.54	85,470.00	-56%	37,606.80
	- Guard house No. 2	10.00	55,000.00	-56%	24,200.00
		25.54	140,470.00		61,806.80
3	Fire pump house				
	Internal area	37.50	112,500.00	-25%	84,375.00
		37.50	112,500.00		84,375.00
4	Two parking lots (an open structure with roof)				
	- Parking lot No. 1	340.00	850,000.00	-70%	255,000.00
	- Parking lot No. 2	87.50	218,750.00	-70%	65,625.00
		427.50	1,068,750.00		320,625.00
5	Concrete parking ground				
	- Parking area	4,350.00	5,220,000.00	-85%	783,000.00
		4,350.00	5,220,000.00		783,000.00
Total value of buildings		16,135.54	243,736,720.00		105,615,607
Rounded value					105,620,000

**Remark:**

1. TAP used the construction cost estimates for 1957-2024 of the Valuers Association of Thailand as a basis for determining the unit cost, which was adjusted up/down for the different part.
2. The usable area of Premier Place Building (Item 1) for such appraisal was based on the area indicated in the Building Permit.

By the cost approach, TAP appraised the land at Baht 357,140,000.00 and the buildings at Baht 105,620,000.00, making up a total value of land and buildings of Baht 462,760,000.

### 3.1.2. Income approach

The income approach is a method of estimating value of the assets based on a cash flow projection for the period of holding the assets by using a discount rate to obtain the discounted cash flow under various assumptions.

The appraised property includes land and buildings for office rental business operation in the name “Premier Place Building,” which is a six-storied building located at No. 2, Soi Premier 2, Si Nakharin Road, Nong Bon Subdistrict, Prawet District, Bangkok. The appraisal, using the income approach, was based on the market data and the information received from PT and under the assumptions as follows:

#### Assumptions for property appraisal by TAP

Items	Assumptions
1. Revenues from lettable area	Total lettable area of 9,831.54 square meters of the six-storied Premier Place Building
2. Rent rate	Baht 495/sqm./month, based on the average rent rate as of the appraisal date, with an increase rate of 3.0% per year, based on the average increase rate of the office for rent business
3. Occupancy rate	2024: 60%, based on the occupancy rate as of the appraisal date; 2025-2027: rising 5% per year to 65%, 70% and 75% respectively, then remaining constant at 75% after 2027 to reflect the tenant turnover, physical condition of such building which is age-old, and its location in the suburb of Bangkok
4. Other revenues	Based on the average of the past five years: <ul style="list-style-type: none"> <li>- Revenues from electricity charge: 13.0% of revenues from rental and services</li> <li>- Revenues from land and building tax: 0.9% of revenues from rental and services</li> </ul>
5. Expenses	Based on the average of the past five years: <ul style="list-style-type: none"> <li>- General building management fee: 8.0% of total revenues</li> <li>- Repair and maintenance cost: 9.0% of total revenues</li> <li>- Public utility expenses (electricity-water supply): 14.0% of total revenues</li> <li>- Security and cleaning fees: 7.5% of total revenues</li> <li>- Land and building tax: Increasing 3.0% per year</li> <li>- Insurance premium: Increasing 3.0% per year</li> <li>- Reserve for future renovation: 2.0% of total revenues</li> </ul>
6. Discount rate	9.50% per year, calculated from <div> = Risk free rate + risk premium  = 3.00% + 6.50%  = 9.50% </div>
7. Capitalization rate	6.50% per year, calculated from <div> = Discount rate – growth rate  = 9.50% - 3.00%  = 6.50% </div>

Based on the above assumptions, TAP prepared a financial model for projection of revenues from lettable area, other revenues, and expenses of the land and buildings of Premier Place Building for a period of 10 years. After deduction of expenses from revenues, it made a forecast of yearly net cash flow and calculated the terminal value after the projection period, using the capitalization rate from future cash flow. The cash flow was then discounted to the present value, using the discount rate from the assumption to reflect the time value of money. TAP appraised the land and buildings by the income approach at Baht 427,000,000.

From the above appraisal, TAP valued the property at Baht 462,760,000 by the cost approach and at Baht 427,000,000 by the income approach. **To sum up, TAP recommended the use of the appraised value derived from the income approach as it was deemed a suitable method and could best reflect the property's market value.**

#### The IFA's opinion

TAP used two methods, the cost approach and the income approach, to appraise the property. According to TAP, the income approach is a suitable method for valuing the property and could best reflect the property's market value. Our opinion on the two appraisal approaches is as follows:

##### **1. Cost approach**

We view that the cost approach used for land valuation is suitable because the Independent Valuer determined the suitability of the comparable market data derived from the selected properties located in the same vicinity as the property under appraisal. The market data were adjusted to a similar nature so as to reflect the land's market value as accurately as possible, taking into account factors such as location, land area, land level, shape or width, environment, legal restrictions, land use, etc. The weight quality score was assigned to the property to arrive at a reasonable market value of the appraised property. The use of the replacement cost approach to value the buildings and structures, comprising an office building, guard houses, a fire pump house, parking lots, and concrete parking ground, is also considered appropriate. The appraisal was based on the depreciated replacement cost new used for construction per square meter, inclusive of building material price, labor cost, construction equipment, and all related expenses, and then deducted by depreciation according to age of each property type to reflect their current physical condition. Nonetheless, the cost approach does not reflect the true market value and future profitability of the property. Therefore, we did not use this as a reference value.

## 2. Income approach

We are of the opinion that the office building appraisal by the income approach is suitable since it focuses on future returns obtainable from the asset, with the assumptions established on lettable area, rent rate, occupancy rate, other revenues, and expenses on the office rental business operation, based on the Company's historical financial information, and the assumptions on discount rate and capitalization rate according to information from the Thai Appraisal and Estate Agents Foundation. The Independent Valuer recommended the use of the appraised value derived from the income approach as it was deemed a suitable method and could best reflect the property's market value.

However, despite the assumptions on revenues and expenses established by TAP from the Company's historical financial information, the assumption of fund reserve for future renovation was based on information from the office rental industry, which differs from the Company's forecast on capital expenditure for building renovation for 2024-2033. Moreover, since TAP performed the property appraisal on August 31, 2024, the appraisal by the income approach did not include revenues receivable by the Company from new tenants that signed the rental agreement and service agreement with the Company after the date of appraisal by TAP, involving a total rented area of 2,293.97 square meters or around 23% of the total lettable area of the office building. As a result, there are certain discrepancies between the fair value appraisal by the Independent Valuer and that by the IFA as described above.

Therefore, we view that the market value appraised by the income approach does not completely reflect the present value of the Company's office building's ability to generate income and profit, and cannot be used as a reference value accordingly.

Table comparing the sale and purchase value under the draft agreement and the fair value

Sale and purchase value under the draft agreement (Baht million)	Fair value appraised by TAP (Baht million)	Fair value appraised by IFA (Baht million)
450.00	Cost approach: 462.76 Income approach: 427.00	Best case: 525.72 <b>Base case: 443.42</b> Worst case: 381.86

For this reason, we have measured a fair value of the land and buildings by the discounted cash flow (DCF) approach, by including the new tenants' rented area so as to reflect the overall picture and the ability to generate income and profit of the office building being disposed of. We have determined the appropriateness of price by comparing the sale and purchase price of Baht 450.00 million with a fair value of the property in the base case of Baht 443.42 million, which is lower than the sale and purchase price by Baht 6.58 million or 1.46%

of the sale and purchase price. From a sensitivity analysis, the property's fair value is in a range of Baht 381.86 million – Baht 525.72 million. Therefore, we deem that the transaction value of Baht 450.00 million is reasonable, considering that the DCF approach focuses on future operation and profitability of the land and buildings based on the net present value of cash flow to the Company in the future, including the overall economic and industrial trends. The sale and purchase price is higher than the lowest of the appraised fair value by Baht 68.14 million or 15.14% of the sale and purchase price, and is lower than the highest of the appraised fair value by Baht 75.72 million or 16.83% of the sale and purchase price.

### 3.2 Property appraisal

The Company will enter into the Land and Buildings Disposal Transaction with the agreed sale and purchase price of Baht 450.00 million. To determine the appropriateness of such price, we have measured a fair value of the said property by three approaches as follows:

1. Book value approach
2. Adjusted book value approach
3. Discounted cash flow approach

The fair value measurement of the land and buildings by the first and second approaches is based on information from the Company's separate financial statements for the six-month period ended June 30, 2024, reviewed by Mr. Chatchai Kasemsrithanawat, CPA Registration No. 5813, of EY Office Ltd.

In this regard, we do not use the market comparable approach and the market value approach to appraise a fair value of the transaction because the property being disposed of is land and buildings. Details of the said property appraisal are as follows:

#### 3.2.1. Book value approach

By this approach, a fair value of the land and buildings is obtained from the book value appraisal (original cost of the property less accumulated depreciation). Details of the land and buildings according to the Company's separate financial statements as of June 30, 2024, reviewed by the certified public accountant, are as follows:

Details	Baht million
Cost price of land and buildings	344.05
Less Accumulated depreciation as of June 30, 2024	127.58
Book value of land and buildings as of June 30, 2024	216.47



From the above table, the book value of the land and buildings as of June 30, 2024 is equal to Baht 216.47 million, which is lower than the agreed sale and purchase price of Baht 450.00 million by Baht 233.53 million or 51.90% of the agreed price.

However, the fair value appraisal of the land and buildings by the book value approach reflects only the book value of such property at a certain point in time, but does not focus on the market value that may increase or decrease in line with the current property market condition, thus failing to reflect the actual fair value. As a result, we are of the opinion that the book value approach may not be suitable for the fair value appraisal of the land and buildings of the Company.

### 3.2.2. Adjusted book value approach

The fair value appraisal of the land and buildings by this approach is based on the book value of such property (original cost of the property less accumulated depreciation) according to the Company's separate financial statements as of June 30, 2024, reviewed by the certified public accountant, adjusted by a surplus or discount on the appraised value derived from an independent valuer to reflect the actual value of the land and buildings.

We have considered the appraised value, as shown in the below table, derived from the property appraisal report dated September 12, 2024, prepared for public purposes by the SEC-approved independent valuer, TAP Valuation Co., Ltd. ("TAP" or "Independent Valuer"), with Mr. Phiphat Suriyasupapong (WorThor.014) acting as the principal appraiser.

Table summarizing the property appraisal

Property items (Unit: Baht million)	Book value as of June 30, 2024	Appraised value by TAP	Surplus (discount)	Appraisal approach
Land	140.48	357.14	216.66	Cost approach
Buildings and structures	44.47	105.62	61.15	Cost approach
M&E system in the building	31.52			
<b>Total</b>	<b>216.47</b>	<b>462.76</b>	<b>277.81</b>	

### Property appraisal by the adjusted book value approach

Particulars	Baht million
Net book value	216.47
Add Surplus on property valuation by TAP	277.81
<b>Book value after adjustment</b>	<b>494.28</b>

From the above table, the Company's property is appraised by the adjusted book value (ABV) approach at Baht 494.28 million, which is higher than the agreed sale and purchase price of Baht 450.00 million by Baht 44.28 million or 9.84% of the agreed price.

Nonetheless, although the fair value of the Company's land and buildings measured by the ABV approach could reflect the net asset value more accurately than that derived from the book value approach, the ABV approach still could not reflect the asset's future profitability, nor the actual fair value. Thus, we view that the ABV approach might not be suitable for the fair value appraisal of the said land and buildings.

### 3.2.3 Discounted cash flow approach

By this approach, a fair value of the land and buildings is appraised based on an estimation of the net present value of the expected future cash flow, using a suitable discount rate. To determine the appropriateness of the disposal of assets of the Company, we have prepared a financial model to calculate the net present value of cash flow and analyze the ability to generate income and profit of the office building, assuming that such property remains capable of earning revenue and profit from business operation on a going concern basis, which is a crucial assumption used in the financial projection and fair value appraisal of the land and buildings. Based on the information from the current rental and service agreements, we have prepared a financial projection for a period of about 10 years, from 2024 to 2033. Such projection period is considered sufficient to reflect the office rental business operation of the Company since its building offers a rental term of three years and 10 years.

Our financial projection also is based on the information and assumptions obtained from the Company and the information from interviews with the Company's executives and staff concerned, as well as the present economic environment and normal circumstances. If the economic condition and other external factors, including the Company's situation, change significantly with an effect on the Company's office rental business operation, the value appraised herein will change accordingly.

The key assumptions used in the financial projection are as follows:

#### Financial projection of Premier Place Building

Premier Place Building is a six-storied office building with one underground floor. The underground floor serves as a car park and Floors 1-6 are office space for rent with a total lettable area of 9,831.54 square meters. As of September 2024, the rented space covered 8,016.44 square meters, equivalent to 81.54% of the total lettable area.

## Revenues from rental and services

The revenue projection of the office building is divided into rental revenues and service revenues, according to the office rental agreement and the service agreement. Revenues from rental and services in 2021-2023 and 6M/2024 were recorded at Baht 42.12 million, Baht 31.54 million, Baht 30.94 million, and Baht 15.61 million respectively. We have established the assumptions for revenues from rental and services based on the agreement terms and conditions and the occupancy rate of the Company, as follows:

### - Rented area

The Company has rented out 3,703.75 square meters in total to its affiliates and 4,312.69 square meters to third-party tenants, making up a total rented area of 8,016.44 square meters.

### - Occupancy rate<sup>7</sup>

The office building's occupancy rate declined continuously from 70.19% of the total lettable area in 2021 to 52.94%, 53.54%, and 58.21% during 2022 – June 2024 respectively. However, the new tenant acquisition in September 2024 brings the occupancy rate to 81.54% of the total lettable area. Therefore, we assume the occupancy rate for 2024-2026 according to the occupancy rate in the agreements and, for 2027-2033, to increase to 85.00% of the total lettable area, which is the highest occupancy rate from the past records.

The rented area and occupancy rate for 2024-2033 are projected as follows:

Year	2024 - 2026	2027 - 2033
Total lettable area	9,831.54	9,831.54
Total rented area	8,016.44	8,356.44
Occupancy rate (%)	81.54	85.00

### - Rent and service fee rates

Rent and service fee rates will increase according to the rental agreement and service agreement of each tenant.

Tenants	Agreement term	Rent rate (Baht/square meter)	Service fee (Baht/square meter)	Increase rate (%)
Existing	3 – 10 years	231.00 – 330.00	180.00 – 290.40	10% – 15%
New	3 years	330.00	220.00	10%

Remark: Rent rate and service fee are exclusive of land and building tax and electricity and water supply fees.

<sup>7</sup> The occupancy rate of the Company's office building in 2021-2023 is obtained from its One Report 2023 and the records in January-June 2024, and the projected occupancy rate for 2024-2033 is based on information from interviews with the Company's executives.

We assume the growth rate of revenues from rental and services based on the terms and conditions in the rental agreement and service agreement. Rent is projected to increase by 10% of the rent and service fee rate every three years according to the existing agreements after the expiration of each agreement, based on the minimum increase rate in the rental agreement and service agreement.

#### Other revenues

Other revenues include revenues from electricity and water supply and revenues from land and building tax. The Company collects charges for electricity and water supply from each tenant according to the amount used at the specified rate, while land and building tax is collected based on the rented space of each tenant. In 2021-2023 and 6M/2024, the Company recorded other revenues of Baht 4.18 million, Baht 3.84 million, Baht 4.22 million, and Baht 2.94 million respectively.

We estimate other revenues based on the above information on actual revenues from electricity and water supply and the information from the Company's executives, using the following assumption:

Type of other revenues	Assumption
Revenues from electricity and water supply	18.10% of revenues from rental and services (charges for electricity and water supply assumed at 17.60% of revenues from rental and services, plus 0.50% of the such expenses)
Revenues from land and building tax	46.70% of land and building tax, which is the same rate as that of the 6M/2024 period

Based on the above information, revenues from rental and services and other revenues for 2024-2033 are projected as follows:

Year	1	2	3	4	5	6	7	8	9	10
(Baht million)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<u>Revenues from rental and services</u>										
Rental revenues	17.48	26.31	26.52	29.11	30.64	30.78	32.48	34.16	34.32	36.26
Service revenues	16.66	22.66	22.80	24.86	26.03	26.14	27.45	28.95	29.07	30.56
Total revenues from rental and services	34.14	48.97	49.32	53.97	56.67	56.91	59.93	63.12	63.39	66.82
<u>Other revenues</u>										
Revenues from electricity and water supply	6.18	8.86	8.93	9.77	10.26	10.30	10.85	11.42	11.47	12.09
Revenues from tax	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27
Total other revenues	6.45	9.13	9.20	10.04	10.53	10.57	11.12	11.69	11.74	12.36
<b>Total revenues</b>	<b>40.59</b>	<b>58.11</b>	<b>58.51</b>	<b>64.01</b>	<b>67.20</b>	<b>67.48</b>	<b>71.05</b>	<b>74.81</b>	<b>75.14</b>	<b>79.18</b>

## Administrative expenses

Administrative expenses consist of repair and maintenance cost, electricity and water supply fees, security and cleaning fees, insurance premium, land and building tax, management fee, other expenses, and depreciation cost. In 2021-2023 and 6M/2024, the Company recorded administrative expenses of Baht 24.95 million, Baht 24.15 million, Baht 25.75 million, and Baht 13.92 million respectively. The assumption is as follows:

We estimate administrative expenses based on the above information on actual expenses and the information from the Company's executives, using the following assumption:

Type of expenses	Assumption
Repair and maintenance cost	14.90% of revenues from rental and services, based on repair and maintenance cost in 2021-2023 which continually increased. However, such cost dropped in 6M/2024; therefore, it is estimated from the average of 2023 and 6M/2024.
Electricity and water supply fees	17.60% of revenues from rental and services, based on electricity and water supply fees in 2021-6M/2024. Since the fees tend to increase, the percentage in 6M/2024 is used to set the assumption.
Security and cleaning fees	Increasing by 2.12% from the prior year's expenses <sup>1/</sup>
Insurance premium	Increasing by 2.12% from the prior year's expenses <sup>1/</sup>
Land and building tax	Land and building tax before deduction of a discount according to the law in 2023
Other expenses	0.1% of total revenues <sup>2/</sup>
Building management fee	As specified in the agreement
Depreciation cost <sup>3/</sup>	<ul style="list-style-type: none"> <li>- Depreciation of buildings and equipment that exist before the projection: To be based on the Company's accounting policy</li> <li>- Depreciation of building improvements and various systems during the projection period: 10% of cost price</li> </ul>

Remark:

- 1/ The average inflation rate for the past 20 years, 2004-2023, of 2.12% per year is used as the increase rate of security and cleaning fees and insurance premium for the 10-year projection period (source: [www.bot.or.th](http://www.bot.or.th)).
- 2/ Total revenues include revenues from rental and services, revenues from electricity and water supply, and revenues from land and building tax.
- 3/ Land, buildings and equipment are depreciated according to the Company's policy, while depreciation of building improvements is based on information from the Company.

Based on the above information, administrative expenses for 2024-2033 are projected as follows:

Year	1	2	3	4	5	6	7	8	9	10
(Baht million)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Repair and maintenance cost	5.09	7.30	7.35	8.04	8.44	8.48	8.93	9.40	9.45	9.96
Electricity and water supply fees	6.01	8.62	8.68	9.50	9.97	10.02	10.55	11.11	11.16	11.76
Security fee	2.04	2.09	2.13	2.18	2.22	2.27	2.32	2.37	2.42	2.47
Cleaning fee	0.80	0.81	0.83	0.85	0.87	0.88	0.90	0.92	0.94	0.96
Insurance premium	0.21	0.21	0.21	0.22	0.22	0.23	0.23	0.24	0.24	0.25
Land and building tax	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58	0.58
Other expenses	0.04	0.06	0.06	0.06	0.07	0.07	0.07	0.07	0.08	0.08
Management fee	3.46	4.61	4.61	4.61	4.61	4.61	4.61	4.61	4.61	4.61
Depreciation cost	12.82	13.50	13.53	13.54	13.91	12.90	12.45	11.92	7.12	7.47
<b>Total expenses</b>	<b>31.03</b>	<b>37.77</b>	<b>37.98</b>	<b>39.58</b>	<b>40.90</b>	<b>40.03</b>	<b>40.64</b>	<b>41.22</b>	<b>36.58</b>	<b>38.13</b>

#### Corporate income tax

Corporate income tax is equal to 20% per year throughout the projection period.

#### Capital expenditure

The Company has a policy to refurbish and maintain its office building to always be in good condition and ready for use. It regularly improves and maintains the major asset items in the building, including air-conditioning system, electricity and water supply systems, sanitary system, waste water treatment system, solar roof system, parking system, entrance/exit system, etc. Since the capital expenditure on these systems is incurred in different required time periods, our projection is based on the Company's capital expenditure forecasting for future improvement of the building and major systems throughout the projection period. The capital expenditure for building improvement in 2024-2033 as forecast by the Company is as follows:

Year	1	2	3	4	5	6	7	8	9	10
(Baht million)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Capital expenditure	5.51	10.89	9.15	4.17	6.63	6.85	6.21	4.95	6.85	3.53

#### Turnover of current assets and current liabilities

The turnover of current assets and current liabilities is projected according to the payment terms and assumed to remain constant throughout the projection period, as follows:

Debt collection period 30 days

Debt repayment period 30 days

### Summary of the financial projection of Premier Place Building for 2024-2033

Year	1	2	3	4	5	6	7	8	9	10
Statements of income (Baht million)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Total revenues	40.59	58.11	58.51	64.01	67.20	67.48	71.05	74.81	75.14	79.18
Less Administrative expenses	(31.03)	(37.77)	(37.98)	(39.58)	(40.90)	(40.03)	(40.64)	(41.22)	(36.58)	(38.13)
EBIT	9.55	20.33	20.53	24.44	26.30	27.45	30.41	33.59	38.55	41.05
Less Corporate income tax	(1.91)	(4.07)	(4.11)	(4.89)	(5.26)	(5.49)	(6.08)	(6.72)	(7.71)	(8.21)
Net profit (loss)	7.64	16.27	16.43	19.55	21.04	21.96	24.33	26.87	30.84	32.84

### Terminal growth

We estimate the terminal growth after Year 10, the final year of the projection period, at 0% per year, considering that the office building under appraisal will have been in use for more than 40 years at the end of the projection period. Besides, office buildings on the suburb of Bangkok have witnessed a continued slowdown in growth. Thus, for a conservative projection, we do not take the terminal growth into account.

### Weighted average cost of capital

To estimate the net present value of cash flow, we use the Company's weighted average cost of capital (WACC), which is equal to 7.11%, as the discount rate. The following equation is used to calculate WACC:

$$WACC = (W_d \times K_d) \times (1 - \text{Tax}) + (W_e \times K_e)$$

### Table detailing the calculation of WACC

Factor	Explanation of assumptions for WACC estimation
$W_d = 0.00\%$	Total debt to total capital ratio is based on the Company's separate financial statements for the period ended June 30, 2024 where the Company had no interest-bearing debt.
$K_d = 0.00\%$	Average cost of debt is based on the Company's separate financial statements for the period ended June 30, 2024 where the Company had no interest-bearing debt.
Tax = 20.00%	Corporate income tax rate
$W_e = 100.00\%$	Equity to total capital ratio is based on the Company's separate financial statements for the period ended June 30, 2024.

Factor	Explanation of assumptions for WACC estimation
Ke = 7.11%	<p>Cost of equity is calculated from the capital asset pricing model (CAPM), using the following equation:</p> $K_e = R_f + \beta(R_m - R_f)$ <p>Where:</p> <p>Risk free rate (Rf) = Risk free rate is based on bid yield on government bond with a maturity of 20 years, a period that could reflect a long-term rate of return for a going concern, which is equal to 2.97% per year (as of September 30, 2024) (source: www.thaibma.or.th).</p> <p>Beta (<math>\beta</math>) = Beta of 0.652 time is based on the average levered beta of a comparable SET-listed company, Asset World Corp Plc. ("AWC"), which earns income from rental of high-rise office buildings, in the property sector. The beta is derived from the average beta for the past three years from October 1, 2021 to September 30, 2024, which is an appropriate period to reflect the return and risk of shares in the current period (source: Bloomberg).</p> <p>Market risk (Rm) = This is the average annual rate of return on investment in the stock market over the past 20 years from October 2004 to September 2024, which is equal to 9.33% per year (source: www.set.or.th).</p>

Remark: \* The use of AWC's beta as a reference is because AWC engages in real estate business and generates more than 10% of its total revenues from the office rental business, which is greater than that of its peers in the same industry. Moreover, AWC is liquid securities and could therefore properly reflect risk and volatility in the real estate business for the asset being disposed of. Meanwhile, the Company's primary income source is the IT business, the use of its beta may not accurately reflect risk and volatility in the real estate business.

From the above assumptions for cash flow projection, we use the free cash flow to firm for calculating the present value, applying WACC as the discount rate, and could arrive at the transaction value by the DCF approach, as tabulated below:



Year	1	2	3	4	5	6	7	8	9	10
Total cash flow (Baht million)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
EBIT	9.55	20.33	20.53	24.44	26.30	27.45	30.41	33.59	38.55	41.05
Less Tax on EBIT	(1.91)	(4.07)	(4.11)	(4.89)	(5.26)	(5.49)	(6.08)	(6.72)	(7.71)	(8.21)
Depreciation cost	12.82	13.50	13.53	13.54	13.91	12.90	12.45	11.92	7.12	7.47
Change in working capital	1.11	0.28	0.01	0.06	0.04	0.01	0.04	0.04	0.01	0.05
Less Capital expenditure	(5.51)	(10.89)	(9.15)	(4.17)	(6.63)	(6.85)	(6.21)	(4.95)	(6.85)	(3.53)
Cash flow to firm	16.06	19.15	20.82	28.98	28.36	28.02	30.61	33.89	31.12	36.83
PV of cash flow	15.00	16.69	16.94	22.01	20.11	18.55	18.92	19.56	16.77	18.52
PV of terminal value										<sup>1/</sup> 260.36

Remark: 1/ Net cash flow in 2033 is equal to Baht 36.83 million, with the calculation of present value of terminal value.

Based on the cash flow projection of the office building, the present value (PV) of total cash flow of the office building is estimated at Baht 183.06 million and the PV of terminal value at Baht 260.36 million, resulting in the net present value (NPV) in the base case of Baht 443.42 million, which is lower than the sale and purchase price of Baht 450.00 million by Baht 6.58 million or 1.46% of the sale and purchase price.

In addition, we have performed a sensitivity analysis on the possibility assessment as follows:

The occupancy rate increasing/decreasing by 5% from the base case

Change in occupancy rate	5% Decrease	Base case	5% Increase
NPV of cash flow (Baht million)	414.41	443.42	472.43

Discount rate increasing/decreasing by 1% from the base case

Change in discount rate	1% Decrease	Base case	1% Increase
NPV of cash flow (Baht million)	525.72	443.42	381.86

From the sensitivity analysis with changes in the office building's occupancy rate and the discount rate, the NPV of cash flow is obtained in a range of Baht 381.86 million – Baht 525.72 million. Therefore, we view that the transaction value of Baht 450.00 million is reasonable since it is within such range of the NPV of cash flow. That is, the lowest of the appraised fair value is lower than the sale and purchase price by Baht 68.14 million or 15.14% of the sale and purchase price, and the highest of the appraised fair value is higher than the sale and purchase price by Baht 75.72 million or 16.83% of the sale and purchase price.

Sale and purchase value under the draft agreement (Baht million)	Fair value of the property (lowest – highest) (Baht million)	(Lower) or higher (Baht million)
450.00	Best case: 525.72 Base case: 443.42 Worst case: 381.86	Higher: 75.72 Lower: (6.58) Lower: (68.14)

The fair value appraisal of the office building by this approach focuses on future operation of this business, based on the NPV of expected future cash flow and the overall economic and industrial trends. It can therefore reflect the actual value of the office building more accurately than all other approaches. Based on the reasons mentioned earlier, we are of the opinion that the fair value appraisal of the office building by the DCF approach is suitable.

#### Conclusion of the IFA's opinion

Table comparing the office building's fair value appraised by various approaches

Appraisal approach	Appraised value (Baht million)	Sale and purchase value under the draft agreement (Baht million)	(Lower) or higher than sale and purchase value under the draft agreement	
			(Baht million)	(%)
1. Book value (BV) approach	216.47	450	(233.53)	(51.90)
2. Adjusted book value (ABV) approach	494.28	450	44.28	9.84
3. Discounted cash flow (DCF) approach	381.86 – 525.72	450	(68.14) – 75.72	(15.14) – 16.83

The strengths and weaknesses of each appraisal approach in determining the appropriateness of the property's fair value are as follows:

1) The book value approach determines the property's book value, without reflecting the actual market value and future profitability of the property.

2) The adjusted book value approach can more accurately reflect the net property value than the book value approach, though, it does not reflect the property's future profitability.

3) The discounted cash flow approach focuses on the office building's future operation and profitability. It estimates the NPV of expected future cash flow from the office building rental business based on the past operation as well as the economic trend and future operation of such business. Therefore, the DCF approach can reflect the actual value of the land and office building of the Company more accurately than all other approaches.

In our opinion, a suitable method for measuring the fair value of the land and buildings is the discounted cash flow (DCF) approach. By this approach, we have arrived at a fair value of the property of Baht 443.42 million in the base case, which is lower than the sale and purchase price of Baht 450.00 million by Baht 6.58 million or 1.46% of the sale and purchase price. From the sensitivity analysis, the property's fair value is in a range of Baht 381.86 million – Baht 525.72 million. Therefore, we deem that the transaction value of Baht 450.00 million is reasonable, considering that the DCF approach focuses on future operation and profitability of the land and buildings based on the net present value of cash flow to the Company in the future, including the overall economic and industrial trends. The sale and purchase price is higher than the lowest of the appraised fair value by Baht 68.14 million or 15.14% of the sale and purchase price, and is lower than the highest of the appraised fair value by Baht 75.72 million or 16.83% of the sale and purchase price.

Sale and purchase value under the draft agreement (Baht million)	Fair value of the property (lowest – highest) (Baht million)	(Lower) or higher (Baht million)
450.00	Best case: 525.72 Base case: 443.42 Worst case: 381.86	Higher: 75.72 Lower: (6.58) Lower: (68.14)

In view of the appropriateness of the disposal of land and buildings of the Company to its connected person at a total price of Baht 450.00 million, we are of the opinion that the sale and purchase price is higher than the property's fair value appraised herein at Baht 443.42 million in the base case and in a range of Baht 381.86 million – Baht 525.72 million from the sensitivity analysis. Therefore, we deem that the sale and purchase price of the land and buildings to be sold to PFC, the Company's connected person, at Baht 450.00 million is an appropriate price.

#### Appropriateness of conditions for the transaction

For the Land and Buildings Disposal Transaction between the Company and PFC, the conditions set out in the draft Land and Buildings Sale and Purchase Agreement are the general conditions of such agreement and the same conditions as those applicable to the transaction with a non-connected party. However, according to the conditions in the said draft agreement, the transfer of ownership must be registered within 120 days, which is longer than the general case by about 30 days. Amid the current slowdown in the economy and the real estate industry, it may be time-consuming not only to acquire a potential buyer of such high-value land and buildings but also to apply for loans from financial institutions. The said registration period that is about 30 days longer is accordingly deemed acceptable. The Company will receive from the purchaser a deposit for the asset in the amount of Baht 45.00 million on the agreement signing date and the remaining Baht 405.00 million on the

date of registration of property ownership transfer, and will transfer all related rights, permits, and agreements to the purchaser on the date of registration of property ownership transfer, duly and completely as required by laws. Therefore, we view that the conditions for the transaction are appropriate.

**Part 4: Conclusion of the Independent Financial Advisor's opinion on the connected transaction**

From our analysis of the reasonableness of the Land and Buildings Disposal Transaction and the fairness of its price and conditions, we are of the opinion that the transaction is appropriate based on the following reasons:

The advantages and benefits of the transaction are that (1) the Company will obtain funds for further investment in its core business in the amount of Baht 450.00 million, (2) it will enjoy a profit from the sale of asset in the amount of Baht 212.63 million, and (3) it will not bear the risk from adverse impact in the real estate business. However, the disadvantages and risks of the transaction include (1) risk from reliance on income from the IT business, the Company's core activity, which, due to the variety of IT services, has a tendency to grow and is expected to generate a consistent stream of revenue and profit, and (2) risk to its subsidiary from cancellation of the rental agreement or change in the rental conditions which may affect the business operation. Nevertheless, since the purchaser of the land and buildings, PFC, is the Company's affiliate, the Company believes that DCS will be able to rent the office space for business operation on a continuous basis and will incur the expenses under the rental agreement and the service agreement that are payable to the lessor as agreed in the original agreements.

Given that the Company does not enter into the transaction, the advantages and benefits are that the Company can still diversify its business risk. Meanwhile, the disadvantages and risks are as follows: (1) the Company will not obtain funds from the disposal of land and buildings, and (2) it may lose the opportunity to additionally invest in the core business and/or the potential business.

Moreover, the sale of land and buildings to the connected person will create the advantages and benefits from (1) rapid negotiation about conditions for the transaction, and (2) uninterrupted business operation. The disadvantages and risks of the transaction with the connected person are that the Company will lose the opportunity to compare the transaction with the third party's offer which may provide a higher value.

However, the advantages and benefits from entering into the transaction with a third party are that the Company may receive a better offer or a higher sale value, whereas the disadvantages include (1) a lengthy process of asset disposal and (2) risk to the Company's subsidiary from cancellation or change of the rental agreement.

In view of the objectives of the transaction, the advantages, benefits, disadvantages and risks described above, we are of the opinion that the disposal of land and buildings will be beneficial to the Company and its shareholders since the Company plans to use funds from the said transaction for additional investment

according to its policy on investment in IT business with an expected minimum rate of return of 10%, which is higher than the rate of return of 2%-3% received by the Company from the office rental business.

#### Appropriateness of the transaction's fair value

For the Land and Buildings Disposal Transaction, the Company engaged TAP Valuation Co., Ltd. ("TAP" or "Independent Valuer"), which is on the SEC's approved list of independent appraisers, to evaluate the asset to be disposed of for public purposes as per the property appraisal report No. TAP-MM/1486/0867, dated September 12, 2024, in order to identify the property's market value, using the cost approach and the income approach. However, the cost approach did not reflect the true market value and future profitability of the asset. Meanwhile, under the income approach, there was an assumption of fund reserve for future renovation, projected based on information from the overall office rental business, which differs from the Company's forecast on capital expenditure for building renovation for 2024-2033. Besides, the income approach did not include revenues receivable by the Company from new tenants that signed the rental agreement and service agreement with the Company after the date of appraisal by TAP, involving a total rented area of 2,293.97 square meters or roughly 23% of the total lettable area of the office building. Therefore, we did not use the fair value appraised by TAP as a reference value, but as a basis for consideration.

Table comparing the sale and purchase value under the draft agreement with the fair value

Sale and purchase value under the draft agreement (Baht million)	Fair value appraised by TAP (Baht million)	Fair value appraised by IFA (Baht million)
450.00	Cost approach: 462.76 Income approach: 427.00	Best case: 525.72 Base case: 443.42 Worst case: 381.86

In our opinion, a suitable method for measuring the fair value of the land and buildings is the discounted cash flow (DCF) approach. By this approach, we have arrived at a fair value of the property of Baht 443.42 million in the base case, which is lower than the sale and purchase price of Baht 450.00 million by Baht 6.58 million or 1.46% of the sale and purchase price. From the sensitivity analysis, the property's fair value is in a range of Baht 381.86 million – Baht 525.72 million. Therefore, we deem that the transaction value of Baht 450.00 million is reasonable, considering that the DCF approach focuses on future operation and profitability of the land and buildings based on the net present value of cash flow to the Company in the future, including the overall economic and industrial trends. The sale and purchase price is higher than the lowest of the appraised fair value by Baht 68.14 million or 15.14% of the sale and purchase price, and is lower than the highest of the appraised fair value by Baht 75.72 million or 16.83% of the sale and purchase price.

Sale and purchase value under the draft agreement (Baht million)	Fair value of appraised property (lowest – highest) (Baht million)	(Lower) or higher (Baht million)
450.00	Best case: 525.72 Base case: 443.42 Worst case: 381.86	Higher: 75.72 Lower: (6.58) Lower: (68.14)

In view of the appropriateness of the disposal of land and buildings of the Company to its connected person at a total price of Baht 450.00 million, we are of the opinion that the sale and purchase price is higher than the property's fair value appraised herein at Baht 443.42 million in the base case and in a range of Baht 381.86 million – Baht 525.72 million from the sensitivity analysis. Therefore, we deem that the sale and purchase price of the land and buildings to be sold to PFC, the Company's connected person, at Baht 450.00 million is an appropriate price.

#### Appropriateness of conditions for the transaction

For the Land and Buildings Disposal Transaction between the Company and PFC, the conditions set out in the draft Land and Buildings Sale and Purchase Agreement are the general conditions of such agreement and the same conditions as those applicable to the transaction with a non-connected party. However, according to the conditions in the said draft agreement, the transfer of ownership must be registered within 120 days, which is longer than the general case by about 30 days. Amid the current slowdown in the economy and the real estate industry, it may be time-consuming not only to acquire a potential buyer of such high-value land and buildings but also to apply for loans from financial institutions. The said registration period that is about 30 days longer is accordingly deemed acceptable. The Company will receive from the purchaser a deposit for the asset in the amount of Baht 45.00 million on the agreement signing date and the remaining Baht 405.00 million on the date of registration of property ownership transfer, and will transfer all related rights, permits, and agreements to the purchaser on the date of registration of property ownership transfer, duly and completely as required by laws. Therefore, we view that the conditions for the transaction are appropriate.

Based on the above reasons, we are of the opinion that the Land and Buildings Disposal Transaction is reasonable and beneficial to the Company's shareholders. Therefore, it is recommended that the shareholders vote in favor of the transaction.

However, the decision whether to approve or disapprove the transaction depends primarily on the shareholders' judgment. The persons with a conflict of interest shall not be entitled to vote on this agenda item and, thus, the voting for or against the transaction shall rest with all other shareholders.

KGI Securities (Thailand) Plc., as the Independent Financial Advisor of the Company, hereby certifies that we have performed the above study and analysis according to professional standards and have provided all reasons based on the information and analysis with fairness and in the interests of the Company's shareholders.

Yours sincerely,

*-Patchaporn Sankaburanurak-*

(Miss Patchaporn Sankaburanurak)

Head of Investment Banking Department

KGI Securities (Thailand) Public Company Limited

*-Busaba Panyachuen-*

(Miss Busaba Panyachuen)

Supervisor

KGI Securities (Thailand) Public Company Limited



# Attachment 1

## Profile of Premier Fission Capital Co., Ltd.

### 1. General information

Company name: Premier Fission Capital Co., Ltd. ("PFC")

Date of registration: May 31, 2004

Juristic person registration number: 0105547073490

Head office: No. 1 Premier Corporate Park, Soi Premier 2, Si Nakharin Road, Nong Bon Subdistrict, Prawet District, Bangkok

Telephone: 02-301-1000

Website: <https://www.premier.co.th>

Registered capital: Baht 894,000,000

Issued and paid-up capital: Baht 894,000,000

Type of business: Operating as a holding company with investment in three core businesses: (1) food business, (2) information technology business, and (3) eco-friendly product business

### 2. Board of Directors

No.	Name	Position
1	Mr. Vichien Phongsathorn	Director
2	Mrs. Duangthip Eamrungraj	Director
3	Mr. Somchai Choonharas	Director
4	Mr. Suradej Boonyawatana	Director
5	Mrs. Walairat Pongjitt	Director
6	Mrs. Pensri Dettingeng	Director
7	Miss Thipchaya Phongsathorn	Director

Source: PFC's affidavit, as of July 23, 2024

### 3. Shareholders

No.	Name	No. of shares	% Shareholding
1	Premier Manufacturing Co., Ltd. <sup>1</sup> (PMFG)	128,799,997	72.04
2	Premier Resorts & Hotels Co., Ltd. <sup>2</sup> (PRH)	50,000,000	27.96
3	Miss Thipchaya Phongsathorn	3	<0.01
<b>Total</b>		<b>178,800,000</b>	<b>100.00</b>

Source: List of Shareholders (BorOrChor 5) of PFC, as of September 13, 2024

Remark:

1/ PMFG's ultimate shareholders are:

- Mr. Vichien Phongsathorn, directly holding 48.50% of PMFG's registered and paid-up capital;
- Mrs. Vimonthip Phongsathorn, directly holding less than 0.01% of PMFG's registered and paid-up capital;
- Miss Thipchaya Phongsathorn, directly holding 49.50% of PMFG's registered and paid-up capital;
- Miss Sumittra Phongsathorn, directly holding 1.00% of PMFG's registered and paid-up capital; and
- Mrs. Walairat Pongjitt, directly holding 1.00% of PMFG's registered and paid-up capital.

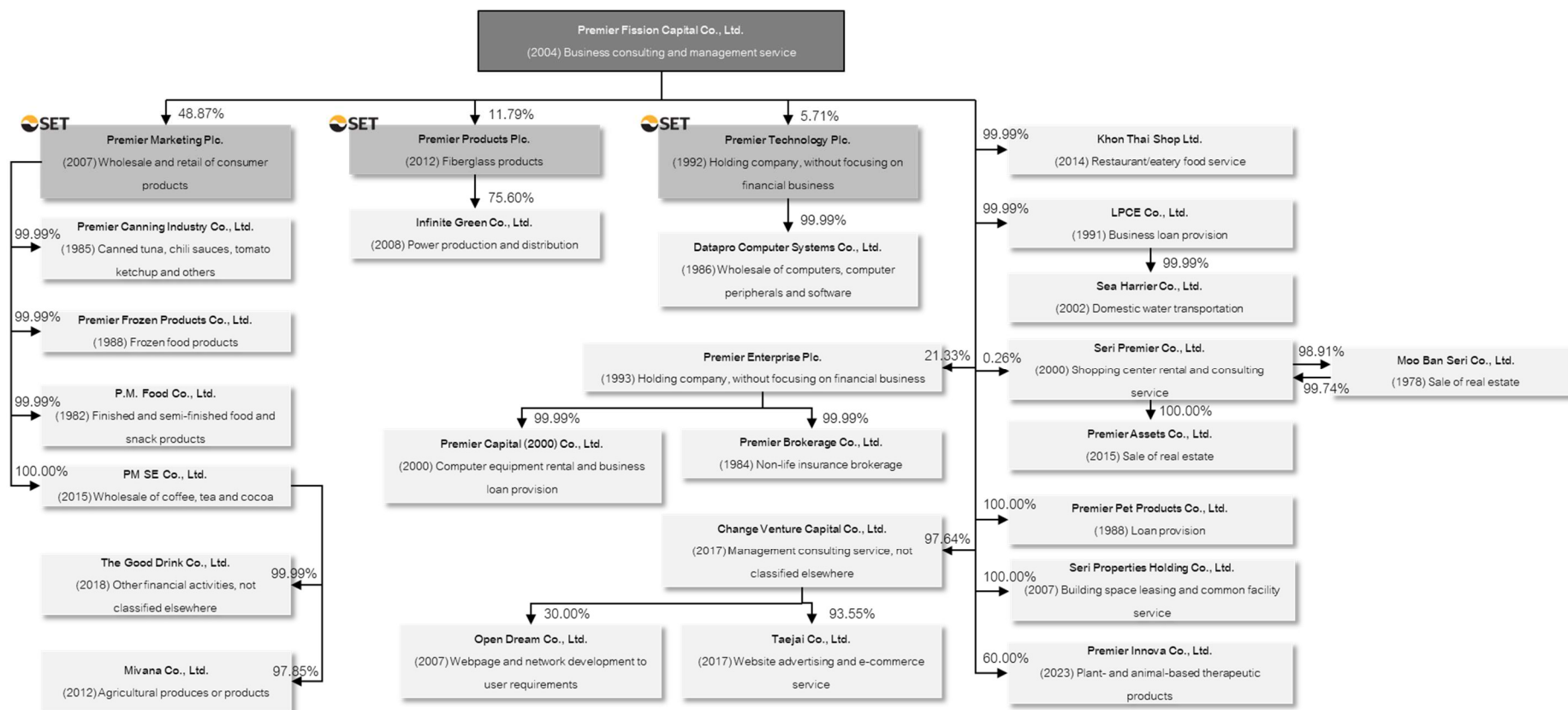
2/ PRH's ultimate shareholders are:

- Mr. Vichien Phongsathorn, indirectly holding 23.52% of PRH's registered and paid-up capital;
- Mrs. Vimonthip Phongsathorn, directly and indirectly holding 1.25% of PRH's registered and paid-up capital;
- Miss Thipchaya Phongsathorn, directly and indirectly holding 73.91% of PRH's registered and paid-up capital;
- Miss Sumittra Phongsathorn, indirectly holding 0.49% of PRH's registered and paid-up capital; and
- Mrs. Walairat Pongjitt, directly and indirectly holding 0.84% of PRH's registered and paid-up capital.

The ultimate shareholders' direct and indirect shareholding above is based on the List of Shareholders of PMFG and PRH derived from the List of Shareholders (BorOrChor 5) of PMFG and PRH, as of July 23, 2024.

#### 4. Structure of PFC's group of companies

The group of companies under Premier Fission Capital Co., Ltd. ("PFC Group") consists of PFC and its affiliates, as shown in the diagram below:



Source: The shareholding percentage of PFC in various companies is derived from BOL as of October 3, 2024.

The Extraordinary General Meeting of Shareholders No. 1/2024 of PFC, on September 20, 2024, passed a special resolution for a merger between PFC and Seri Properties Holding Co., Ltd. ("SPH"), whereby PFC shall remain as a juristic entity and SPH shall cease to be a juristic person. PFC already registered the said special resolution with the Department of Business Development, Ministry of Commerce, on September 23, 2024.

However, the Board of Directors' Meeting No. 6/2024 of PFC on October 15, 2024 resolved to propose to the shareholders' meeting to consider and approve a cancellation of the special resolution for a merger between PFC and SPH. The rationale behind this is that PFC has received information from the Ministry of Commerce, notifying that PFC could proceed with the merger after the publication in the Royal Gazette, which discloses the Act Amending the Civil and Commercial Code (No. 23) B.E. 2565 ("CCC"), with effect on February 7, 2023. Meanwhile, the Revenue Department's regulations regarding tax benefits have not been amended to align with the information from the Ministry of Commerce. PFC therefore deems it appropriate to wait for the clarity of the Revenue Department's regulations that are consistent with the Ministry of Commerce's. For this reason, PFC needs to cancel the special resolution for a merger between PFC and SPH and will set the date for the Extraordinary General Meeting of Shareholders No. 2/2024 to consider the said transaction on October 31, 2024.

## **5. Nature of business operation**

PFC Group has engaged in the main businesses as follows:

### **5.1. Investment in food business**

This is operated by Premier Marketing Plc. and its subsidiaries.

1. Premier Marketing Plc.: Engaging in marketing, sales promotion, and distribution of snack food and consumer products.
2. P.M. Food Co., Ltd.: Manufacturing fish snack products under "Taro" brand for both local sales and export, with Premier Marketing Plc. acting as the sole distributor for the local market.
3. Premier Canning Industry Co., Ltd.: Manufacturing, processing and selling pet food, including products under its "Atlas" house brand, using seafood raw materials and farm raw materials.
4. PM SE Co., Ltd.: Investing in and operating social enterprise business to further enhance the core value of the Company and Premier Group with respect to social sustainability, and also distributing organic coffee products.

### **5.2. Investment in technology business**

This is operated by Premier Technology Plc. and its subsidiary.

- (1) Premier Technology Plc.: Engaging in office building rental and investment in information technology business through its subsidiary.
- (2) Datapro Computer Systems Co., Ltd.: Providing total enterprise solutions and distributing hardware and software products, including information system services and other related services

for Premier Group members and medium- to large-scale organizations in both private and public sectors.

### 5.3. Investment in eco-friendly product business

This is operated by Premier Products Plc. and its subsidiary.

- (1) Premier Products Plc.: Manufacturing and distributing eco-friendly products, including wastewater treatment system and water storage system, construction and industrial materials such as building decoration materials made of cement, plastic, and acrylic reinforced with fiberglass, and solar roof system.
- (2) Infinite Green Co., Ltd.: Producing solar power as a very small power producer (VSPP) under a power purchase agreement with the Provincial Electricity Authority.

## 6. Financial information

PFC's financial statements for the years ended December 31, 2021-2023 were audited by Mr. Niteepong Techamontrikul, CPA Registration No. 10305, of C&A Audit Office Co., Ltd.

### Statements of financial position

Statements of financial position	As of 31/12/2021	As of 31/12/2022	As of 31/12/2023
	Baht million	Baht million	Baht million
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	0.26	0.43	0.41
Current investments	80.15	82.22	777.68
Trade and other receivables	27.23	4.38	19.76
Short-term loans	102.33	531.57	722.79
Accrued interest receivable	5.89	12.79	25.31
Other current assets	10.61	8.29	9.10
<b>Total current assets</b>	<b>226.47</b>	<b>639.68</b>	<b>1,555.05</b>
<b>Non-current assets</b>			

Statements of financial position	As of 31/12/2021	As of 31/12/2022	As of 31/12/2023
	Baht million	Baht million	Baht million
Pledged bank deposits	0.12	7.33	7.74
Investments in subsidiaries	803.87	804.54	644.51
Other long-term investments	122.37	112.33	1,617.52
Equipment	2.62	2.26	2.76
Intangible assets	0.07	0.05	0.15
Other non-current assets	15.98	25.78	34.01
<b>Total non-current assets</b>	<b>945.04</b>	<b>952.28</b>	<b>2,306.70</b>
<b>Total assets</b>	<b>1,171.50</b>	<b>1,591.96</b>	<b>3,861.75</b>
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Overdraft loans and short-term loans from financial institutions	-	12.21	-
Trade and other payables	23.78	4.44	19.92
Shares payable	160.00	160.00	95.44
Short-term loans	91.29	490.37	767.80
Accrued interest payable	30.13	25.86	35.19
Current portion of long-term liabilities	80.00	70.00	70.00
Other current liabilities	1.28	1.42	1.58
<b>Total current liabilities</b>	<b>386.47</b>	<b>764.32</b>	<b>989.93</b>
<b>Non-current liabilities</b>			
Long-term loans	210.00	275.00	205.00
Defined benefit obligations	53.90	52.88	49.15
<b>Total non-current liabilities</b>	<b>263.90</b>	<b>327.88</b>	<b>254.15</b>
<b>Total liabilities</b>	<b>650.37</b>	<b>1,092.20</b>	<b>1,244.09</b>
<b>Shareholders' equity</b>			
Registered capital	894.00	894.00	894.00
Issued and fully-paid capital	894.00	894.00	894.00
Retained earnings			
Unappropriated	(372.87)	(394.24)	286.07
Other components of shareholders' equity	-	-	1,437.59
<b>Total shareholders' equity</b>	<b>521.13</b>	<b>499.76</b>	<b>2,617.66</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,171.50</b>	<b>1,591.96</b>	<b>3,861.75</b>

## Statements of income

Statements of income	2021	2022	2023
	Baht million	Baht million	Baht million
<b>Revenues</b>			
Revenues from services	203.91	203.97	200.10
Interest income	11.35	15.26	31.09
Dividend income	161.61	137.56	186.41
Gains on sales of investments	31.06	-	9.40
Unrealized gains on revaluation of investments	-	-	529.60
Reversal of losses on revaluation of investments	-	19.81	110.41
Reversal of doubtful accounts	188.42	-	-
Other revenues	2.87	1.46	1.05
<b>Total revenues</b>	<b>599.21</b>	<b>378.06</b>	<b>1,068.06</b>
Administrative expenses	357.51	374.58	348.00
Losses on revaluation of investments	1,123.58	-	-
<b>Total expenses</b>	<b>1,481.09</b>	<b>374.58</b>	<b>348.00</b>
Profit (loss) before finance costs and income tax expenses	(881.88)	3.49	720.06
Finance costs	20.25	24.86	39.75
Profit (loss) before income tax	(902.13)	(21.38)	680.31
Income tax expenses	-	-	-
<b>Net profit (loss) for the year</b>	<b>(902.13)</b>	<b>(21.38)</b>	<b>680.31</b>