

September 12, 2017

Re: Invitation of the Extraordinary General Meeting of Shareholders No. 2/2017

To: Shareholders of Siamraj Public Company Limited

- Enclosure
1. Copy of Minutes of 2017 Annual General Meeting of Shareholders
  2. Information Memorandum regarding the Acquisition of Assets and Connected Transaction of Siamraj Public Company Limited for the purchase of and the entire business transfer from Techtronic Holding Company Limited, pursuant to Schedule 1 and Schedule 2
  3. Opinion of the independent financial advisor
  4. Information Memorandum regarding the Offering and Allocation of the Private Placement of Siamraj Public Company Limited
  5. Capital Increase Report Form (F 53-4)
  6. Articles of Association relating to the meeting of shareholders
  7. Guideline for the registration, the appointment of proxy, documents and evidences required for attendants to present on the date of the meeting
  8. Procedure for attending at the Meeting of Shareholders
  9. Registration form for EGM 2/2017 (Printed by TSD and bring to it on the meeting date)
  10. Proxy Forms
  11. Profiles of the Independent Directors for proxy appointment by shareholders and Definition of the Independent Directors
  12. Map of the meeting venue

The Board of Directors of Siamraj Public Company Limited (the “**Company**”) has resolved to approve an invitation to the Extraordinary General Meeting No. 2/2560 on Tuesday, October 3, 2017 at 1.30 pm at Room Srinakarin 2, Dusit Princess Srinakarin Hotel, located at Srinakarin Road, Nongbon Sub-district, Pravet District, Bangkok 10250. to consider the following agenda:

**Agenda 1                      To consider and certify the Minutes of 2017 Annual General Meeting**

**Fact and Rationale:** The Company had prepared the Minutes of 2017 Annual General Meeting held on April 26, 2017 - a copy of which has been submitted to the Stock Exchange of Thailand (the “**SET**”) and the Department of Business Development, the Ministry of Commerce, as required by relevant regulations. The Minutes of 2017 Annual General Meeting has details as per Enclosure 1 which has been distributed to the shareholders together with this invitation.

**Opinion of the Board of Directors:** The Board of Directors opined that the 2017 Annual General Meeting of Shareholders held on April 26, 2017 were correctly and completely recorded and deemed appropriate to propose to the shareholders meeting to certify the said minutes

**Voting:** The resolution in this agenda shall be adopted by the majority vote of the shareholders attending the meeting and casting their votes.

**Agenda 2                      To consider and approve the purchase of and the entire business transfer from Techtronic Holding Company Limited including the entry into the entire business transfer agreement, the undertaking agreement and other relevant transaction documents covering the issuance of new shares to be a**

**consideration for the purchase of and the entire business transfer from Techtronic Holding, which is an acquisition of assets and connected transaction**

**Fact and Rationale:** The Meeting of the Board of Directors No. 8/2017 held on August 9, 2017 has resolved to propose the shareholders' meeting to consider and approve the purchase of and the entire business transfer from Techtronic Holding Co., Ltd. ("**Techtronic Holding**" or the "**Transferor**") the business operation of which is to be the holding company. Techtronic Holding holds 59,998 shares of Techtronic Co., Ltd. which equals to 99.99% of its total registered and paid-up shares.

In consequence of the entire business transfer of Techtronic Holding to the Company, Techtronic will become a subsidiary of the Company which will enhance the efficiency and productivity of the group company and create the mutual benefits between the group company as Techtronic has its core business in distribution, installation and providing service with regard to fluid flow control and flow measurement equipment, including the system thereof.

The Company will purchase and be transferred with the entire business of Techtronic Holding which is current assets, debts, rights, obligations and liabilities of Techtronic Holding and the same on the Entire Business Transfer Date, including 59,998 ordinary shares (having par value of THB 100) of Techtronic. The Company will make a payment for the entire business transfer into two parts as follows:

- (a) Cash in an amount of THB 45,000,000 to Techtronic Holding; and
- (b) The remaining THB 268,450,000 – the Company will issue 76,700,000 new ordinary shares, having par value of THB 0.50. The Company will offer and allocate the shares to specific persons (Private Placement) which are shareholders of Techtronic Holding i.e. Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit at the offering price of THB 3.50. Such offering price has no discount from the Market Price according to the Capital Market Supervisory Board's Notification Re: the Approval for Offering of Newly Issued Shares to the Private Placement Investors. (Please refer to additional details in Agenda 5, Enclosure 4 and 5)

In this regard, the purchase and acceptance of the entire business transfer are subject to the following condition precedents:

- 1. the shareholder meeting of the Company resolves to approve the purchase of and acceptance of the entire business transfer from Techtronic Holding, including approving other relevant matters which are necessary and/or relating to the entire business transfer which is on October 3, 2017;
- 2. Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit enter into and sign the undertaking agreement with the Company regarding the

lock-up period which will be signed on August 10, 2017 ;

3. on the Entire Business Transfer Date, there is no and not likely to have an occurrence of event or an act which has an adverse impact to Techtronic or interferes the transaction stipulated on the entire business transfer agreement which the schedule and payment of the entire business transfer is on November 1, 2017 or any other date mutually agreed by both Parties;
4. there is no laws enforced by any relevant governmental authorities which have announced or to be announced which will be into force and effect after the Entire Business Transfer Date that prohibiting the entire business transfer;
5. there is no claims or proceeding regardless whether Techtronic Holding or Techtronic is a plaintiff or the defendant that the impact of which may affect the perfection and completeness of the entire business transfer under the entire business transfer agreement including there is no legal proceeding or any acts by any person contesting the transaction under the entire business transfer agreement
6. the meeting of the Board of Directors and the extraordinary general meeting of shareholders resolve to approve the entire business transfer to the Company, including the entry into the entire business transfer agreement and any acts necessary for the completion of the entire business transfer which is on November 1, 2017 or any other date mutually agreed by both Parties
7. Techtronic Holding procures that the Board of Directors of Techtronic resolved to approve the calling of shareholders' meeting on the Entire Business Transfer Date for the consideration and approval of the change of numbers of directors and the authorized directors as proposed by the Company which is on November 1, 2017 or any other date mutually agreed by both Parties
8. Techtronic Holding procures that Techtronic shall obtain a consent from creditors with regard to the transfer of Techtronic's shares to the Company pursuant to which the creditor shall not deem that it constitutes a breach Techtronic has with it, and a copy of such consent shall be delivered to the Company for review and verification which is before November 1, 2017.

There are the following issues to consider in term of the purchase of and the entire business transfer from Techtronic Holding implementing the entire business transfer method:

- (1) the purchase and the acceptance of the entire business transfer of a limited company pursuant to Section 107(2)(kor) of the Public Limited Company Act B.E. 2535 (as amended) require an approval from the shareholders' meeting of the Company with a vote of not less than three-quarters of the votes of all shareholders attending the meeting

and having the right to vote;

- (2) the purchase and the acceptance of the entire business transfer are considered as an acquisition of assets under the Notification of the Capital Market Supervision Board No. TorJor. 20/2551 re Rules for Significant Transactions Constituting an Acquisition or Disposal of Assets and the Notification of the Stock Exchange of Thailand re Disclosure of Information and Practice of Listed Companies Concerning the Acquisition and Disposal of Assets B.E. 2547. The transaction size when calculated under the value of consideration criteria (based on the Company's Financial Statements Quarter ended June 30, 2017 as reviewed by the Company's auditor) equals to 63.09 percent, considered as Type 1 transaction (50 % or more but less than 100%) which calculated using the total value of consideration method (6-month historical acquisition of asset transaction amounting to 36.65% with the same method) – pursuant to which, the Company is required to:

- prepare report and disclose the information memorandum of such transaction to the SET; and
- obtain an approval granted from the Company's shareholding meeting with a vote of not less than three-quarters of the votes of all shareholders attending the meeting and having the right to vote, excluding interested shareholders' equity.

- (3) the purchase and the acceptance of the entire business transfer of Techtronic Holding and the issuance of new shares to specific persons (Private Placement) as a consideration for the purchase of and acceptance of the entire business transfer are connected transaction under the Notification of the Capital Market Supervision Board No. 21/2551 RE Rules on Connected Transactions and the Notification of the Stock Exchange of Thailand re Disclosure of Information and Practice of Listed Companies Concerning the Connected Transactions B.E. 2546 because Mr. Torchok Laoluechai, a current director and shareholder of Techtronic Holding, was proposed and to be appointed to be a member of executive committee (which equals to management) and a risk management committee, the appointment of which resulting from the acceptance of the entire business transfer from Techtronic Holding. The connected transaction has a total transaction size of 37.03 percent of net tangible assets– pursuant to which, the Company is required to:

- appoint an independent financial advisor (IFA) in order to provide an opinion regarding the acquisition of assets connected transaction; and
- obtain an approval granted from the Company's shareholding meeting with a vote of not less than three-quarters of the votes of all shareholders attending the meeting and having the right



to vote, excluding interested shareholders' equity.

Please refer detailed stipulated in Enclosure 2.

In this regard, the Company has appointed Asset Pro Management Co., Ltd. which is approved by the Securities and Exchange Commission to be the IFA to provide an opinion regarding the acquisition of assets connected transaction having details as per Enclosure 3.

In this regard, the Board of Directors or Executive Committee or any person assigned by the Board of Directors shall have an authority to consider rules, conditions and details which are necessary and relating to the acceptance of the entire business transfer as it deemed appropriate, under the applicable laws

**Opinion of the  
Board of Directors:**

The Board of Directors deems appropriate to propose to the shareholders meeting to consider and approve the purchase of and the entire business transfer from Techtronic Holding Company Limited including the entry into the entire business transfer agreement, the undertaking agreement and other relevant transaction documents covering the issuance of new shares to be a consideration for the purchase of and the entire business transfer from Techtronic Holding, which is an acquisition of assets and connected transaction, and approve that the Board of Directors or Executive Committee or any person assigned by the Board of Directors shall have an authority as mentioned above. Also, the Board of Directors also consider and opined that the transaction is for the benefit of the Company and the shareholders and under acceptable and reasonable conditions.

In this regard, please refer to additional details of the Board of Directors' opinion in the information memorandum regarding the Acquisition of Assets and Connected Transaction for the purchase of and the entire business transfer from Techtronic Holding Company Limited, pursuant to Schedule 1 and Schedule 2 (Enclosure 2)

**Voting:**

The resolution in this agenda shall be adopted by not less than three-quarters of the votes of all shareholders attending the meeting and having the right to vote, excluding interested shareholders' equity (if any).

In this regard, as the Company has set the date for determining the names of shareholders who shall have the right to attend the Extraordinary General Meeting of Shareholders No. 2/2017 on August 25, 2017 (the Record Date), and for gathering the names of shareholders under Section 225 of the Securities and Exchange Act B.E. 2535 by closing the share register book and suspending share transfers on August 28, 2017, the resolution shall be resolved without a voting of the following shareholders who have special interest: Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit including their related party.

**Agenda 3**

**To consider and approve the increase of the Company registered capital in the amount of THB 38,350,000 from the current registered capital of THB 300,000,000 to be the new registered capital of THB 338,350,000 by issuing 76,700,000 newly ordinary shares at the par value of THB 0.50 per share**

**Fact and Rationale:** The Meeting of the Board of Directors No. 8/2017 held on August 9, 2017 has resolved to propose the shareholders' meeting to consider and approve the increase of the Company registered capital in the amount of THB 38,350,000 from the current registered capital of THB 300,000,000 to be the new registered capital of THB 338,350,000 by issuing 76,700,000 newly ordinary shares at the par value of THB 0.50 per share for the purpose of being a consideration for the entire business transfer from Techtronic Holding Co., Ltd. having details in Agenda 2.

**Opinion of the Board of Directors:** The Board of Directors deems appropriate to propose to the shareholders meeting to consider and approve the increase of the Company registered capital having details mentioned above.

**Voting:** The resolution in this agenda shall be adopted by not less than three-quarters of the votes of all shareholders attending the meeting and having the right to vote

**Agenda 4** **To consider and approve the amendment of Clause 4 of the Memorandum of Association of the Company to be in line with the increase of the Company's registered capital.**

**Fact and Rationale:** The Company is required, under the Public Limited Company Act B.E. 2535 (as amended), to amend the Memorandum of Association of the Company to be in line with the increase of the Company's registered capital having details in Agenda 3, above. The Meeting of the Board of Directors No. 8/2017 held on August 9, 2017 has accordingly resolved to propose the shareholders' meeting to consider and approve the amendment of Clause 4 of the Memorandum of Association of the Company to be in line with the increase of the Company's

"Clause 4 Registered Capital	THB 338,350,000 (Three Hundred Thirty Eight Million Three Hundred Fifty Thousand)
Divided into	676,700,000 shares (Six Hundred Seventy Six Million Seven Hundred Thousand Shares)
Par Value	THB 0.50 (fifty Satang)
Classified into	
Ordinary Shares	676,700,000 shares (Six Hundred Seventy Six Million Seven Hundred Thousand Shares)
Preferred Shares	- shares ( - )"

registered capital as follows:

**Opinion of the Board of Directors:** The Board of Directors deems appropriate to propose to the shareholders meeting to consider and approve the amendment of Clause 4 of the Memorandum of Association of the Company to be in line with the increase of

the Company's registered capital mentioned above.

**Voting:** The resolution in this agenda shall be adopted by not less than three-quarters of the votes of all shareholders attending the meeting and having the right to vote

**Agenda 5** **To consider and approve the allocation of 76,700,000 newly issued shares at the par value of THB 0.50 per share to specific persons (Private Placement)**

**Fact and Rationale:** The Meeting of the Board of Directors No. 8/2017 held on August 9, 2017 has resolved to propose the shareholders' meeting to consider and approve the allocation of 76,700,000 newly issued shares at the par value of THB 0.50 per share to specific persons (Private Placement) which are shareholders of Techtronic Holding with the offering price of THB 3.50 per share. Such offering price is not discounted from the Market Price as per stipulated in the Notification of the Capital Market Supervisory Board No. TorJor. 72/2558.

"Market Price" means the volume-weighted average price of the Company's shares listed on the SET for the previous 15 consecutive business days prior to the resolution of the Board of Directors' Meeting proposing the Extraordinary General Meeting of Shareholders to approve the capital increase and the allocation of the newly issued shares, which was the share price between July 18, 2017 – August 8, 2017 equal to THB 3.02 per share (source: SETSMART from [www.setsmart.com](http://www.setsmart.com))).

The allocation of the newly issued shares to the shareholders of Techtronic Holding has the details as follows:

Names of the shareholders of Techtronic Holding	Numbers of shares holding in Techtronic Holding	Percentage of shares holding in Techtronic Holding	Allocated shares by Private Placement
1. Mr. Torchok Laoluechai	36,000	60	46,020,000
2. Mr. Chatchawan Jetjumnongkit	23,999	40	30,680,000
3. Mrs. Wannee Jetjumnongkit	1	-	-
Total	60,000	100	76,700,000

The entire business transfer process will occur approximately within 45 days (depending on the completeness of condition precedent). After the shareholder meeting has approved the purchase of and the entire business transfer from Techtronic Holding, including relevant approvals on any matters necessary and/or relating to such entire business transfer, Techtronic Holding shall

transfer its entire business to the Company and register its dissolution within 2017. In terms of the liquidation process of Techtronic Holding, all the assets owning by Techtronic Holding at that time will be transferred back to its shareholders, pursuant to this case – the newly issued shares which are the consideration of this transaction will also be transferred to the shareholders of Techtronic Holding. Therefore, in order to short-cut the process aforementioned, Techtronic Holding has stipulated in the entire business transfer agreement regarding the payment of consideration for the entire business transfer that the Company shall pay the consideration in cash to Techtronic Holding and transfer the newly issued shares amounting 76,700,000 directly to the shareholders of Techtronic Holding.

In addition, the shareholders of Techtronic Holding who are allocated with the newly issued shares shall comply with terms and condition under the undertaking agreement regarding the lock-up period for a period of 5 years commencing from the date the newly issued shares of the Company have been allocated to such shareholders (the “**Allocation Date**”). The shareholders agree to not sell, distribute or transfer the Company’s newly issued shares, create encumbrance or conduct any acts which resulting into such share being owned by other persons, the lock-up period pursuant to which shall have details as follows:

Period of Time	The Ratio of the Lock-up Shares
The first day of allocation to the second anniversary of the Allocation Date	100% of the increased newly issued shares of the Company
From the second anniversary of the Allocation Date to the third anniversary of the Allocation Date	75% of the increased newly issued shares of the Company
From the third anniversary of the Allocation Date to the fourth anniversary of the Allocation Date	50% of the increased newly issued shares of the Company
From the fourth anniversary of the Allocation Date to the fifth anniversary of the Allocation Date	25% of the increased newly issued shares of the Company

In the case that on the Allocation Date, the offering price is lower than 90% of the Market Price according to the Notification of the Stock Exchange of Thailand re Rules, Conditions, and Procedures Governing the Listing of Ordinary or Preferred Shares Issues for Capital Increase B.E. 2558 (Market Price means a weighted average price of shares traded in the SET for not less than 7 consecutive business days but not exceeding 15 consecutive business days prior to the first date on which such shares are offered for sale) the Company shall prohibit the shareholders of Techtronic Holding from selling any of them within the period of 1 year from the commencement date on which

the shares are traded on the Exchange. Upon completion of 6-month period of trading of such shares issued for capital increase on the SET, the shareholders of Techtronic Holding can gradually sell their Shares that are subject to the prohibition of sale at 25 percent of the total number of newly issued shares that are subject to the prohibition of sale.

Please refer detailed stipulated in Enclosure 4 and 5.

**Opinion of the Board of Directors:**

The Board of Directors deems appropriate to propose to the shareholders meeting to consider and approve the allocation of 76,700,000 newly issued shares at the par value of THB 0.50 per share to specific persons (Private Placement) which are shareholders of Techtronic Holding with the offering price of THB 3.50 per share, for the purpose of paying as a consideration of the entire business transfer from Techtronic Holding as detailed in Agenda 2. Please refer to additional details of the Board of Directors' opinion regarding the offering and allocation of newly issued shares in Information Memorandum regarding the Offering and Allocation of the Private Placement (Enclosure 4)

**Voting:**

The resolution in this agenda shall be adopted by the majority vote of the shareholders attending the meeting and casting their votes.

**Agenda 6**

**To consider other business (if any)**

In addition, the Company had published the letter convening the shareholders meeting attached with the enclosures on the Company's website at [www.siamrajplc.com](http://www.siamrajplc.com) since September 18, 2017. The Company, therefore, hereby invites all shareholders to attend the Extraordinary General Meeting of Shareholders No. 2/2017, on October 3, 2017, at 1.30 p.m., at Room Srinakarin 2, Dusit Princess Srinakarin Hotel, located at Srinakarin Road, Nongbon Sub-district, Pravet District, Bangkok. The map of the venue is set out in Enclosure 12.

In the event that shareholders are unable to attend the meeting and would like to appoint a proxy, the shareholders shall use either Proxy Form A or Proxy Form B. In the event that foreign shareholders would like to appoint a custodian, such shareholders shall use Proxy Form C, as set out in Enclosure 11.

To protect the rights and benefits of shareholders who are unable to attend the meeting and who would like to appoint the Independent Director of the Company as their proxy to attend the meeting and cast votes on their behalf, the shareholder can grant a proxy by using Proxy Form B, stating the name of the independent directors as listed and detailed in Enclosure 10, then submit the form attached with support documentation, as detailed in Enclosure 7, to the Investor Relations Department, Siamraj Public Company Limited, 289/9 Moo10 Old Railway Road, Samrong, Phrapradaeng Samut Prakarn 10130, Telephone No. 02-7435010 Ext. 5400. Furthermore, in order for the Company to facilitate the verification of the documents, please submit all documentation to the Company by October 3, 2017 within 11.00 a.m. In case of custodian please send all documentation to the Company by September 27, 2017 to verify.

It is recommended that the shareholders review the guidelines for registration, for appointing a proxy, and the documentations and evidence required to be presented on the meeting date as set out in Enclosure 7, as well as the details on procedures for attendance at the Extraordinary General Meeting of Shareholders No. 2/2017 as set out in Enclosure 8. The Company will conduct the meeting in accordance with the

Articles of Association of the Company, Chapter 6, the Meeting of Shareholders, as set out in Enclosure 6.

In order to facilitate the rapidity of the registration of attendees at Extraordinary General Meeting of Shareholders No. 2/2017, the Company will allow the shareholder and proxies to register their names from 12:30 p.m. on the date of the meeting, at Room Srinakarin 2, Dusit Princess Srinakarin Hotel, located at Srinakarin Road, Nongbon Sub-district, Pravet District, Bangkok. Furthermore, since the Company will use the barcode system in the registration and counting of votes at this meeting, the shareholders and proxies are required to present the **registration form** on the date of the meeting along with other documentations as detailed in Enclosure 7.

In addition, the Company has set the date for determining the names of shareholders who shall have the right to attend the Extraordinary General Meeting of Shareholders No. 2/2017 on August 25, 2017 (the Record Date), and for gathering the names of shareholders under Section 225 of the Securities and Exchange Act B.E. 2535 by closing the share register book and suspending share transfers on August 28, 2017.

Sincerely yours,

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Roj Burusratanabhan  
Vice-President Director

## Siamraj Public Company Limited

### Minutes of the 2017 Annual General Meeting of Shareholders

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#### **Date, time and venue**

The meeting was held on April 26, 2017 at 1.00 p.m., at Room Mr 211 – 212, Bangkok International Trade and Exhibition Centre, 2<sup>nd</sup> Floor, No. 88 Bangna Trad Road at km. 1, Bangna, Bangkok.

#### **Commencement of the meeting**

Mr. Roj Burusratanabhand acted as the Chairman of the 2017 Annual General Meeting of Shareholders (“**Chairman**”) and Ms. Yaowarote Klinboon, the conductor of the Meeting (the “**Conductor**”), the Conductor introduced the directors, executives and the advisors of Siamraj Public Company Limited (the “**Company**”) attending today’s meeting as follows:

#### **The attending directors**

- |                                 |   |
|---------------------------------|---|
| 1. Mr. Roj Burusratanabhand     | Director, Independent Director, Chairman of the Audit Committee and Chairman of the Nomination and Remuneration Committee |
| 2. Mr. Bunprasit Tangchaisuk    | Director, Independent Director, Member of Audit Committee and Member of the Nomination and Remuneration Committee         |
| 3. Mr. Pongnimit Dusitnitsakul  | Director, Independent Director, Member of the Audit Committee and Member of the Nomination and Remuneration Committee     |
| 4. Mr. Kiat Vimolchalao         | Chief Executive Officer, Director, Chairman of the Executive Committee and Chairman of the Risk Management Committee      |
| 5. Mrs. Udomporn Jiranapakulwat | Chief Financial Officer, Director, Executive Director and Member of the Risk Management Committee                         |
| 6. Mrs. Wacharaporn Vimolchalao | Chief Procurement Officer, Director, Executive Director and Member of the Risk Management Committee                       |
| 7. Mrs. Wacharee Atthakorn      | General Manager , Director, Executive Director, Member of the Risk Management Committee and Company Secretary             |

#### **Non-attending Directors**

-None-

## **Other attendees**

### **Executives in 3 business groups**

- |                            |  |
|----------------------------|--|
| 1. Mr.Nopparit Phoomtrakul | Business Unit Manager Metering and Pipeline Transmission Business Unit |
| 2. Mr.Kosol Sombatsiri     | Business Unit Manager NGV Business Unit                                |
| 3. Mr.Warawut Waisalee     | Business Unit Manager Engineered Pumps and Systems Business Unit       |

### **Attending Advisors**

#### **Auditor**

Mr. Sa-Nga Chokenitisawat	PriceWaterhouse Coopers ABAS Limited
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#### **Legal advisors**

Ms. Yaowarote Klinboon	the Capital Law Office Limited
Ms. Nahathai Kiativinyu	the Capital Law Office Limited

The Conductor informed the Meeting of the general details of the capital and shares of the Company on the Book Closing date, March 15, 2017 that the Company has the total registered capital of Baht 300,000,000 divided into 600,000,000 shares with paid-up capital of Baht 300,000,000, divided into 600,000,000 shares, at the par value of Baht 0.50 per share.

At today's Meeting, there are 52 shareholders and proxies attended the 2017 Annual General Meeting holding an aggregate of 457,865,310 shares or equivalent to 76.31 percent of the total issued shares of the Company. A quorum was, therefore, duly constituted as specified by law and the Company's Articles of Association in which stated that there must be not less than 25 shareholders attending a meeting in person and by proxy (if any) or not less than one-half of the total number of shareholders attending the meeting, and they must collectively hold not less than one-third of the total issued shares of the Company.

In this regard, before proceeding with the agendas, the Conductor informed that the Company used the barcode system for the registration and vote counting, and further informed the protocols on voting and vote counting as well as the criteria of voided cards. Moreover, in each agenda, the Shareholders will be able to ask questions or express opinions regarding the matter of such agenda.

The Conductor asked the Chairman to declare the Meeting opened and proceeded the Meeting in accordance with the agenda items as specified in the invitation as follows:

### **Agenda 1**      **Matters to be informed by the Chairman for acknowledgement**

Mr.Roj Burusratanabhand. Commission agent of the board say thank you of the shareholders for the support and encouragement throughout the company always.

The Conductor gave the shareholders an opportunity to inquire and comment on this agenda. However, no shareholders inquire or comment on this agenda.

**Remark:**      this agenda is for acknowledgement and will be no casting of votes.



**Agenda 2**      **To consider and adopt the Minutes of the Extraordinary General Meeting of Shareholders No. 1/2017**

The Conductor informed the Meeting that the Company had prepared the Minutes of the Extraordinary General Meeting of Shareholders No. 1/2017 held on January 11, 2017. Details are appeared in Enclosure 1 (*Copy of the Minutes of the Extraordinary General Meeting of Shareholders No. 1/2017*) which has been sent to the shareholders together with the invitation. Whereby the Board of Directors saw that such Minutes were correctly and completely recorded and deemed appropriate to propose to the shareholders meeting to adopt the said minutes.

The Conductor gave the shareholders an opportunity to inquire and comment on this agenda. However, no shareholders inquire or comment on this agenda. Therefore, the Conductor requested the Meeting to cast their votes.

**Resolution of the Meeting**

The meeting has considered and resolved to adopt the minutes of the Extraordinary General Meeting No. 1/2017, held on January 11, 2017, with the following voting results:

Shareholders voting	Nos. of Votes	%
Approve	457,885,310	100.0000
Disapprove	0	0.0000
Abstain	0	-
Voided Voting Card(s)	0	0.0000
Total (53 persons)	457,885,310	-

- Remark:**
1. Resolution in this agenda shall be adopted by the majority votes of the Shareholders attending the Meeting and casting their votes.
  2. In this agenda, there are additional shareholders attending the meeting compared to the beginning of the Meeting holding the aggregate of 20,000 shares, with 20,000 votes. Therefore, the total votes of shareholders in this agenda equal to 457,885,310 votes.

**Agenda 3**      **To consider and acknowledge the operating results of the Company for the year 2016**

The Conductor asked Mr. Kiat Vimolchalao, Chief Executive Officer, to report to the Meeting regarding the details of operating results of the Company for the year 2016.

In this regard, Mr. Kiat Vimolchalao reported the summary of operating results and significant changes in the year 2016 to the Meeting for acknowledgement. Details are appeared in Enclosure 2 (*Annual report for the year 2016*) which has been sent to shareholders together with the invitation.

Moreover, regarding the anti-corruption policy of the Company, the Company has always stressed the importance of operating its businesses according to the good corporate governance with absolute transparency and thorough auditing. Despite not having joined the Collective Action Coalition against corruption at the moment, the Company has fully

established an internal system against corruptions including informing and hosting seminars for the employees on the Company's anti-corruption policy.

The Conductor gave the shareholders an opportunity to inquire and comment on this agenda. However, no shareholders inquire or comment on this agenda.

**Remark:** this agenda is for acknowledgement and will be no casting of votes.

#### **Agenda 4**

#### **To consider and approve the financial statement and the comprehensive income statements of the Company for the fiscal year ended December 31, 2016**

The Conductor asked Mr. Kiat Vimolchalao, Chief Executive Officer, to report the details of the financial statement and the income statements of the Company for the fiscal year ended December 31, 2016 to the Meeting.

Mr. Kiat Vimolchalao reported that Section 112 of the Public Limited Company Act B.E. 2535 (as amended) ("**Public Company Act**") and the Article 39 of the Articles of Association of the Company prescribes that the Company has to prepare the financial statement and income statement at the end of each fiscal year for proposing to the Annual General Meeting of shareholders to consider and approve such financial statement, it is then deemed appropriate to propose that the financial statements for the fiscal year ended December 31, 2016 be considered and approved with the details in Enclosure 2 which was sent to the Shareholders together with the invitation.

The Conductor then gave the shareholders an opportunity to inquire and comment on this agenda. However, no shareholders inquire or comment on this agenda. Therefore, the Conductor requested the meeting to cast their votes.

#### **Resolution of the Meeting**

The meeting has considered and resolved to approve the financial statement and the comprehensive income statements of the Company for the fiscal year ended December 31, 2016, with the following voting results:

Shareholders voting	Nos. of Votes	%
Approve	457,915,314	100.0000
Disapprove	0	0.0000
Abstain	0	-
Voided Voting Card(s)	0	0.0000
Total (55 persons)	457,915,314	-

- Remark:**
1. Resolution in this agenda shall be approved by the majority votes of the Shareholders attending the meeting and casting their votes.
  2. In this agenda, there are additional shareholders attending the meeting compared to the beginning of the Meeting holding the aggregate of 30,004 shares, with 30,004 votes. Therefore, the total votes of shareholders in this agenda equal to 457,915,314 votes.

**Agenda 5**

**To consider and approve the allocation of profits from the operation of the Company for the fiscal year ended December 31, 2016 to be a reserve fund as prescribed by law and the dividend payment from the operation of the Company for the fiscal year ended December 31, 2016**

The Conductor informed the Meeting that pursuant to the operation result of the Company for the fiscal year ended December 31, 2016, the Company has a net profit of Baht 84,961,470.81, equivalent to Baht 0.14 per share which the Company will allocate as follows:

Section 116 of the Public Company Act and Article 45 of the Articles of Association of the Company specify that the Company must allocate its annual net profit in the amount of not less than 5 percent of the total net profit of the year deducting by the accumulated losses (if any) until this reserve fund attains an amount of not less than 10 percent of the registered capital. It is then deemed appropriate to propose to the Shareholders to consider and approve the allocation of Baht 4,248,074.00, equivalent to 5 percent of the net profit for the fiscal year ended December 31, 2016 as a reserve fund. After such allocation of profit to be a reserve fund, the Company shall have a reserve fund of Baht 16,866,697.08, equivalent to 5.62 percent of the registered capital of the Company.

In addition, it is deemed appropriate to propose to the Shareholders to consider and approve the payment of dividend in the amount of not exceeding Baht 72,000,000, or equal to Baht 0.12 (12 Satang) per share, equivalent to 84.74 percent of the net profit under the separate financial statement of the Company after deducting the corporate income tax. In this regard, such dividend payment is in compliance with the dividend payment policy of the Company in which specified that the Company shall distribute the dividend in the amount of not less than 40 percent of the net profit after deducting corporate tax income and reserve fund as prescribed by law.

In this regard, the Company has already paid the interim dividend to the shareholders at the rate of Baht 0.06 (6 Satang) per share, totaling Baht 36,000,000 on December 9, 2016 as approved by the Board of Directors' Meeting No. 4/2016 held on November 10, 2016. Therefore, after deducting such paid interim dividend, there remains the final dividend payment for the fiscal year ended December 31, 2016 in the amount of not exceeding Baht 36,000,000 or the equivalent of Baht 0.06 (6 Satang) per share.

The Company shall pay the final dividend for the fiscal year ended December 31, 2016 to the shareholders of the Company whose name appeared in the shareholders register book on March 14, 2017 which is the date to determine the name of the shareholders who shall be eligible to receive the final dividend (Record Date) and on March 15, 2017 which is the date for gathering the names of the shareholders by closing shareholders register book under the Section 225 of Securities and Exchange Act B.E. 2535 (including its amendments). In this regard, the Company shall pay the dividend on May 25, 2017.

The Conductor gave the shareholders an opportunity to inquire and comment on this agenda. However, no shareholders inquire or comment on this agenda. Therefore, the Conductor requested the meeting to cast their votes

**Resolution of the Meeting**

The meeting has considered and resolved to approve the allocation of profits from the operation of the Company for the fiscal year ended December 31, 2016 to be a reserve fund as prescribed by law and the dividend payment from the operation of the Company for the fiscal year ended December 31, 2016 with the following voting results:

Shareholders voting	Nos. of Votes	%
Approve	457,915,314	100.0000
Disapprove	0	0.0000
Abstain	0	-
Voided Voting Card(s)	0	0.0000
Total (55 persons)	457,915,314	-

**Remark:** 1. Resolution in this agenda shall be approved by the majority votes of the Shareholders attending the meeting and casting their votes.

2. In this agenda, there are no additional shareholders attending the meeting.

### **Agenda 6**

#### **To consider and approve the election of the Directors to replace those who completed the term**

The Conductor informed the Meeting that Section 71 of the Public Company Act and Clause 17 of the Articles of Association of the Company prescribes that in each Annual General Meeting of shareholders, one-third of the total number of the directors must retire by rotation. In the case that the number of directors cannot divide into 3 proportions, a number of directors closest to one-third shall retire. Directors retiring by rotation may be re-elected.

In this regard, there are 3 directors who will retire by rotation at the 2017 Annual General Meeting, namely:

Name of directors who shall be retired by rotation	Position	Number of Board of Directors' meeting attendance in the year 2016	Number of Subcommittee meeting attendance in the year 2016	Term of directorship of the Company
1. Mrs. Wacharee Atthakorn	Director	5/5	18/19	2
2. Mr. Roj Burusratanabhand	Director/ Chairman of the Audit Committee/	4/5	4/5	2

Name of directors who shall be retired by rotation	Position	Number of Board of Directors' meeting attendance in the year 2016	Number of Subcommittee meeting attendance in the year 2016	Term of directorship of the Company
	Chairman of the Nomination and Remuneration Committee			
3. Mr. Bunprasit Tangchaisuk	Director/ Member of the Audit Committee/ Member of the Nomination and Remuneration Committee	4/5	4/5	2

The Conductor informed that in this Agenda, Mr. Kiat Vimolchalao will act as Chairman of the Meeting since Mr.Roj Burusratanabhand is one of the Directors retiring by rotation.

In this regard, the Nomination and Remuneration Committee (excluding the directors who will retire by rotation) has considered the qualification of the directors who will retire by rotation in the 2017 Annual General Meeting of shareholders and has an opinion that such 3 directors are knowledgeable, experienced and skilful which will benefit to the Company's operations and have full qualification and do not have any prohibited characteristics under the Public Company Act, the Securities and Exchange Act B.E. 2535 (as amended) and other relevant regulations. Moreover, for the person who will take a position of Independent Director also possesses the qualifications of the Independent Director as prescribed in the definition of the Independent Directors of the Company, which is equal to the definition prescribed in the regulation of the Office of the Securities and Exchange Commission (the "SEC") and the SET, as appeared in Enclosure 8 (*the Definition of the Independent Directors*) which has been sent to shareholders together with the invitation.

Therefore, it is deemed appropriate to propose to the shareholders to consider and elect all 3 retired directors to be the Directors of the Company for another term. In this regard, details are appeared in Enclosure 3 (*Profiles of the retired directors who will be nominated to be director for another term*) which has been sent to the shareholders with the invitation.

In addition, the Company gave the shareholders of the Company an opportunity to nominate the director candidates to be elected in the 2017 Annual General Meeting of Shareholders during 1 to February 15, 2017. Nonetheless, no shareholder nominated any director candidate for election on this meeting.

Furthermore, the Company had determined that the Board of directors shall comprise 8 Directors; however, Mr. Kanoksakdi Bhinsaeng (Chairman of the Board) has resigned from being a Director of the Company before the end of his term, effective as of March 1, 2017 onwards. In this regard, the Nomination and Remuneration Committee is in the process of selecting a qualified person to replace Mr. Kanoksakdi Bhinsaeng and when such person has been selected as the replacement, the Company will propose the name of such person to the Board of Directors to consider and approve as a Director of the Company. After the Company has approved the Director to replace Mr. Kanoksakdi

Bhinsaeng, the Board of Directors of the Company will comprise 8 Directors.

Then, the Conductor gave the shareholders an opportunity to inquire and comment on this agenda. However, no shareholders inquire or comment on this agenda. Therefore, the Conductor requested the meeting to cast their votes. In this regard, the election of each director shall be conducted individually and separately.

### **Resolution of the Meeting**

The meeting has considered and resolved to elect the directors to replace those who completed their term at the 2017 Annual General Meeting of Shareholders, detailed as follows:

1. Approved to appoint Mrs. Wacharee Atthakorn to be a director of the Company, with the following voting results:

Shareholders voting	Nos. of Votes	%
Approve	457,915,314	100.0000
Disapprove	0	0.0000
Abstain	0	-
Voided Voting Card(s)	0	0.0000
Total (55 persons)	457,915,314	-

2. Approved to appoint Mr. Roj Burusratanabhand to be a director of the Company, Chairman of the Audit Committee and Chairman of the Nomination and Remuneration Committee, with the following voting results:

Shareholders voting	Nos. of Votes	%
Approve	457,915,314	100.0000
Disapprove	0	0.0000
Abstain	0	-
Voided Voting Card(s)	0	0.0000
Total (55 persons)	457,915,314	-

3. Approved to appoint Mr. Bunprasit Tangchaisuk to be a director of the Company, Member of the Audit Committee and Member of the Nomination and Remuneration Committee, with the following voting results:

Shareholders voting	Nos. of Votes	%
Approve	457,915,314	100.0000
Disapprove	0	0.0000
Abstain	0	-
Voided Voting Card(s)	0	0.0000
Total (55 persons)	457,915,314	-

- Remark:**
1. Resolution in this agenda shall be approved by the majority votes of the Shareholders attending the meeting and casting their votes.
  2. In this agenda, there are no additional shareholders attending the meeting.

### **Agenda 7**

#### **To consider and approve the remuneration of the Directors and Subcommittee of the Company for the year 2017**

The Conductor informed that Mr.Roj Burusratanabhand now continued as Chairman of the Meeting after being re-elected for another term.

The Conductor then informed that Section 90 of the Public Company Act and the Articles of Association of the Company specified that the directors of the Company are eligible to receive the remuneration from the Company in a form of cash, reward, meeting allowance, per diem, bonus or in other forms as decided by the shareholders' meeting. In addition, such distribution of remuneration shall be specified in a fixed amount or in principle or prescribe the remuneration criteria applicable from time to time or applicable until the shareholders' meeting resolves to change. Moreover, the directors shall be entitled to receive any other welfare according to the Company's rule.

In this regard, the Nomination and Remuneration Committee has considered the propriety of the remuneration of the Board of Directors and the Subcommittee of the Company by thoroughly considering on various factors, i.e.; the operation result of the Company, size of the Company's business and duties and responsibilities of the Board of Directors and Subcommittee of the company, and comparing with the remuneration rate of the businesses that are in the same industry as the Company and have the similar size as the Company. After due consideration, the Nomination and Remuneration Committee deemed appropriate to propose to the Shareholders Meeting to consider and determine the remuneration of the Board of Directors and the Sub-Committee of the Company for year 2017 as follows:

Position	Remuneration
<b><u>Meeting Allowance</u></b>	
(1) Director of the Company	Baht 7,500 per person/meeting

Position	Remuneration
(2) Member of the Audit Committee	Baht 7,500 per person/meeting
(3) Member of the Nomination and Remuneration Committee	Baht 7,500 per person/meeting
<b><u>Monthly Remuneration</u></b>	
(1) Chairman of the Board	Baht 40,000 per person/month
(2) Chairman of the Audit Committee	Baht 25,000 per person/month
(3) Member of the Audit Committee	Baht 20,000 per person/month

Furthermore, the Nomination and Remuneration Committee has considered and determined a special remuneration for the Directors who are not Executives for the year 2017 in the total amount of 0.80 percent of the net profit and loss for the year 2016 (not including any item which did not derive from the normal operations of the Company, i.e. Share Base Payment). In this regard, all of the aforementioned Directors will receive the special remuneration in equal amounts.

Then, the Conductor gave the shareholders an opportunity to inquire and comment on this agenda. However, no shareholders inquire or comment on this agenda. Therefore, the Conductor requested the meeting to cast their votes.

#### **Resolution of the Meeting**

The meeting has considered and resolved to approve the remuneration of the Directors and Subcommittee of the Company for the year 2017 with the following voting results:

Shareholders voting	Nos. of Votes	%
Approve	457,915,314	100.0000
Disapprove	0	0.0000
Abstain	0	-
Voided Voting Card(s)	0	0.0000
Total (55 persons)	457,915,314	-

- Remark:**
1. Resolution in this agenda shall be approved by at least two-third of the total votes of the shareholders attending the meeting.
  2. In this agenda, there are no additional shareholders attending the meeting.



**Agenda 8****To consider and approve the appointment of the auditors and the determination of the audit fee for the year 2017**

The Conductor informed that to be in line with Section 120 of the Public Company Act prescribes that the Annual General Meeting of shareholders must appoint the auditors and determines the audit fee of the Company every fiscal year. Thus, it is deemed appropriate to propose to the shareholder meeting to consider and approve the appointment of auditors from PricewaterhouseCoopers ABAS Limited to be auditors of the Company for the fiscal year ending December 31, 2017 in which any of the following auditors are being authorized to review and give opinion on the Company's financial statement. In the case that the following auditors are unable to perform their duties, PricewaterhouseCoopers ABAS Limited shall be authorized to appoint any of its auditors to be the auditor of the Company

- |                                 |  |
|---------------------------------|--|
| 1. Amornrat Pearmpoonvatanasuk; | Certified Public Accountant (Thailand)<br>No. 4599; and/or |
| 2. Prasit Yuengsrikul;          | Certified Public Accountant (Thailand)<br>No. 4171; and/or |
| 3. Sa-nga Chokenitisawat;       | Certified Public Accountant (Thailand)<br>No. 11251.       |

In choosing the auditor, the Audit Committee considered the qualifications and experiences of each auditor and found that PricewaterhouseCoopers ABAS Limited is independent and capable of examining the financial statement of the Company. In addition, All of the above auditors have neither relationships with nor interests in the Company, its management, major shareholders or any related parties thereof and the auditors fee is reasonable for the workload.

Moreover, the Board of Directors deemed appropriate to propose to the shareholders meeting to consider and approve the appointment of the auditors from PricewaterhouseCoopers ABAS Ltd. to be an auditor of a joint venture of Siamrajathanee Co., Ltd. and the Company (the “**Joint Venture Siamrahathanee**”) for the fiscal year ended on December 31, 2017.

The Conductor then further informed that in addition, it is deemed appropriate to propose to the Shareholders Meeting to consider and approve the determination of the auditor fee of the Company and the Joint Venture Siamrahathanee for the fiscal year ended on December 31, 2017 in the amount of not exceeding the following amounts:

Entity	Audit fee
The Company	Baht 1,750,000
The Joint Venture Siamrahathanee	Baht 250,000

However, the aforementioned audit fee does not include other service fee (Non-audit fee).

Then, the Conductor gave the shareholders an opportunity to inquire and comment on this agenda. However, no shareholders inquire or comment on this agenda. Therefore, the Conductor requested the meeting to cast their votes.

### **Resolution of the Meeting**

The meeting has considered and resolved to approve the appointment of the auditors and the determination of the audit fee for the year 2017 with the following voting results:

Shareholders voting	Nos. of Votes	%
Approve	457,915,314	100.0000
Disapprove	0	0.0000
Abstain	0	-
Voided Voting Card(s)	0	0.0000
Total (55 persons)	457,915,314	-

**Remark:** 1. Resolution in this agenda shall be approved by the majority votes of the Shareholders attending the meeting and casting their votes.

2. In this agenda, there are no additional shareholders attending the meeting.

### **Agenda 9**

#### **Other matters (if any)**

The Conductor stated that the proposed agendas as specified in the invitation of the 2017 Annual General Meeting of Shareholders had all been considered, then, the Conductor gave the shareholders an opportunity to inquire and comment on this agenda. However, no shareholders inquire or comment on this agenda. The Chairman declared the Meeting adjourned at 13.50 pm.

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(Mr. Roj Burusratanabhand)

Chairman of the Meeting

**INFORMATION MEMORANDUM ON**  
**THE ACQUISITION OF ASSETS AND CONNECTED TRANSACTION OF SIAMRAJ PUBLIC**  
**COMPANY LIMITED RELATING TO THE TRANSFER of ENTIRE BUSINESS OF**  
**TECHTRONIC HOLDING COMPANY LIMITED**

The Board of Directors' Meeting No. 8/2017 of Siamraj Public Company Limited (the “**Company**”) held on August 9, 2017, has resolved to approve the purchase and acceptance of the transfer of the entire business of Techtronic Holding Company Limited (“**T-Holding**”), including but limited to its assets, liabilities, as well as the ordinary shares of Techtronic Company Limited (“**T**”), T-Holding’s subsidiary holding 100% of the registered capital therein (collectively, the “**Entire Business of T-Holding**”) by way of the entire business transfer. The transfer price of the Entire Business of T-Holding equals to THB 313,450,000 whereby the Company will pay the transfer price by paying cash in the amount of THB 45,000,000 and by issuing 76,700,000 newly issued ordinary shares, with a par value of THB 0.50 per share, at the offering price of THB 3.50 per share. The number of Company’s shares to be issued to T-Holding was calculated based on the asset-to-share swap ratio of 12.78% (the “**Acquisition Transaction**”).

The Acquisition Transaction will constitute an acquisition of the entire business of a private company pursuant to Section 107(2)(b) of the Public Limited Companies Act B.E. 2535 (1992) (as amended) and an acquisition of assets in accordance with the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (2004) (as amended) (the “**Notification on Acquisition or Disposal**”). The maximum transaction size is equal to 63.09 percent on the total value of consideration basis (Including previous 6-month transactions calculated with the same method, 36.65 percent). It is considered a Type-1 transaction in accordance with the Notification on Acquisition or Disposal with the transaction size of 50 percent or higher but less than 100 percent. Therefore, the Company is required to disclose to the Stock Exchange of Thailand the information memorandum on such transaction, and required to obtain an approval from the shareholders’ meeting.

In addition, the Acquisition Transaction and the issuance of the Company’s newly issued ordinary shares as a consideration for the Entire Business of T-Holding will constitute a connected transaction pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transaction B.E. 2546 (2003) (as amended) (the “**Connected Transaction Notifications**”), where the total transaction size of the Acquisition Transaction is equivalent to 37.03 percent of the Company’s net tangible assets (“**NTA**”) as of June 30, 2017.

Siam Rajathanee Building 289/9 Moo 10, Old Railway Road, Samrong, Phrapradaeng, Samutprakarn 10130, Thailand

Tel : 0-2743-5010-25, Fax : 0-2743-5007-8, E-mail : [info@siamrajplc.com](mailto:info@siamrajplc.com), Website : [www.siamrajplc.com](http://www.siamrajplc.com)

Therefore, the Company would like to disclose details on the Acquisition Transaction pursuant to the Acquisition or Disposal of Assets Notifications and the Connected Transaction Notifications as follows:

1. Transaction Date

The Board of Directors' Meeting No. 8/ 2017 of Siamraj Public Company Limited ( the "Company") held on August 9, 2017, has resolved to approve the purchase and acceptance of the transfer of the entire business of Techtronic Holding Company Limited.

In any event, the purchase and acceptance of the entire business transfer are subject to the following condition precedents:

- (a) the shareholder meeting of the Company resolves to approve the purchase of and acceptance of the entire business transfer from Techtronic Holding, including approving other relevant matters which are necessary and/ or relating to the entire business transfer which is on October 3, 2017;
- (b) Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit enter into and sign the undertaking agreement with the Company regarding the lock-up period which have already signed on August 10, 2017;
- (c) on the Entire Business Transfer Date, there is no and not likely to have an occurrence of event or an act which has an adverse impact to Techtronic or interferes the transaction stipulated on the entire business transfer agreement which the schedule and payment of the entire business transfer is on November 1, 2017 or any other date mutually agreed by both Parties;
- (d) there is no laws enforced by any relevant governmental authorities which have announced or to be announced which will be into force and effect after the Entire Business Transfer Date that prohibiting the entire business transfer;
- (e) there is no claims or proceeding regardless whether Techtronic Holding or Techtronic is a plaintiff or the defendant that the impact of which may affect the perfection and completeness of the entire business transfer under the entire business transfer agreement including there is no legal proceeding or any acts by any person contesting the transaction under the entire business transfer agreement
- (f) the meeting of the Board of Directors and the extraordinary general meeting of shareholders resolve to approve the entire business transfer to the Company, including the entry into the entire business transfer agreement and any acts necessary for the completion of the entire business transfer which is on November 1, 2017 or any other date mutually agreed by both Parties

- (g) Techtronic Holding procures that the Board of Directors of Techtronic resolved to approve the calling of shareholders' meeting on the Entire Business Transfer Date for the consideration and approval of the change of numbers of directors and the authorized directors as proposed by the Company which is on November 1, 2017 or any other date mutually agreed by both Parties.
- (h) Techtronic Holding procures that Techtronic shall obtain a consent from creditors with regard to the transfer of Techtronic's shares to the Company pursuant to which the creditor shall not deem that it constitutes a breach Techtronic has with it, and a copy of such consent shall be delivered to the Company for review and verification which is before November 1, 2017.

## 2. Contractual Parties

Transferor : Siamraj Public Company Limited  
Transferee : Techtronic Holding Company Limited

## 3. Connected Persons and Relationship

Connected Person		Relationship with the Company	T-Holding		
			Position	Number of shares held (shares)	Shareholding Percentage
1	Mr. Torchok Laoluechai	<ul style="list-style-type: none"> <li>- Director</li> <li>- Shareholder, holding 497,600 shares</li> <li>- Ms.Nareerat Jitsansuay,spose of Mr. Torchok Laoluechai Shareholder, holding 180,000 shares</li> </ul>	- Director	36,000	60.00
2	Mr. Chatchawal Chetchamnongkit	<ul style="list-style-type: none"> <li>- Shareholder, holding 89,000 shares</li> </ul>	- Director	23,999	39.998
3	Mrs. Wannee Chetchamnongkit		-	1	00.002
Total				60,000	100.00

Remarks: 1) According to the Company's list of shareholders as of the book closure date on August 25, 2017  
2) Mr. Torchok Laoluechai and Ms.Nareerat Jitsansuay are a married couple.  
3) Mr. Chatchawal Chetchamnongkit and Mrs. Wannee Chetchamnongkit are a married couple.

#### 4. General Characteristics and Transaction Size

##### 4.1. General Characteristics of the Transaction

The Company will purchase and accept the transfer of the Entire Business of T-Holding, at the transfer price of THB 313,450,000 the Company will share its payment as follows:

- (1) The Company will pay the transfer price by cash in the amount of THB 45,000,000 to T-Holding on the transfer date after deducting transferred liabilities.
- (2) The Company will pay the transfer price of THB 268,450,000 by issuing 76,700,000 newly issued ordinary shares, with a par value of THB 0.5 per share, at the offering price of THB 3.50 per share to T-Holding<sup>1</sup> which the offering price is not below than 90 percent of market price pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 72/2558 Re: Approval for Offering of Newly Issued Shares by Listed Company to Specific Investors ( the “ Private Placement Notification”).
- (3) After the shareholders’ meeting resolves to approve the Acquisition Transaction, the Company will acquire 59,998 ordinary shares or 99.99% of the T-holding’s registered capital.

As of 31 June 2017, the Entire Business of T-Holding comprised of:

---

<sup>1</sup> The entire business transfer process will occur approximately within 45 days ( depending on the completeness of condition precedent). After the shareholder meeting has approved the purchase of and the entire business transfer from Techtronic Holding, including relevant approvals on any matters necessary and/or relating to such entire business transfer, Techtronic Holding shall transfer its entire business to the Company and register its dissolution within 2017. In terms of the liquidation process of Techtronic Holding, all the assets owning by Techtronic Holding at that time will be transferred back to its shareholders, pursuant to this case – the newly issued shares which are the consideration of this transaction will also be transferred to the shareholders of Techtronic Holding. Therefore, in order to short-cut the process aforementioned, Techtronic Holding has stipulated in the entire business transfer agreement regarding the payment of consideration for the entire business transfer that the Company shall pay the consideration in cash to Techtronic Holding and transfer the newly issued shares amounting 76,700,000 directly to the shareholders of Techtronic Holding.

English Translation

As of June 31, 2017	Consolidated Financial Statements of T (THB million)
Total Assets	101.55
Total Liabilities	53.94

Remarks: 1) T-Holding did not prepare consolidated financial statements reflecting the performance of T.

Currently, financial performance and status of T-Holding is only "investment in T" which T is T-Holding's subsidiary holding 99.99%

2) First half year financial statement of T ended June 30, 2017. It not be audited by auditor.

Post-Acquisition Transaction, the Company will become a shareholder of T holding 99.99 percent of T's registered capital. The Company will accept the transfer of entire business of T including its assets and liabilities. The transfer of entire business of T will take place within 45 days after the shareholders' meeting resolving to approve the Acquisition Transaction, in accordance with the following manners:

**Step 1** T-Holding will transfer its entire business, including 59,998 ordinary shares of T to the Company as follows:

**Step 2** The Company will pay for the consideration to T-Holding in the amount of THB 313,450,000 as follows:

(1) The Company will pay the consideration by cash in the amount of THB 45,000,000 to T-Holding on the transfer date

(2) The Company will pay the consideration of THB 268,450,000 by issuing 76,700,000 newly issued ordinary shares, with a par value of THB 0.5 per share, at the offering price of THB 3.50 per share to T-Holding which the offering price is not below than 90 percent of market price pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 72/2558 Re: Approval for Offering of Newly Issued Shares by Listed Company to Specific Investors (the "Private Placement Notification").

The entire business transfer process will occur November 1, 2017. or any date commonly agreed by both parties depending on the completeness of condition precedent). After the shareholder meeting has approved the purchase of and the entire business transfer from Techtronic Holding, including relevant approvals on any matters necessary and/or relating to such entire business transfer, Techtronic Holding shall transfer its entire business to the Company and register its dissolution within 2017. In terms of the liquidation process of

*English Translation*

Techtronic Holding, all the assets owning by Techtronic Holding at that time will be transferred back to its shareholders, pursuant to this case – the newly issued shares which are the consideration of this transaction will also be transferred to the shareholders of Techtronic Holding. Therefore, in order to short-cut the process aforementioned, Techtronic Holding has stipulated in the entire business transfer agreement regarding the payment of consideration for the entire business transfer that the Company shall pay the consideration in cash to Techtronic Holding and transfer the newly issued shares amounting 76,700,000 directly to the shareholders of Techtronic Holding

**Step 3** Upon completion of the transfer of the Entire Business of T-Holding, T-Holding will be dissolved and return the remaining assets under the liquidation process to its shareholders, as detailed above. As a result, such T-Holding's shareholders will become shareholders of the Company. Details are as follow:

In this regard, the amount of money will be distributed, pro rata to the shareholding ratio, to each shareholders of T-Holding after it has been already deducted with expenses, fees or other amounts relating to or occurring from the dissolution and the liquidation of the company.

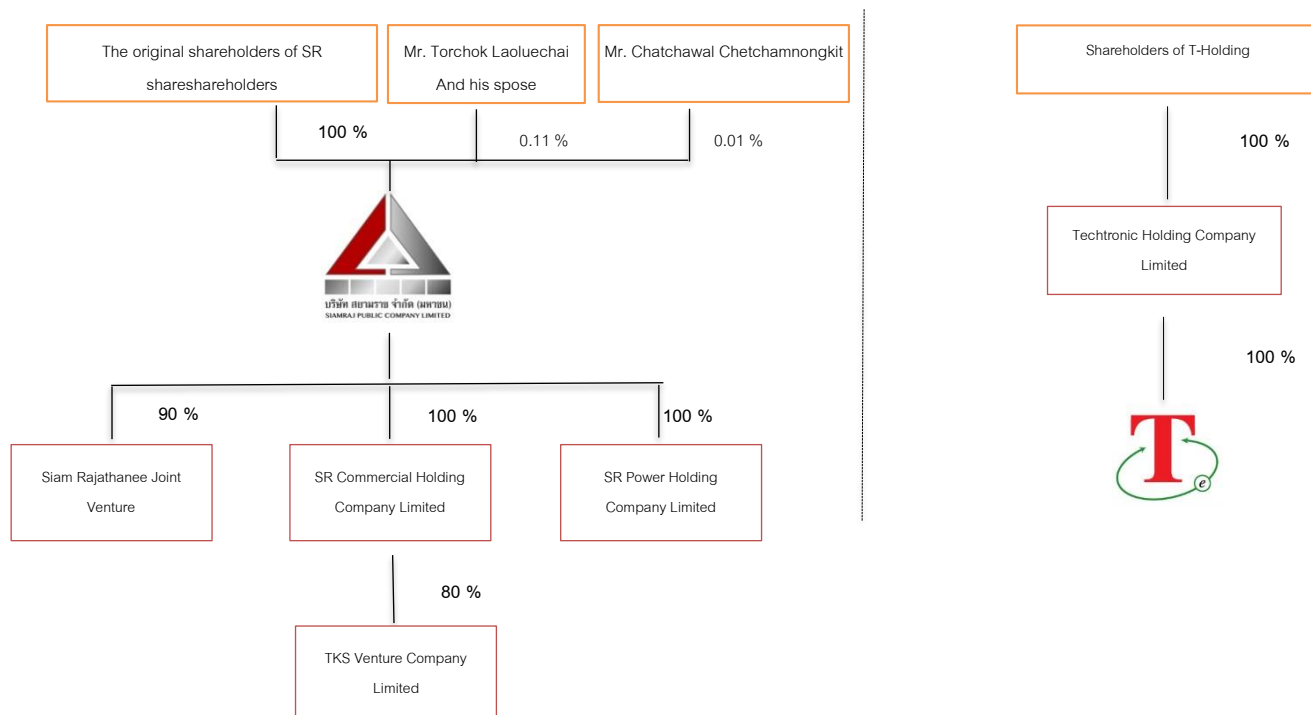
**SR's Shares Distribution Schedule for T-Holding**

T-Holding's Shareholders		Number of shares held (shares)	Shareholding Percentage	Number of SR's Newly Issue Ordinary Shares Allocation (shares)
1.	Mr. Torchok Laoluechai	36,000	60.00	46,020,000
2.	Mr. Chatchawal Chetchamngokit	23,999	40.00	30,680,000
3.	Mrs. Wannee Chetchamngokit	1	00.00	-
<b>Total</b>		<b>60,000</b>	<b>100.00</b>	<b>76,700,000</b>

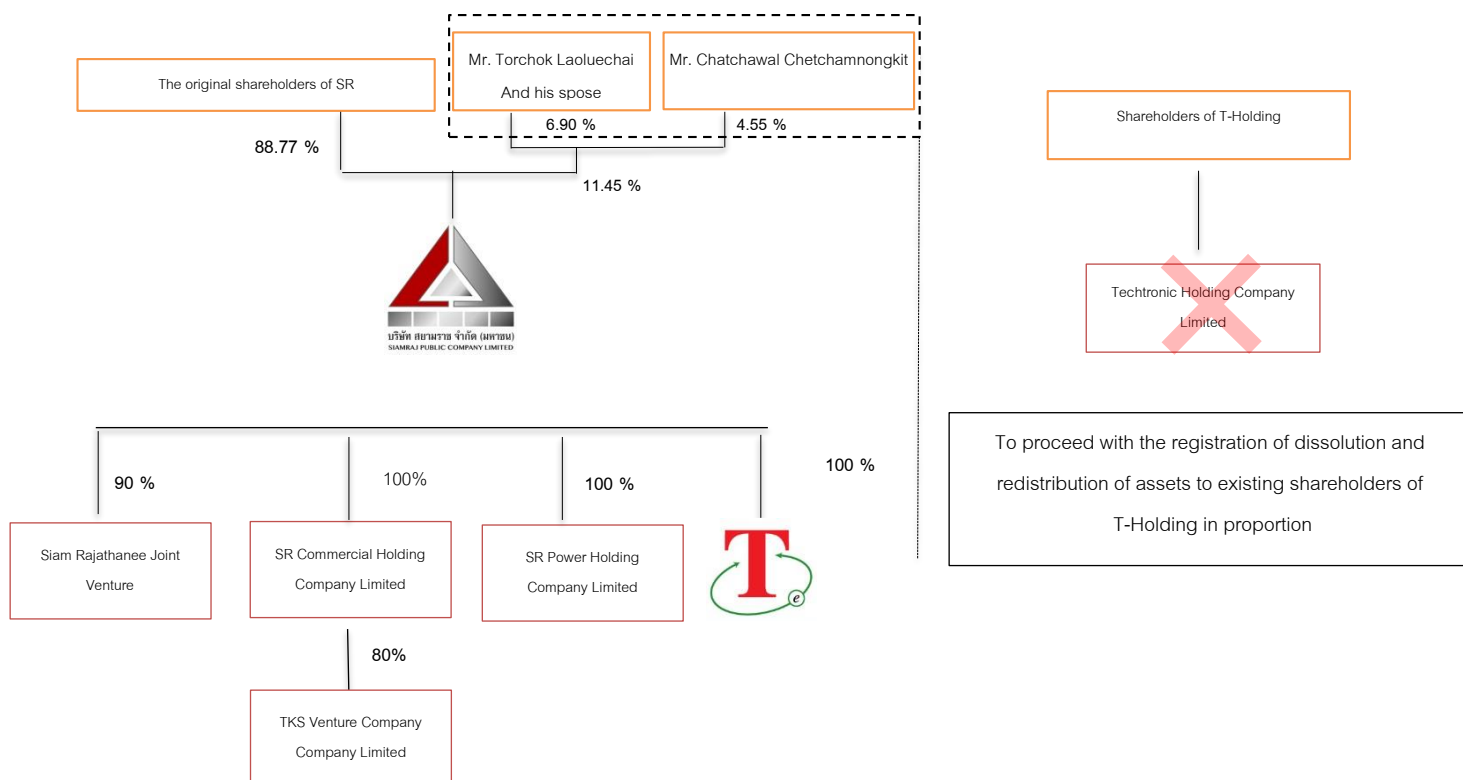
Remark: Mr. Chatchawal Chetchamngokit and Mrs. Wannee Chetchamngokit are a married couple.



**Business Structure (before entering the transaction)**



**Business Structure (after entering the transaction)**



Summary of shareholders before and after the entire business transfer

Refer to shareholders' list as of August 28, 2017

	Shareholder Name	Before the Transaction		Shares Allocated		After the Transaction	
		Number of Shares	shareholding (%)	Number of Shares	Shareholder Name	Number of Shares	shareholding (%)
1.	Vimolchalao Family	366,000,000	61.00			366,000,000	54.09
	1.1.Mr. Kiat Vimolchalao	212,100,000	35.35			212,100,000	31.34
	1.2 Mr. Krittin Vimolchalao	51,300,000	8.55			51,300,000	7.58
	1.3 Ms. Kritina Vimolchalao	51,300,000	8.55			51,300,000	7.58
	1.4 Mrs. Wacharaporn Vimolchalao	51,300,000	8.55			51,300,000	7.58
2.	Neesanun Family	57,704,900	9.62			57,704,900	8.53
	2.1 Mr. Jarupoj Neesanun	28,800,000	4.80			28,800,000	4.26
	2.2 Ms. Nakanun Neesanun	26,007,000	4.33			26,007,000	3.84
	2.3 Mrs. Uracha Neesanun	2,897,900	0.48			2,897,900	0.43
3.	Mr. Vipong Rattanasirivilai	15,600,000	2.60			15,600,000	2.31
4.	Makaranont Family	14,049,000	2.34			14,049,000	2.08
	4.1 Mrs. Poonsuk Makaranont	8,414,000	1.40			8,414,000	1.24
	4.2 Mr. Thanachit Makaranont	5,485,000	0.91			5,485,000	0.81
	4.3 Mr. Parkorn Makaranont	150,000	0.03			150,000	0.02
5.	Tangkprasert Family	8,532,000	1.42			8,532,000	1.26
	Mr. Surapon Tangkprasert	7,932,000	1.32			7,932,000	1.17
	Ms. Sirirat Tangkprasert	600,000	0.10			600,000	0.09
6.	Mr. Chartchai Pookyaporn	7,200,000	1.20			7,200,000	1.06
7.	Mrs. Uraiporn Chalermsoyaporn	5,900,000	0.98			5,900,000	0.87
8.	Mr. Siripong kanakooop	4,628,900	0.77			4,628,900	0.68
9.	Mr. Pornsin Kraisukdawat	4,266,300	0.71			4,266,300	0.63
10.	Ms. Varangkana Techaiya	4,215,000	0.70			4,215,000	0.62
	Total of Top 10 Shareholders	488,096,100	81.35			488,096,100	72.13
	Group of T-Holding Shareholders	766,600	0.12	76,700,000	100.00	77,466,600	11.45
	Mr. Tochok Laoluechai	497,600	0.08	46,020,000	60.00	46,517,600	6.87
	Ms. Nareerat jitsansuay	180,000	0.03	-	-	180,000	0.03
	Mr. Chatchawal Chetchamnongkit	89,000	0.01	30,680,000	40.00	30,769,000	4.55
	Other Shareholders	111,137,300	18.52			111,137,300	16.42
	Total	600,000,000	100.00	76,700,000	100.00	676,700,000	100.00

## 4.2. Calculation of the Transaction Size

### 4.2.1. Acquisition of Assets

The Acquisition Transaction is deemed as an acquisition of assets, Type-1 transaction, in accordance with the Notification on Acquisition or Disposal with the transaction size of 50 percent or higher but less than 100 percent. The transaction size of the Acquisition Transaction, calculated based on the Company's financial statements ended June 30, 2017, equivalent to 63.09 percent according to the total value of consideration method ( Including previous 6-month transactions calculated with the same method, 36.65 percentages) , which provided the highest result among various calculating methods. Therefore, the Company is required to disclose to the Stock Exchange of Thailand the information memorandum on such transaction, and required to obtain an approval from the shareholders' meeting.

The calculation of the transaction size of the Acquisition Transaction based on the financial statements of the Company ended June 30, 2017 has details as follows:

Calculation Method	The Formula Used of Calculation	Transaction Size	Transaction Size (6 months before)	Total Transaction size
1) Value of net tangible assets method	$\frac{(\text{NTA of investment in T} - \text{Holding x proportion acquired or disposed})}{\text{NTA of the Company}}$	4.73%	4.06%	8.79%
2) Net profits from operating result method	$\frac{(\text{Net profits of investment in T} - \text{Holding x proportion purchased or sold})}{\text{Net profit of the Company}}$	34.70%	0.00%	34.70%
3) Total value of consideration method	$\frac{\text{Value of consideration received or paid}}{\text{Total assets of the Company}}$	26.44%	36.65%	63.09%
4) Value of equity issued as consideration for assets method	$\frac{\text{Number of equity issued as consideration}}{\text{Total number of issued equity of the Company}}$	12.78%	0.00%	12.78%

Remark: the combination of the value of such transaction with the value of the other asset acquisition transactions of the Company that has occurred during the past 6 months, the detail shall be as follows:

Details of Asset Acquisition Transaction		Transaction Value (percentage)
1.	Lease rights of the land for the construction and management of the parking building at Thammasat University Hospital	29.38
2.	Investment in SR Power Holding Co., Ltd., in the proportion of 99.99 percent	0.56
3.	Investment in SR Commercial Holding Co., Ltd., in the proportion of 99.99 percent	6.11
4.	Investment in TKS Venture Co., Ltd., in the proportion of 80 percent	0.60
Total transaction value		36.65

#### 4.2.2. Connected Transaction

The Acquisition Transaction of T-Holding and the issuance of the newly issued ordinary shares as a consideration for the Entire Business of T-Holding constitution a connected transaction pursuant to the Connected Transaction Notifications, where the transaction size is equivalent to 37.03 percent of the Company's NTA as of June 30, 2017, which exceeds THB 20 million or is more than 3.00 percent of the Company's NTA. Therefore, the Company is required to request for approval from the shareholders' meeting for entering into the connected transaction, where the approval shall be passed by an affirmative vote of not less than three-fourths of the total votes of the shareholders attending such meeting and having the right to vote, excluding the votes cast by the shareholders having an interest in the matter, and disclose the information on such connected transition. To seeking approval from the shareholders, the Company will appoint an independent financial advisor ( IFA) to give an opinion on the Acquisition Transaction.

#### The NTA of the Company and T, as of June 30, 2017

As of June 31, 2017	Company (THB million)	T's Financial Performance (THB million)
Total assets	1,185.43	101.59
<u>Deducted</u> : Intangible assets	(1.02)	-
<u>Deducted</u> : Deferred tax assets	(42.86)	-
<u>Deducted</u> : Total liabilities	(290.86)	(51.49)
<u>Deducted</u> : Interest without control	(4.10)	-
<b>Net Tangible Assets (NTA)</b>	<b>846.59</b>	<b>50.10</b>

English Translation

Remarks: T-Holding did not prepare consolidated financial statements reflecting the performance of T. Currently, financial performance and status of T-Holding is only "investment in T" which T is T-Holding's subsidiary holding 99.99%

## 5. Details of Assets to Be Acquired

After the general meeting of shareholders of the Company passing a resolution to approve the Acquisition Transaction, the Company will accept the transfer of the Entire Business of T-Holding which T-Holding's assets, liabilities including 59,998 ordinary shares of T to the Company. Details are as follows:

### 5.1. Detail of T

#### 5.1.1. Business Information

Date of incorporation	29 July 2004
Type of business	1) Design and installation of a fluid flow control and flow measurement system 2) Distributor and service provider of control and measurement of fluid flow in piping
Office location	14 Soi Samyaek By Past Sukhumvit Rd. Noen Phra, Muang, Rayong 21000
Registered and paid-up capital	THB 6,000,000
Number of register and paid-up shares	60,000 shares
Par value	THB 100 per share

#### 5.1.2. Board of Directors of T

T's Board of Directors		Position
1.	Mr. Torchok Laoluechai	Director
2.	Mr. Chatchawal Chetchamnongkit	Director

Authorized Signatory: One of the Director signs and affixes the Company's seal

#### 5.1.3. Shareholders of T

T's shareholders, according to the list of shareholders as of May 25, 2017, are as follows:

T's Shareholders		Number of Shares held (shares)	Shareholding Percentage
1.	Techtronic Holding Company Limited	59,998	100.00
2.	Mr. Torchok Laoluechai	1	0.00
3.	Mr. Chatchawal Chetchamnongkit	1	0.00
Total Shares		60,000	100.00

5.1.4. Summary of Financial Information and Operating Results of T

Statement of Financial Position Unit : Million Baht	As at December 31			As at June 30, 2017 (By Management)
	2014 Audited	2015 Audited	2016 Audited	
<b>ASSETS</b>				
Cash and cash equivalents	12.19	14.88	15.86	17.78
Trade and other receivables	35.11	22.33	46.62	34.41
Inventories	2.14	3.57	3.43	2.83
<b>Total Current Assets</b>	<b>49.78</b>	<b>50.49</b>	<b>87.25</b>	<b>73.73</b>
Land, Building and Equipment	15.40	15.33	18.24	16.80
<b>Total Non-Current Assets</b>	<b>27.98</b>	<b>23.59</b>	<b>29.29</b>	<b>27.82</b>
<b>Total Assets</b>	<b>77.75</b>	<b>74.08</b>	<b>116.54</b>	<b>101.55</b>
<b>LIABILITIES</b>				
Trade and other payables	29.54	40.29	46.81	24.26
<b>Total Current Liabilities</b>	<b>35.19</b>	<b>46.98</b>	<b>66.47</b>	<b>45.69</b>
<b>Total Non-Current Liabilities</b>	<b>24.93</b>	<b>12.86</b>	<b>10.02</b>	<b>8.25</b>
<b>Total Liabilities</b>	<b>60.12</b>	<b>59.84</b>	<b>76.49</b>	<b>53.94</b>
<b>SHAREHOLDER'S EQUITY</b>				
Issued and paid-up share capital	6.00	6.00	6.00	6.00
Retained earnings	11.63	8.24	34.05	41.61
<b>Total Shareholders' Equity</b>	<b>17.63</b>	<b>14.24</b>	<b>40.05</b>	<b>50.06</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>77.75</b>	<b>74.08</b>	<b>116.54</b>	<b>101.55</b>

English Translation

Statement of Profit or Loss and Other Comprehensive Income Unit : Million Baht	For the Year ended December 31			For The Six-Month Period Ended June 30, 2017 (By Management)
	2014 Audited	2015 Audited	2016 Audited	
Revenue from sales and services	133.09	199.57	254.83	82.15
Cost of sales and services	107.64	150.30	188.40	55.15
Gross profit	25.45	49.27	66.43	27.00
Other income	1.63	1.03	4.80	0.46
Selling and Administrative expenses	23.21	38.87	37.51	17.18
Other expenses	1.50	4.86	7.90	2.72
Profit for the period	2.37	6.57	25.81	7.56

## 5.2. Details of the Company Expected to Be Post-Acquisition Transaction

The Company continued to operate as a service provider of design and construction for gas measurement pipelines and the industrial pump system where T will become a subsidiary of the Company which its business operates as a service provider of design and construction for fluid flow measurement pipelines. For post-acquisition transaction management structure, T's original management will be appointed to continue to operate the business as before. The Company will also support T in term of finance, personnel, or other areas in order to maximize the Group's business benefits. In addition, the Company will appoint Mr. Torchok Laoluechai, a director and executive director of T, to be the executive director and the risk management committee in SR and will appoint directors from SR to be directors in T for 3 positions. T's internal management is still managed by Mr. Torchok Laoluechai and Mr. Chatchawal Chetchamnongkit under the supervision of the executive committee. Details are as follows:

### - New Executive Director of the Company

Name		Position
1. Mr. Kiat	Vimolchalao	Executive Chairman
2. Mrs. Wacharaporn	Vimolchalao	Executive Director
3. Mrs. Wacharee	Atthakorn	Executive Director
4. Mrs. Udomporn	Jiranapakulwat	Executive Director
5. Mr. Nopparit	Phoomtrakul	Executive Director
6. Mr. Kosol	Sombatsiri	Executive Director
7. Mr. Warawut	Waisalee	Executive Director
8. Mr. Torchok	Laoluechai	Executive Director (Add)

English Translation

- New Executive Director of T

Name		Position
1. Mr. Torchok	Laoluechai	Chairman
2. Mr. Chatchawal	Chetchamnongkit	Director
3. Mrs. Wacharee	Atthakorn	Director (Add)
4. Mrs. Udornporn	Jiranapakulwat	Director (Add)
5. Mr. Nopparit	Phoomtrakul	Director (Add)

In addition, Techtronic will proceed the change of numbers and names of the authorized directors of Techtronic as follows:

*"Mrs. Wacharee Atthakorn or Mrs. Udornporn Jiranapakulwat or Mr. Nopparit Phoomtrakul jointly signs with Mr. Torchok Laoluechai or Mr. Chatchawan Jetjumnongkit, and having the company's seal affixed."*

However, wordings of the change of names and numbers of authorized directors may be revised as per the Registrar of the Department of Business Development deems appropriate.

*Such appointment will be effective only on the condition that the shareholder meeting of the Company resolves to approve the purchase of and acceptance of the entire business transfer from Techtronic Holding, including approving other relevant matters which are necessary and/or relating to the entire business transfer.*

6. Total Value of the Consideration and Basis Used to Determine the Value of Consideration

6.1. The Company will pay the consideration for the Acquisition Transaction in the amount of THB 313,450,000 to T-Holding by paying cash in the amount of THB 45,000,000 and by issuing 76,700,000 newly issued ordinary shares, with a par value of THB 0.50 per share, based on the asset-to-share swap ratio of 12.78 percent, at the offering price of THB 3.50 per share, whereas the newly issued ordinary shares will be offered at no discount from the market price from the market price pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 72/2558 Re: Approval for Offering of Newly Issued Shares by Listed Company to Specific Investors (the "Private Placement Notification").

The allocation of the newly issued ordinary shares of the Company to T-Holding as a consideration for the Acquisition Transaction is required an approval from the



Extraordinary General Meeting of shareholders No.2/2017 of the Company, where the approval shall be passed by an affirmative vote of a simple majority of the total votes of the shareholders attending such meeting and having the right to vote, and an approval on the offering of the Company's newly issued shares to specific investors ( private placement) from the Office of the Securities and Exchange Commission pursuant to the Private Placement Notification.

- 6.2. The determination of 76,700,000 shares newly issued ordinary shares of the Company, with a par value of THB 0.50, at the offering price of THB 3.50 per share, refer to the fair value appraised based on a discounted cash flow method and the key assumptions of the past operating results and capability of growth of revenue and profit in the future.

In addition, to basis used to determine the offering price of the Company's newly issued shares to be offered to T-Holding is from the volume-weighted average price of the Company's shares trading on the SET during 15 consecutive business days prior to the date on which the Company's Board of Directors has passed a resolution to propose the offering of the Company's newly issued ordinary shares to the Extraordinary General Meeting of Shareholders No. 2/2017 for approval, from July 18, 2017 to August 8, 2017, which was equivalent to THB 3.02 per share ( source: SETSMART from [www.setsmart.com](http://www.setsmart.com))

## 7. Value of Assets Acquired

The Entire Business of T-Holding as of December 31, 2016 comprised of:

As of December 31, 2016	Unit: THB
Cash	10,000
60,000 shares of T	6,000,000
Loan from Related person	61,650

## 8. Source of Funding and Consideration Payment Method

- 1) Cash of THB 45,000,000 is derived from internal cash flow and/ or proceeds from IPO fundraising.
- 2) Issuing 76,700,000 newly issued ordinary shares of the Company, with a par value of THB 0.5 per share, at the offering price of THB 3.50 per share to T-Holding' shareholders (in proportion of shares holding in T-Holding)

## 9. Nature of the Conflict of Interest

### 9.1. Directors Having Conflict of Interest on the Acquisition Transaction

There is no director having a conflict of interest on the Acquisition Transaction.

### 9.2. Shareholders Having Conflict of Interest

Name of Shareholders Having Interest	Position in T-Holding	Position in T	Number of SR' Shares Holding (before acquisition) (shares)
1. Mr. Torchok Laoluechai	- Director	- Director	497,600
Ms.Nareerat Jitsansuay (Spouse)		- Managing Director	180,000
2. Mr. Chatchawal Chetchamnongkit	- Director	- Director	89,000
		- General Manager	
<b>Total</b>			<b>766,600</b>

After this transaction occurred, Mr. Torchok Laoluechai will be appointed as Executive Director of the Company which his position is equivalent to the executive.

## 10. Expected Benefits to the Company

After the Entire Business Transfer of T, T will become a subsidiary in the group of the Company (holding 99.99% by SR), T is expected to strengthen SR's group business and bring synergy together as follows:

### 10.1. Enhancing the Competitive Advantage to Both Companies

- 1) *Extending the product and service line to the Company's group, the metering business, and the industrial pump system business*

T is a company that specializes in designing and installing control systems of fluid and measuring fluid flow in pipeline systems such as petrol fuel, petroleum, crude oil, LPG and ETC. T is also a distributor of equipment related to flow rate measurement for the world's leading brands and popular in the industry. Its major

English Translation

customers are mainly in the fuel energy business, oil refineries, power plants, automotive factories and other business in Rayong and Bangkok area. There are employees and executive with over 25 years of experience in this business area. It also has been trusted by customers to design control of flow of fluid in the pipeline system such as PTT Group, Thai oil Group, Bangchak Group, SCG Group, and etc.

After the Entire Business Transfer of T, T will become the Company's subsidiary which the Company will have more integrated products and services to design and install control and measurement systems for high-pressure gas and fluid flow.

- 2) *The service will become more efficient which could strengthen a competitive advantage in the industry which will be able to accept higher value of projects and more integrated projects*

After the Entire Business Transfer of T, T will become a wholly owned subsidiary of the Group and will be supported by the Company in term of finance, employee and so on. Therefore, T will be able to handle larger and more integrated projects. As in the past, T has an expertise only in station measurement and fluid control which T have not accepted any pump and pipe project. Therefore, T normally negotiated with the project owner to obtain the only station for measuring and controlling the fluid.

Due to financial and personnel support from the Company, T will be able enlarge its business and recognize higher revenue. On the other hand, the Company will also be able to sell more products in large projects.

- 3) *The Company is able to increase its exposure to small scale projects for the Gas Metering Business*

Normally, the Company has been accepted only medium to large scale projects for the gas metering business. The Company has not accepted small scale projects due to high personnel and administrative expenses. However, after the Entire Business Transfer of T, T can be a representative of the Company to accepted small scale gas metering projects because T's personnel and administrative expenses are less than the Company's. The Company will also support T in term of gas metering technical skills.

## 10.2. Integration of Knowledge and Technology to Develop the Service Process

The Company and T have knowledge and know-how of the installation of the measurement station and the systems in different areas (gas/fluid) so they can exchange their expertise to each other. Being not only an installer of fluid measurement station but also a product innovator, T always create innovative products to meet the specific need of customer which are not available in the market and also keep improving the product quality by modifying it. This strategy could strengthen T's competitive advantage. One of the good example of innovative product is T creates the installation of a fluid measurement station without affecting the production process by using gas flow meters to control the pumps to control the use of electricity ( Energy Saving and Air Loss Protection in the Utilities Management).

#### 10.3. Becoming a leaders in Design and Installation in Thailand's Eastern Economic Corridor (EEC)

At present, one of the government's policies toward country investment is to encourage the investment in the Eastern Seaboard, a strategic investment and production base. The Company and T have their customer bases located in this area, especially T, which the headquarterd is based in Rayong. After the Entire Business Transfer of T, the Company will have more customer base in the Eastern region which will increase the potential of being a leader of design and installation measurement and flow control facilities that cover higher pressure gas and fluid. This is a good preparation to serve the increasing demand in the future.

#### 10.4. Having a Stronger Financial Position and Financial Status

After the Entire Business Transfer of T, the Company will prepare the consolidated financial statements, which will include T's financial performance and financial status as per the Entire Business Transfer Agreement. T will be transferred in the fourth quarter of 2017.

According to T's financial performance for the fiscal year 2017, the total revenue is THB 259.62 million. The Company reported net profit of THB 25.81 million (net profit margin of 10.13 percent). Its Debt/Equity Ratio is 0.66.

## 11. Condition Precedent to the Transaction

The Acquisition Transaction is deemed as an acquisition of assets, Type-1 transaction, pursuant to the Acquisition or Disposal Notifications and a connected transaction of a listed company pursuant to the Connected Transaction Notifications. Therefore, the Company is required to disclose to the Stock Exchange of Thailand the information memorandum on such transaction and the Company is required to obtain an approval from the Extraordinary General Meeting of shareholders where the approval shall be passed by an affirmative vote of not less than three-fourths of the total votes of the shareholders attending such meeting and having the right to vote, excluding the votes cast by the shareholders having an interest in the matter, and disclose the information on such connected transition. To seeking approval from the shareholders, the Company will appoint an independent financial advisor (IFA) to give an opinion on the Acquisition Transaction

In addition, the acceptance of the transfer of the Entire Business of T-Holding is subject to the terms and condition of the Entire Business Transfer Agreement between the Company and T-Holding (the “**Entire Business Transfer Agreement between the Company and T-Holding**”)

### Summary of Entire Business Transfer Agreement between the Company and T-Holding

#### 1) Summary of Entire Business Transfer Agreement

Transferrer	Techtronic Holding Company Limited (T-Holding)
Transferee	Siamraj Public Company Limited (the Company)
Agreement Date	August 10, 2017
Transfer Date	November 1, 2017 or any date commonly agreed by both parties
Transferred Assets	All assets and liabilities of the transferrer at 23.59 hrs. on October 31, 2017 including ordinary shares of Techtronic Company Limited for 59,998 shares with share register no. 1-59998
Price of Transfer and Method of Payment	THB 313.45 million that will be paid as follows. 1) By cash for THB 45.00 million after deducting transferred liabilities 2) By ordinary shares of 76,700,000 shares with par value of THB 0.50 per share and the offered price is THB 3.50 per share. Total value is THB 286.45 million. The transferrer and the transferee agreed that the transferee will allocate these issued shares directly to shareholders of the transferrer and this share allotment is considered to be the compensation for the entire business transfer to the transferrer.
Payment Period	On the transfer date or within 30 days after the transfer date
General Condition Precedent	1) On the transfer date, there is no event or activity that has the negative impact or is expected to have the negative impact to T significantly or being the obstacle for the transaction as specified in this agreement 2) There is no legal by government agencies that is effective or will be effective in prohibiting of

	<p>this entire business transfer.</p> <p>3) There is no lawsuit about T-Holding or T either as plaintiff or defendant that may affect to the complete of the entire business transfer as in this agreement. Moreover, there is no lawsuit or action by anyone that will dispute the transaction in this agreement.</p> <p>4) The transferee, Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit have signed the undertaking agreement dated August 10, 2017</p>
Condition Precedent of the Transferee	<p>1) The confirmation and guarantee by the transferee is completely correct</p> <p>2) The Board of Directors and the Extraordinary General Meeting of Shareholder of the transferee have approved the following issues.</p> <p>a) The purchase and receive of entire business transfer from the transferrer – the transaction about asset acquisition and connected transaction</p> <p>b) The capital increase of the company and share issuance by private placement (PP) for 76,700,000 shares (Seventy-Six Million Seven Hundred Thousand Shares) with the par value of THB 0.50</p> <p>c) Entering into this agreement with the transferrer and</p> <p>d) Taking any action so as to comply with the responsibility of the transferee in this agreement to complete the entire business transfer</p>
Condition Precedent of the Transferrer	<p>1) The confirmation and guarantee by the transferrer is completely correct</p> <p>2) The Board of Directors and the Extraordinary General Meeting of Shareholder of the transferrer have approved the following issues.</p> <p>a) The entire business transfer to the transferee upon the conditions specified in this agreement</p> <p>b) Entering into the agreement with the transferee and</p> <p>c) Any related actions so that the transferrer can act in accordance with this agreement so as to complete the entire business transfer</p> <p>d) The liquidation of the company</p> <p>e) Appointment of liquidator and determining the remuneration</p> <p>f) Appointment of auditors and determining the fees</p> <p>3) The transferrer will take action for the Board of Directors of T to have the resolution to arrange the shareholder meeting on the transfer date to consider and approve the change of directors and authorized directors of T based on the agreement with the transferee.</p> <p>4) The transferrer will take action for T to get the consent from the bank no. 3 allowing the share transfer of T to the transferee and this transfer will not breach the agreement between T and the bank. Thereafter, the transferrer will send the evidence of the consent from the bank no. 3 to the transferee to inspect.</p> <p>5) The transferrer will take action for T to get the certificate on building construction, modification, and moving (Form Aor. 6) for the building used as the warehouse and office at Noen Phra Sub-District, Mueang Rayong District, Rayong on Title Deed No. 92335 and the permit on</p>

	<p>building construction, modification, and moving (Form Aor. 1) no. Kor. 038/2016 issued on September 15, 2016. The transferrer will also deliver the photocopy of the certificate on building construction, modification, and moving (Form Aor. 6) to the transferee to inspect.</p> <p>6) The transferrer and T must take action to get consent from bank no. 3 in (1) Terminating of any contract of suretyship of the transferrer or (2) transferring of any right and obligation under the contract of suretyship to other parties. The transferrer will deliver the photocopy of the evidence of terminating any contract of suretyship or the consent from the bank to the transferee to inspect.</p> <p>7) The transferrer and T must take action to get consent from bank no. 1 in (1) Terminating of any contract of suretyship of the transferrer or (2) transferring of any right and obligation under the contract of suretyship to other parties. The transferrer will deliver the photocopy of the evidence of terminating any contract of suretyship or the consent from the bank to the transferee to inspect.</p>
<p>Procedure in Entire Business Transfer</p>	<p>1) On the transfer date</p> <p>Unless otherwise specified in this agreement, on the transfer date, the transferrer will transfer the entire business to the transferee by</p> <ol style="list-style-type: none"> <li>Deliver the share transfer document of T to the transferee after signed by the transferrer with stamp (if any) and witnesses as well as specify the name of transferee for shares of T.</li> <li>Deliver the photocopy of the book of shareholders' registration of T that recorded the transferring of shares of T with certified true copy by authorized directors of T</li> <li>Deliver the share certificate of T specifying the name of transferee as a shareholder to the transferee.</li> <li>Let T process for submission the new list of shareholders to the Department of Business Development, Ministry of Commerce showing that the transferee is a shareholder of T for shares under the entire business transfer agreement.</li> <li>Deliver the photocopy of the minutes of Extraordinary General Meeting of Shareholders of T with certified true copy by authorized directors of T with the resolution of approving the following issues. <ul style="list-style-type: none"> <li>(aa) Appointment of new directors and authorized directors as proposed by the transferee</li> <li>(bb) Change the authorized signature for bank accounts of T as proposed by the transferee</li> </ul> </li> <li>Let T process for submission the application for change in directors and authorized directors to the Department of Business Development, Ministry of Commerce as specified in the agreement.</li> <li>Let T process for changing the authorized signature for bank accounts of T to respective banks as specified in the agreement.</li> <li>Deliver the photocopy of the minutes of the Board of Directors Meeting and Extraordinary General Meeting of Shareholders of the transferrer with the resolution of approving the</li> </ol>

English Translation

	<p>entire business transfer as term and condition in this agreement, as well as, approving the liquidation of the transferrer, appointing the liquidator, appointing the auditor, and determining their compensations.</p> <p>Unless otherwise specified in this agreement on the transfer date, the transferee will receive the entire business to the transferrer by</p> <p>(a) Make payment for entire business transfer to the transferrer as the term and condition of payment in this entire business transfer agreement and deliver the evidence of such payment</p> <p>(b) Deliver the photocopy of the minutes of the Board of Directors Meeting and Extraordinary General Meeting of Shareholders of the transferee with the resolution of approving the entire business transfer as term and condition in this agreement.</p> <p>2) Expenses in Business Transfer Process</p> <p>The transferrer will be responsible for any fee, duty, and expense related to the entire business transfer process in the agreement as specified by law (if any)</p>
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2) Summary of Undertaking Agreement

Related Parties	<p>1. Siamraj Public Company Limited “the Company”</p> <p>2. New shareholders of the Company “New Shareholders” including</p> <ul style="list-style-type: none"> <li>- Mr. Torchok Laoluechai</li> <li>- Mr. Chatchawan Jetjumnongkit</li> </ul>										
Agreement Date	August 10, 2017										
Effective Date and Important Conditions	<ul style="list-style-type: none"> <li>- This agreement will be effective after the new shares are issued to new shareholders in exchange for the entire business transfer as specified in the entire business transfer agreement.</li> <li>- If T-Holding cannot transfer the entire business to the Company as specified in the entire business transfer agreement, this agreement will be terminated. Any party cannot claim for any compensation or expense to another party based on this agreement. The termination of this agreement in this case is not considered to be default.</li> </ul>										
Main Contents	<p>During the effective period of this agreement, the new shareholders of the Company agreed to the term and condition of Lock-up for newly-issued shares of the Company as follows.</p> <p>a) The term of Lock-up is 5 (five) years starting from the issuance date (“Lock-up Period”)</p> <p>b) During the lock-up period, new shareholders agreed not to sell or transfer newly-issued shares of the Company or take any action or obligation that will make newly-issued shares of the Company transferred to others with the following proportion.</p> <table border="1"> <thead> <tr> <th>Period</th><th>Proportion of Newly-Issued Shares Subject to Lock-up</th></tr> </thead> <tbody> <tr> <td>From The First Day to Year 2</td><td>100% of newly-issued shares</td></tr> <tr> <td>From Year 2 to Year 3</td><td>75% of newly-issued shares</td></tr> <tr> <td>From Year 3 to Year 4</td><td>50% of newly-issued shares</td></tr> <tr> <td>From Year 4 to Year 5</td><td>25% of newly-issued shares</td></tr> </tbody> </table>	Period	Proportion of Newly-Issued Shares Subject to Lock-up	From The First Day to Year 2	100% of newly-issued shares	From Year 2 to Year 3	75% of newly-issued shares	From Year 3 to Year 4	50% of newly-issued shares	From Year 4 to Year 5	25% of newly-issued shares
Period	Proportion of Newly-Issued Shares Subject to Lock-up										
From The First Day to Year 2	100% of newly-issued shares										
From Year 2 to Year 3	75% of newly-issued shares										
From Year 3 to Year 4	50% of newly-issued shares										
From Year 4 to Year 5	25% of newly-issued shares										



	c) During the lock-up period, new shareholders agreed to request the share registrar of the Company to issue the share certificate for newly-issued shares and deliver the share certificate to the Company. The Company agreed to return the share certificate to new shareholders for the proportion not subject to lock-up as specified in b).
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### 3) Summary of Amendment on Undertaking Agreement No. 1

Related Parties	1. Siamraj Public Company Limited "the Company" 2. New shareholders of the Company "New Shareholders" including - Mr. Torchok Laoluechai - Mr. Chatchawan Jetjumnongkit
Date	August 22, 2017
Main Contents	If the new shareholders get the newly-issued shares of the Company with offered price less than 90% of market price in accordance with Notification of The Stock Exchange of Thailand Re: Rules, Conditions and Procedures Governing the Listing of Ordinary or Preferred Shares Issued for Capital Increase B.E. 2558 (The market price means the weighted average price of shares traded on SET during the period of not less than 7 days and not more than 15 days before the issuance date). The Company will prohibit new shareholders to sell these shares within 1 year after the first trading date. After 6 months, new shareholders can sell 25% of these shares that are subject to prohibition of sales ("Prohibition of Sale by Notification of SET")

### 4) Summary of Amendment on Undertaking Agreement No. 2

Related Parties	1. Siamraj Public Company Limited "the Company" 2. New shareholders of the Company "New Shareholders" including - Mr. Torchok Laoluechai - Mr. Chatchawan Jetjumnongkit
Date	September 7, 2017
Main Contents	1. If the new shareholders resign from directors and/or executives of T and/or the Company (depending on circumstances), the new shareholders agreed that within 2 (two) years from resignation will not act directly or indirectly or with others or as principals, agents, shareholders, directors, advisors, or others for their own benefits or other people's benefits as follows. a) Working in the business that is similar or a competitor with T and/or the Company in Thailand b) Persuading customers or distributors of T and/or the Company not to deal the business with T and/or the Company 2. Both parties agreed that the obligations specified in 1 is reasonable. If there is any wording in 1 that is beyond the timeframe, geographical constraints, or other conditions under the applicable law, that wording is not void but it will be modified to be consistent with the applicable law.

12. Opinion of the Company's Board of Directors

The meeting of the Company's Board of Directors (excluding the directors who have a conflict of interest in the Acquisition Transaction and/or the directors who are connected persons) has resolved to approve the Acquisition Transaction as the meeting considered and viewed that there will be synergies between the Company and T as stated in 10) . In addition, the determination of the consideration to T-Holding of THB 313,450,000 was appropriate and reasonable, because the determination of the consideration was made by reference to the fair value appraised based on a discounted cash flow method, and based on the key assumptions of the past operating results and capability of the growth of revenue and profit in the future.

In addition, the payment of part of the consideration from the issuance of new ordinary shares helps the Company to maintain its liquidity of the business to have reserved cash flow for business expansion that will generate return to shareholders in the future. Moreover, the issuance of new ordinary shares of the Company can motivates T's management to generate mutual benefits for the company.

The board of directors has considered that the shareholder should approve the agenda related to the transaction in shareholder meeting no. 2/2017

13. Counter Opinion of the Audit Committee and/or Directors of the Company which Is Different from Item 12

The Audit Committee had an opinion in line with the opinion of the Company's Board of Directors, as details above.

The Board of Directors of the Company affirms that information contained herein is correct and complete in all respects.

Please be informed accordingly.

Sincerely yours,

(Mrs. Wacharee Atthakorn)

Authorized to sign on behalf of the Company

**INFORMATION MEMORANDUM ON**  
**THE ACQUISITION OF ASSETS AND CONNECTED TRANSACTION OF SIAMRAJ PUBLIC COMPANY**  
**LIMITED RELATING TO THE TRANSFER of ENTIRE BUSINESS OF**

**Part 1: Accounting Information (1)**

Accounting Information 1 - The Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, 2004 (as amended) as in attachment 2

**Part 2 : Accounting Information (2)**

**14. Responsibility of the Company Board of Directors on the information in the documents submitted to the shareholders**

Board of Director of Siamraj Public Company Limited ("the Company") has carefully reviewed the information on this information memorandum and affirmed that information on this information memorandum is correct, complete, reliable, not misleading, and no missing important information.

**15. Liability and Debt Detail**

15.1. Total amount of issued bonds which have not issued according to the approval in shareholders' meeting which authorized the Company's board of director considering issuing correspondingly  
- N/A -

15.2. Total amount of loan with duration

As of 30 June 2017, the Company and its subsidiaries do not have any long-term loans from financial institution but do have liabilities under financial leases amount of THB 12.35 million

15.3. Total amount of others debt including bank overdraft

As of 30 June 2017, the Company and its subsidiaries have short-term loan from financial institution amount of THB 26.90 million

15.4. Other contingent liability

See 18 ongoing significant cases and claims

## 16. Company Description and Business Summary

### 16.1. The Company's Background

Siamraj Public Company Limited (formerly know as Siamrajathanee Corporation Company Limited and Engineering Product Company Limited) have been registered and established on 20 February 1984 as Engineering Product Company Limited with initial registered capital of 1,000,000 Baht with the business purpose to design and provide engineered pumps and systems, as well as engineering services related to engineered pumps and systems for the general industries.

The Company had expanded into other two businesses which are Metering and Pipeline Transmission and Natural Gas for Vehicles Businesses.

On 4 February 2008, Engineering Product Company Limited renamed to Siamrajathanee Corporation Company Limited. And on 2 February 2015, the Company has transformed to the public company and changed the name to "Siamraj Public Company Limited" with registered capital of 300,000,000 Baht.

Furthermore, on 9 August of 2017, the Company's Board of Directors meeting #8/2017 has concurred and propose to the shareholder meeting to consider and approve the purchase and acceptance of the transfer of the entire business of Techtronic Holding Company Limited ("T-Holding") including the entire business transfer agreement, the transaction agreement, and other documents related to the transaction along with issuing new shares of the Company as the payment to T-Holding for this purchase and business trafficking which is the asset acquisition transactions of the company worth of 313,450,000 Baht

### 16.2. Business Description

Siamraj Public Company Limited ("the Company") operates three business units namely Metering and Pipeline Transmission business unit ("MPT"), Natural Gas for Vehicles business unit ("NGV") and Engineered Pumps and Systems business unit ("EPS")

### 16.3. Board of Director as of 30 June 2017

Name – Surname	Position
1. Mr. Kiat Vimolchalao	Director
2. Mrs. Udomporn Jiranapakulwat	Director
3. Mrs. Wacharaporn Vimolchalao	Director
4. Mrs. Wacharee Atthakorn	Director
5. Mr. Roj Burusratanabhand	Independent Director / Chairman of Audit Committee
6. Mr. Boonprasit Tangchaisuk	Independent Director / Audit Committee
7. Mr. Pongnimit Dusitnitsakul	Independent Director / Member of Audit Committee

16.4. Shareholder list of August 28,2017

	Shareholder Name	Before the Transaction	
		Number of Shares	shareholding (%)
1.	Vimolchalao Family	366,000,000	61.00
	1.1.Mr. Kiat Vimolchalao	212,100,000	35.35
	1.2 Mr. Krittin Vimolchalao	51,300,000	8.55
	1.3 Ms. Kritina Vimolchalao	51,300,000	8.55
	1.4 Mrs. Wacharaporn Vimolchalao	51,300,000	8.55
2.	Neesanun Family	57,704,900	9.62
	2.1 Mr. Jarupoj Neesanun	28,800,000	4.80
	2.2 Ms. Nakanun Neesanun	26,007,000	4.33
	2.3 Mrs. Uracha Neesanun	2,897,900	0.48
3.	Mr. Vipong Rattanasirivilai	15,600,000	2.60
4.	Makaranont Family	14,049,000	2.34
	4.1 Mrs. Poonsuk Makaranont	8,414,000	1.40
	4.2 Mr. Thanachit Makaranont	5,485,000	0.91
	4.3 Mr. Parkorn Makaranont	150,000	0.03
5.	Tangkaprasert Family	8,532,000	1.42
	Mr. Surapon Tangkaprasert	7,932,000	1.32
	Ms. Sirirat Tangkaprasert	600,000	0.10
6.	Mr. Chartchai Pookyaporn	7,200,000	1.20
7.	Mrs. Uraiporn Chalermsoyaporn	5,900,000	0.98
8.	Mr. Siripong kanakoo	4,628,900	0.77
9.	Mr. Pomsin Kraikusdawat	4,266,300	0.71
10.	Ms. Varangkana Techaiya	4,215,000	0.70
	Total of Top 10 Shareholders	488,096,100	81.35
	Group of T-Holding Shareholders	766,600	0.12
	Mr. Tochok Laoluechai	497,600	0.08
	Ms. Nareerat jitsansuay	180,000	0.03
	Mr. Chatchawal Chetchamnongkit	89,000	0.01
	Other Shareholders	111,137,300	18.52
	Total	600,000,000	100.00

16.5. Summaru of financial statement

Statement of Financial Position

Item	Unit : THB Million							
	2014	%	2015	%	2016	%	Q2/2017	%
<b>Assets</b>								
<b>Current Assets</b>								
Cash and cash equivalents	39.44	3.49%	483.58	34.98%	90.91	6.59%	150.18	12.67%
Short-term investments	-	0.00%	150.02	10.85%	501.50	36.37%	289.06	24.38%
Trade and other receivables-net	475.60	42.05%	282.31	20.42%	234.86	17.03%	271.54	22.91%
Unbilled Receivables	40.39	3.57%	177.62	12.85%	159.52	11.57%	109.65	9.25%
Short-term loans to related parties	126.27	11.16%	-	0.00%	-	0.00%	-	0.00%
Inventories-net	228.50	20.20%	110.71	8.01%	128.25	9.30%	125.35	10.57%
Construction Project	17.28	1.53%	-	0.00%	-	0.00%	-	0.00%
Retention receivables	12.83	1.13%	12.83	0.93%	13.50	0.98%	-	0.00%
Other current assets	10.47	0.93%	15.01	1.09%	4.00	0.29%	12.18	1.03%
<b>Total current assets</b>	<b>950.77</b>	<b>84.05%</b>	<b>1,232.08</b>	<b>89.13%</b>	<b>1,132.54</b>	<b>82.14%</b>	<b>957.96</b>	<b>80.81%</b>
<b>Non-Current Assets</b>								
Cash Restricted or Pledged	34.99	3.09%	23.29	1.68%	120.27	8.72%	110.80	9.35%
Available-for-sale investment-net	25.53	2.26%	19.80	1.43%	16.50	1.20%	12.30	1.04%
Investment in properties-net	-	0.00%	-	0.00%	8.34	0.61%	8.20	0.69%
Property, plant and equipment-net	70.34	6.22%	50.62	3.66%	42.74	3.10%	35.80	3.02%
Intangible assets-net	2.39	0.21%	1.53	0.11%	1.32	0.10%	1.02	0.09%
Deferred tax assets	46.12	4.08%	51.35	3.71%	40.55	2.94%	42.86	3.62%
Refundable tax	1.01	0.09%	3.72	0.27%	16.49	1.20%	16.49	1.39%
Other non-current asset	-	0.00%	-	0.00%	-	0.00%	-	0.00%
<b>Total non-current assets</b>	<b>180.39</b>	<b>15.95%</b>	<b>150.31</b>	<b>10.87%</b>	<b>246.21</b>	<b>17.86%</b>	<b>227.47</b>	<b>19.19%</b>
<b>Total assets</b>	<b>1,131.17</b>	<b>100.00%</b>	<b>1,382.38</b>	<b>100.00%</b>	<b>1,378.75</b>	<b>100.00%</b>	<b>1,185.43</b>	<b>100.00%</b>
<b>Liabilities and shareholders' equity</b>								
<b>Current liabilities</b>								
Bank overdrafts and short-term borrowings from financial institutions	117.65	10.40%	137.46	9.94%	13.89	1.01%	26.91	2.27%
Trade accounts and other payable	426.59	37.71%	185.98	13.45%	311.65	22.60%	156.12	13.17%
Advance received under construction contracts	72.75	6.43%	13.90	1.01%	0.86	0.06%	4.32	0.36%
Current portion of long-term liabilities	1.82	0.16%	-	-	-	-	-	-
Finance lease liabilities	10.77	0.95%	8.50	0.61%	6.66	0.48%	5.01	0.42%
Accrued for construction contracts and rendering of services	6.27	0.55%	18.86	1.36%	2.37	0.17%	8.94	0.75%
Provision for import duty and value added tax	2.10	0.19%	65.89	4.77%	65.89	4.78%	65.89	5.56%

Siam Rajathanee Building 289/9 Moo 10, Old Railway Road, Samrong, Phrapradaeng, Samutprakarn 10130, Thailand

Tel : 0-2743-5010-25, Fax : 0-2743-5007-8, E-mail : [info@siamrajplc.com](mailto:info@siamrajplc.com), Website : [www.siamrajplc.com](http://www.siamrajplc.com)

Item	Unit : THB Million							
	2014	%	2015	%	2016	%	Q2/2017	%
Other current liabilities	9.56	0.85%	12.80	0.93%	5.09	0.37%	3.11	0.26%
<b>Other current liabilities</b>	<b>647.51</b>	<b>57.24%</b>	<b>443.39</b>	<b>32.07%</b>	<b>406.41</b>	<b>29.48%</b>	<b>270.30</b>	<b>22.80%</b>
<b>Non-current liabilities</b>								
Finance lease liabilities- net	19.98	1.77%	9.82	0.71%	8.01	0.58%	7.33	0.62%
Retirement benefit obligations	18.84	1.67%	16.09	1.16%	12.30	0.89%	13.23	1.12%
Long-term provision	72.50	6.41%	-	-	-	-	-	-
<b>Total Non-current liabilities</b>	<b>111.32</b>	<b>9.84%</b>	<b>25.91</b>	<b>1.87%</b>	<b>20.31</b>	<b>1.47%</b>	<b>20.56</b>	<b>1.73%</b>
<b>Total liabilities</b>	<b>758.83</b>	<b>67.08%</b>	<b>469.30</b>	<b>33.95%</b>	<b>426.72</b>	<b>30.95%</b>	<b>290.86</b>	<b>24.54%</b>
<b>Equity</b>								
Issued and paid-up share capital	225.00	19.89%	300.00	21.70%	300.00	21.76%	300.00	25.31%
Premium on share capital	-	-	433.73	31.38%	433.73	31.46%	433.73	36.59%
Premium on share-based payment	78.56	6.95%	78.56	5.68%	78.56	5.70%	78.56	6.63%
<b>Retained earnings</b>								
Appropriated - Legal reserve	9.06	0.80%	12.62	0.91%	16.87	1.22%	16.87	1.42%
Unappropriated	49.73	4.40%	83.62	6.05%	125.00	9.07%	71.90	6.07%
Other component of equity	0.00	0.00%	(4.59)	(0.33%)	(7.23)	(0.52%)	(10.59)	(0.89%)
Equity attributable to owners of the parent	362.36	32.03%	903.94	65.39%	946.93	68.68%	890.47	75.12%
Non-controlling interests	9.99	0.88%	9.14	0.66%	5.10	0.37%	4.10	0.35%
<b>Total equity</b>	<b>372.34</b>	<b>32.92%</b>	<b>913.08</b>	<b>66.05%</b>	<b>952.03</b>	<b>69.05%</b>	<b>894.58</b>	<b>75.46%</b>
<b>Total liabilities and equity</b>	<b>1,131.17</b>	<b>100.00%</b>	<b>1,382.38</b>	<b>100.00%</b>	<b>1,378.75</b>	<b>100.00%</b>	<b>1,185.43</b>	<b>100.00%</b>

### Statement of Comprehensive Income

Item	Unit : THB Million							
	2014	%	2015	%	2016	%	6M/2017	%
<b>Revenues</b>								
Revenues from sales of goods and rendering of services	931.91	42.13%	894.49	55.33%	791.43	59.67%	317.07	80.72%
Revenues from construction contracts	1,280.02	57.87%	722.15	44.67%	534.94	40.33%	75.75	19.28%
<b>Total revenues</b>	<b>2,211.93</b>	<b>100.00%</b>	<b>1,616.64</b>	<b>100.00%</b>	<b>1,326.37</b>	<b>100.00%</b>	<b>392.82</b>	<b>100.00%</b>
<b>Costs</b>								
Costs of sales of goods and services	856.54	38.72%	814.59	50.39%	646.63	48.75%	264.56	67.35%
Cost of construction contracts	1,061.52	47.99%	641.63	39.69%	469.16	35.37%	76.68	19.52%
<b>Total costs</b>	<b>1,918.06</b>	<b>86.71%</b>	<b>1,456.22</b>	<b>90.08%</b>	<b>1,115.79</b>	<b>84.12%</b>	<b>341.24</b>	<b>86.87%</b>
<b>Gross profit</b>	<b>293.87</b>	<b>13.29%</b>	<b>160.41</b>	<b>9.92%</b>	<b>210.58</b>	<b>15.88%</b>	<b>51.58</b>	<b>13.13%</b>
Other incomes	29.20	1.32%	81.35	5.03%	61.46	4.63%	11.32	2.88%
Selling and Administrative expenses	116.40	5.26%	147.25	9.11%	144.90	10.92%	80.68	20.54%
Administrative expenses	32.53	1.47%	-	-	-	-	-	-

Item	Unit : THB Million							
	2014	%	2015	%	2016	%	6M/2017	%
Management remuneration	29.31	1.33%	-	-	-	-	-	-
Loss on impairment of plant and equipment	78.66	3.56%	-	-	-	-	-	-
Expense from share-based payment	78.56	3.55%	-	-	-	-	-	-
Profit (loss) before finance cost and income tax expense	(12.39)	(0.56%)	94.51	5.85%	127.14	9.59%	(17.78)	(4.53%)
Finance cost	11.78	0.53%	4.63	0.29%	2.83	0.21%	1.78	0.45%
Profit (loss) before income tax expense	(24.17)	(1.09%)	89.88	5.56%	124.31	9.37%	(19.57)	(4.98%)
Income tax expense	9.66	0.04%	19.27	1.19%	20.05	1.51%	(1.47)	(0.37%)
Profit (loss) for the period	(33.83)	(1.53%)	70.61	4.37%	104.26	7.86%	(18.10)	(4.61%)
Other comprehensive income								
Items that will be not reclassified subsequently to profit or loss								
Actuarial losses	(0.93)		-		3.82		-	
Items that will be reclassified subsequently to profit or loss								
Change in value of available-for-sale investment	-		(4.59)		(2.64)		(3.36)	
Total comprehensive income (loss) for the period	(0.93)		(4.59)		1.18		(3.36)	
	(54.24)		66.02		105.44		(21.46)	
Profit (loss) attributable to								
Owners of the parent	(35.96)		67.44		101.81		(17.10)	
Loss for the year of the discontinued operations	(19.48)		-		-		-	
Non-controlling interests	2.13		3.16		2.45		(1.00)	
	(53.31)		70.61		104.26		(18.10)	
Total comprehensive income (loss) attributable to								
Owners of the parent	(36.89)		62.86		102.99		(20.46)	
Loss for the year of the discontinued operations	(19.48)		-		-		-	
Non-controlling interests	2.13		3.16		2.45		(1.00)	
	(54.24)		66.02		105.44		(21.46)	



## Statement of Cash Flows

Cash flows from operating activities	Unit : THB Million			
	2014	2015	2016	Q2/2017
Profit (loss) before income tax for the period	(48.52)	89.88	124.31	(19.57)
<b>Adjustments</b>				
Depreciation	46.24	20.42	17.93	8.99
Amortization	1.32	1.22	1.28	0.44
Loss on impairment of plant and equipment	78.66	-	-	-
Gain from sales and disposal of equipment	(8.93)	(4.46)	(2.04)	(0.78)
(Reversal) Bad debt and Allowance for doubtful account	0.48	2.70	(4.12)	(0.67)
(Reversal) Allowance for decrease in value of inventories	16.79	36.56	(6.43)	(1.01)
(Reversal) Provision for impairment	-	-	(8.50)	-
Gain from sales of short-term investments	-	-	(2.72)	(4.59)
Unrealized (gain) loss from short-term investments valuation adjustment	-	(0.02)	(3.77)	0.24
Unrealized (gain) loss on exchange rates	(1.31)	(0.61)	0.70	0.19
Expense from provisions (Reversal)	(0.18)	-	-	-
Dividend income	-	(0.71)	(0.20)	-
Provisions for construction contracts and rendering of services	-	16.76	(16.04)	6.58
Retirement benefit obligation expense	2.64	2.63	2.32	0.94
Expense from share-based payment	78.56	-	-	-
Interest income	(1.11)	(2.25)	(1.33)	(0.64)
Interest expense	11.79	11.17	4.44	1.78
<b>Cash flows before changes in operating assets and liabilities</b>	<b>176.43</b>	<b>173.29</b>	<b>105.83</b>	<b>(8.09)</b>
<b>Changes in operating assets and liabilities</b>				
Trade and other receivables	(141.76)	191.07	51.03	(37.50)
Unbilled receivables under construction contracts	94.33	(137.23)	18.11	49.86
Inventories	89.43	81.23	(11.11)	3.91
Work in process	(16.88)	17.28	-	-
Retention receivables	(6.08)	-	(0.68)	13.50
Other current assets	0.00	(4.54)	11.01	(1.97)
Other non-current assets	1.23	0.96	0.05	-
Trade and other payables	77.45	(249.57)	124.86	(155.03)
Advance received under construction contracts	54.61	(58.85)	(13.04)	3.46
Other current liabilities	(1.24)	3.24	(7.71)	(1.99)
Cash paid for employee benefit obligation	(0.92)	(5.38)	(1.35)	-
<b>Cash generated from (used in) operations</b>	<b>326.60</b>	<b>11.50</b>	<b>277.00</b>	<b>(133.85)</b>
Interest received	1.24	2.41	1.33	0.64
Interest paid	(16.70)	(11.23)	(4.44)	(1.78)
Income tax paid	(39.82)	(33.30)	(21.83)	(4.72)

Siam Rajathane Building 289/9 Moo 10, Old Railway Road, Samrong, Phrapradaeng, Samutprakarn 10130, Thailand

Tel : 0-2743-5010-25, Fax : 0-2743-5007-8, E-mail : [info@siamrajplc.com](mailto:info@siamrajplc.com), Website : [www.siamrajplc.com](http://www.siamrajplc.com)

Cash flows from operating activities	Unit : THB Million			
	2014	2015	2016	Q2/2017
Net cash received from (used in) operating activities	271.32	(30.62)	252.06	(139.70)

Cash flows from investing activities	Unit : THB Million			
	2014	2015	2016	Q2/2017
Cash payments for purchase of available-for-sale investment	(25.53)	-	-	-
Change in deposits at financial institutions used as collateral	(10.09)	11.70	(96.98)	9.47
Dividend received	-	0.71	0.20	-
Cash received from sales of short-term investments	-	-	735.54	740.70
Cash payments for purchase of short-term investments	-	(150.00)	(1,080.52)	(523.91)
Cash received from short-term loans to related parties	28.00	305.00	-	-
Cash payments for short-term loans to related parties	(126.28)	(178.72)	-	-
Cash received from disposals of assets	148.36	-	-	-
Cash received from sales of property, plant and equipment	-	11.50	5.05	1.31
Cash payments for purchases of property, plant and equipment	(21.53)	(3.68)	(5.52)	(0.21)
Cash payments for purchases of intangible assets	(1.64)	(0.36)	(1.07)	(0.14)
Net cash received from (used in) investing activities	(8.71)	(3.85)	(443.30)	227.21

Cash flows from financing activities	Unit : THB Million			
	2014	2015	2016	Q2/2017
Cash received (payments) of short-term loans from financial institutions	70.86	19.81	(123.57)	13.02
Cash received from short-term loans from related parties	601.93	-	-	-
Cash repayments for short-term loans from related parties	(799.99)	-	-	-
Cash repayments for long-term loan from financial institution	(126.67)	(1.82)	-	-
Cash payments for financial lease liabilities	(12.32)	(16.10)	(11.47)	(4.87)
Proceeds of the capital increase	175.00	525.00	-	-
Cash payments for share offering	-	(16.28)	-	-
Dividend paid	(181.25)	(30.00)	(60.00)	(36.00)
Dividend paid to non-controlling interests	-	(2.00)	(6.49)	-
Net cash received from (used in) financing activities	(272.44)	478.61	(201.53)	(27.86)
Cash and cash equivalents increase (decrease) - net	(9.83)	444.14	(392.78)	59.65
Effect of exchange rate changes on cash and cash equivalents	-	-	0.11	(0.38)
Cash and cash equivalents at the beginning of the period	49.27	39.44	483.58	90.91
Cash and cash equivalents at the end of the period	39.44	483.58	90.91	150.18

### Financial Ratio

Ratio	2014	2015	2016	Q2/2017
<b>LIQUIDITY RATIO</b>				
Current Ratio (X)	1.47	2.78	2.79	3.54
Quick Ratio (X)	0.80	2.07	2.04	2.63
Operating Cash Flow Ratio (x)	0.26	0.32	0.25	(0.02)
Account Receivable Turnover (x)	6.36	4.96	6.49	3.98
Days Sale Outstanding (Days)	57	73	55	90*
Inventory Turnover (x)	6.39	6.62	6.33	4.04
Days Sale In Inventory (Days)	56	54	57	89*
Account Payable Turnover (x)	7.31	6.73	6.44	4.51
Days Payable Outstanding (Days)	49	54	56	80*
Cash Cycle (Days)	64	73	56	100
<b>PROFITABILITY RATIO</b>				
Gross Profit Margin	13.29%	9.92%	15.88%	13.13%
EBIT to Net Sale	(1.88%)	0.81%	4.95%	(7.41%)
Other Income Margin	1.30%	4.79%	4.43%	2.80%
Net Profit Margin	(1.51%)	4.16%	7.51%	(4.48%)
Return on Equity	(9.31%)	10.99%	11.18%	(3.92%)*
<b>EFFICIENCY RATIO</b>				
Return on Assets (%)	(2.85%)	5.62%	7.55%	(2.82%)*
Return on Fixed Assets (%)	6.70%	150.51%	261.76%	(46.35%)*
Asset Turnover (x)	1.88	1.31	1.02	0.35*
<b>FINANCIAL POLICY RATIO</b>				
Total Liabilities to Equity (x)	2.04	0.51	0.45	0.33
Interest Coverage (x)	19.47	0.81	62.09	N/A
Dividend Payout (%)	N/A	42.49%	57.55%	N/A

Note : These items are annualized used for comparison

## Overview of Financial Position of the Company

### Past Performance

#### Revenue

The Company had total revenues during 2014-2016 of THB 2,211.93 million, THB 1,616.64 million, and THB 1,326.37 million respectively. Total revenues decreased by 26.91% in 2015 and 17.95% in 2016. Total revenues are from 3 business units which are Metering and Pipeline Transmission, Energy Business Group and Engineered Pumps and Systems. Total revenues for the first 6 months of 2017 were THB 215.42 million.

##### 1) Metering and Pipeline Transmission (MPT)

The Company had revenues from Metering and Pipeline Transmission during 2014-2016 of THB 1,325.12 million, THB 749.95 million, and THB 495.30 million respectively. This revenue decreased by 43.40% in 2015 and 33.96% in 2016. The major revenue of this business comes from the projects and the Company has already realized the revenue from the important projects like Zawtika Project with total value of THB 1,073.48 million and most of this amount has been revenue in 2014. Moreover, There are PPTC Power Plant Project, Khanom Power Plant Project, and Top Power Plant Project with project value of THB 227.00 million, THB 312.54 million, and THB 264.95 million respectively and this amount has been revenue in 2015. For the first 6 months of 2017, the Company had revenues from Metering and Pipeline Transmission of THB 47.20 million.

##### 2) Energy Business Group (ENG)

The Company had revenues from Energy Business Group during 2014-2016 of THB 665.34 million, THB 688.43 million, and THB 473.66 million respectively. This revenue increased by 3.47% in 2015 and decreased by 31.20% in 2016. The revenue from natural gas stations during 2014-2016 was THB 198.33 million, THB 259.66 million, and THB 223.66 million respectively. In 2014, there was the political unrest and National Council for Peace and Order used Curfew that results in less customers. In 2015, the political situation became stable resulting in more customers and revenues. However, the revenue decreased in 2015 due to the downtrend of global oil price resulting in less demand for alternative energy. The revenue from design and construction of natural gas stations during 2014-2016 was THB 57.07 million, THB 102.48 million, and THB 61.21 million respectively. An increase in revenue in 2015 was mainly from the Projects of PTT with value of THB 97.49 million and this entire amount was revenue in 2015. In 2016, the revenue decreased due to the downtrend of global oil price resulting in less demand for alternative energy and slowdown in projects related to alternative energy. The revenue from maintenance of natural gas stations during 2014-2016 was THB 339.26 million, THB 326.29 million, and THB 188.79 million respectively. A significant decrease of revenue in 2016 because of the expiration of 2-year maintenance contracts for natural gas stations of PTT. After the

contract expired in December 2015, the Company had got the new 2-year contract with the value of THB 240.00 million which is lower than the value of previous contract of THB 480.00 million. Therefore, the revenue in 2016 decreased significantly. For the first 6 months of 2017, the Company had revenues from Energy Business Group of THB 204.37 million which was mainly from natural gas stations of the Company and maintenance services for national gas stations.

3) Engineered Pumps and Systems (EPS)

The Company had revenues from Engineered Pumps and Systems during 2014-2016 of THB 221.47 million, THB 178.25 million, and THB 357.41 million respectively. This revenue decreased by 19.52% in 2015 and increased by 100.51% in 2016. In 2015, there was the slowdown of many industries resulting in less demand from customers and lower revenues. In 2016, the economic recovery made revenue from sales of engineered pumps increase significantly. For the first 6 months of 2017, the Company had revenues from Engineered Pumps and Systems of THB 141.25 million.

4) Other Revenues

The Company had other revenues from interest income, revenue from management services, revenue from the rent of breakpoint, gain from sale of assets, gain from exchange rate, gain from sale of short-term investment. Other revenues during 2014-2016 were THB 29.20 million, THB 81.35 million, and THB 61.46 million respectively. This revenue increased by 178.60% in The Opinion of Independent Financial Advisor on Asset Acquisition and Connected Transaction Siamraj Public Company Limited 2015 and decreased by 24.45% in 2016. Other revenue increased significantly from revenue from commission of Siemens from acquiring customers for Gas Turbine for power plants. For the first 6 months of 2017, the Company had other revenues of THB 11.32 million.

**Costs**

The Company had costs during 2014-2016 of THB 1,918.06 million, THB 1,456.22 million, and THB 1,115.79 million respectively. The costs decreased by 24.08% in 2015 and 23.38% in 2016. During 2014-2016, the costs are 86.71%, 90.08%, and 84.12% of total revenues respectively. The costs are from 3 business units which are Metering and Pipeline Transmission, Energy Business Group and Engineered Pumps and Systems. The costs for the first 6 months of 2017 were THB 181.00 million which was 84.02% of total revenues.

- 1) The costs from Metering and Pipeline Transmission consists of cost of sales, cost of raw material, cost of hiring sub-contractors, personnel expenses. The Company had costs from Metering and Pipeline Transmission during 2014-2016 of THB 1,121.70 million, THB 687.86 million, and THB 466.80 million respectively. The costs from Metering and Pipeline Transmission decreased by 38.68% in 2015 and 32.14% in 2016. During 2014-2016, the costs are 84.65%,

91.72%, and 94.25% of revenues from Metering and Pipeline Transmission respectively due to an increase of costs proportionately to revenues. The costs from Metering and Pipeline Transmission for the first 6 months of 2017 were THB 62.85 million which was 133.16% of revenues from Metering and Pipeline Transmission.

- 2) The costs from Energy Business Group consists of cost of natural gas stations, cost of design and construction of natural gas stations, and cost in maintenance of natural gas stations. The cost of natural gas stations mainly consists of cost of sales and personnel expenses. The Company had costs of natural gas stations during 2014-2016 of THB 170.21 million, THB 210.18 million, and THB 184.70 million respectively. The costs of natural gas stations increased by 23.48% in 2015 and decreased by 12.12% in 2016. During 2014-2016, the costs are 85.82%, 80.94%, and 82.58% of revenues from natural gas stations respectively which was mainly form the purchase of NGV for sales in the stations. The cost of design and construction of natural gas stations mainly consist of cost of sales, cost of hiring sub-contractors, and personnel expenses. The Company had costs of design and construction of natural gas stations during 2014-2016 of THB 57.03 million, THB 113.63 million, and THB 50.53 million respectively. The costs of design and construction of natural gas stations increased by 99.25% in 2015 and decreased by 55.53% in 2016. During 2014-2016, the costs are 99.93%, 110.88%, and 82.55% of revenues from design and construction of natural gas stations respectively. The cost of maintenance of natural gas stations mainly consist of cost of sales, cost of raw material, cost of hiring sub-contractors, and personnel expenses. The Company had costs of maintenance of natural gas stations during 2014-2016 of THB 365.39 million, THB 327.63 million, and THB 157.86 million respectively. The costs of maintenance of natural gas stations decreased by 10.33% in 2015 and decreased by 51.82% in 2016. During 2014-2016, the costs are 107.70%, 100.41%, and 83.62% of revenues from maintenance of natural gas stations respectively. The costs of maintenance of natural gas stations for the first 6 months of 2017 were THB 176.40 million which was 86.31% of revenues from Energy Business Group.
- 3) The costs from Engineered Pumps and Systems mainly consists of cost of sales. The Company had costs from Engineered Pumps and Systems during 2014-2016 of THB 145.30 million, THB 116.92 million, and THB 255.90 million respectively. The costs from Engineered Pumps and Systems decreased by 19.53% in 2015 and increased by 118.87% in 2016. During 2014-2016, the costs are 65.60%, 65.59%, and 71.60% of revenues from Engineered Pumps and Systems respectively due to an increase of costs proportionately to revenues. The costs from Engineered Pumps and Systems for the first 6 months of 2017 were THB 101.99 million which was 72.20% of revenues from Engineered Pumps and Systems.

### Selling and Administrative Expenses

The Company had selling and administrative expenses during 2014-2016 of THB 178.24 million, THB 147.25 million, and THB 144.89 million respectively. The selling and administrative expenses decreased by 17.39% in 2015 and 1.60% in 2016. During 2014-2016, the selling and administrative expenses are 8.06%, 9.11%, and 10.92% of total revenues respectively. Selling and administrative expenses consist of sale promotion expense, personnel expenses, travel expense, utilities expenses. The decrease of selling and administrative expenses was from personnel expenses in 2015 and the recovery of allowance for bad debts in 2016. Selling and administrative expenses for the first 6 months of 2017 were THB 80.68 million which was 19.97% of total revenue.

### Profitability

The Company had gross profit during 2014-2016 of THB 293.87 million, THB 160.41 million, and THB 210.58 million respectively. The gross profit margin was 13.29%, 9.92%, and 15.88% respectively. The gross profit decreased by 45.41% in 2015 and increased by 31.28% in 2016 because the major revenues of the Company were from the projects which are not stable. The gross profit for the first 6 months of 2017 was THB 51.58 million with gross profit margin of 13.13%.

The Company had net profit (loss) during 2014-2016 of THB (53.31) million, THB 70.61 million, and THB 104.26 million respectively. The net profit margin was (1.51)%, 4.16%, and 7.51% respectively. The gross profit increased by 140.55% in 2015 and increased by 47.66% in 2016. In 2014, the Company recorded extraordinary expenses and loss from terminating the projects including loss from impairment of building and equipment and loss from payment by issuing shares. Excluding loss from payment by issuing shares, Company would have net profit of THB 25.26 million with net profit margin of 1.13%. The net profit (loss) for the first 6 months of 2017 was THB (18.10) million with net profit margin of (4.48)% due to a decrease in the value of project extension for Metering and Pipeline Transmission and the penalty from project delay of THB 7.15 million.

### Assets

The Company had total assets of THB 1,131.17 million, THB 1,382.38 million, and THB 1,378.75 million as of December 31, 2014 – 2016 respectively. The current assets were THB 950.78 million, THB 1,232.07 million, and THB 1,132.54 million which were 84.05%, 89.13%, and 82.14% of total assets respectively. The non-current assets were THB 180.39 million, THB 150.31 million, and THB 246.21 million which were 15.95%, 10.87%, and 17.86% of total assets respectively.

The major changes in assets were as follows.

- 1) During 2015-2016, short-term investments were THB 150.02 million and THB 501.50 million which were 10.85% and 36.37% of total assets respectively. Most of short-term investments were investment in debt instruments.

Siam Rajathanee Building 289/9 Moo 10, Old Railway Road, Samrong, Phrapradaeng, Samutprakarn 10130, Thailand

Tel : 0-2743-5010-25, Fax : 0-2743-5007-8, E-mail : [info@siamrajplc.com](mailto:info@siamrajplc.com), Website : [www.siamrajplc.com](http://www.siamrajplc.com)

- 2) During 2014-2016, net accounts receivable and other receivables were THB 475.60 million, THB 282.31 million and THB 234.86 million which were 42.05%, 20.42% and 17.03% of total assets respectively. The net accounts receivable and other receivables was from the projects which were based on the project value of the Company.
- 3) During 2014-2016, unbilled receivables were THB 40.39 million, THB 177.62 million and THB 159.52 million which were 3.57%, 12.85% and 11.57% of total assets respectively. The Company recorded revenues from the Projects proportionately to their progress. However, the Company did not send the invoices because the projects were under inspection for acceptance by the project owners and related parties.
- 4) During 2014-2016, inventories were THB 228.50 million, THB 110.71 million and THB 128.25 million which were 20.20 %, 8.01% and 9.30% of total assets respectively. In 2015, Inventories decreased because the Company used some of them for maintenance of natural gas stations. And the loss from impairment of inventories. In 2016, inventories increased from a revenue increase of revenues from Engineered Pumps and Systems.
- 5) During 2014-2016, available-for-sale investments were THB 25.53 million, THB 19.80 million and THB 16.50 million which were 2.26%, 1.43% and 1.20% of total assets respectively. The decline in value is from the impairment of investment in ordinary shares of Petroleum Trading Lao Public Company (PTL) trade in Lao Securities Exchange.
- 6) During 2014-2016, cash restricted or pledged were THB 34.99 million, THB 23.29 million and THB 120.27 million which were 3.09%, 1.68% and 8.72% of total assets respectively. The cash restricted or pledged has increased because the Company used the time deposit of the Company to use in pledging instead of deposits of directors of the Company.
- 7) During 2014-2016, property, plant, and equipment were THB 70.35 million, THB 50.62 million and THB 42.74 million which were 6.22%, 3.66% and 3.10% of total assets respectively. The decline in value is due to the depreciation of buildings, structures, and automobiles.

As of June 30, 2017, the Company had total assets of THB 1,185.43 million. Total current assets were THB 957.96 million which was 80.81% of total assets and total non-current assets were THB 227.47 million which was 19.19% of total assets.



## Liabilities

The Company had total liabilities of THB 758.83 million, THB 469.30 million, and THB 1,426.72 million as of December 31, 2014 – 2016 respectively. Total liabilities were 67.71%, 51.40%, and 44.82% of total liabilities and shareholders' equity in 2014 – 2016 respectively. The current liabilities were THB 647.51 million, THB 443.39 million, and THB 406.41 million which were 85.33%, 94.48%, and 95.24% of total liabilities respectively. The non-current liabilities were THB 111.32 million, THB 25.91 million, and THB 20.31 million which were 14.67%, 5.22%, and 4.76% of total liabilities respectively.

The major changes in liabilities were as follows.

- 1) During 2014-2016, short-term loans from financial institution were THB 117.65 million, THB 137.46 million and THB 13.89 million which were 15.50%, 29.29%, and 3.26% of total liabilities respectively. The decline in value was from a decrease in the number of projects on hand from previous year.
- 2) During 2014-2016, account payable and other payables were THB 426.59 million, THB 185.98 million and THB 311.65 million which were 56.22%, 39.63%, and 73.03% of total liabilities respectively. Most payables were from the purchase of products from suppliers in engineered pumps and systems. The change in value was from an increase in revenue and a decrease in revenue from this business unit respectively.
- 3) During 2014-2016, the net financial lease liabilities matured in 1 year were THB 10.77 million, THB 8.50 million and THB 6.66 million which were 1.42%, 1.81%, and 1.56% of total liabilities respectively. The net financial lease liabilities matured in 1-5 years were THB 19.98 million, THB 9.82 million and THB 8.01 million which were 2.63%, 2.09%, and 1.88% of total liabilities respectively. The company had financial lease agreements with leasing companies for automobiles and equipment used in operation. The repayments were made on monthly basis and the average term was 3-5 years. As of June 30, 2017, the Company had total liabilities of THB 290.86 million. Total current liabilities were THB 270.30 million and total non-current liabilities were THB 20.56 million.

## Liquidity

During 2014-2016, the Company had cash and cash equivalents of THB 39.44 million, THB 483.58 million and THB 90.91million respectively. The balance in 2015 increased by THB 444.14 million and the balance in 2016 decreased by THB 392.67 million. The amount of cash flows from each activity were as follows.

- 1) For the cash flow from operating activating during 2014-2016, the Company had net cash received from (used in) operating activities were THB 271.32 million, THB (30.62) million, and THB 252.06 million respectively. The changes were mainly from accounts receivable and other

receivables, unbilled receivable, accounts payable and other payables, and advance received under construction contracts.

- 2) For the cash flow from investing activating during 2014-2016, the Company had net cash used in investing activities were THB 8.70 million, THB 3.85 million, and THB 443.30 million respectively. This was mainly from the purchase of short-term investment.
- 3) For the cash flow from financing activating during 2014-2016, the Company had net cash received from (used in) financing activities were THB (272.44) million, THB 478.61 million, and THB (201.53) million respectively. The changes were mainly from repayment of long-term loans from financial institutions, short-term loans from related parties, and dividend payment. In 2015, the Company had issued new ordinary shares for THB 525.00 million which resulted in large cash received from financing activities.
- 4) The current ratio of the Company during 2014-2016 were 1.47 times, 2.78 times, and 2.79 times respectively. As of June 30, 2017, the Company had cash and cash equivalents of THB 150.18 million and the current ratio was 3.54 times.

#### Shareholders' Equity

The Company had total shareholders' equity of THB 372.33 million, THB 913.08 million, and THB 952.03 million as of December 31, 2014 – 2016 respectively. Total shareholders' equity was 32.92%, 66.05%, and 69.05% of total liabilities and shareholders' equity in 2014 – 2016 respectively. The increase in value was from the net profit of the Company in 2015-2016. In 2015, the Company had issued new ordinary shares for THB 525.00 million. During 2015-2016, the Company had paid dividend of THB 30.000 million and THB 60.00 million respectively. As of June 30, 2017, The Company had total shareholders' equity of THB 894.58 million.

## 16.6. Connected Transaction

### ● Nature of Relationship

The summary of nature of relationship between the Company and person/juristic person who the Company have connected transaction with but may have conflict of interest as of 30 June 2017 are as followed:

Related Person/Juristic Person which may have conflict of interest	Nature of Relationship
1. Mr.Kiat Vimolchalao ("Mr.Kiat")	<ul style="list-style-type: none"> <li>- Major Shareholder of the Company who directly hold 35.35% of registered and paid-up shares after the initial public offering</li> <li>- Major Shareholder among Vimolchalao Family which altogether hold 61% of registered and paid-up shares after the initial public offering</li> <li>- Mrs. Wacharaporn's husband</li> <li>- The Company's chief executive officer and managing director</li> </ul>
2. Mrs. Wacharaporn Vimolchalao (" Mrs. Wacharaporn")	<ul style="list-style-type: none"> <li>- Major Shareholder of the Company who directly hold 8.55% of registered and paid-up shares after the initial public offering</li> <li>- Major Shareholder among Vimolchalao Family which altogether hold 61% of registered and paid-up shares after the initial public offering</li> <li>- The Company's director and chief purchasing officer</li> </ul>
3. Mr.Krai Vimolchalao (Mr.Krai)	<ul style="list-style-type: none"> <li>- Mr.Kiat's elder brother</li> </ul>
4. Joint Venture Siamrajathanee ("JVSR")	<ul style="list-style-type: none"> <li>- The Company's possess 90% of investment proportion and profit stake</li> <li>- Siam Rajathanee Co., Ltd.; a juristic person which may have conflict of interest, possess 10% of investment proportion and profit/loss stake</li> </ul>
5. Joint Venture Siamrajathanee and Engineering Products ("JVEPC")	<ul style="list-style-type: none"> <li>- The Company's possess 25% of investment proportion and profit stake</li> <li>- Siam Rajathanee Co., Ltd.; a juristic person which may have conflict of interest, possess 75% of investment proportion and profit/loss stake</li> <li>- Dissolution on 30 December 2016</li> </ul>
6. Vimolchalao Co., Ltd. ("VMC") Business: Real Estate Rental	<ul style="list-style-type: none"> <li>- Common shareholders with the Company where <ul style="list-style-type: none"> <li>- Mr.Kiat holds 10% of the VMC's registered and paid-up shares</li> <li>- Mr. Wacharaporn holds 10% of the VMC's registered and paid-up shares</li> </ul> </li> <li>- Mr.Kiat is the common director with the Company</li> <li>- Mr.Krai and Ms.Orasa are the director and major shareholders where: <ul style="list-style-type: none"> <li>- Mr.Krai holds 10% of the VMC's registered and paid-up shares</li> <li>- Ms.Kiat holds 30% of the VMC's registered and paid-up shares</li> </ul> </li> </ul>

English Translation

Ralated Person/Juristic Person which may have conflict of interest	Nature of Relationship
7. Siam Rajathanee Co., Ltd. ("SRTN") Business : Outsourcing Service; which are rental car serice, outsource driver service, forklift car training service, office staff serice, clerk service and gardening service	- Mr.Krai is the director and major shareholder who hold 50% of the registered and paid-up shares
8. Siam Rajathanee Automation Co., Ltd. ("SRA") Business : Electric equipment – automated controller – selling Agent under Siemens brand	- Common shareholders with the Company; - Mr.Kiat holds 64.99% of SRA registered and paid-up shares and the other 35.01% of SRA registered and paid-up shares is held by other non-related persons - Mr.Kiat is the common director with the Company
9. K Venture Co., Ltd. ("K Venture") Business : Rental area and rest area for commuters)	- Ms.Ploy Bhinsaeng, a daughter of Kanoksakdi Bhinsaeng – a director of the Company, is the director and the major shareholder in 2017 - Mayweather Group Company Limited holds 33.33% of K Venture registered and paid-up shares. And currently, Mr. Kanoksakdi Bhinsaeng has already resigend from the position in the Company. - Common major sharesholder with the Company; - Mr.Kiat holds 33.33% of K Venture registered and paid-up shares - Mr.Kiat is the common director with the Company
10. Krit Ventura Co., Ltd. ("Krit Ventura") Business : Investing in other companies	- Common major sharesholder with the Company; - Mr.Kiat holds 25% of Krit Ventura registered and paid-up shares - Mrs.Wacharaporn holds 25% of Krit Ventura registered and paid-up shares Ms. Krittina Vimolchalao, and Mr. Krittin Vimolchalao. - Ms. Krittina Vimolchalao, a daughter of Mr.Kiat and Mrs.Wacharaporn holds 25% of Krit Ventura registered and paid-up shares - Mr. Krittin Vimolchalao, a son of Mr.Kiat and Mrs.Wacharaporn holds 25% of Krit Ventura registered and paid-up shares - Mr.Kiat and Mrs.Wacharaporn are the common directors with the Company
11. SR power holding Co., Ltd. ("SRPH") Business : Investing in other companies	- The Company is the major shareholder holding 99.99% of SRPH registered and paid-up shares and other Company-related person which are Mr.Kiat, Mrs. Wacharee Atthakorn (the Company's Director) and Mrs. Udomporn Jiranapakulwat (the Company's Director) hold altogether 0.01% of SRPH registered and paid-up shares. - Mr.Kiat, Mrs. Wacharee Atthakorn, Mrs. Udomporn Jiranapakulwat, and Mr. Pongnimit Dusitnitsakul are the common directors with the Company

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Tel : 0-2743-5010-25, Fax : 0-2743-5007-8, E-mail : [info@siamrajplc.com](mailto:info@siamrajplc.com), Website : [www.siamrajplc.com](http://www.siamrajplc.com)

● Connected Transaction

The connected transactions of the Company between other related persons or juristic person who may have conflict of interest, as of 30 June 2017 and as of 31 December 2016 are as follows:

Related Person/Juristic Person	Nature of Transaction	Transaction Value (THB million)		Necessity / Reasons for the Transaction	Necessity for the Transactions
		as of 30 June 2017	As of 31 December 2016		
1. Joint Venture Siamrajathane ("JVSR") <u>Transactions with subsidiaries</u>	1.1 Sales Revenue	-	2.16	- Since foreign manufacturer had limited partners in Thailand and the Company was a dealer and distributor for Emerson. In addition, Flow Computer and Gas Chromatograph, produced by Emerson, were required by JVSR for its projects. Thus, the Company purchased stated products and sold to JVSR at selling price from cost plus pricing approach. (Cost+Profit margin)	- Normal Transaction - Quoted using cost plus method but with lower margin compare to others since JVSR did not require installation service from the Company. However, other terms and conditions were comparable to market practice. Thus, this transaction was reasonable and did not cause any disadvantage to the Company.
	1.2 Account Payable	-	-		
	1.3 Other Revenue (Administrative Services)	0.90	3.00	- The Company provided administrative services to JVSR in the areas of financial and accounting, human resources etc. Thus, the Company charged monthly fees in accordance with the rate specified in contract.  - The Company provided engineering	- The transaction has stated service fee based on as mutually agreement between the parties, which was based on amount of jobs and number of service personnel.  - The transaction was reasonable.
	1.4 Other Account Receivable	0.21	0.54		

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English Translation

Related Person/Juristic Person	Nature of Transaction	Transaction Value (THB million)		Necessity / Reasons for the Transaction	Necessity for the Transactions
		as of 30 June 2017	As of 31 December 2016		
	1.5 Other Revenue (Engineering service fee)	2.61	11.99	services for JVSR and charged monthly fee based on engineer's salary in MPT/Project and Construction department plus operating cost, which was in accordance with the Company's policy to charge others.	The service fee was actual expenses based on engineer's salary, numbers of engineer required in the projects, and engineer working hours. The profit margin charged on engineering service fee was in accordance with the Company's policy to charge others.
	1.6 Other accounts receivable (Accrued engineering service fee)	-	2.30		
	1.7 Short-term Loan	Beginning Balance 50.70 Loan Drawn in the Period 15.00 Repayment in the Period <u>(59.70)</u> Ending Balance <u>6.00</u>	Beginning Balance 47.00 Loan Drawn in the Period 118.70 Repayment in the Period <u>(115.00)</u> Ending Balance <u>50.70</u>	<p>- During 2016, the Company lent short-term loan amount of 118.70 million Baht to JVSR to be used for working capital purpose. JVSR partially has repaid amount of 115.00 and the remaining loan amount was 50.70 million Baht.</p> <p>- During the 6-month period as of 30 June 2017, the Company additionally lent loan amount of 15.00 million Baht to JVSR to be used for working capital purpose and its project. During the period, JVSR has partially repaid amount of 59.70 million Baht</p> <p>- In March 2015 and November 2015, the Company has adjusted the interest rate to be MLR -1% and MLR</p>	<p>- This transaction was financial assistance to JVSR. However, if this type of transaction occurs again in the future, it should be in accordance with related party transaction's regulations and approval process. Hence, the Company has already adjust the interest rate since 1 March 2015 and 12 November 2015 onward accordingly as follow:</p> <p>1) Its affiliates borrow from the Company at the rate of MLR - 1% and MLR +1% respectively,</p> <p>2) The Company borrows from its affiliates at the rate of MLR -</p>
	1.8 Interest Income	0.80	3.00		
	1.9 Interest Receivable	0.17	0.46		

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		as of 30 June 2017	As of 31 December 2016		
				+1% respectively, which is higher than the Company's average borrowing rate from banks. However, the stated loan was an at-call loan without collateral requirement.	3% and MLR -1%
2. Joint Venture Siamrajathane and Engineering Products ("JVEPC")  <u>Transactions with subsidiaries</u> <i>Business Dissolution in 30 December 2016</i>	2.1 Other Revenue (Administrative Services)	-	0.06	- The Company provided administrative services to JVSR in the areas of financial and accounting, human resources etc. Thus, the Company charged monthly fees in accordance with the rate specified in contract	- The transaction has stated service fee based on as mutually agreement between the parties, which was based on amount of jobs and number of service personnel.
	2.2 Other Account Receivable	-	-	- In November 2016, JVEPC has announced to pay-out the dividend amount of 8 million Baht which is allocated according to the portion of investment by each party, as a result, the Company received 2 million Baht of dividend and SRTN will receive 6 million Baht of dividend.	- The transaction was made according to the mutual agreement between the parties which is reasonable and corresponding to JV purposes
	2.3 Dividend Received	-	2.00	- In December 2016, JVEPC shared its profit after business dissolution amount of 0.66 million Baht which is allocated according to the portion of investment by each party as a result, the Company received 0.16 million	
	2.4 Profit Shared after business dissolution	-	0.16		

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English Translation

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		as of 30 June 2017	As of 31 December 2016		
				Baht of the shared profit and SRTN will received 0.49 million Baht of the shared profit. And JVECP has dissolated its business in 30 December 2016	
	2.5 Short-term Loan	-	Beginning Balance 6.16 Loan Drawn in the Period - Repayment in the Period <u>(6.16)</u> Ending Balance <u>==</u>	- In October 2016, the Company has repaid its loan borrowed from JVEPC in full. - Originally, JVEPC's interest rate was 3.00% per year. As of March 1, 2015, the Company adjusted its interest rate to MLR-3%, which was lower than the Company's average borrowing rate from banks. However, the stated loan was an at-call loan without collateral requirement.	- This transaction occurred for working capital purpose and support liquidity which beneficial for the Company's operation. In addition, the interest rate charged by JVSR was lower than the Company's average borrowing rate from banks. Thus, this transaction was reasonable. Furthermore, since 1 March 2015 onward, the Company adjusted its related party's interest rates as follows; 1) Affiliates borrow from the Company at the rate of MLR -1% 2) The Company borrows from affiliates at the rate of MLR -3%
	2.6 Interest Paid	-	0.12		
3. Vimolchalao Co., Ltd.	3.1 Rental expense	3.42	6.84	- The Company rented areas from	- These area rental to utilize as

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English Translation

Related Person/Juristic Person	Nature of Transaction	Transaction Value (THB million)		Necessity / Reasons for the Transaction	Necessity for the Transactions
		as of 30 June 2017	As of 31 December 2016		
("VMC")	(Headquarter Location)			VMC along with other services to be utilized as the head office of the Company, with rental duration for 3 years, ended at December 31, 2017. Rental rate including service expenses was 300.00 Baht per square meters which is comparable to market rental rates around that area which approximately 250.00-350.00 Baht per square meters.	the Company's head office and storing area is to support the Company's business operation. The Company is charged the rental fee with a rate and commercial terms offered generally in the market. Hence, this transaction is reasonable, corresponding to its normal business operation, and comparable to others
	3.2 Rental expense ( Inside-Building products storing space)	0.40	0.81		
	3.3 Rental expense (Outside-Building products storing space)	0.11	0.22	- The Company rented areas from VMC to be utilized as the Company's warehouse for storing its product, with rental duration for 3 years, ended at December 31, 2017. Rental rate including service expenses was 100.00 Baht per square meters which is comparable to market rental rates around that area which approximately 85.00 - 130.00 Baht per square meters.	
	3.4 Account Payable for Area rental expense	1.36	1.37	- The Company rented areas from VMC to be utilized as the Company's warea for storing its product outside, with rental duration for 3 years,	

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		as of 30 June 2017	As of 31 December 2016		
				ended at December 31, 2017. Rental rate including service expenses was 35.00 Baht per square meters which is comparable to market rental rates around that area which approximately 37.00 - 37.50 Baht per square meters	
4. Siam Rajathane Automation Co., Ltd. ("SRA")	4.1 Purchasing goods and services  4.2 Account Payable	0.11  0.03	0.23  0.02	- Since SRA was a dealer and distributor of Siemens' products for electronic control device, which could be used with Siemens' compressors in which the Company was a dealer and distributor. Since the compressors cannot be used with other electronic control device, therefore, the Company purchased those stated product from SRA and sold to its clients as well as to use in the Company's projects, with the rate and commercial terms as generally offered in the market.	- This transaction was reasonable and corresponding to normal business transaction, with the rate and commercial terms as offered on the market and comparable to others.
5. K Venture Co., Ltd. ("K Venture")	5.1 Other Revenue (The Company advanced the Letter of Guarrantee issuing fee)	0.01	0.06	- Since the Company has made contract to establish rest area and natural gas service station for commuters with The Transport Co.,Ltd. in a location of Kamphaeng Phet Provicne and Pitsanulok	- The transaction which orrcred to from the transferring part of the contract right on establishing the rest area to K Venture where the Company charged the issuing letter of

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		as of 30 June 2017	As of 31 December 2016		
	5.2 Rental Fee	0.04	0.07	Province and the Company's fully pledge the contract. The Company then transferred part of the contract right on establishing the right rest area to K Venture. With this event, the Company and K Venture have mutually to separately pledge the contract. Hence, K Venture has to be responsible for the fee on issuing the letter of guarantee in this contract corresponding to the portion of assets attributed to establishing the rest area. So the Company has charged K-Venture in the amount of 61,250 according to the portion of the asset	guarantee fee according to the portion of the asset attributed to establish the rest area by K Venture is reasonable since it is the actual expense and corresponding to the written agreement related to transferring of this right.
	5.3 Accrual Rental Expense	0.01	0.01	<ul style="list-style-type: none"> <li>- Mr.Kiat sold lands that the Company used as the location for NGV stations to K Venture in December 2014. Thus, the Company had to rent both lands from K Venture instead. The details are as follows</li> <li>- The Company rented land at title deed no. 6242 (see more detail of important contracts for the</li> </ul>	<ul style="list-style-type: none"> <li>- The transaction is corresponding to normal business operation of the Company. With rental fee charged lower than the rent estimated by from independent fee appraiser, whose name registered in SEC's lists, the transaction is reasonable and beneficial to the Company, hence appropriate.</li> </ul>

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		as of 30 June 2017	As of 31 December 2016		
				<p>Company's operation on topic 5.2, part 1) with rental expenses of 3,000 Baht per which was considered lower than estimated price from independent fee appraiser, whose name registered in SEC's lists. The estimated rental rate from independent fee appraiser was 8,000 Baht per month.</p> <p>- The Company rented land at title deed no. 124347, (see more detail of important contracts for the Company's operation on topic 5.2, part 1) with rental fee of 3,000 Baht per month which was considered lower than estimated price from independent fee appraiser, whose name registered in SEC's lists. The estimated rental rate from independent fee appraiser was 14,083 Baht per month.</p>	
6. SR power holding Co., Ltd. ("SRPH")	6.1 Investment in Common Stock	7.50	-	<p>- Since the Company plan to increase its ability and agility to invest in energy business where the Company will start investing in solar energy power plant and expand further to othert types of energy in the future.</p>	<p>- The transaction is to increase the Company's ability and agility to invest in energy business where the Company will start investing in solar energy power plant and</p>

Siam Rajathanee Building 289/9 Moo 10, Old Railway Road, Samrong, Phrapradaeng, Samutprakarn 10130, Thailand

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		as of 30 June 2017	As of 31 December 2016		
					support further expansion to other types of energybusiness in the future, hence the transaction is appropriate.

- Summary of the debt guarantee liability of the Company and Joint Venture by person/juristic person who may have conflict of interest as of 30 June of 2017 as follow:

Guarantor	Borrower	Detail of Credit Line	Detail of Collateral	Necessity and Reasonability of the Transaction and Audit Committee's Opinion
Commercial Bank #1 : Amount of Credit Line THB493.00 million				
The Company	The Company	<ul style="list-style-type: none"> <li>Overdraft (OD)</li> <li>Letter of Guarantee</li> <li>Domestic Letter of Credit, Letter of Credit and Trust Receipt</li> <li>Shipping Guarantee</li> <li>Promissory Note</li> <li>Foreign Exchange Contract</li> </ul>	<ul style="list-style-type: none"> <li>Pledging the Company's right on its fixed deposit</li> </ul>	<p>The Company guaranteed its own credit line from a financial institution who supports the credit for financing the Company's normal business operation; which is corresponding to the condition given by the financial institution and the guarantor does not charge any fee on the Company.</p> <p><u>Audit Committee's Opinion</u></p> <p>This transaction where the guarantor does not charge any fee is reasonable and beneficial for the Company's business operation since this is the requirement for the Company to receive the credit line support from the financial institution for its operation.</p>

English Translation

Guarantor	Borrower	Detail of Credit Line	Detail of Collateral	Necessity and Reasonability of the Transaction and Audit Committee's Opinion
Commercial Bank #2 : Amount of Credit Line THB432.98 million				
The Company	The Company	<ul style="list-style-type: none"> <li>Overdraft (OD)</li> <li>Letter of Guarantee</li> <li>Letter of Credit and Trust Receipt</li> <li>Letter of Guarantee for natural gas piping installation and controlling equipments for navanakorn power plant</li> <li>Promissory Note</li> <li>Foreign Exchange Contract</li> </ul>	<ul style="list-style-type: none"> <li>Pledging the Company's right on its fixed deposit</li> </ul>	<p>The Company guaranteed its own credit line from a financial institution which supports the credit for financing the Company's normal business operation; which is corresponding to the condition given by the financial institution and the guarantor does not charge any fee on the Company.</p> <p><u>Audit Committee's Opinion</u></p> <p>This transaction where the guarantor does not charge any fee is reasonable and beneficial for the Company's business operation since this is the requirement for the Company to receive the credit line support from the financial institution for its operation.</p>
The Company and SRTN	JVSR	<ul style="list-style-type: none"> <li>Natural gas piping installation and gas metering and regulation station construction for Ratchaburi World Cogeneration Co. Ltd               <ul style="list-style-type: none"> <li>Promissory Note</li> <li>Letter of Guarantee</li> <li>Letter of Credit and Trust Receipt</li> </ul> </li> <li>Natural gas piping installation and gas metering and regulation station construction for PPTC Co. Ltd               <ul style="list-style-type: none"> <li>Promissory Note</li> <li>Letter of Guarantee</li> <li>Letter of Credit and Trust Receipt</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Guaranteed by the Company and SRTN</li> <li>Authorized the bank to receive the payment of the project.</li> <li>Guaranteed by the Company and SRTN</li> <li>Authorized the bank to receive the payment of the project.</li> </ul>	<p>The Company and partners guaranteed their own credit line from a financial institution which supports the credit for financing the Company's normal business operation; which is corresponding to the condition given by the financial institution and the guarantors does not charge any fee on the Company.</p> <p><u>Audit Committee's Opinion</u></p> <p>This transaction where the guarantor does not charge any fee is reasonable and beneficial for the Company's business operation since this is the requirement for the Company to receive the credit line support from the financial institution for its operation.</p>

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English Translation

Guarantor	Borrower	Detail of Credit Line	Detail of Collateral	Necessity and Reasonability of the Transaction and Audit Committee's Opinion
		<ul style="list-style-type: none"> <li>Natural gas piping installation and gas metering and regulation station construction for Khanom power plant, 4<sup>th</sup> unit               <ul style="list-style-type: none"> <li>Promissory Note</li> <li>Letter of Guarantee</li> <li>Letter of Credit and Trust Receipt</li> </ul> </li> <li>Natural gas piping installation and gas metering and regulation station construction for power plant within an oil refinery oil refinery of Thai Oil PCL.               <ul style="list-style-type: none"> <li>Promissory Note</li> <li>Letter of Guarantee</li> </ul> </li> <li>Natural gas piping installation and gas metering and regulation station construction for Khlong Luang power plant, Pathumthani               <ul style="list-style-type: none"> <li>Promissory Note</li> <li>Letter of Guarantee</li> <li>Letter of Credit and Trust Receipt</li> <li>Foreign Exchange Contract</li> </ul> </li> <li>Natural gas piping installation and gas metering and regulation station construction for Ban Pong power plant, Ratchaburi               <ul style="list-style-type: none"> <li>Promissory Note</li> <li>Letter of Guarantee</li> <li>Letter of Credit and Trust Receipt</li> <li>Foreign Exchange Contract</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Guaranteed by the Company and SRTN</li> <li>Authorized the bank to receive the payment of the project.</li> <li>Guaranteed by the Company and SRTN</li> <li>Authorized the bank to receive the payment of the project.</li> <li>Guaranteed by the Company and SRTN</li> <li>Authorized the bank to receive the payment of the project.</li> <li>Guaranteed by the Company and SRTN</li> <li>Authorized the bank to receive the payment of the project.</li> </ul>	

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Guarantor	Borrower	Detail of Credit Line	Detail of Collateral	Neccessity and Reasonabilty of the Transaction and Audit Committee's Opinion
Commercial Bank #3 : Amoint of Credit Line THB352.00 million				
The Company	The Company	<ul style="list-style-type: none"> <li>Overdraft (OD)</li> <li>Promissory Note</li> <li>Foreign Exchange Contract</li> <li>Fleet Card Credit Line</li> <li>Letter of Credit and Trust Recei and/or Credit for Payment and/or Domestic Letter of Credit</li> <li>Letter of Guarantee for purchasing and selling NGV gas from PTT</li> <li>Letter of Credit for guarantee the contract to government, state enterrprise, and private unit</li> </ul>	<ul style="list-style-type: none"> <li>Pledging the Compnay's right on its fixed deposit*</li> </ul>	<p>The Company guaranteed its owns credit line from an financial institution who supports the credit for financing the Company's normal business operation; which is correposinding to the condition given by the financial institution and the gurantor does not charge any fee on the Company.</p> <p><b><u>Audit Committee's Opinion</u></b></p> <p>This transaction where the guatantor does not charge any fee is reasonable and beneficial for the Company's business operation since this is the requirement for the Company to receive the credit line support from the financial institution for its operation.</p>
The Companyand SRTN	JVSR	<ul style="list-style-type: none"> <li>Letter of guarantee</li> </ul>	<ul style="list-style-type: none"> <li>Guaranteed by the Company and SRTN</li> </ul>	<p>The Company and partners guaranteed their own credit line from a financial institution which supports the credit for financing the Company's normal business operation; which is correposinding to the condition given by the financial institution and the guarantors does not charge any fee on the Company.</p> <p><b><u>Audit Committee's Opinion</u></b></p> <p>This transaction where the guatantor does not charge any fee is reasonable and beneficial for the Company's business operation since this is the requirement for the Company to receive the credit line support from the financial institution for its operation.</p>

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16.7. Financial Estimation

-None-

16.8. Other information which will significantly impact on investor's decision

-None-

17. Board of Directors's opinion on the sufficiency of the Company's working capital

Board's of Director altogether have the opinion that, for this transaction, the Company have sufficient level of cash for its operation since 45,000,000 Baht worth of cash to be paid came from internal cashflow and/or the proceed from IPO and the rest will be paid by issueing 76,700,00 new shares at par of 0.50 Baht with the offer price of 3.50 Baht to shareholder of T-Holding proportionally to the shareholding structure in T-Holding

18. Ongoing Lawsuit or Claim with significant impacts

As of June 30, 2017, there is an unsolved lawsuit which might cause an impact to the Company's assets more than 5% of shareholder's equity. This legal dispute has occurred in 2012 and the details are as follows;

The Company has been informed about 42 unpaid taxes and duties regarding import of natural gas conversion kits for vehicles from Customs Department. The notification letter has informed the Company to pay for deficient duties and value added taxes, one-time of deficient amount of value added taxes penalty, additional duties and value added taxes, and other expenses in total of 65.89 million Baht. As of June 30, 2015, the case is in the consideration process of Appeal Committees, Customs Department, which has not yet been as official court case. Currently, Appeal Comiitees has not issued pronouncement to the case.

19. Interest or Connected Transaction between the Company, directors, managements and direct and indirect shareholders holding more than 10%

See detail in section of connected transaction

20. Summary of important Contracts and Agreement for the past 2 years

Please consider the Company's form 56-1 for further information. However, between 1 January 2017 to 31 August 2017, the Company and has made joint venture agreement for running management business for parking lot of Thammasat Hospital (which has been disclosure to SET and entire business transfer agreement of Techtronic Holding Company Limited as additionally disclosed in Accounting Information (1)

21. Appointment of Proxy form for shareholder to cease or chose their vote with at least one audit committee as the substitute person

See detail in attachment 10

22. Opinion of Board of Directors on the transaction

According to the Board of Director Meeting, where there is no directors with conflicted of interest or related attending, this transaction has been concurred due to the reason that this purchase of T-holding and entire business ness transfer of T-Holding which include 99.99% of total shares of T will have strong synergy effectr to the Company because T's business is the flow meter design and installation.

The transaction and entire business transfer of T-Holding and T will be beneficial to the Company and the shareholder according to the detail in topic 10). Furthermore, the pricing for this business transferred of 313,450,000 Baht is appropriately calculated and reasonable due to the valuation used to assess the value of the company is based on discounted cashflow model with crucial assumption such as historical performance and its potential growth on revenue and profit in the future etc.

Furthermore, issuing the Company's new shares as the part of the payment for this acquisition and business transfer will maintain the level of Company's liquidity and cashflow in order to expand business further and create more return to the Company's shareholders in the future. Additionally, issuing the Company's news share as the payment business transfer is another way to provide incentive to mangement of T in order to enhacne and increase common benefit and interest of the entire group of the Company as a whole

23. Opinion of Audit Committee or the Company's director which are opposite from other director's opinion

Audit Commitee has given their opinion corresponding to the Company's Directors

Board of Directors affirmed that this information memorandum is correct and complete

Please kindly be informed accordingly

Sincerely yours,

(Mrs. Wacharee Atthakorn)

Authorized to sign on behalf of the Company

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The Opinion of the Independent Financial Advisor  
On the Asset Acquisition and Connected Transaction  
Of  
Siamraj Public Company Limited  
Presented to  
Shareholders



Siamraj Public Company Limited

Prepared by



Asset Pro Management Company Limited

August 28, 2017

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Independent Financial Advisor has provided the definition of term used in this report as follows.

Synonym	Description
The Company or SR	Siamraj Public Company Limited
SCN	Scan Inter Public Company Limited
SRICHA	Sriracha Construction Public Company Limited
SRCH	SR Commercial Holding Company Limited
SRPH	SR Power Holding Company Limited
MLR	Minimum Lending Rate from Commercial Banks
TKS	TKS Venture Company Limited
T-Holding	Techtronic Holding Company Limited
T	Techtronic Company Limited
TAKUNI	Takuni Group Public Company Limited
TRC	TRC Construction Public Company Limited
SET	Stock Exchange of Thailand
SEC	The Office of Securities and Exchange Commission
TorChor.20/2008	Notification of Capital Market Supervisory Board No. TorChor.20/2008 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets
TorChor.21/2008	Notification of Capital Market Supervisory Board No. TorChor.21/2008 Re: Ruled on Connected Transactions
KorChor.17/2008	Notification of the Securities and Exchange Commission No. KorChor.17/2008 Re: Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities
Prohibition of Sale as Notification of SET	Notification of The Stock Exchange of Thailand Re : Rules, Conditions and Procedures Governing the Listing of Ordinary or Preferred Shares Issued for Capital Increase B.E. 2558
Independent Financial Advisor or IFA	Asset Pro Management Company Limited (APM)



Ref. No. APM 113 / 2560

August 28, 2017

Subject        The Opinion of Independent Financial Advisor on Asset Acquisition and Connected Transaction of Siamraj Public Company Limited

Attention       Shareholders of Siamraj Public Company Limited

The Board of Directors of Siamraj Public Company Limited ("the Company" or "SR") has resolved in its meeting no. 8/2017 held on August 9, 2017 to approve the acquisition of Techtronic Holding Co., Ltd. ("T-Holding") in form of Entire Business Transfer (EBT) including the entry into the entire business transfer agreement, the undertaking agreement and other relevant transaction documents. The agreed amount in the Entire Business Transfer Agreement is THB 313.45 million. The Company will make payment in cash for THB 45.00 million. The remaining amount of THB 268.45 million will be paid by issuing 76,700,000 shares by Private Placement (PP) with the par value of THB 0.50 per share. This share issuance for payment of the Entire Business Transfer of T-Holding is 12.78% of the current paid-up capital of the Company. The offered price is THB 3.50 per share. The newly-issued shares will be offered to Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit who are current shareholders, directors, and executives of T-Holding and Techtronic Co., Ltd. ("T") which is a subsidiary of T-Holding and T-Holding holds 59,998 shares in T or 99.99% (Hereinafter referred to as "the Entire Business of T-Holding"). This total payment in for the entire business transfer of T-Holding including assets, liabilities, and ordinary shares of T. Moreover, the Company will appoint Mr. Torchok Laoluechai who is a shareholder, director, and executive of T-Holding and T as the executive committee of the Company which will have the status equivalent to the executives and the risk management committee of the Company after the complete of this transaction.

After the complete of this transaction, the authorized capital of the Company will increase by THB 38.35 million from THB 300.00 million to THB 338.35 million. The new ordinary shares will be issued by Private Placement (PP) for 76,700,000 shares with the par value of THB 0.50 per share to the shareholders of T-Holding with the offered price of THB 3.50. The shares will be offered to Mr. Torchok Laoluechai for 46,020,000 shares which is 6.80% of authorized capital after the complete of the transaction. Moreover, the shares will be offered to Mr. Chatchawan Jetjumnongkit for 30,680,000 shares which is 4.53% of authorized capital after the complete of the transaction. Thereafter, T-Holding will request for the liquidation with the Department of Business Development, Ministry of Commerce within 2017 and start the liquidation process and T will become a subsidiary of the Company with ownership proportion of 99.99%. The Company has the resolution to appoint 3 representatives of the Company as the directors in T together with Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit who are current directors of T. After including the ordinary shares that these two persons held before the transaction of 497,600 shares and 89,000 shares, they will hold ordinary shares of the Company after the transaction of 46,517,600 shares and 30,769,000 shares which are 6.87% and 4.55% respectively.

The acquisition of the entire business of T-Holding is considered as the acquisition of other company or the private company in accordance with Article 107 of Public Company Act B.E. 2535 (including any revision) and the acquisition of assets in accordance with Notification of Capital Market Supervisory Board No. TorChor 20/2008 dated August 31, 2008 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets ("Rules on Acquisition and Disposal") and Notification of the Board of Governors of the Stock Exchange of Thailand No. Bor.Jor./Por. 21-01 dated October 29, 2004 Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 as well as other related notifications. The size of transaction based on the maximum amount using Net Profit is 34.70%. After including any asset acquisition within past 6 months which is 36.65% based on total value of consideration, the total transaction size becomes 63.09% based on total value of consideration. This asset acquisition is classified as Class 1 in accordance with Rules on Acquisition and Disposal with the transaction size more than 50% but less than 100%. The Company needs to prepare the report and disclose information to the Stock Exchange of Thailand ("SET") and propose to the shareholders meeting to get the approval by the resolution of shareholders meeting with at least three-fourths of total votes of shareholders or proxies (if any) attending the meeting and eligible to vote, excluding interested shareholders.

Moreover, after the acquisition and entire business transfer of T-Holding, the Company will appoint Mr. Torchok Laoluechai as the executive committee (same level as the executive of the Company) and the risk management committee of the Company. The Transaction is considered to be the transaction with connected person in accordance with the Notification of Capital Market Supervisory Board No. TorChor. 21/2008 Re: Ruled on Connected Transactions and Notification of the Board of Governors of the Stock Exchange of Thailand No. BorJor/Por 22-01 Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546. The size of transaction is 37.03% of NTA of the Company as of June 30, 2017 which is higher than THB 20.00 million or more than 3.00% of net tangible assets (NTA) of the Company. The Company needs to disclose information to the Stock Exchange of Thailand ("SET") and gets the approval from the Board of Directors as well as the Company needs to propose to the shareholders meeting to get the approval by the resolution of shareholders meeting with at least three-fourths of total votes of shareholders or proxies (if any) attending the meeting and eligible to vote, excluding interested shareholders.

In this case, shareholders who are not eligible to vote include Mr. Torchok Laoluechai who currently holds 497,600 shares or 0.08% of total outstanding shares, Ms. Nareerat Jitsansuey who is the wife of Mr. Torchok Laoluechai and currently holds 180,000 shares or 0.03%, and Mr. Chatchawan Jetjumnongkit who currently holds 89,000 shares or 0.01% of total outstanding shares before the Transaction. Total number of shares that are not eligible to vote is 766,600 shares or 0.13% (Based on the latest book closing on August 28, 2017) of total outstanding shares before the Transaction.

Therefore, the Company has appointed Asset Pro Management Co., Ltd. ("Independent Financial Advisor" or "APM") as the Independent Financial Advisor to provide the opinion to shareholders regarding to acquisition of

assets and connected transactions for the Extraordinary General Meeting of Shareholder No. 2/2017 which will be held on October 3, 2017 on 13.30hrs. at the Srinakarin Meeting Room 2, Dusit Princess Hotel, Srinakarin Road, Nong Bon Sub-District, Prawet District, Bangkok 10250. In this report, IFA has considered the reasonableness of the transaction independently under professional standard based on the benefits of all shareholders fairly.

The advantages and disadvantages of entering into the Transaction, the advantages and disadvantages of not entering into the Transaction, the advantages and disadvantages of entering into the Transaction with connected person, and the advantages and disadvantages of entering into the Transaction with outsider as well as risk of the Transaction can be summarized as follows.

Advantages of Entering into the Transaction and Disadvantages of <u>Not</u> Entering into the Transaction	
1) Create Synergy with Other Business Units of the Company 2) Having More Revenues and Profits from Operating Performance of T after the Transaction 3) Reducing Risk from Depending on Business Related to Natural Gas 4) Having a New Business Unit without Establishing from Scratch 5) Integrating Knowledge and Technology to Improve the Process of Providing Services 6) No Price Dilution for Current Shareholders 7) Reducing the Potential Competitor in the Future	
Disadvantages of Entering into the Transaction and Advantages of <u>Not</u> Entering into the Transaction	
1) Control Dilution and Earning Dilution Effect	
Advantages of Entering into the Transaction with Connected Person	
1) Getting the Executives of T to Work with the Company 2) Incentives for the Executives of T to Work with the Company for Long Term	
Disadvantages of Entering into the Transaction with Connected Person and Advantages of Entering into the Transaction with Outsider	
1) None	
Disadvantages of Entering into the Transaction with Outsider	
1) Not Getting Knowledge and Experience from the Executives of T	
Risks of Entering into the Transaction and Not Entering into the Transaction	
Risks of Entering into the Transaction	Risks of Not Entering into the Transaction
1) Underperformance of T 2) The Executives of T will resign 3) The current credit of T will be terminated by financial institution	1) the Company needs to expand into flow measurement and industrial pipeline business by itself 2) T may become a competitor of the Company in the future

## Summary of the Opinion of IFA about the Fairness of Price in the Transaction

IFA has determined the fair value of the Transaction and opined that the most appropriate approach is discounted cash flow approach which is the calculation of present value of free cash flow based on financial projection of the Company and appropriate discount rate. This valuation approach can reflect other related factors. The fair value of the Transaction is THB 261.60 – 342.32 million which is lower than the transaction price by THB 51.85 million and higher than the transaction price by THB 28.87 million or lower by 16.54% and higher by 9.21% of transaction price.

Based on the above reasons, IFA has opined that the transaction price of THB 313.45 million is fair and reasonable.

## Summary of the Opinion of IFA about the Fairness and Reasonableness of Offered Price of SR as the Payment for the Transaction

IFA has opined that the most appropriate approach to determine the fair value of ordinary share of SR is market price approach which is based on the market price traded in SET. This market price has already reflected many factors that may affect the performance of the Company as well as overall market conditions and economic conditions. The value of share from this valuation approach is THB 2.88 – 3.36 per share which is lower than the transaction price of THB 3.50 by THB 0.14 – 0.62 per share or lower by 4.00 – 17.71% of transaction price.

Based on above reasons, IFA has opined that the offered price by private placement of THB 3.50 per share as the payment for the Transaction is fair and reasonable.

After the entire business transfer of T-Holding, the Company will receive all assets, liabilities, and rights of T-Holding. The major asset is ordinary share of T for 59,998 shares which is 99.99% of authorized capital of T. The important conditions in the Transaction are as follows.

- Under condition precedents of entire business transfer agreement, T-Holding needs to get consent from financial institution regarding to the restriction in transferring of share of T and the conditions on removing as the guarantor of the transferrer and the former guarantor. The Company will get both rights and obligations of T. With the consent from financial institution, this will not breach the loan agreement.
- Under the payment in the entire business transfer of THB 313.45 million including 1) cash of THB 45.00 million after deducting liabilities that the transferrer will receive from the transferee, and 2) issuance of ordinary share by private placement for 76,700,000 shares with par value of THB 0.50 and offered price of THB 3.50. For cash payment, there is a condition that T-Holding will receive cash payment after deducting liabilities of T-Holding. After the Transaction, the Company will receive all assets, liabilities, and rights of T-Holding. After the payment of cash deducting liabilities, the Company has no burden to prepare cash for payment of liabilities from the business transfer. Moreover, the issuance of ordinary shares by

private placement with offered price of THB 3.50 to make payment of the Transaction is higher than the weighted average price of shares of the Company traded in SET during 15 trading days before the Board of Directors had the resolution to approve the Transaction which is THB 3.02 per share. This condition complies with the Notification of the Capital Market Supervisory Board No. TorJor.72/2558 Re: Approval to Listed Companies of offer sale of new common shares in the Manner of Private Placement.

- Under the conditions in entire business transfer agreement, the transferrer will be responsible for any fees, duties, and expenses related to the process of transferring. Therefore, the Company does not need to be responsible for any related expense.
- Under the term and conditions of Lock-up for newly-issued shares of the Company in the Undertaking Agreement, the period of prohibiting from selling, distributing, transferring, or create obligations during 5 years with the following details.

Period	Proportion of Newly-Issued Shares Subject to Lock-up
From The First Day to Year 2	100% of newly-issued shares
From Year 2 to Year 3	75% of newly-issued shares
From Year 3 to Year 4	50% of newly-issued shares
From Year 4 to Year 5	25% of newly-issued shares

This condition will motivate directors and executives of T to work hard for T as a subsidiary of the Company during 5-year period.

- However, if new shareholders get newly-issued shares with offered price lower than 90% of market price in accordance with the Notification of The Stock Exchange of Thailand Re : Rules, Conditions and Procedures Governing the Listing of Ordinary or Preferred Shares Issued for Capital Increase B.E. 2558 (The market price is the weighted average price of shares traded in SET at least 7 trading day to 15 trading day before the issuance date), new shareholders are prohibited from selling these shares within 1 year after the first trading day. After 6 months, new shareholders can proportionately sell these shares for 25% of shares under prohibition ("Prohibition of Sale as Notification of SET").
- Under the condition about prohibition of competition specified in the amendment no. 2 of the undertaking agreement (More information in 1.5.3), Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumongkit will not be able to work in other businesses in Thailand with similar or being competitor of T and/or the Company after resigning from directors and/or executives of T and/or the Company. Moreover, they cannot persuade customers or distributors of T and/or the Company not to deal business with T and/or the Company within 2 years after resignation.
- Under the conditions in entire business transfer agreement, if the Extraordinary General Meeting of Shareholder does not approve the Transaction, the agreement will be terminated automatically and the transferrer cannot claim for any compensation from the Company.

- The Board of Directors has resolved in its meeting no. 8/2017 to approve the Transaction and appoint Mr. Torchok Laoluechai who is a shareholder of T-Holding as well as director and executive of T as the executive committee and the risk management committee of the Company after the complete of this transaction if the shareholders approve the Transaction. The appointment of the executive of T as the executive committee of the Company will allow Mr. Torchok Laoluechai to acknowledge the policy directly from the Board of Directors and will work together with the Board to determine the policy of T to move towards the best direction for the Company.

Based on above conditions, **IFA has opined that the conditions of the Transaction are appropriate.**

#### Summary of the Opinion of IFA

Based on above information, IFA has considered the acquisition of Techtronic Holding Company Limited ("T-Holding") in form of Entire Business Transfer (EBT) including the entry into the relevant transactions. The entire business transfer of T-Holding will allow the Company to receive all asset, liabilities, and rights of T-Holding. The major acquired asset is ordinary shares of Techtronic Company Limited ("T") for 59,998 shares which is 99.99% of authorized capital of T. The agreed amount in the Entire Business Transfer Agreement is THB 313.45 million. The Company will make payment in cash for THB 45.00 million. The remaining amount of THB 268.45 million will be paid by issuing 76,700,000 shares by Private Placement (PP) with the par value of THB 0.50 per share. This share issuance for payment of the Entire Business Transfer of T-Holding is 12.78% of the current paid-up capital of the Company. The offered price is THB 3.50 per share. The newly-issued shares will be offered to Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit who are current shareholders and directors of T-Holding as well as directors and executives of T. After the Transaction, the Company will appoint Mr. Torchok Laoluechai as the executive committee of the Company which be in the same level as the executives and the risk management committee of the Company after the complete of this transaction. The business of T will continue running. Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit are still directors together with 3 directors appointed by the Company to look over the business of T. This Transaction is the acquisition of assets from the executive of the Company (After the Transaction) which is considered to be the acquisition of assets from the connected person.

Entering into the Transaction, the Company can expand its business to another related business immediately, especially for the flow metering systems for industrial pipeline systems which have the same customer base as the Company. The Company can acquire experience and know-how from the executives of T who have experience more than 20 years as well as can create synergy with other business units of the Company like Metering and pipeline transmission Unit and Engineered pumps and systems Unit. Moreover, the Company can combine the performance of T into the consolidated financial statement of the Company after the Transaction.

The agreed amount of payment in the entire business transfer (EBT) agreement of T-Holding is THB 313.45 million. IFA has opined that this amount is fair and appropriate for the entire business transfer of T-Holding. The fair value of the Transaction using the discounted cash flow approach is THB 261.60 – 342.32 million. Compared to the

transaction price, the value is lower by THB 51.85 million and higher by THB 28.87 million or lower by 16.54% and higher by 9.21% of transaction price. The part of payment is in form of ordinary shares of the Company which will be issued by private placement (PP) for 76,700,000 shares with offered price of THB 3.50 per share. The share issuance may create control dilution effect and earnings dilution effect of 11.33%. However, the offered price in private placement is higher than the fair value of share using market price approach or weighted average market price of shares backward for 7 trading days to 360 trading days starting from August 8, 2017 which is the last trading day before the Board of Directors has the resolution to approve the Transaction. The market price approach can better reflect the true value of the Company. The fair value of share is THB 2.88 – 3.36 per share which is lower than the offered price by THB 0.14 – 0.62 per share or lower by 4.00% - 17.71% of the offered price. Therefore, IFA has considered the fairness of price and reasonableness of the conditions in the Transaction including advantages and disadvantages of entering or not entering into the Transaction and has opined it is better for the Company to enter into the Transaction. IFA has opined that shareholders should vote for this Transaction.

Asset Pro Management Co., Ltd. as the Independent Financial Advisor has performed the due diligence and analysis of various information with prudence under the professional standards. The opinion is based on the information and documents received from related parties including from executives of the Company. It is assumed that all received information are completely accurate based on the current condition and situation. If there is any significant change from the current condition and/or some information are inaccurate, it may significantly affect the opinion of IFA in this report and this is not the responsibility of IFA.

The shareholders should study the information in this IFA report and related documents to come up with own justification for making appropriate decision. The decision to vote for or against the transactions rests primarily with the shareholders.

## Part 1 : Overview of Asset Acquisition from the Connected Person

### 1.1 Objective and Background

The Board of Directors of Siamraj Public Company Limited (“the Company” or “SR”) has resolved in its meeting no. 8/2017 held on August 9, 2017 to approve the acquisition of Techtronic Holding Company Limited (“T-Holding”) in form of Entire Business Transfer (EBT) including the entry into the entire business transfer agreement, the undertaking agreement and other relevant transaction documents. The agreed amount in the Entire Business Transfer Agreement is THB 313.45 million. The Company will make payment in cash for THB 45.00 million. The remaining amount of THB 268.45 million will be paid by issuing 76,700,000 shares by Private Placement (PP) with the par value of THB 0.50 per share. This share issuance for payment of the Entire Business Transfer of T-Holding is 12.78% of the current paid-up capital of the Company. The offered price is THB 3.50 per share. The newly-issued shares will be offered to Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit who are current shareholders, directors, and executives of T-Holding and Techtronic Company Limited. (“T”) which is a subsidiary of T-Holding and T-Holding holds 59,998 shares in T or 99.99% (Hereinafter referred to as “the Entire Business of T-Holding”). This total payment in for the entire business transfer of T-Holding including assets, liabilities, and ordinary shares of T. Moreover, the Company will appoint Mr. Torchok Laoluechai who is a shareholder, director, and executive of T-Holding and T as the executive committee of the Company which be in the same level as the executives and the risk management committee of the Company after the complete of this transaction.

After the complete of this transaction, the authorized capital of the Company will increase by THB 38.35 million from THB 300.00 million to THB 338.35 million. The new ordinary shares will be issued by Private Placement (PP) for 76,700,000 shares with the par value of THB 0.50 per share to the shareholders of T-Holding with the offered price of THB 3.50. The shares will be offered to Mr. Torchok Laoluechai for 46,020,000 shares which is 6.80% of authorized capital after the complete of the transaction. Moreover, the shares will be offered to Mr. Chatchawan Jetjumnongkit for 30,680,000 shares which is 4.53% of authorized capital after the complete of the transaction. Thereafter, T-Holding will request for the liquidation with the Department of Business Development, Ministry of Commerce within 2017 and start the liquidation process and T will become a subsidiary of the Company with ownership proportion of 99.99%. The Company has the resolution to appoint 3 representatives of the Company as the directors in T together with Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit who are current directors of T. After including the ordinary shares that these two persons held before the transaction of 497,600 shares and 89,000 shares, they will hold ordinary shares of the Company after the transaction of 46,517,600 shares and 30,769,000 shares which are 6.87% and 4.55% respectively.

The acquisition of the entire business of T-Holding is considered as the acquisition of other company or the private company in accordance with Article 107 of Public Company Act B.E. 2535 (including any revision) and the acquisition of assets in accordance with Notification of Capital Market Supervisory Board No. TorChor 20/2551 dated August 31, 2008 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of



Assets ("Rules on Acquisition and Disposal") and Notification of the Board of Governors of the Stock Exchange of Thailand No. Bor.Jor./Por. 21-01 dated October 29, 2004 Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 as well as other related notifications. The size of transaction based on the maximum amount using Net Profit is 34.70%. After including any asset acquisition within past 6 months which is 36.65% based on total value of consideration, the total transaction size becomes 63.09% based on total value of consideration. This asset acquisition is classified as Class 1 in accordance with Rules on Acquisition and Disposal with the transaction size more than 50% but less than 100%. The Company needs to prepare the report and disclose information to the Stock Exchange of Thailand ("SET") and propose to the shareholders meeting to get the approval by the resolution of shareholders meeting with at least three-fourths of total votes of shareholders or proxies (if any) attending the meeting and eligible to vote, excluding interested shareholders.

Moreover, after the acquisition and entire business transfer of T-Holding, the Company will appoint Mr. Torchok Laoluechai as the executive committee (same level as the executive of the Company) and the risk management committee of the Company. The Transaction is considered to be the transaction with connected person in accordance with the Notification of Capital Market Supervisory Board No. TorChor. 21/2008 Re: Ruled on Connected Transactions and Notification of the Board of Governors of the Stock Exchange of Thailand No. BorJor/Por 22-01 Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546. The size of transaction is 37.03% of NTA of the Company as of June 30, 2017 which is higher than THB 20.00 million or more than 3.00% of net tangible assets (NTA) of the Company. The Company needs to disclose information to the Stock Exchange of Thailand ("SET") and gets the approval from the Board of Directors as well as the Company needs to propose to the shareholders meeting to get the approval by the resolution of shareholders meeting with at least three-fourths of total votes of shareholders or proxies (if any) attending the meeting and eligible to vote, excluding interested shareholders.

In this case, shareholders who are not eligible to vote include Mr. Torchok Laoluechai who currently holds 497,600 shares or 0.08% of total outstanding shares, Ms. Nareerat Jitsansuey who is the wife of Mr. Torchok Laoluechai and currently holds 180,000 shares or 0.03%, and Mr. Chatchawan Jetjumnongkit who currently holds 89,000 shares or 0.01% of total outstanding shares before the Transaction. Total number of shares that are not eligible to vote is 766,600 shares or 0.13% (Based on the latest book closing on August 28, 2017) of total outstanding shares before the Transaction.

Therefore, the Company has appointed Asset Pro Management Company Limited ("Independent Financial Advisor" or "APM") as the Independent Financial Advisor to provide the opinion to shareholders regarding to acquisition of assets and connected transactions for the Extraordinary General Meeting of Shareholder No. 2/2017 which will be held on October 3, 2017 on 13.30 hrs. at the Srinakarin Meeting Room 2, Dusit Princess Hotel, Srinakarin Road, Nong Bon Sub-District, Prawet District, Bangkok 10250. In this report, IFA has considered the

reasonableness of the transaction independently under professional standard based on the benefits of all shareholders fairly. The important documents and information are as follows.

- The annual financial statement of T-Holding for the year ended December 31, 2016
- The annual financial statement of T for the year ended December 31, 2016 that has been audited by the Certified Public Accountant approved by the Office of Securities and Exchange Commission ("SEC"), which is PricewaterhouseCoopers ABAS Ltd. (PWC)
- The interim financial statement for six months ended June 30, 2017 done by management team of T
- Legal due diligence of T-Holding and T from legal advisor
- Property Appraisal Report of T by the Independent Appraiser approved by SEC
- Property Appraisal Report of the Company by the Independent Appraiser approved by SEC
- Information memorandum regarding to the asset acquisition and connected transaction in purchasing and entire business transferring of T-Holding
- Capital Increase Report
- The entire business transfer agreement between the Company and shareholders of T-Holding
- The undertaking agreement between the Company and shareholders of T-Holding / including the amendment no. 1 and no. 2

## 1.2 Transaction Date

The Board of Directors of the Company has resolved in its meeting no. 8/2017 held on August 9, 2017 to approve the acquisition of Techtronic Holding Company Limited ("T-Holding") in form of Entire Business Transfer (EBT) including the entry into the other relevant agreements. However, the transaction will be completed after the condition precedents are satisfied before or within the transfer date (Otherwise, it may be exempted or respited by section 5.2 of the entire business transfer agreement). These condition precedents are specified in the attachment no. 3 of the entire business transfer agreement between the Company ("Transferee") and T-Holding ("Transferrer") as follows.

### 1) Condition Precedents

- 1.1) On the transfer date, there is no event or activity that has the negative impact or is expected to have the negative impact to T significantly or being the obstacle for the transaction as specified in this agreement
- 1.2) There is no legal by government agencies that is effective or will be effective in prohibiting of this entire business transfer.

1.3) There is no lawsuit about T-Holding or T either as plaintiff or defendant that may affect to the complete of the entire business transfer as in this agreement. Moreover, there is no lawsuit or action by anyone that will dispute the transaction in this agreement.

1.4) The transferee, Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit have signed the undertaking agreement dated August 10, 2017

2) Condition Precedents responsible by transferrer

2.1) The confirmation and guarantee by the transferrer is completely correct

2.2) The Board of Directors and the Extraordinary General Meeting of Shareholder of the transferrer have approved the following issues.

a) The entire business transfer to the transferee upon the conditions specified in this agreement

b) Entering into the agreement with the transferee and

c) Any related actions so that the transferrer can act in accordance with this agreement so as to complete the entire business transfer

d) The liquidation of the company

e) Appointment of liquidator and determining the remuneration

f) Appointment of auditors and determining the fees

2.3) The transferrer will take action for the Board of Directors of T to have the resolution to arrange the shareholder meeting on the transfer date to consider and approve the change of directors and authorized directors of T based on the agreement with the transferee.

2.4) The transferrer will take action for T to get the consent from the bank no. 3 allowing the share transfer of T to the transferee and this transfer will not breach the agreement between T and the bank. Thereafter, the transferrer will send the evidence of the consent from the bank no. 3 to the transferee to inspect.

2.5) The transferrer will take action for T to get the certificate on building construction, modification, and moving (Form Aor. 6) for the building used as the warehouse and office at Noen Phra Sub-District, Mueang Rayong District, Rayong on Title Deed No. 92335 and the permit on building construction, modification, and moving (Form Aor. 1) no. Kor. 038/2016 issued on September 15, 2016. The transferrer will also deliver the photocopy of the certificate on building construction, modification, and moving (Form Aor. 6) to the transferee to inspect.

2.6) The transferrer and T must take action to get consent from bank no. 3 in (1) Terminating of any contract of suretyship of the transferrer or (2) transferring of any right and obligation under the contract of suretyship to other parties. The transferrer will deliver the photocopy of the evidence of terminating any contract of suretyship or the consent from the bank to the transferee to inspect.

2.7) The transferrer and T must take action to get consent from bank no. 1 in (1) Terminating of any contract of suretyship of the transferrer or (2) transferring of any right and obligation under the

contract of suretyship to other parties. The transferrer will deliver the photocopy of the evidence of terminating any contract of suretyship or the consent from the bank to the transferee to inspect.

3) Condition Precedents responsible by transferee

3.1) The confirmation and guarantee by the transferee is completely correct

3.2) The Board of Directors and the Extraordinary General Meeting of Shareholder of the transferee have approved the following issues.

- a) The purchase and receive of entire business transfer from the transferrer – the transaction about asset acquisition and connected transaction
- b) The capital increase of the company and share issuance by private placement (PP) for 76,700,000 shares (Seventy-Six Million Seven Hundred Thousand Shares) with the par value of THB 0.50
- c) Entering into this agreement with the transferrer and
- d) Taking any action so as to comply with the responsibility of the transferee in this agreement to complete the entire business transfer

### 1.3 Related Parties and Relationship

#### 1.3.1 Related Parties

Transferee (Buyer) : Siamraj Public Company Limited

Transferrer (Seller) : Techtronic Holding Company Limited

#### 1.3.2 Relationship

The relationship among related parties can be summarized as follows.

Shareholders of T-Holding <sup>1</sup>		Relationship with the Company	T-Holding		
			Position	Number of Share	%
1	Mr. Torchok Laoluechai	- Will be appointed as executive committee (same level as executives) and risk management committee after the entire business transfer - Holds 497,600 shares of the Company <sup>1</sup>	Director	36,000	60.00%
2	Mr.Chatchawan Jetjumnongkit <sup>2</sup>	- Holds 89,000 shares of the Company <sup>1</sup>	Director	23,999	39.99%
3	Ms.Wanee Jetjumnongkit <sup>2</sup>	-	-	1	0.01%
4	Ms.Nareerat Jitsansuey <sup>3</sup>	- Holds 180,000 shares of the Company	-	-	-
Total				60,000	100.00%

Note: <sup>1</sup> List of shareholders is based on the latest book closing on March 15, 2017

<sup>2</sup> Mr. Chatchawan Jetjumnongkit and Ms.Wanee Jetjumnongkit are spouse

<sup>3</sup> Mr. Torchok Laoluechai and Ms. Nareerat Jitsansuey are spouse

Each shareholder of T-Holding is not a shareholder who holds more than 10% of voting rights of the Company both directly and indirectly, Therefore, based on the ownership proportion of Mr. Torchok Laoluechai, Mr. Chatchawan Jetjumnongkit, and Ms.Wanee Jetjumnongkit, the Transaction is not considered to be done with the connected person.

However, the Board of Directors of the Company has resolved in its meeting no. 8/2017 held on August 9, 2017 has approved to enter into the Transaction and Mr. Torchok Laoluechai who is a shareholder and director of T-Holding and T will be appointed as the executive committee (same level as the executive of the Company) and the risk management committee. This will be effective after the shareholder meeting approves the Transaction. Therefore, the transaction will be considered as the transaction with connected person in accordance with the Notification of Capital Market Supervisory Board No. TorChor. 21/2008 Re: Ruled on Connected Transactions and Notification of the Board of Governors of the Stock Exchange of Thailand No. BorJor/Por 22-01 Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546.

#### 1.4 Overview of the Transaction

The Company will acquire Techtronic Holding Company Limited ("T-Holding") in form of Entire Business Transfer (EBT) for THB 313.45 million. The payment term is as follows.

- 1) The Company will make cash payment of THB 45.00 million after deducting transferred liabilities
- 2) The Company will make payment for entire business transfer of THB 268.45 million by issuing ordinary shares for 76,700,000 shares (Seventy-Six Thousand Seven Hundred Shares) with par value of THB 0.50 and offered price of THB 3.50. This offered price is not lower than 90% of market price in accordance with related notifications from SEC.

After the shareholder meeting approves to enter into the Transaction and other related transactions, the Company will get the entire business transfer of T-Holding. The key asset in this transfer is ordinary shares of T for 59,998 shares or 99.99% of authorized capital of T.

As of June 30, 2017, total assets and total liabilities are as follows.

Item	Financial Statement of T as of June 30, 2017 (THB million)***
Total Assets*	101.55**
Total Liabilities*	53.94

Note: \*T-Holding has no consolidated financial statement combining the performance of T.

\*\*The performance and financial position of T-Holding is investment in T that is a subsidiary with ownership proportion of 99.99%.

\*\*\*The financial statement for six months ended June 30, 2017 is the statement prepared by the management of T that was not reviewed or audited by the auditor. This financial statement is for

disclosing information. IFA has no duty to review and/or audit the financial statement in accordance to the acceptable accounting standard.

The Entire Business Transfer will be done after the shareholder meeting has approved the transaction on November 1, 2017 or any date agreed by both parties. However, the completeness of transaction depends on the condition precedents specified in the entire business transfer agreement dated August 10, 2017. There are condition precedents specifying that the shareholder meeting must approve the purchase and entire business transfer of T-Holding as well as other actions that are necessary and/or related to the entire business transfer. Meanwhile, T-Holding will transfer the entire business to the Company and will request for liquidation within 2017.

During the liquidation process of T-Holding, the remaining assets of T-Holding on that time will be transferred to shareholders. In this case, it will be the ordinary shares of the Company issued by private placement (PP) to shareholders of T-Holding. To reduce the process, T-Holding specified in the entire business transfer agreement that the Company will make payment in form of cash to T-Holding and 76,700,000 ordinary shares of the Company will be issued directly to shareholders of T-Holding. After the entire business transfer of T-Holding, the Company will be a shareholder of T with proportion of 99.99%. The process of entire business transfer of T-Holding can be summarized as follows.

**Step 1** T-Holding will transfer all assets, liabilities, rights, and obligations of T-Holding on the transfer date to the Company, which is mainly ordinary shares of T for 59,998 shares.

**Step 2** The Company will make payment for business transfer to T-Holding for THB 313.45 million as follows.

- (1) Cash of THB 45.00 million will be paid to T-Holding. The transferee will transfer to the transferor the amount after deducting any liabilities that the transferee takes from transferor.
- (2) The remaining of THB 268.45 million will be paid in form of ordinary shares of the Company. 76,700,000 shares with par value of THB 0.50 per share will be issued by private placement (PP) to the shareholders of T-Holding with offered price of THB 3.50. This offered price is not less than 90% of the market price in accordance of related notifications from SEC.

The Entire Business Transfer will be done after the shareholder meeting has approved to enter into the Transactions and other transactions necessary and/or relevant to the entire business transfer of T-Holding on November 1, 2017 or any other date agreed by both parties (upon the complete of condition precedents). T Holding will transfer the entire business to the Company and process for liquidation within 2017. During the liquidation process of T-Holding, the remaining assets of T-Holding on that time will be transferred to shareholders. In this case, it will be the ordinary shares of the Company issued by private placement (PP) to shareholders of T-Holding. To reduce the process, T-Holding specified in the entire

business transfer agreement that the Company will make payment in form of cash to T-Holding and 76,700,000 ordinary shares of the Company will be issued directly to shareholders of T-Holding.

### Step 3

After the complete of entire business transfer between the Company and T-Holding, the transferrer will take further actions including the liquidation process with the Department of Business Development. During the liquidation process, all remaining assets will be transferred back to shareholders of T-Holding proportionately including cash that T-Holding will receive as compensation from business transfer.

The amount of cash that will be transferred proportionately to shareholders of T-Holding is the amount after deducting all expenses or fees related to liquidation process.

#### Allotment of Newly-Issued Shares of the Company to Shareholders of T-Holding

Shareholders of T-Holding		Number of Shares	%	Number of Offered Shares
1.	Mr. Torchok Laoluechai	36,000	60.00%	46,020,000
2.	Mr. Chatchawan Jetjumongkit	23,999	40.00%	30,680,000
3.	Ms. Wanee Jetjumongkit	1	00.00%	-
<b>Total</b>		<b>60,000</b>	<b>100.00%</b>	<b>76,700,000</b>

Note: Mr. Chatchawan Jetjumongkit and Ms. Wanee Jetjumongkit are spouse

#### List of Shareholders before and after Business Transfer

Based on the list of shareholders on August 28, 2017

No	List of Shareholders	Before the Transaction		Share Offering		After the Transaction	
		Number of Share	%	Number of Share	%	Number of Share	%
1	Vimolchalao Family	366,000,000	61.00			366,000,000	54.09
	1.1.Mr. Kiat Vimolchalao	212,100,000	35.35			212,100,000	31.34
	1.2 Mr. Krittin Vimolchalao	51,300,000	8.55			51,300,000	7.58
	1.3 Mr. Krittina Vimolchalao	51,300,000	8.55			51,300,000	7.58
	1.4 Ms. Wacharaporn Vimolchalao	51,300,000	8.55			51,300,000	7.58
2	Neesanant Family	57,704,900	9.62			57,704,900	8.53
	2.1 Mr. Charuphot Neesanant	28,800,000	4.80			28,800,000	4.26
	2.2 Ms. Nakanant Neesanant	26,007,000	4.33			26,007,000	3.84
	2.3 Mrs. Uratcha Neesanant	2,897,900	0.48			2,897,900	0.43
3	Makaranond Family	14,049,000	2.34			14,049,000	2.08
	3.1 Mr. Poonsuk Makaranond	8,414,000	1.40			8,414,000	1.24
	3.2 Mr. Thanachit Makaranond	5,485,000	0.91			5,485,000	0.81
	3.3 Mr. Phakorn Makaranond	150,000	0.03			150,000	0.02

No	List of Shareholders	Before the Transaction		Share Offering		After the Transaction	
		Number of Share	%	Number of Share	%	Number of Share	%
4	Mr. Wipong Rattanasiriwilai	15,600,000	2.60			15,600,000	2.31
5	Mr. Surapon Tangkprasert	7,932,000	1.32			7,932,000	1.17
6	Mr. Chartchai Pookyaporn	7,200,000	1.20			7,200,000	1.06
7	Ms. Uraiporn Chalermasaphayakorn	5,900,000	0.98			5,900,000	0.87
8	Mr. Siripong Kanakup	4,628,900	0.77			4,628,900	0.68
9	Mr. Pornsin Kraissukawat	4,266,300	0.71			4,266,300	0.63
10	Ms. Fuengfa Siripoorikan	4,215,000	0.70			4,215,000	0.62
	Total of Top 10 Shareholders	487,496,100	81.25			487,496,100	72.04
	Shareholders of T-Holding	766,600	0.13	76,700,000	100.00	77,466,600	11.45
	Mr. Torchok Laoluechai	497,600	0.08	46,020,000	60.00	46,517,600	6.87
	Mr. Chatchawan Jetjumnongkit	89,000	0.02	30,680,000	40.00	30,769,000	4.55
	Ms. Nareerat Jitsansuey*	180,000	0.03			180,000	0.03
	Other shareholders	111,737,300	18.62			111,737,300	16.51
	Total	600,000,000	100.00	76,700,000	100.00	676,700,000	100.00

Note: \* Mr. Torchok Laoluechai and Ms. Nareerat Jitsansuey are spouse

## 1.5 Details of Acquisition

The entire business transfer of T-Holding is the asset acquisition Class 1 in accordance with Rules on Asset Acquisition and Disposal and the connected transaction of the listed company as the Notification about asset acquisition from connected person. The Company needs to disclose information to SET and propose to the shareholders meeting to get the approval by the resolution of shareholders meeting with at least three-fourths of total votes of shareholders or proxies (if any) attending the meeting and eligible to vote, excluding interested shareholders as well as prepare the report regarding to this information. To get approval from shareholders, the Company needs to appoint Independent Financial Advisor (IFA) to provide the opinion regarding to the Transaction

In this case, shareholders who are not eligible to vote include Mr. Torchok Laoluechai who currently holds 497,600 shares or 0.08% of total outstanding shares, Ms. Nareerat Jitsansuey who is the wife of Mr. Torchok Laoluechai and currently holds 180,000 shares or 0.03%, and Mr. Chatchawan Jetjumnongkit who currently holds 89,000 shares or 0.01% of total outstanding shares before the Transaction. Total number of shares that are not eligible to vote is 766,600 shares or 0.13% (Based on the latest book closing on August 28, 2017) of total outstanding shares before the Transaction.

Moreover, the entire business transfer of T-Holding depends on the important conditions of the entire business transfer between the Company and T-Holding ("Entire Business Transfer Agreement") and the undertaking agreement between the Company, Mr. Torchok Laoluechai, and Mr. Chatchawan Jetjumnongkit ("Undertaking Agreement")



### 1.5.1 Summary of Entire Business Transfer Agreement

Transferer	Techtronic Holding Company Limited (T-Holding)
Transferee	Siamraj Public Company Limited (the Company)
Agreement Date	August 10, 2017
Transfer Date	November 1, 2017 or any date commonly agreed by both parties
Transferred Assets	All assets and liabilities of the transferer at 23.59 hrs. on October 31, 2017 including ordinary shares of Techtronic Company Limited for 59,998 shares with share register no. 1-59998
Price of Transfer and Method of Payment	<p>THB 313.45 million that will be paid as follows.</p> <ol style="list-style-type: none"> <li>1) By cash for THB 45.00 million after deducting transferred liabilities</li> <li>2) By ordinary shares of 76,700,000 shares with par value of THB 0.50 per share and the offered price is THB 3.50 per share. Total value is THB 286.45 million.</li> </ol> <p>The transferer and the transferee agreed that the transferee will allocate these issued shares directly to shareholders of the transferer and this share allotment is considered to be the compensation for the entire business transfer to the transferer.</p>
Payment Period	On the transfer date or within 30 days after the transfer date
General Condition Precedent	<ol style="list-style-type: none"> <li>1) On the transfer date, there is no event or activity that has the negative impact or is expected to have the negative impact to T significantly or being the obstacle for the transaction as specified in this agreement</li> <li>2) There is no legal by government agencies that is effective or will be effective in prohibiting of this entire business transfer.</li> <li>3) There is no lawsuit about T-Holding or T either as plaintiff or defendant that may affect to the complete of the entire business transfer as in this agreement. Moreover, there is no lawsuit or action by anyone that will dispute the transaction in this agreement.</li> <li>4) The transferee, Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit have signed the undertaking agreement dated August 10, 2017</li> </ol>
Condition Precedent of the Transferee	<ol style="list-style-type: none"> <li>1) The confirmation and guarantee by the transferee is completely correct</li> <li>2) The Board of Directors and the Extraordinary General Meeting of Shareholder of the transferee have approved the following issues. <ol style="list-style-type: none"> <li>a) The purchase and receive of entire business transfer from the transferer – the transaction about asset acquisition and connected transaction</li> <li>b) The capital increase of the company and share issuance by private placement (PP) for 76,700,000 shares (Seventy-Six Million Seven Hundred Thousand Shares) with the par value of THB 0.50</li> <li>c) Entering into this agreement with the transferer and</li> <li>d) Taking any action so as to comply with the responsibility of the transferee in this agreement to complete the entire business transfer</li> </ol> </li> </ol>

Condition Precedent of the Transferrer	<ol style="list-style-type: none"> <li>1) The confirmation and guarantee by the transferrer is completely correct</li> <li>2) The Board of Directors and the Extraordinary General Meeting of Shareholder of the transferrer have approved the following issues. <ol style="list-style-type: none"> <li>a) The entire business transfer to the transferee upon the conditions specified in this agreement</li> <li>b) Entering into the agreement with the transferee and</li> <li>c) Any related actions so that the transferrer can act in accordance with this agreement so as to complete the entire business transfer</li> <li>d) The liquidation of the company</li> <li>e) Appointment of liquidator and determining the remuneration</li> <li>f) Appointment of auditors and determining the fees</li> </ol> </li> <li>3) The transferrer will take action for the Board of Directors of T to have the resolution to arrange the shareholder meeting on the transfer date to consider and approve the change of directors and authorized directors of T based on the agreement with the transferee.</li> <li>4) The transferrer will take action for T to get the consent from the bank no. 3 allowing the share transfer of T to the transferee and this transfer will not breach the agreement between T and the bank. Thereafter, the transferrer will send the evidence of the consent from the bank no. 3 to the transferee to inspect.</li> <li>5) The transferrer will take action for T to get the certificate on building construction, modification, and moving (Form Aor. 6) for the building used as the warehouse and office at Noen Phra Sub-District, Mueang Rayong District, Rayong on Title Deed No. 92335 and the permit on building construction, modification, and moving (Form Aor. 1) no. Kor. 038/2016 issued on September 15, 2016. The transferrer will also deliver the photocopy of the certificate on building construction, modification, and moving (Form Aor. 6) to the transferee to inspect.</li> <li>6) The transferrer and T must take action to get consent from bank no. 3 in (1) Terminating of any contract of suretyship of the transferrer or (2) transferring of any right and obligation under the contract of suretyship to other parties. The transferrer will deliver the photocopy of the evidence of terminating any contract of suretyship or the consent from the bank to the transferee to inspect.</li> <li>7) The transferrer and T must take action to get consent from bank no. 1 in (1) Terminating of any contract of suretyship of the transferrer or (2) transferring of any right and obligation under the contract of suretyship to other parties. The transferrer will deliver the photocopy of the evidence of terminating any contract of suretyship or the consent from the bank to the transferee to inspect.</li> </ol>
Procedure in Entire Business Transfer	<ol style="list-style-type: none"> <li>1) On the transfer date Unless otherwise specified in this agreement, on the transfer date, the transferrer will transfer the entire business to the transferee by</li> </ol>

	<p>(a) Deliver the share transfer document of T to the transferee after signed by the transferrer with stamp (if any) and witnesses as well as specify the name of transferee for shares of T.</p> <p>(b) Deliver the photocopy of the book of shareholders' registration of T that recorded the transferring of shares of T with certified true copy by authorized directors of T</p> <p>(c) Deliver the share certificate of T specifying the name of transferee as a shareholder to the transferee.</p> <p>(d) Let T process for submission the new list of shareholders to the Department of Business Development, Ministry of Commerce showing that the transferee is a shareholder of T for shares under the entire business transfer agreement.</p> <p>(e) Deliver the photocopy of the minutes of Extraordinary General Meeting of Shareholders of T with certified true copy by authorized directors of T with the resolution of approving the following issues.</p> <p>(aa) Appointment of new directors and authorized directors as proposed by the transferee</p> <p>(bb) Change the authorized signature for bank accounts of T as proposed by the transferee</p> <p>(f) Let T process for submission the application for change in directors and authorized directors to the Department of Business Development, Ministry of Commerce as specified in the agreement.</p> <p>(g) Let T process for changing the authorized signature for bank accounts of T to respective banks as specified in the agreement.</p> <p>(h) Deliver the photocopy of the minutes of the Board of Directors Meeting and Extraordinary General Meeting of Shareholders of the transferrer with the resolution of approving the entire business transfer as term and condition in this agreement, as well as, approving the liquidation of the transferrer, appointing the liquidator, appointing the auditor, and determining their compensations.</p> <p>Unless otherwise specified in this agreement on the transfer date, the transferee will receive the entire business to the transferrer by</p> <p>(a) Make payment for entire business transfer to the transferrer as the term and condition of payment in this entire business transfer agreement and deliver the evidence of such payment</p> <p>(b) Deliver the photocopy of the minutes of the Board of Directors Meeting and Extraordinary General Meeting of Shareholders of the transferee with the resolution of approving the entire business transfer as term and condition in this agreement.</p> <p>2) Expenses in Business Transfer Process</p> <p>The transferrer will be responsible for any fee, duty, and expense related to the entire business transfer process in the agreement as specified by law (if any)</p>
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### 1.5.2 Summary of Undertaking Agreement

Related Parties	1. Siamraj Public Company Limited “the Company” 2. New shareholders of the Company “New Shareholders” including - Mr. Torchok Laoluechai - Mr. Chatchawan Jetjumnongkit										
Agreement Date	August 10, 2017										
Effective Date and Important Conditions	- This agreement will be effective after the new shares are issued to new shareholders in exchange for the entire business transfer as specified in the entire business transfer agreement. - If T-Holding cannot transfer the entire business to the Company as specified in the entire business transfer agreement, this agreement will be terminated. Any party cannot claim for any compensation or expense to another party based on this agreement. The termination of this agreement in this case is not considered to be default.										
Main Contents	During the effective period of this agreement, the new shareholders of the Company agreed to the term and condition of Lock-up for newly-issued shares of the Company as follows. a) The term of Lock-up is 5 (five) years starting from the issuance date (“Lock-up Period”) b) During the lock-up period, new shareholders agreed not to sell or transfer newly-issued shares of the Company or take any action or obligation that will make newly-issued shares of the Company transferred to others with the following proportion. <table border="1" data-bbox="454 1093 1401 1379"> <thead> <tr> <th>Period</th><th>Proportion of Newly-Issued Shares Subject to Lock-up</th></tr> </thead> <tbody> <tr> <td>From The First Day to Year 2</td><td>100% of newly-issued shares</td></tr> <tr> <td>From Year 2 to Year 3</td><td>75% of newly-issued shares</td></tr> <tr> <td>From Year 3 to Year 4</td><td>50% of newly-issued shares</td></tr> <tr> <td>From Year 4 to Year 5</td><td>25% of newly-issued shares</td></tr> </tbody> </table> c) During the lock-up period, new shareholders agreed to request the share registrar of the Company to issue the share certificate for newly-issued shares and deliver the share certificate to the Company. The Company agreed to return the share certificate to new shareholders for the proportion not subject to lock-up as specified in b).	Period	Proportion of Newly-Issued Shares Subject to Lock-up	From The First Day to Year 2	100% of newly-issued shares	From Year 2 to Year 3	75% of newly-issued shares	From Year 3 to Year 4	50% of newly-issued shares	From Year 4 to Year 5	25% of newly-issued shares
Period	Proportion of Newly-Issued Shares Subject to Lock-up										
From The First Day to Year 2	100% of newly-issued shares										
From Year 2 to Year 3	75% of newly-issued shares										
From Year 3 to Year 4	50% of newly-issued shares										
From Year 4 to Year 5	25% of newly-issued shares										

### 1.5.3 Summary of Amendment on Undertaking Agreement No. 1

Related Parties	1. Siamraj Public Company Limited “the Company” 2. New shareholders of the Company “New Shareholders” including - Mr. Torchok Laoluechai - Mr. Chatchawan Jetjumnongkit
Date	August 22, 2017
Main Contents	If the new shareholders get the newly-issued shares of the Company with offered price less than 90% of market price in accordance with Notification of The Stock Exchange of Thailand Re: Rules, Conditions and Procedures Governing the Listing of Ordinary or Preferred Shares Issued for Capital

	<p>Increase B.E. 2558 (The market price means the weighted average price of shares traded on SET during the period of not less than 7 days and not more than 15 days before the issuance date). The Company will prohibit new shareholders to sell these shares within 1 year after the first trading date. After 6 months, new shareholders can sell 25% of these shares that are subject to prohibition of sales ("Prohibition of Sale by Notification of SET")</p>
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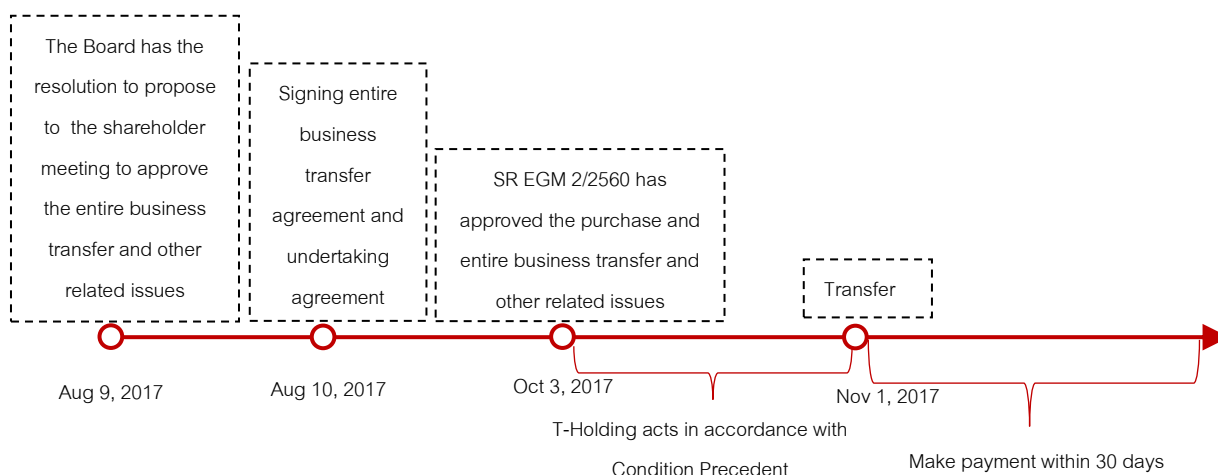
#### 1.5.4 Summary of Amendment on Undertaking Agreement No. 2

Related Parties	<ol style="list-style-type: none"> <li>1. Siamraj Public Company Limited "the Company"</li> <li>2. New shareholders of the Company "New Shareholders" including <ul style="list-style-type: none"> <li>- Mr. Torchok Laoluechai</li> <li>- Mr. Chatchawan Jetjumnongkit</li> </ul> </li> </ol>
Date	September 7, 2017
Main Contents	<ol style="list-style-type: none"> <li>1. If the new shareholders resign from directors and/or executives of T and/or the Company (depending on circumstances), the new shareholders agreed that within 2 (two) years from resignation will not act directly or indirectly or wit others or as principals, agents, shareholders, directors, advisors, or others for their own benefits or other people's benefits as follows. <ol style="list-style-type: none"> <li>a) Working in the business that is similar or a competitor with T and/or the Company in Thailand</li> <li>b) Persuading customers or distributors of T and/or the Company not to deal the business with T and/or the Company</li> </ol> </li> <li>2. Both parties agreed that the obligations spicified in 1 is reasonable. If there is any wording in 1 that is beyond the timeframe, geographical constrains, or other condions under the applicable law, that wording is not void but it will be modified to be consistent with the applicable law.</li> </ol>

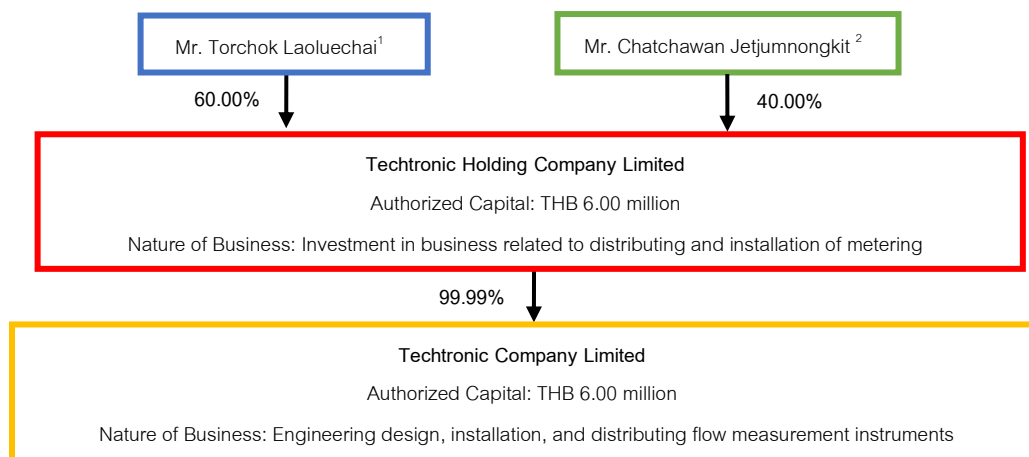
The Company will get the entire business transfer of T-Holding. Total value of T-Holding is THB 313.45 million. The Company will make payment to T-Holding as follows.

- The Company will make a cash payment of THB 45.00 million after deducting any liabilities transferred from the transferrer to T-Holding on the transfer date.
- The Company will make payment of THB 268.45 million by issuing 76,700,000 shares with par value of THB 0.50 per share and offered price of THB 3.50 per share as a part of payment in entire business transfer agreement.

### Procedure after the Approval of the Transaction



### Shareholding Structure of T Group (Before the Transaction)



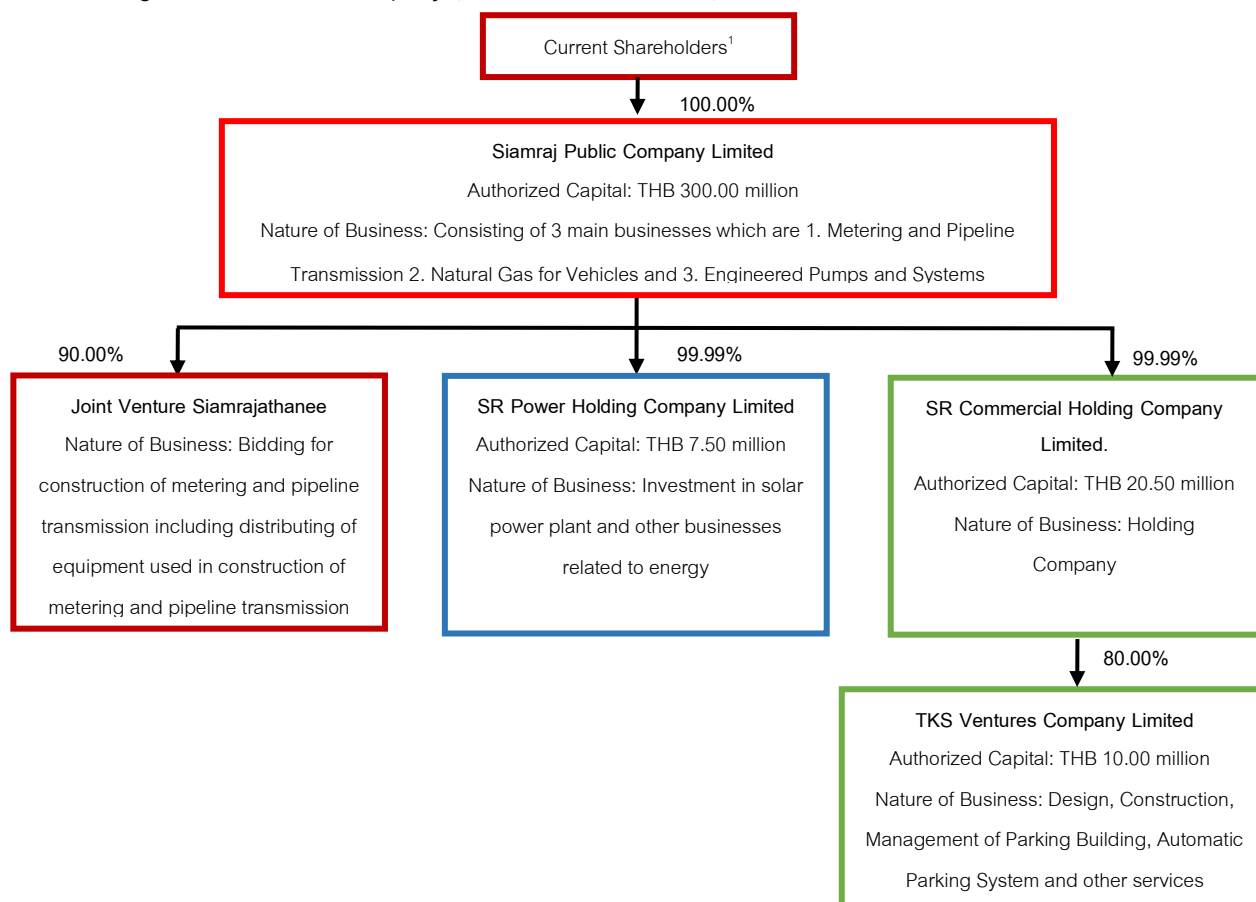
Note: <sup>1</sup>Mr. Torchok Laoluechai is an authorized director and managing director of T as well as holds 36,000 shares of T-Holding

<sup>2</sup>The shareholding of Mr. Chatchawan Jetjumnongkit \* including

1) Mr. Chatchawan Jetjumnongkit is an authorized director and the general manager of T as well as holds 23,999 shares of T-Holding

2) Ms.Wanee Jetjumnongkit is the wife of Mr. Chatchawan Jetjumnongkit and holds 1 share of T-Holding

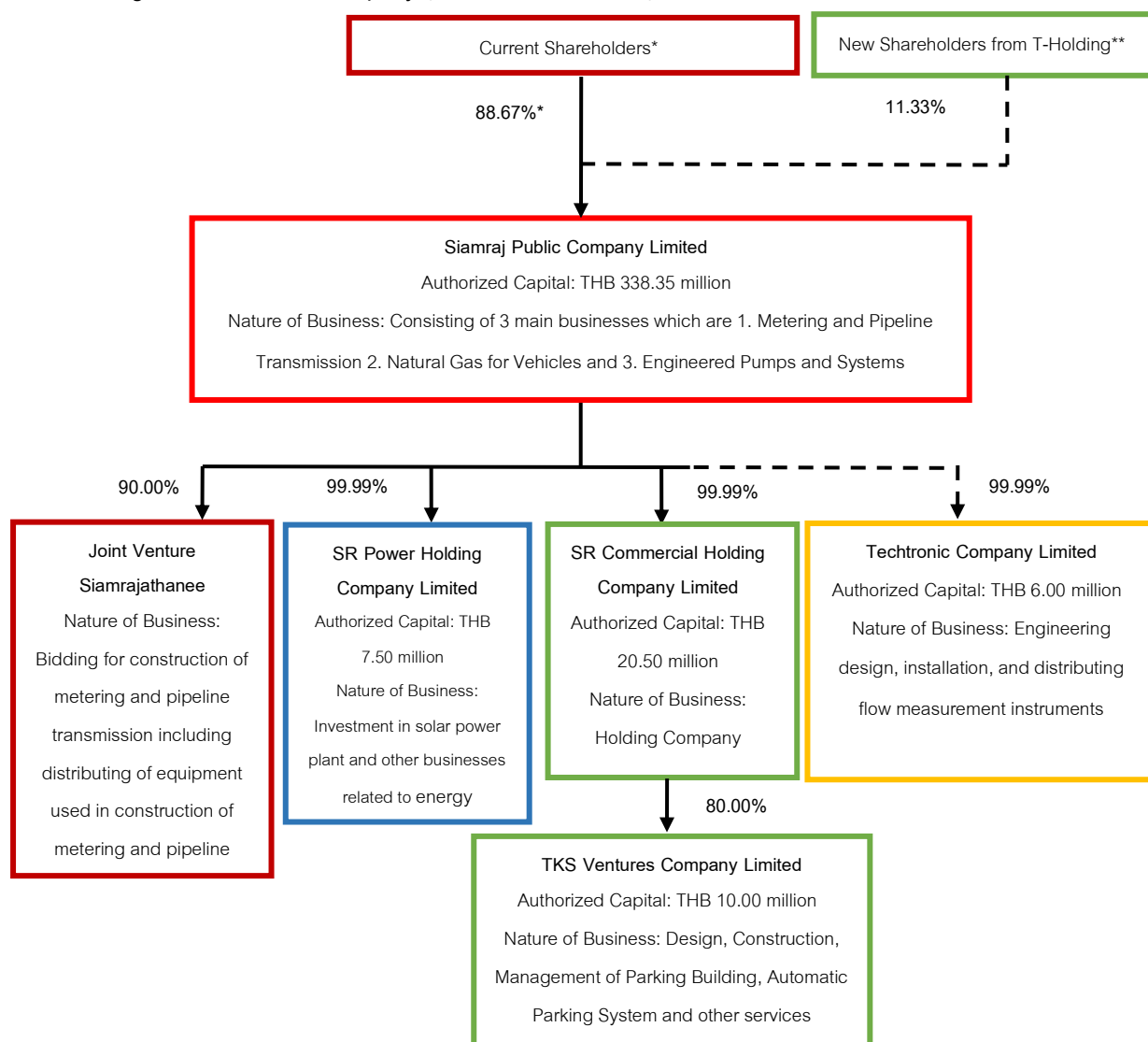
## Shareholding Structure of the Company (Before the Transaction)



Note: \*The shareholding structure of the Company is as of August 28, 2017.

\*\*The Company has liquidated Joint Venture Siamrajathanee and Engineering Products on December 31, 2016

### Shareholding Structure of the Company (After the Transaction)



Note: \*The shareholding structure of the Company is as of August 28, 2017 and the shareholding structure of T-Holding and T is on April 28, 2017.

\*\*After the shareholder meeting has approved the Transaction, T-Holding will be liquidated and the liquidation process will start within December 31, 2017.

### List of shareholders of T-Holding before the Transaction

No.	Name	Number of Share	%
1	Mr. Torchok Laoluechai	36,000	60.00%
2	Mr. Chatchawan Jetjumnongkit	23,999	39.99%
3	Ms. Wanee Jetjumnongkit	1	0.01%
	<b>Total</b>	<b>600,000</b>	<b>100.00%</b>

After the transaction, T- Holding will be liquidated within December 31, 2017



Executive Committee of the Company

Board of Directors <u>Before</u> the Transaction	Board of Directors <u>After</u> the Transaction
1. Mr. Kiat Vimolchalao	1. Mr. Kiat Vimolchalao
2. Ms. Wacharaporn Vimolchalao	2. Ms. Wacharaporn Vimolchalao
3. Ms. Wacharee Atthakorn	3. Ms. Wacharee Atthakorn
4. Ms. Udomporn Jiranatakulwat	4. Ms. Udomporn Jiranatakulwat
5. Mr. Nopparit Phoomtrakul	5. Mr. Nopparit Phoomtrakul
6. Mr. Kosol Sombatsiri	6. Mr. Kosol Sombatsiri
7. Mr. Warawut Waisalee	7. Mr. Warawut Waisalee
	8. Mr. Torchok Laoluechai*

Risk Management Committee of the Company

Risk Management Committee <u>Before</u> the Transaction	Risk Management Committee <u>After</u> the Transaction
1. Mr. Kiat Vimolchalao	1. Mr. Kiat Vimolchalao
2. Ms. Wacharaporn Vimolchalao	2. Ms. Wacharaporn Vimolchalao
3. Ms. Wacharee Atthakorn	3. Ms. Wacharee Atthakorn
4. Ms. Udomporn Jiranatakulwat	4. Ms. Udomporn Jiranatakulwat
5. Mr. Nopparit Phoomtrakul	5. Mr. Nopparit Phoomtrakul
6. Mr. Kosol Sombatsiri	6. Mr. Kosol Sombatsiri
7. Mr. Warawut Waisalee	7. Mr. Warawut Waisalee
	8. Mr. Torchok Laoluechai*

Source: Information from the Company

Note: \*Shareholders from T-Holding

Before the Transaction, T-Holding has 2 directors. The authorized signature can be done by any director together with the company's stamp. The Board of Directors of T-Holding before and after the Transaction is as follows.

Board of Directors of T-Holding <u>Before</u> the Transaction*	Board of Directors of T-Holding <u>After</u> the Transaction*
1. Mr. Chatchawan Jetjumnongkit	Process for Liquidation of T-Holding
2. Mr. Torchok Laoluechai	

## 1.6 Overview of T-Holding and T

### 1.6.1 Overview of Techtronic Holding Company Limited ("T-Holding")

Name	: Techtronic Holding Company Limited ("T-Holding")
Established on	: May 3, 2016
Nature of Business	: Investment in business related to distributing and installation of metering
Authorized Capital	: T-Holding has authorized capital of THB 6.00 million in form of 60,000 ordinary shares with par value of THB 100

### Operating Performance and Financial Position of T-Holding

Unit: THB million

Balance Sheet	2016	%
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	0.01	0.17%
<b>Total Current Assets</b>	0.01	0.17%
<b>Non-Current Assets</b>		
Other Long-Term Investment*	6.00	99.83%
<b>Total Non-Current Assets</b>	6.00	99.83%
<b>Total Assets</b>	<b>6.01</b>	<b>100.00%</b>
<b>Liabilities and Shareholders' Equity</b>		
<b>Current Liabilities</b>		
Short-term Loans from related parties**	0.06	1.03%
<b>Total Current Liabilities</b>	0.06	1.03%
<b>Total Liabilities</b>	<b>0.06</b>	<b>1.03%</b>
<b>Shareholders' Equity</b>		
Share Capital		
Authorized Share Capital		
60,000 Ordinary Shares with the Par Value of THB 100	6.00	99.83%
Retained Earnings	(0.05)	(0.86%)
<b>Total Shareholders' Equity</b>	<b>5.95</b>	<b>98.97%</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>6.01</b>	<b>100.00%</b>

Note: \* T-Holding is a private company in accordance with Civil and Commercial Code and does not need to prepare the financial statement complying with Financial Reporting Standard for Publicly Accountable Entities. Therefore, T-Holding did not prepare the consolidated financial statement.

\*\* The loan from T of THB 0.06 million is payable at call and there is no interest charge and guarantee.

(Unit: THB million)

Income Statement	2016
Revenues from Sale of Goods and Rendering of Services*	-
Total Revenues	-
Cost of Sale of Goods and Rendering of Services	-
Gross Profit	
Administrative Expenses	0.05
Total Expenses	0.05
Profit (Loss) before Finance Costs and Income Tax Expenses	(0.05)
Finance Costs	-
Profit before Income Tax Expenses	(0.05)
Income Tax Expenses	-
Net Profit (Loss)	(0.05)

Note: \* T-Holding is a private company in accordance to Civil and Commercial Code and does not need to prepare the financial statement complying with Financial Reporting Standard for Publicly Accountable Entities. Therefore, T-Holding did not prepare the consolidated financial statement.

\*\* T-Holding is a holding company (holding shares of T). There is no other revenue beside dividend incomes from subsidiaries (if any)

#### 1.6.2 Overview of Techtronic Company Limited ("T")

Name	: Techtronic Company Limited ("T")
Established on	: July 29, 2004
Nature of Business	: Engineering design, installation, and distributing flow measurement instruments
Authorized Capital	: T has authorized capital of THB 6.00 million in form of 60,000 ordinary shares with par value of THB

#### List of Shareholders of T

##### List of shareholders of T before the transaction

No.	Name	Number of Share	%
1	Techtronic Holding Company Limited	59,998	100.00%
2	Mr. Torchok Laoluechai	1	0.00%
3	Mr. Chatchawan Jetjumnongkit	1	0.00%
	Total	60,000	100.00%

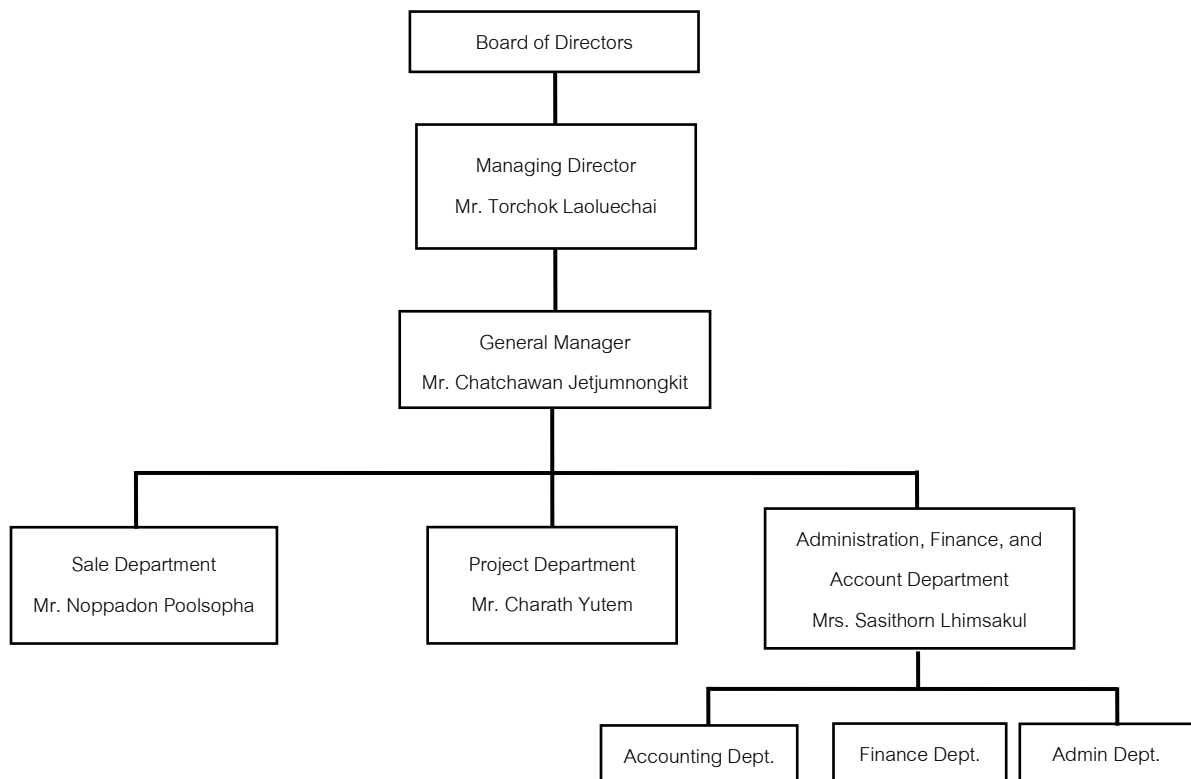
##### List of shareholders of T after the transaction

No.	Name	Number of Share	%
1	Siamraj Public Company Limited	59,998	99.99%
2	Representatives of the Company*	2	0.01%
	<b>Total</b>	<b>60,000</b>	<b>100.00%</b>

\*Note: Before the Transaction, Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit will transfer shares to representatives of the Company

## Organization Structure and Board of Directors of T

### Organization Structure of T



Note: As of June 30, 2017, the number of executives and employees in T is 33 persons

### Board of Directors of T

T has 2 directors and the authorized signature can be done by any director together with the company's stamp. After the Transaction, there will be 3 more directors who are representatives of the Company. Moreover, the authorized signature will be done by any director from the group of representatives of the Company which are Mr. Nopparit Phoomtrakul or Ms. Udomporn Jiranatakulwat or Ms. Wacharee Atthakorn and Mr. Torchok Laoluechai or Mr. Chatchawan Jetjumnongkit signing together with the company's stamp.

Board of Directors of T before and after the Transaction is as follows.

Board of Directors of T Before the Transaction *	Board of Directors of T After the Transaction *
1. Mr. Torchok Laoluechai	1. Mr. Torchok Laoluechai
2. Mr. Chatchawan Jetjumnongkit	2. Mr. Chatchawan Jetjumnongkit
	3. Ms. Wacharee Atthakorn *
	4. Ms. Udomporn Jiranatakulwat *
	5. Mr. Nopparit Phoomtrakul *

Source: Information from the Company

Note: \*Representatives of the Company

### Operating Performance and Financial Position of T

#### Statement of Financial Position

Unit: THB million

Items	2014	%	2015	%	2016 <sup>1</sup>	%	Quarter 2 of 2017 <sup>2</sup>	%
<b>Assets</b>								
<b>Current Assets</b>								
Cash and Cash Equivalents	12.19	15.68%	14.88	20.09%	15.86	13.61%	17.78	17.51%
Trade Accounts Receivable – General Customers	35.11	45.16%	22.33	30.14%	46.62	40.00%	34.40	33.87%
Unbilled Receivables	-	0.00%	-	0.00%	16.26	13.95%	14.80	14.57%
Short-term Loans to Related Party	-	0.00%	2.58	3.48%	1.41	1.21%	-	0.00%
Inventory- Net	2.14	2.75%	3.57	4.82%	3.43	2.94%	2.83	2.79%
Construction in Process	-	0.00%	6.69	9.03%	2.13	1.83%	2.36	2.32%
Deposit	0.01	0.01%	0.29	0.39%	0.98	0.84%	0.98	0.97%
Other Current Assets	0.32	0.41%	0.15	0.20%	0.56	0.48%	0.58	0.57%

Items	2014	%	2015	%	2016 <sup>1</sup>	%	Quarter 2 of 2017 <sup>2</sup>	%
<b>Total Current Assets</b>	<b>49.77</b>	<b>64.01%</b>	<b>50.49</b>	<b>68.16%</b>	<b>87.25</b>	<b>74.87%</b>	<b>73.73</b>	<b>72.60%</b>
<b>Non-Current Assets</b>								
Cash Restricted or Pledged	7.12	9.16%	7.18	9.69%	10.95	9.40%	10.96	10.79%
Long-term Loans to Related Parties	4.09	5.26%	0.00	0.00%	-	0.00%	0.05	0.05%
Investment in Related Parties	1.00	1.29%	1.00	1.35%	-	0.00%	-	0.00%
Property, Plant, and Equipment – Net	15.40	19.81%	15.33	20.69%	18.24	15.65%	16.81	16.55%
Other Non-Current Assets	0.37	0.48%	0.08	0.11%	0.10	0.09%	-	0.00%
<b>Total Non-Current Assets</b>	<b>27.98</b>	<b>35.99%</b>	<b>23.59</b>	<b>31.84%</b>	<b>29.29</b>	<b>25.13%</b>	<b>27.82</b>	<b>27.40%</b>
<b>Total Assets</b>	<b>77.75</b>	<b>100.00%</b>	<b>74.08</b>	<b>100.00%</b>	<b>116.54</b>	<b>100.00%</b>	<b>101.55</b>	<b>100.00%</b>
<b>Liabilities and Shareholders' Equity</b>								
<b>Current Liabilities</b>								
Short-term Loans from Financial Institutions	-	0.00%	-	0.00%	9.88	8.48%	5.63	5.54%
Trade Accounts Payable and Other Payables	29.54	37.99%	40.29	54.39%	46.80	40.16%	24.26	23.89%
Advances Received for Construction	-	0.00%	-	0.00%	3.83	3.29%	10.49	10.33%
Current Portion of Long-term Loans from Financial Institutions	0.72	0.93%	2.34	3.16%	1.65	1.42%	1.65	1.62%
Current Portion of Financial Lease Obligations	0.85	1.09%	1.48	2.00%	1.94	1.66%	1.93	1.90%
Advances Received from Customers	3.77	4.85%	2.66	3.59%	-	0.00%	-	0.00%
Accrued Expenses	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Income Tax Payable	0.31	0.40%	0.01	0.01%	2.09	1.79%	1.21	1.19%
Other Current Liabilities	-	0.00%	0.21	0.28%	0.28	0.24%	0.52	0.51%
<b>Total Current Liabilities</b>	<b>35.19</b>	<b>45.26%</b>	<b>46.99</b>	<b>63.43%</b>	<b>66.47</b>	<b>57.04%</b>	<b>45.69</b>	<b>44.99%</b>
<b>Non-Current Liabilities</b>								
Loans from Related Parties	11.90	15.31%	-	0.00%	-	0.00%	-	0.00%

Items	2014	%	2015	%	2016 <sup>1</sup>	%	Quarter 2 of 2017 <sup>2</sup>	%
Long-term Loans - Net	1.00	1.29%	2.89	3.90%	1.24	1.06%	0.42	0.41%
Financial Lease Obligation – Net	7.58	9.75%	8.02	10.83%	6.93	5.95%	5.98	5.89%
Employee Benefit Obligations	4.45	5.72%	1.95	2.63%	1.85	1.59%	1.85	1.82%
<b>Total Non-Current Liabilities</b>	<b>24.93</b>	<b>32.06%</b>	<b>12.86</b>	<b>17.36%</b>	<b>10.02</b>	<b>8.60%</b>	<b>8.25</b>	<b>8.12%</b>
<b>Total Liabilities</b>	<b>60.12</b>	<b>77.32%</b>	<b>59.84</b>	<b>80.78%</b>	<b>76.49</b>	<b>65.63%</b>	<b>53.94</b>	<b>53.12%</b>
<b>Shareholders' Equity</b>								
Share Capital								
Authorized Share Capital								
Ordinary Shares with Par Value of THB 100	6.00	7.72%	6.00	8.10%	6.00	5.15%	6.00	5.91%
Retained Earnings								
Appropriated - Legal and Statutory Reserves	0.00	0.00%	0.67	0.90%	0.67	0.57%	0.67	0.66%
Unappropriated	11.63	14.96%	7.57	10.22%	33.38	28.64%	40.94	40.32%
<b>Total Shareholders' Equity</b>	<b>17.63</b>	<b>22.68%</b>	<b>14.24</b>	<b>19.22%</b>	<b>40.05</b>	<b>34.37%</b>	<b>47.61</b>	<b>46.88%</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>77.75</b>	<b>100.00%</b>	<b>74.08</b>	<b>100.00%</b>	<b>116.54</b>	<b>100.00%</b>	<b>101.55</b>	<b>100.00%</b>

Note: <sup>1</sup> The audited financial statement of T for the year ended December 31, 2016 was audited by the auditor from PricewaterhouseCoopers ABAS Limited (PWC) approved by SEC

<sup>2</sup> The financial statement for 6 months ended June 30, 2017 is prepared by management of T that was not reviewed or audited by the auditor of T. This statement is for information. IFA has no duty to review and/or audit the financial complying the acceptable accounting standard

## Statement of Comprehensive Income

Unit: Million Baht

	2014	%	2015	%	2016 <sup>1</sup>	%	6 months of 2017 <sup>2</sup>	%
<b>Income Statement</b>								
Revenues from Sale, Service, and Construction	133.09	98.79%	199.57	99.49%	254.82	98.15%	82.15	99.44%
Other Revenues	1.63	1.21%	1.03	0.51%	4.80	1.85%	0.46	0.56%
<b>Total Revenue</b>	<b>134.72</b>	<b>100.00%</b>	<b>200.60</b>	<b>100.00%</b>	<b>259.62</b>	<b>100.00%</b>	<b>82.61</b>	<b>100.00%</b>
Cost of Sale, Service, and Construction	107.64	79.90%	150.31	74.93%	188.40	72.57%	55.15	66.76%
Selling Expenses	5.64	4.19%	10.46	5.21%	13.69	5.27%	6.52	7.89%
Administrative Expenses	17.57	13.04%	28.41	14.16%	23.83	9.18%	10.66	12.90%
<b>Total Expenses</b>	<b>130.85</b>	<b>97.13%</b>	<b>189.18</b>	<b>94.31%</b>	<b>225.92</b>	<b>87.02%</b>	<b>72.33</b>	<b>87.56%</b>
<b>Profit (Loss) Before Finance Costs and Income Tax Expenses</b>	<b>3.87</b>	<b>2.87%</b>	<b>11.42</b>	<b>5.69%</b>	<b>33.70</b>	<b>12.98%</b>	<b>10.28</b>	<b>12.44%</b>
Finance Costs – Interest Expense	0.36	0.27%	2.21	1.10%	1.69	0.65%	0.83	1.00%
Profit Before Income Tax Expenses	3.51	2.61%	9.21	4.59%	32.01	12.33%	9.45	11.44%
Income Tax Expenses	1.14	0.85%	2.65	1.32%	6.21	2.39%	1.89	2.29%
<b>Net Profit (Loss)</b>	<b>2.37</b>	<b>1.76%</b>	<b>6.56</b>	<b>3.27%</b>	<b>25.81</b>	<b>9.94%</b>	<b>7.56</b>	<b>9.15%</b>

Note: <sup>1</sup> The audited financial statement of T for the year ended December 31, 2016 was audited by the auditor from PricewaterhouseCoopers ABAS Limited (PWC) approved by SEC

<sup>2</sup> The financial statement for 6 months ended June 30, 2017 is prepared by management of T that was not reviewed or audited by the auditor of T. This statement is for information. IFA has no duty to review and/or audit the financial complying the acceptable accounting standard

## Summary of Legal Due Diligence of T-Holding and T

Prepared by	Kudun and Partners Company Limited (“Legal Advisor”)
Report Date	August 9, 2017
Registration Documents and Shares	<u>T-Holding</u> There was no issue about registration documents and shares of T-Holding that may affect to the transaction significantly.



	<p><u>I</u></p> <p>Shares of T has no obligation and there was no issue about registration documents and shares of T-Holding that may affect to the transaction significantly.</p>
Essence of the Contract	<p><u>T-Holding</u></p> <p>The legal advisor inspected the documents and confirmed with T-Holding that there was no contract with other companies</p>
	<p><u>I</u></p> <p>For the confirmation of T in Levelstate Distributor Agreement, the transferrer must let T inform Levelstate Systems Limited ("Levelstate") about the change in shareholders due to the entire business transfer. Then, T must deliver the acknowledgement letter from Levelstate about the change of shareholders of T to the Company to inspect before finalizing the transfer of shares of T</p>
License for Business	<p><u>T-Holding</u></p> <p>The legal advisor found that T-Holding did not have any other business beside holding shares of T. Therefore, there was no permit or license required in the business.</p>
	<p><u>I</u></p> <p>The legal advisor did not find any issue about permit or license required in the business of T that may negatively affect the Transaction.</p>
Financial Obligation	<p><u>T-Holding and I</u></p> <p>1) The change in shareholders of T must comply with conditions in loan agreement 2) There is the obligation for the contract of suretyship of T-Holding</p>
Management and Employees	<p><u>T-Holding and I</u></p> <p>The legal advisor did not find no issue about management and employees of T-Holding that may affect to the Transaction significantly.</p>
Legal Dispute	<p><u>T-Holding and I</u></p> <p>The legal advisor has inspected about legal dispute of T-Holding and T on the civil courts and criminal courts including Civil Court, Criminal Court, South Bangkok Criminal Court, Thonburi Civil Court, Thonburi Criminal Court, Central Tax Court, Central Bankruptcy Court, Central Intellectual Property and International Trade Court, Central Labour Court, Legal Execution Department, and Rayong Provincial Court. There was no legal dispute related to T-Holding and T as defendant that may negatively affect the Transaction significantly.</p>

## 1.7 Type and Size of Transaction

The Board of Directors of the Company has resolved in its meeting no. 8/2017 to approve the acquisition of Techtronic Holding Company Limited ("T-Holding") in form of Entire Business Transfer (EBT) including the entry into any relevant agreement. The agreed amount in the Entire Business Transfer Agreement is THB 313.45 million. The Company will make payment in cash for THB 45.00 million. The remaining amount of THB 268.45 million will be paid by issuing 76,700,000 shares with the par value of THB 0.50 per share by Private Placement (PP). The offered price is THB 3.50 per share. The newly-issued shares will be offered to Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit who are current shareholders, directors, and executives of T-Holding and T in exchange of the entire business transfer of T-Holding including assets, liabilities, and ordinary shares of T. The acquisition of the entire business of T-Holding is considered as the acquisition of other company or the private company in accordance with Article 107 of Public Company Act B.E. 2535 (including any revision) and the acquisition of assets in accordance with Notification of Capital Market Supervisory Board No. TorChor 20/2008 dated August 31, 2008 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of and Notification of the Board of Governors of the Stock Exchange of Thailand No. Bor.Jor./Por. 21-01 dated October 29, 2004 Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 as well as other related notifications. The size of transaction based on the maximum amount using Net Profit is 34.70%. However, the Company has acquired other assets during past 6 months for 36.65% based on total value of consideration. The total transaction size becomes 63.09% based on total value of consideration. This asset acquisition is classified as Class 1 in accordance with Rules on Acquisition and Disposal with the transaction size more than 50% but less than 100%. The Company needs to prepare the report and disclose information to the Stock Exchange of Thailand ("SET") and arrange the Extraordinary General Meeting of Shareholder No. 2/2017 to approve this transaction.

Moreover, the Transaction is considered as the transaction with connected person because the Company will appoint Mr. Torchok Laoluechai to be executive committee of the Company which is in the same level as executives of the Company. This transaction is the transaction with connected person in accordance with the Notification of Capital Market Supervisory Board No. TorChor. 21/2008 Re: Ruled on Connected Transactions and Notification of the Board of Governors of the Stock Exchange of Thailand No. BorJor/Por 22-01 Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546. The size of transaction is 37.03% of total net tangible assets ("NTA") of the Company.

However, the Board of Directors of the Company has resolved in its meeting no. 8/2017 held on August 9, 2017 has approved to enter into the Transaction. Moreover, Mr. Torchok Laoluechai who is a shareholder and director of T-Holding and T will be appointed as the executive committee (same level as the executive of the Company) and the risk management committee. After the shareholder meeting approves the Transaction, the transaction will be considered as the transaction with connected person in accordance with the Notification of Capital Market Supervisory Board No. TorChor. 21/2008 Re: Ruled on Connected Transactions and Notification of the Board of Governors of the Stock Exchange of Thailand No. BorJor/Por 22-01 Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546.

Unit: THB million

Unit: THB Million	Financial Statement of T for the Year Ended December 31, 2016 <sup>1</sup> (Audited)	Consolidated Financial Statement of the Company Ended June 30, 2017 (Reviewed) <sup>2</sup>
Total Assets	116.54	1,185.43
Total Intangible Assets	-	43.88
Total Liabilities	76.49	290.86
Minority Interest	-	4.11
Net Profit	25.81	74.39 <sup>3</sup>
Net Tangible Asset ("NTA") <sup>4</sup>	40.50	846.59
Authorized Capital	6.00	300.00
Size of Transaction	313.45	

Note: <sup>1</sup> Calculation based on the audited financial statement of T for the year ended December 31, 2016 was audited by the auditor from PricewaterhouseCoopers ABAS Limited (PWC) approved by SEC

<sup>2</sup> Calculation based on the reviewed financial statement as of June 30, 2017

<sup>3</sup> Net profit trailing 4 quarters of the Company

<sup>4</sup> Net tangible asset (NTA) is calculated from total asset – intangible assets – total liabilities – minority interest

### 1.7.1 The Size of Transaction in Acquiring of Shares of T based on Rules on Acquisition and Disposal

The acquisition of the entire business of T-Holding in form of entire business transfer (EBT) as well as entering into any related agreements have total value of THB 313.45 million. This is considered as the acquisition of other company or the private company in accordance with Article 107 of Public Company Act B.E. 2535 (including any revision) and the acquisition of assets in accordance with Notification of Capital Market Supervisory Board No. TorChor 20/2008 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and Notification of the Board of Governors of the Stock Exchange of Thailand No. Bor.Jor./Por. 21-01 Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 The size of transaction based on the maximum amount using Net Operating Profit is 34.70%. After including any asset acquisition within past 6 months which is 36.65% based on total value of consideration, the total transaction size becomes 63.09% based on total value of consideration.

#### The Size of Transaction in Asset Acquisition

Method	Details	Calculation <sup>1</sup> (Unit: THB Million)	Size of This Transaction	Size of Transactions During Past 6 Months	Total Size of Transaction
1. Net Tangible Asset	$\frac{\text{Ownership Proportion} \times \text{NTA}^2 \text{ of Target} \times 100}{\text{NTA of Listed Companies and Subsidiaries}}$	$\frac{100.00\% \times 40.05}{846.59}$	4.73%	4.06%	8.79%
2. Net Profit	$\frac{\text{Ownership Proportion} \times \text{Net Profit of Target}^3 \times 100}{\text{Net Profit of Listed Companies}}$	$\frac{100.00\% \times 25.81 \times 100}{74.39}$	34.70%	0.00%	34.70%
3. Value of Consideration	$\frac{\text{Value of Shares and Cash Paid}^4 \times 100}{\text{Total Assets of Listed Company}}$	$\frac{313.45 \times 100}{1,185.43}$	26.44	36.65%	63.09%
4. Value of Shares Issued for Payment of Acquisition	$\frac{\text{Number of Share Issued}^4 \times 100}{\text{Number of Paid-up Shares of Listed Company}}$	$\frac{76.70 \text{ million shares} \times 100}{600 \text{ million shares}}$	12.78%	0.00%	12.78%

Note: <sup>1</sup>Calculation based on the reviewed financial statement as of June 30, 2017

<sup>2</sup>Net tangible asset (NTA) is calculated from total asset – intangible assets – total liabilities – minority interest

<sup>3</sup>The audited financial statement of T for the year ended December 31, 2016 was audited by the auditor from PricewaterhouseCoopers ABAS Limited (PWC) approved by SEC

<sup>4</sup> The Board of Directors of the Company has resolved in its meeting no. 8/2017 held on August 9, 2017 to approve to enter into the Entire Business Transfer Agreement and other relevant agreements. The agreed amount in the Entire Business Transfer Agreement is THB 313.45 million. The Company will make payment in cash for THB 45.00 million. For the remaining amount of THB 268.45 million, the Company will issue 76,700,000 shares with the par value of THB 0.50 per share to make payment for the entire business transfer of T-Holding.

Moreover, the Company has done other asset acquisition during past 6 months for 4 transactions as follows.

- The Board of Directors of the Company has resolved in its meeting no. 4/2017 held on May 11, 2017 to approve to the establishment of SR Power Holding Company Limited ("SRPH") to invest in solar power plants and other businesses in energy sector. The authorized capital is THB 30.00 million in form of 3,000,000 ordinary shares with par value of THB 10. The paid-up capital is THB 7.50 million. The Company holds 2,999,997 shares with proportion of 99.99% of outstanding shares of SRPH. The size of transaction using total value of consideration based on the financial statement for 3 months ended March 31, 2017 is 0.56%.

Moreover, the Board of Directors has resolved in the same meeting to approve the establishment of SR Commercial Holding Company Limited ("SRCH") as a holding company. The authorized capital is THB 82.00 million in form of 8,200,000 ordinary shares with par value of THB 10. The paid-up capital is THB 20.50 million. The Company holds 8,199,997 shares with proportion of 99.99%. The size of transaction using total value of consideration based on the financial statement for 3 months ended March 31, 2017 is 6.11%.

- The Board of Directors of the Company has resolved in its meeting no. 6/2017 to approve SRCH to the establish and invest in TKS Venture Company Limited ("TKS") to do business in design, construction, and providing services. The authorized and paid-up capital is THB 10.00 million in form of 1,000,000 ordinary shares with par value of THB 10. SRCH holds 8,000,00 shares with proportion of 80.00% or total value of investment of THB 8.00 million. The size of transaction using total value of consideration based on the financial statement for 3 months ended March 31, 2017 is 0.60%.
- The Board of Directors of the Company has resolved in its meeting no. 7/2017 held on July 27, 2017 to approve TKS to sign the land lease agreement for construction and management of parking building at Thammasat University Hospital (Rangsit Campus) with Thammasat University. The value of construction is THB 350.00 million and total rental payment is THB 44.21 million, which are totally THB 394.21 million. The size of transaction using total value of consideration based on the financial statement for 3 months ended March 31, 2017 is 29.38%.

Therefore, the asset acquisition during past 6 months is 36.65% based on total value of consideration. Combining with the size of transaction for the entire business transfer of T of 26.44% using total value of consideration, the total transaction size becomes 63.09% based on total value of consideration. This Transaction is classified as Class 1 in accordance with Rules on Acquisition and Disposal with the transaction size more than 50% but less than 100%. The Company needs to prepare the report and disclose information to the Stock Exchange of Thailand ("SET") and propose to the shareholders meeting to get the approval by the resolution of shareholders meeting with at least three-fourths of total votes of shareholders or proxies (if any) attending the meeting and eligible to vote, excluding interested shareholders.

### 1.7.2 Size of Transaction based on Rules on Connected Transaction

The Transaction is considered to be the transaction with connected person in accordance with the Notification of Capital Market Supervisory Board No. TorChor. 21/2008 Re: Ruled on Connected Transactions and Notification of the Board of Governors of the Stock Exchange of Thailand No. BorJor/Por 22-01 Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546.

The size of transaction based on Rules on Connected Transaction using total value of consideration is THB 313.45 million. Total net tangible assets of the Company and subsidiaries based on the reviewed financial statement as of June 30, 2017 is THB 846.59 million. Therefore, the size of transaction is 37.03% of total net tangible asset of the Company and subsidiaries. The Transaction is considered to be the large transaction with total value of consideration more than or equal to THB 20.00 million and more than or equal to 3.00% of total net tangible assets of the Company.

Method	Detail	Calculation <sup>1</sup> (Unit: THB million)	Size
1. Book Value	$\frac{\text{Value of Consideration (THB 313.45 million)} \times 100}{\text{NTA}^2 \text{ of Listed Company}}$	$\frac{313.45 \times 100}{846.59}$	37.03%
2. Market Value	$\frac{\text{Market Value} \times 100}{\text{NTA}^2 \text{ of Listed Company}}$	N/A	N/A

Note: <sup>1</sup>Calculation based on the reviewed financial statement as of June 30, 2017

<sup>2</sup>Net tangible asset (NTA) is calculated from total asset – intangible assets – total liabilities – minority interest

In accordance with Notification of the Board of Governors of the Stock Exchange of Thailand No. BorJor/Por 22-01 Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 dated November 19, 2003, shareholders who are not eligible to vote include Mr. Torchok Laoluechai who currently holds 497,600 shares or 0.08% of total outstanding shares, Ms. Nareerat Jitsansuey who is the wife of Mr. Torchok Laoluechai and currently holds 180,000 shares or 0.03%, and Mr. Chatchawan Jetjumongkit who currently holds 89,000 shares or 0.01% of total outstanding shares before the Transaction. Total number of shares that are not eligible to vote is 766,600 shares or 0.13% (Based on the latest book closing on August 28, 2017) of total outstanding shares before the Transaction.

### 1.7.3 Information about Potential Impact from Capital Increase and Share Offering by Private Placement

#### 1) Price Dilution

The issuance of 76,700,000 shares with par value of THB 0.50 per share and offered price of THB 3.50 per share to make payment for the entire business transfer of T-Holding will not affect current shareholders in term of price dilution. The offered price is higher than the weighted average price trade in SET for the period of 15 days before the Board of Directors has resolution to propose to Extraordinary General Meeting of Shareholders No.

2/2017 to approve the Transaction. The average price from July 18, 2017 to August 8, 2017 is THB 3.02 (Source: SETSMART).

#### Price Dilution

$$\begin{aligned}
 &= \frac{\text{Share Price before Share Offering} - \text{Share Price after Share Offering}}{\text{Share Price before Share Offering}} \\
 &= \frac{3.02 - 3.07}{3.02} \\
 &= \text{Decreased by } (1.66\%)
 \end{aligned}$$

The market price before the Transaction is the weighted average price trade in SET for the period of 15 days before the Board of Directors has resolution to propose to Extraordinary General Meeting of Shareholders No. 2/2017 to approve the Transaction. The average price from July 18, 2017 to August 8, 2017 is THB 3.02 (Source: SETSMART).

#### Calculation of Share Price after Share Offering

$$\begin{aligned}
 &\text{Share Price after Share Offering} = \\
 &\frac{(\text{Number of Outstanding Shares} \times \text{Share Price before Share Offering}) + (\text{Number of Newly-Issued Shares} \times \text{Offered Price})}{(\text{Number of Outstanding Shares} + \text{Number of Newly-Issued Shares})}
 \end{aligned}$$

● Current Outstanding Shares	600,000,000	shares
● Newly-Issued Shares	76,700,000	shares
● Share Price before Share Offering	3.02	THB per shares
● Offered Price	3.50	THB per shares

$$\begin{aligned}
 \text{Share Price after Share Offering} &= \frac{(600,000,000 \text{ shares} \times 3.02) + (76,700,000 \text{ shares} \times 3.50)}{(600,000,000 \text{ shares} + 76,700,000 \text{ shares})} \\
 &= \text{THB 3.07 per share}
 \end{aligned}$$

#### 2) Control Dilution

The issuance of 76,700,000 shares with par value of THB 0.50 per share and offered price of THB 3.50 per share to make payment for the entire business transfer of T-Holding will affect current shareholders in term of control dilution. After the entire business transfer of T-Holding, T-Holding will be liquidated and ordinary shares of the Company will be issued directly to shareholders of T-Holding as payment for the entire business transfer.

The issuance of 76,700,000 shares by private placement to shareholders of T-Holding as payment for the entire business transfer of T-Holding will create the control dilution of 11.33%. The calculation is as follows.

● Current Outstanding Shares	600,000,000	shares
● Newly-Issued Shares	76,700,000	shares

#### Control Dilution

$$\begin{aligned}
 &= \frac{\text{Newly-Issued Shares}}{\text{Current Outstanding Shares} + \text{Newly-Issued Shares}} \\
 &= \frac{76,700,000 \text{ shares}}{(600,000,000 \text{ shares} + 76,700,000 \text{ shares})} \\
 &= \text{Decreased by 11.33\%}
 \end{aligned}$$

#### 3) Earning Dilution Effect

After the Extraordinary General Meeting of Shareholders No. 2/2017 approved the entire business transfer of T-Holding for THB 313.45 million. The payment will be made in cash by THB 45.00 million and the Company will issue 76,700,000 shares with par value of THB 0.50 and offered price of THB 3.50 by private place as payment for the remaining. This will create the earning dilution effect with the following details.

#### Calculation of Earnings per Share (EPS) before and after share offering

Net profit based on trailing 4 quarters including Quarter 3 and 4 of 2016 and Quarter 1 and 2 of 2017 is THB 74.39 million.

	Before	After
Net profit based on trailing 4 quarters (THB Million)	74.39	
Number of Share (Shares)	600,000,000	676,700,000
<b>Earnings per Share (THB per Share)</b>	<b>0.1240</b>	<b>0.1099</b>

$$\begin{aligned}
 &= \frac{\text{EPS before share offering} - \text{EPS after share offering}}{\text{EPS before share offering}} \\
 &= \frac{0.1240 - 0.1099}{0.1240} \\
 &= \text{Decreased by 11.33}
 \end{aligned}$$

After the transaction, the outstanding shares of the Company will increase from 600,000,000 shares to 676,700,000 shares. The newly-issued shares will be offered by private placement (PP) for 76,700,000 shares with the par value of THB 0.50 per share. The offered price is THB 3.50 per share. The earnings per share (EPS) will decrease from THB 0.1240 per share to THB 0.1099 per share, which is 11.33%.



## 1.8 Details of Acquired Asset

### 1.8.1 Business Overview

T is a distributor of metering as well as installation, design, and providing full-service for flow metering system for industrial pipelines for customers in Petroleum, Petrochemical, Petroleum Exploration, Power Plants, and other industrial factories. Moreover, T also provides services in maintenance and calibrating of metering system and flow measurement for waterpipe.

Based on experience of main personnel of T who has knowledge and know-how in flow metering system, especially Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit who are the executives of T with experience for more than 20 years. Therefore, T is considered to have experience and specialization in flow metering system (Flow Specialist) as well as other related system and equipment. Therefore, the company is very competitive and can provide Solution Package efficiently.

The main products that T is an exclusive distributor are metering system for Petroleum and Petrochemical from Brodie Meter Co. LLC. ("Brodie") that is a leading producer in metering system for Petroleum and Petrochemical. Its products have high accuracy and repeatability at the top level among flow metering systems. The products from this producer has accuracy of  $\pm 0.075$  and repeatability of  $\pm 0.01$  compared to the standard minimum level by American Petroleum Standard (API Standard) adapt for Thailand of  $\pm 0.15$ . Therefore, these products are highly acceptable in Petroleum and Petrochemical industry, especially in using the metering skid. Moreover, T also provides Turn Key in finding products and providing full services so that its customers can use products of T properly. T usually sent its specialized engineers to join in installation of oil metering system, loading arms, flow computer, electrical heat tracing cable, and batch controller as well as construction for oil metering system and installation of metering system for Petroleum and Petrochemical. The main customers include PTT Public Company Limited, PTT Exploration and Production Public Company Limited, PTT Global Chemical Public Company Limited, IRPC Public Company Limited, ESSO (Thailand) Public Company Limited, Star Petroleum Refining Public Company Limited, Thai Oil Public Company Limited, and Bangchak Corporation Public Company Limited.



Customer in Petroleum and Petrochemical Industry



Oil Metering System of IRPC Public Company Limited

Source: Information from T



Crude Oil Metering System of PTT Global Chemical Public Company Limited

Source: Information from T



Ethylene Gas Metering System of PTT Global Chemical Public Company Limited

Source: Information from T



Crude Oil Metering System and Electrical Heat Tracing Cable of  
PTT Exploration and Production Public Company Limited

Source: Information from T



Metering System for Heating Oil / Gasoline 91/95 and  
Electrical Heat Tracing Cable of Bangchak Corporation Public Company Limited

Source: Information from T



Emergency Pressure Relief System for Oil Pipeline System of  
PTT Global Chemical Public Company Limited

Source: Information from T



Moreover, T is a distributor of flow and gas metering to customers in power plants industry that is also a main customer group. T has distributed steam meter, Desuperheater System, Control Valve, Metering and Letdown system to this group of customers. The customers of T include Ruam Kam Larp Company Limited (Thai Roong Ruang Sugar Group), TTCL Public Company Limited, Nava Nakorn Electricity Generating Company Limited, Ratchaburi Electricity Generating Holding Public Company Limited, Electricity Generating Authority of Thailand, Power Plants in Paper Business Group of Siam Cement Group.



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Customers in Power Plant Industry

Source: Information from T



Metering and Letdown system of Power Plants in Paper Business

Group of Siam Cement Group

Source: Information from T



Metering and Letdown system of  
Nava Nakorn Electricity Generating Company Limited (NNEG)

Source: Information from T



Metering and Letdown system of Bangpoo Cogeneration of  
Eternal Energy Public Company Limited

Source: Information from T



Metering and Letdown system) Ratchaburi World Cogeneration Company  
Limited

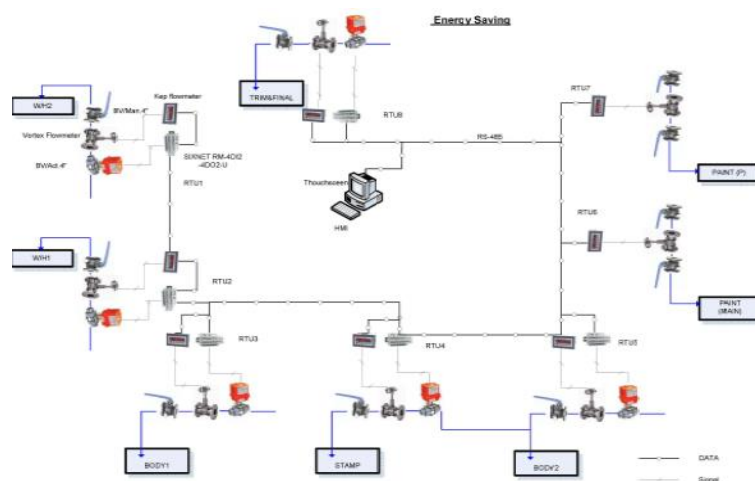
Source: Information from T

T is a distributor of air metering system for industrial factories used for Energy Saving and Utility Management System. Customers who used this system can analyze its production cost and accurately determine capacity and production time. Customers will be able to manage its production time accurately that results in cost saving. Customers in this group of T include Auto Alliance Public Company Limited, Nissan Motor (Thailand) Company Limited, Minebea Thai Company Limited, and Honda Automobile (Thailand) Company Limited.



Customers in other industries

Source: Information from T



Utility Management and Energy Saving System

Auto Alliance Public Company Limited





#### History and Experience Projects

2004	Establishment of Techtronic Company Limited
2007	Starting for Steam Meter and Flow Meter
2010	Expanding to Accept Metering Skid Projects from Petrochemical Industry
2011	Expanding to Petroleum Customers focusing on Truck Loading System and Metering Skid
2013	Getting the project in installation of Metering Skid to Petroleum Exploration for the rail transportation of crude oil to refinery of PTT Exploration and Production Public Company Limited (PTTEP)
2014	Getting the project in installation of Metering Skid for the rail transportation of crude oil to refinery of PTT Global Chemical Public Company Limited (PTTGC)
2015	Getting more projects about flow meter in all industries in Thailand. T started to pursue for the international standard for a quality management system (ISO9001:2015)
2016	Getting the international standard for a quality management system (ISO9001:2015) and the construction of new head office has completed including warehouse and calibration lab to support the business expansion in Eastern Region.




Source: Information from T







### 1.8.2 List of Products that T is the Distributor



T has been an authorized distributor of the following products.



Brand	Description	Customer	Distribution Area	Period of Being the Distributor/ The Date Starting to be the Distributor
<b>1. Flow Meter</b>				
1.1) Brodie Meter Co. LLC “Brodie” <sup>1</sup>				
The producer and seller of flow meters, strainers, air eliminators, and other accessories.				
  Examples of Flow Meter of Brodie	1. Positive Displacement Flow Meter 2. Piston Control Valves 3. Strainers/ Air Eliminators 4. Others Accessories	- Petroleum - Petrochemical - Petroleum Exploration	- Thailand - Myanmar - Cambodia - Laos	April 10, 2017 – April 9, 2019
1.2) Euromag International SRI “Euromag”				
The producer and seller of Ultrasonic and Electromagnetic Flow Meter				
  Examples of Flow Meter of Euromag	1. Ultrasonic Flow Meter 2. Electromagnetic Flow Meter 3. Other Accessories	- Water Pipeline System - Raw Water Pipeline System - Pipeline System supporting the temperature up to 120 degrees Celsius	- Thailand	September 9, 2009
1.3) Fox Thermal Instruments, Inc. “Fox”				



Brand	Description	Customer	Distribution Area	Period of Being the Distributor/ The Date Starting to be the Distributor
The producer and seller of Air Meter used in industrial factories				
 <p>Examples of Meter of Fox</p>	1. Air Meter for Utility and Pipeline System in Industrial Factories 2. Other Accessories	- General Industry - Petroleum	- General	March 31, 2017
1.4) Vortek Instruments LLC. "Vortek"				
 <p>Examples of Meter of Vortek</p>	1. Flow Meter for Steam (Liquid and Gas especially Steam)	- General Industry - Petroleum	- Thailand	January 5, 2011
1.5) Brooks Instrument, LLC. "Brooks"				
 <p>Examples of Meter of Brooks</p>	1. Rotameter 2. Thermal Mass Meter	- Research & Development - General Industry	- Thailand	January 1, 2015

Brand	Description	Customer	Distribution Area	Period of Being the Distributor/ The Date Starting to be the Distributor
<b>2. Mechanical and Controlling Equipment</b>				
<b>2.1 Emco Wheaton USA “Emco Wheaton”</b>				
The producer and seller of Loading Arms				
  Example of Loading Arms of Emco Wheaton	1. Loading Arms 2. Other Accessories	- Petroleum - Petroleum Exploration	- Thailand	December 1, 2013
<b>2.2 Mitech Control Valves (Pty) Ltd. “Mitech”<sup>2</sup></b>				
  Example of Control Valve of Mitech	1. Control Valve 2. Desuperheater	- Power Plant	- Thailand	September 10, 2015
<b>2.3 Levelstate Systems Ltd “Levelstate”</b>				
  Example of Level Water Column of Levelstate	1. Level Water Column 2. Level Indicator 3. Level Switch	- Power Plant	- Thailand	August 22, 2016 – August 21, 2017 <sup>3</sup>

Brand	Description	Customer	Distribution Area	Period of Being the Distributor/ The Date Starting to be the Distributor
<b>3. Flow Computer and Batch Controller</b>				
3.1 Emerson Process Management Asia Pacific Private Limited “Emerson” The producer and seller of Flow Computer and Batch Controller				
 <p>Example of Batch Controller of Emerson</p>	1. Flow Computer) 2. Batch Controller	<ul style="list-style-type: none"> <li>- Petroleum</li> <li>- Petroleum Exploration</li> </ul>	<ul style="list-style-type: none"> <li>- Thailand except the distribution to natural gas unit of PPT Public Company Limited</li> </ul>	March 31, 2017
3.2 Kessler-Ellis Products Co., Inc. “KEP” The producer and seller of Monitoring and Control Meter				
 <p>Example of Monitoring and Control Meter of KEP</p>	1. Monitoring and Control Meter	<ul style="list-style-type: none"> <li>- General Industry</li> <li>- Petroleum</li> </ul>	<ul style="list-style-type: none"> <li>- Thailand</li> </ul>	August 5, 2009

Brand	Description	Customer	Distribution Area	Period of Being the Distributor/ The Date Starting to be the Distributor
<b>4. Electrical Heat Tracing</b>				
<b>4.1 Pentair Thermal Management "Pentair"</b>				
  Example of Electrical Heat Tracing Cable) of Raychem	1. Electrical Heat Tracing Cable under the Raychem	- Petroleum - Petroleum Exploration - Power Plant	- Thailand	March 13, 2015

Source: Information from T

Note: <sup>1</sup>T has been selected as the exclusive distributor of Brodie in Thailand, Myanmar, Cambodia, and Laos

<sup>2</sup>T has been selected as the exclusive distributor of MITECH in Thailand

<sup>3</sup>The Distributor Agreement with Levelstate will be automatically renewed annually until terminated by any party. There is a condition that T must inform Levelstate if there is any change in shareholders. T has already sent the notification to Levelstate about the change in shareholders after the Transaction.

### 1.8.3 Project References of T

T is a distributor of flow meters as well as installation, design, and providing full services for flow meters used for industrial pipeline system for customers in Petroleum, Petrochemical, Petroleum Exploration, Power Plants, and other industrial factories, it has been established in 2004. T has many experience projects related to flow meters, metering skid, air meter used in Energy Saving and Utility Management System as follows.

No.	End-User	Project	Year	Project Value (THB million)
1	PTT Utility Company Limited (PTTUT)	Metering Skid	2007	19.00
2	PTT Utility Company Limited (PTTUT)	Metering Skid	2008	16.24
3	Auto Alliance Public Company Limited (AAT)	Energy Saving System	2008	4.00
4	Bangchak Corporation Public Company Limited (BCP) and PTT Public Company Limited (PTT)	Metering Skid	2009	21.18
5	Bangchak Corporation Public Company Limited (BCP)	Metering Skid	2010	9.50
6	IRPC Public Company Limited (IRPC)	Metering Skid	2011	10.90
7	Advance Green Power Corporation Company Limited	Desuperheater System	2011	16.40
8	Srisangdaw Biopower Company Limited	Desuperheater System	2011	12.00
9	Thai Oil Public Company Limited (TOP)	Truck Loading system	2013	10.99
10	PTT Exploration and Production Public Company Limited (PTTEP)	Metering Skid and Truck Loading system	2013	22.00
11	PTT Global Chemical Public Company Limited (PTTGC)	Metering Skid	2014	25.00
12	Bangchak Corporation Public Company Limited (BCP)	Metering Skid	2016	21.90
13	PTT Global Chemical Public Company Limited (PTTGC)	Metering Skid	2016	10.94
15	SSUT Company Limited	Metering Skid	2017	10.35

Source: Information from T

#### 1.8.4 Backlog

As of June 30, 2017, T has 10 backlog projects with backlog value of THB 89.87 million from total value of THB 144.03 million. However, some projects have been postponed and/or there was any event making project delay that is not responsibility of T. Therefore, T cannot deliver the works as specified in the contract but T has already got the consent from the project owners. The details of backlog are as follows.

##### Summary of Backlog Project of T as of June 30, 2017

No.	Counterparty	Project	Order Date/ Period in the Agreement	Expected Delivery Date	Project Value based on Contract (THB million)	Backlog value as of June 30, 2017 (THB million)
1	PTT Global Chemical Public Company Limited (PTTGC)	Metering System for LPG	October 15, 2016 – July 15, 2017	Delivery on August 4, 2017	8.35	0.77
2	TTCL Public Company Limited	Metering System Butane 1	January 26, 2016 – January 20, 2018	January 20, 2018	4.13	4.13
3	PTT Management and Engineering Company Limited (PTTME)	Electrical Heat Tracing Cable for Crude oil*	January 1, 2016 – March 15, 2016	September 1, 2017	11.00	1.61
4	PTT Management and Engineering Company Limited (PTTME)	Metering System for Crude oil**	February 9, 2016 – June 17, 2016	September 1, 2017	18.00	0.58
5	Italthai Engineering Company Limited	Steam Meter*	October 13, 2015 – March 15, 2016	September 30, 2017	10.35	1.05
6	Siamraj Public Company Limited	Truck Loading system for Depot in Phichit *	December 26, 2016 – May 2, 2017	November 20, 2017	36.00	36.00
7	Siamraj Public Company Limited	Truck Loading system for Depot in Lampang*	March 14, 2017 – September 19, 2017	January 20, 2018	36.00	36.00

No.	Counterparty	Project	Order Date/ Period in the Agreement	Expected Delivery Date	Project Value based on Contract (THB million)	Backlog value as of June 30, 2017 (THB million)
8	PTT Global Chemical Public Company Limited (PTTGC)	Truck Loading system	May 8, 2017 – August 23, 2017	Delivery on August 17, 2017	3.16	3.16
9	IRPC Public Company Limited (IRPC)	Metering Skid	April 24, 2017 – November 8, 2017	October 10, 2017	3.20	3.20
10	Thai Petroleum Pipeline Company Limited	Truck Loading system	June 2, 2017 – November 29, 2017	November 21, 2017	3.37	3.37
<b>Total</b>					<b>144.03</b>	<b>91.02</b>

Source: Information from T

Note: \*The company has received the consent letter for delay delivery without any penalty from the project owner

\*\*The company is waiting for the consent letter for delay delivery without any penalty from the project owner

### 1.8.5 Competitors

#### Competitors of T in Thailand

T has direct competitors as follows.

1. SAS Tech Solution Company Limited
2. Polytechnology Company Limited

#### Competitors of Suppliers of T as a Distributor

Suppliers of T	Competitors of Supplier of T
Brodie Meter Co. LLC	TechnipFMC
Brooks Instrument, LLC.	Krohne
Kessler-Ellis Products Co., Inc.	Contrec
Pentair Thermal Management RAYCHEM	Thermon
Fox Thermal Instruments, Inc.	Fluid Components International
Vortek Instruments LLC.	Yokogawa
Emco Wheaton USA	OPW Engineered Systems
Euromag International Srl	Endress+Hauser
Banksia Control	Oval
Maxiflo	ABB
Levelstate	Klingage
MITECH	Samson

Source: Information from T

### 1.8.6 Details of Important Assets

Moreover, T also has other important assets that are land, office building, and warehouse with the following details.

#### Details of Head Office of T

Characteristics	:	1 unit of 2-storey of warehouse and office building 1 unit of 2-storey office building and other structures
Location	:	5/71 Sark Farang Road, Branching from Sukhumvit Road (Highway No. 3), Noen Phra Sub-District, Mueang Rayong District, Rayong
Purpose of Appraisal	:	Public purpose
Criteria in Appraisal	:	1) To determine the market value (land) 2) To determine the Depreciated Replacement Cost (building)
Appraisal Approach	:	1) Comparison Approach



	2) Cost Approach
Land Area	: 0-3-0 Rai (3 Ngan)
Title Document	: Title Deed No. 92335
Owner	: Techtronic Company Limited
Obligation (Mortgage)	: Bank no. 2
Road Accessibility	: Public Road
Zoning	: Pink (Community Area)
Expropriation	: The property is not located in expropriated areas (as of June 12, 2017)
Building and Structure	: 2 units of Buildings with total area of 414 sq.m. as well as other structures
Survey Date	: June 9 ,2017
Appraisal Date	: June 14, 2017
Value	: THB 10.02 million
Insured Amount	: THB 3.89 million
Prepared by	: UK Valuations and Agency Company Limited
Inspected by	: Mr. Natee Tangtidtham
	Mrs. Somsri Temtripeth



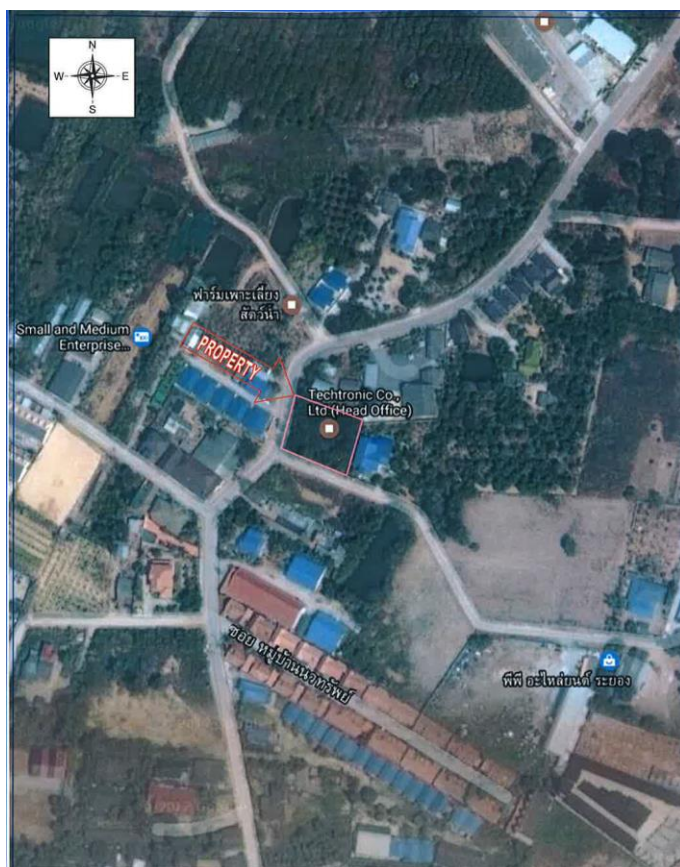
Head Office of T



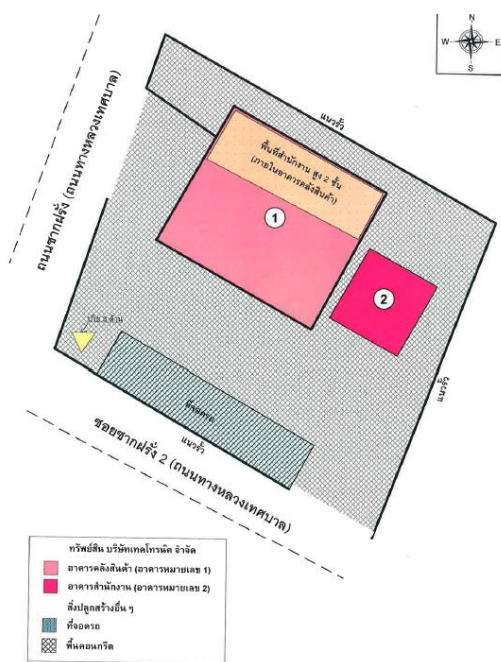
Head Office of T



Head Office of T



Aerial Photo of Head Office of T



Layout of Head Office of T

Details of Lease Agreement of Branch Office of T

Lessor	: Freshy Partnership (Ms. Nareerat Jitsansuey*)
Lessee	: Techtronic Company Limited
Characteristics	: Office Building
Location	: 5/146 Thetsaban Songkhro Road, Ladyao Sub-District, Chatuchak District, Bangkok
Date	: May 1, 2017 – April 30, 2018 (1 year)
Rental and Service Fees	: Total payment for rent and service fees is THB 30,000 per month

Note: \*wife of Mr. Torchok Laoluechai

Details of Important Agreements or Certificates for Operating Business

Certificate for Operating Business in Accordance with Article 17 of Weights and Measures Act, B.E.2542

Title	Certificate for Operating Business in accordance with Article 17 of Weights and Measures Act, B.E.2542
Issuer	Department of Internal Trade, Ministry of Commerce
Term	June 13, 2017 – June 12, 2021
Description	Certifying that T has operated the business in importing measuring equipment in accordance with Article 17 of Weights and Measures Act, B.E.2542

Title	Certificate for Operating Business in accordance with Article 17 of Weights and Measures Act, B.E.2542
Issuer	Department of Internal Trade, Ministry of Commerce
Term	June 13, 2017 – June 12, 2021
Description	Certifying that T has operated the business in distributing measuring equipment in accordance with Article 17 of Weights and Measures Act, B.E.2542

Certificate of ISO 9001:2015

Title	Certificate of ISO 9001:2015
Issuer	BSI Group
Term	November 10, 2016 – November 9, 2019
Description	Certifying that T has passed the international standard for quality management ISO 9001:2015

Loan agreement with Bank No. 1

Lender	Bank No. 1
Borrower	Techtronic Co., Ltd.
Term	August 14, 2015 – August 13, 2019 (5 years)
Amount	THB 5.00 million (The outstanding balance as of June 30, 2017 is THB 2.07 million)
Interest and Fees	For year 1-3, the interest rate is 7.00% per year and the government will pay the compensation to the borrower for 3.00% per year For year 4-5, the interest rate is MLR (Currently, MLR is 6.875% per year)
Purpose	Used for working capital
Guarantee/ Guarantor	- Thai Credit Guarantee Corporation (TCG) will guarantee for the loan up to the amount specified by the lender. If Thai Credit Guarantee Corporation (TCG) does not approve the guarantee or reduce the guaranteed amount that is different from the amount specified by the lender, the borrower agrees that the lender can change the conditions for draw down, call for additional guarantee or other conditions, increase and decrease the loan amount, terminate of the agreement, and call for repayment of the outstanding balance from the borrower. - Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit will guarantee for the whole amount of loan.

Note: The legal due diligence of T-Holding and T prepared by the legal advisor specified that the transfer of share is not a default condition for this loan agreement.

Lender	Bank No. 1
Borrower	Techtronic Co., Ltd.
Term	July 19, 2017 – July 18, 2023 (7 years)
Amount	THB 5.00 million
Interest and Fees	For year 1-3, the interest rate is 5.00% per year and the government will pay the compensation to the borrower for 2.00% per year For year 4-5, the interest rate is MLR (Currently, MLR is 6.875% per year)
Purpose	Used for working capital
Guarantee/ Guarantor	- Thai Credit Guarantee Corporation (TCG) will guarantee for the loan up to the amount specified by the lender. If Thai Credit Guarantee Corporation (TCG) does not approve the guarantee or reduce the guaranteed amount that is different from the amount specified by the lender, the borrower agrees that the lender can change the conditions for draw down, call for additional guarantee or other conditions, increase and decrease

	<p>the loan amount, terminate of the agreement, and call for repayment of the outstanding balance from the borrower.</p> <p>- Techtronic Holding Company Limited, Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit will guarantee for the whole amount of loan.</p>
Default Condition	<p>1 The following cases are considered that the borrower has defaulted and the lender can terminate the agreement.</p> <p>1.1 The borrower does not follow any part of this agreement.</p> <p>1.2 The borrower does not make payment of any principal or interest or other payments specified in this agreement or other agreements or other obligations that the borrower needs to pay to the lender.</p> <p>1.3 The borrower provides false information, messages, or documents or intentionally conceals any fact that the lender should be informed.</p> <p>1.4 The borrower does not follow the planned project or conditions of loan that has informed the lender, or does not follow the planned project or conditions of loan and/or conditions of draw down as approved by the lender, or does not use the loan in the specified projects entirely or partially, or the project specified as the purpose of loan has been terminated.</p> <p>1.5 The borrower does not make payment to the creditors of the lender, the lender, and/or the guarantor has been sued or legally executed as the court order, or is under receivership, or has died.</p> <p>2 If the borrower breaches any agreement or there is any event specified in this agreement as the default condition, the lender can ask the borrower to make payment of the remaining amount including principal, interest, fees, or any other expenses to the lender and any time clause will be waived in this case. This can be done regardless that the lender will notify the borrower to comply with the agreement before or not, or the borrower will resolve the issue already or not.</p> <p>3 If the default is made by the borrower, the borrower will be responsible for any damage incurred to the lender because of this default. The responsibility includes the cost in warning, claiming, asking, taking any legal action, as well as compulsory performance until the lender has received the whole amount of payment.</p> <p>4 If the lender terminates the agreement, the borrower will make payment for the remaining principal and interest including any obligation in this agreement and related expense specified in 3 to the lender within 30 days from the date that the agreement has been terminated</p>



	<p>5 If the borrower defaults or takes any action as specified as default conditions in this agreement, it will be considered that the borrower defaults other loan agreements with the lender. In this case, the lender can call for the remaining payment in the agreement and process for the foreclosure like pledging or mortgage or call for additional guarantee or increase the mortgaged amount of any mortgage between the borrower and the lender. regardless that the payment has been due or not until the lender received the whole amount of payment. In this case, any time clause specified in the agreement, on the note or in any document will be waived.</p>
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Note: The legal due diligence of T-Holding and T prepared by the legal advisor specified if T-Holding has obligation as the guarantor for this loan, the entire business transfer of T-Holding will not be able to be done.

#### Loan Agreement with Bank no. 2

Lender	Bank No. 2
Borrower	Techtronic Co., Ltd.
Term	December 8, 2016 – December 7, 2026 (10 years)
Amount	Overdraft (O/D) of THB 7.00 million There is an amendment for increase the credit line of overdraft (O/D) from THB 4.00 million to THB 7.00 million on January 25, 2011
Interest and Fees	MOR + 0.75% per year (The interest rate on agreement date is 7.00%) - The Front-End Fee is 1.00% of credit line
Purpose	Not specified
Guarantee/ Guarantor	<p>Guarantee</p> <ul style="list-style-type: none"> <li>- Title Deed No. 92335 located in Noen Phra Sub-District, Mueang Rayong District, Rayong subject to 2 mortgage agreements as follows.</li> <li>1) The mortgage agreement for land and buildings dated January 25, 2011 with the amount of THB 2.88 million</li> <li>2) The mortgage agreement for land and buildings dated December 8, 2016 with the amount of THB 4.12 million</li> </ul> <p>Guarantor</p> <ul style="list-style-type: none"> <li>- Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit</li> <li>- Thai Credit Guarantee Corporation (TCG)</li> </ul>

Note: The legal due diligence of T-Holding and T prepared by the legal advisor specified that the transfer of share is not a default condition for this loan agreement.

### Summary of Agreements with Other Financial Institutions

Financial Institution	Type	Agreement Date	Interest/Fees	Amount (THB million)	Guarantee / Guarantor
Bank no. 3	Letter of Guarantee for Bid Bond, Contract Bond, Performance Bond, Advance Payment Bond, and Purchase of Goods*	July 19, 2013	- Not specified	8.00	- Time Deposit of THB 2.84 million
Bank no. 3	Letter of Guarantee for Bid Bond, Contract Bond, Performance Bond <sup>1</sup>	November 10, 2014	- Cancellation Fee is 3.00% of credit amount	4.00	- Time Deposit of THB 1.05 million - Time Deposit of THB 2.00 million - Mr. Torchok Laoluechai - Mr. Chatchawan Jetjumnongkit - Ms. Nareerat Jitsansuey <sup>2</sup> - Mrs. Wannee Jetjumnongkit <sup>3</sup>
Bank no. 3	Letter of Credit and/or Trust Receipt (LC/TR) <sup>1</sup>	November 10, 2014	- 1.00% per year - Front-End Fee is 1.00% of credit amount - Front-End Fee is THB 0.10 million	18.00	- Time Deposit of THB 2.00 million - Time Deposit of THB 1.05 million - Mr. Torchok Laoluechai - Mr. Chatchawan Jetjumnongkit - Ms. Nareerat Jitsansuey <sup>2</sup> - Mrs. Wannee Jetjumnongkit <sup>3</sup>
Bank no. 3	Letter of Credit and/or Trust Receipt (LC/TR) and Credit Amount for Forward Contract <sup>1</sup>	August 31, 2016 and can be extended further based on bank's consideration	- MOR - Front-End Fee is 1.00% of credit amount	- LC/TR 10.00 -Forward Contract 1.42	- Mr. Torchok Laoluechai - Mr. Chatchawan Jetjumnongkit - Time Deposit of THB 2.00 million
Bank no. 3	Letter of Credit and/or Trust Receipt (LC/TR)	November 29, 2016	- MOR - Front-End Fee is 0.00% of credit amount - Cancellation Fee is 3.00% of credit amount	15.00	- Time Deposit of THB 3.00 million - Mr. Torchok Laoluechai - Mr. Chatchawan Jetjumnongkit - T-Holding
Bank no. 3	Forward Contract	November 29, 2016	- Interest as bank announcement - Front-End Fee is 0.00% of credit amount	2.85	- Time Deposit of THB 3.00 million - Mr. Torchok Laoluechai - Mr. Chatchawan Jetjumnongkit - T-Holding



Financial Institution	Type	Agreement Date	Interest/Fees	Amount (THB million)	Guarantee / Guarantor
			- Cancellation Fee is 3.00% of credit amount		

Note: <sup>1</sup> The legal due diligent of T-Holding and T prepared by the legal advisor specified if there is any change in major shareholders or directors or executives, the financial institution will consider T as default and the outstanding balance of T must be paid immediately and/or the bank can terminate the credit line immediately regardless of the unused amount of credit line

<sup>2</sup>Wife of Mr. Torchok Laoluechai

<sup>3</sup>Wife of Mr. Chatchawan Jetjumnongkit

### 1.9 Total Value of Consideration

The Company will receive the entire business transfer of T-Holding for THB 313.45 million. The amount of THB 45.00 million will be paid by cash and the remaining amount of THB 268.45 million will be paid by issuing 76,700,000 shares with par value of THB 0.50. The proportion of newly-issued shares to pay for the entire business transfer of T-Holding is 12.78% of total paid-up shares of the Company. The offered price is THB 3.50 per share that is no discount from the market price in accordance with the Notification of the Capital Market Supervisory Board No.Torjor.72/2558 Re: Approval to Listed Companies of offer sale of new common shares in the Manner of Private Placement.

The issuance of shares for payment of entire business transfer of T-Holding must be approved by the resolution of shareholders meeting with at least three-fourths of total votes of shareholders or proxies (if any) attending the meeting and eligible to vote, excluding interested shareholders. The Extraordinary General Meeting of Shareholders No. 2/2017 will be held on October 3, 2017. Moreover, this Transaction must be approved by the Office of Securities and Exchange Commission in accordance with the Notification of the Capital Market Supervisory Board No.Torjor.72/2558 before issuing shares to make payment for entire business transfer of T-Holding.

### 1.10 Method used in Determining the Value of Consideration

To determining the value of consideration for issuance of 76,700,000 shares with par value of THB 0.50 and offered price of THB 3.50, the method used is the discounted cash flow to determine the fair value of issued shares with the main assumptions based on past performance and growth potential of revenue and profit in the future.

Moreover, the market price of shares issued to T-Holding is based on the average market price traded in SET for 15 days before the Board of Directors had resolution to propose to Extraordinary General Meeting of

Shareholders No 2/2017 to approve the share issuance. The period was from July 18, 2017 to August 8, 2017 and the average price is THB 3.02 (Source: SETSMART)

### 1.11 Source of Capital

The source of capital used in acquiring ordinary shares of T is as follows.

Source of Capital	(THB million)	Use of Capital	(THB million)
Issuing new ordinary shares by Private Placement (PP) <sup>1</sup>	268.45	Payment for entire business transfer of T-Holding that is ordinary shares of T for 59,998 shares (which is 99.99% of total outstanding shares)	313.45
Cash <sup>2</sup>	45.00		
<b>Total</b>	<b>313.45</b>	<b>Total</b>	<b>313.45</b>

Note: <sup>1</sup>The Board of Directors of the Company has resolved in its meeting no. 8/2017 to approve the following issues.

- To propose to the shareholder meeting to approve the acquisition and entire business transfer of T-Holding and entering into the entire business transfer agreement, undertaking agreement, and other documents related to the Transaction.
- To propose to the shareholder meeting to approve the capital increase of THB 38.35 million from the authorized capital of THB 300.00 million to THB 338.35 million by issuing 76,700,00 shares with par value of THB 0.50 used the payment for the entire business transfer of T-Holding
- To propose to the shareholder meeting to approve the issuance of 76,700,000 shares with par value of THB 0.50 by private placement (PP). Total number of newly-issued shares is 76,700,000 shares offered to Mr. Torchok Laoluechai for 46,020,000 shares and Mr. Chatchawan Jetjumnongkit for 60,680,000 shares.

<sup>2</sup>Based on the financial statement for six months ended June 30, 2017, the Company has cash and cash equivalent of THB 150.18 million and marketable securities of THB 289.06 million.

### 1.12 Value of Acquired Asset

The Company will receive all assets (including ordinary shares of T) and liabilities of T-Holding as of December 31, 2016 with the following details.

Items	Financial Statement of T-Holding (THB Million)
Cash	0.10
Ordinary Shares of T for 59,998 shares	6.00
Loans from T	0.06

### 1.13 Expected Benefits after the Transaction

After the Transaction, T will become a subsidiary of the Company with ownership proportion of 99.99%. It is expected that T will increase the business potential of the Company and will create synergy with other business units of the Company which can be summarized as follows.

#### 1.13.1 To support the business in creating competitive advantages to the whole company

a) Product and Service Line Extension for the Company in Metering Unit and Engineered Pumps and Systems Unit (EPS)

T is a distributor of flow measurement and instruments as well as installation, design, and providing full services related to flow measurement and instruments for industrial pipeline system e.g. oil, petrochemical, crude oil, and petrochemical, etc. The main customers are in Petroleum industry, Petrochemical industry, Petroleum Exploration industry, Power Plants industry, and other industrial factories in Rayong and Bangkok. T has operated for more than 13 years with experience and specialization as Flow Specialist. T has many experience projects and the main personnel includes Mr. Chatchawan Jetjumnongkit and Mr. Chatchawan Jetjumnongkit who have knowledge, know-how, and experience more than 20 years.

Therefore, after the acquisition and transfer of T as a subsidiary of the Company, the Company will have more complete product lines in design and installation of flow control and metering system as well as related equipment. Currently, the Company is specialized in construction for flow metering system and related equipment including engineered pumps and system.

b) The Company can provide services more efficiently and increase its competitive advantages as well as the Company can take the projects with larger size and wider scope

After the Transaction, T will be a subsidiary of the Company. T will be supported by the Company in term of finance and personnel. T will be able to take the projects with larger size and wider scope. Currently, T is specialized in flow metering system but cannot provide services related to pumps or pipeline system. T needed to negotiate with the project owner to do only the works related to flow metering system due to the financial and personnel constraints. After the Transaction, T can grow its business in flow metering system and increase its revenues because of the support from the Company. Moreover, the Company can sell more products to the large projects.

c) The Company can take projects with smaller size for Gas Metering

Currently, the Company has taken gas metering projects with medium or large size. The Company did not take the project with smaller size because those projects are not feasible in term of overhead cost. After the

Transaction, the Company will let T take smaller projects because of lower overhead cost and the Company will support in term of technic and specialization to personnel of T.

**1.13.2 To integrate knowledge and technology in improving the service process.**

The Company and T have knowledge and know-how in the installation of metering and control system in different areas. This will allow the exchange of technology for each other. Based on the know-how of T in design of metering system, T will be able to provide new innovative products and improve its current products to better satisfy customers' needs like installation of flow measurement instruments without any impact to the production process or to use the flow measurement instruments for energy saving and utility management system.

**1.13.3 To increase the potential as the leader in design and installation of metering system in Thailand's Eastern Economic Corridor (EEC)**

The government has the policy to promote and stimulate the investment in the Eastern Seaboard as the strategic area for investment and product base of leading industries of Thailand including Petrochemical industry, Automobile industry, and Energy industry, etc. The Company and T have customer bases in this area, especially T who has the head office in Rayong to support customers in the area. After the Transaction, the Company can increase its customer base in in Eastern Region as well as increase the potential to be the leader in design and installation of flow metering system and support more investment in the future.

**1.13.4 To generate more revenues and strengthen its financial position**

After the Transaction, the Company will be able to combine the performance and financial position of T after the transfer date into the consolidated financial statement as a subsidiary of the Company. The transfer date will be on November 1, 2017 (More information in 1.5.1)

Based on the performance in 2016, T had total revenues of THB 259.62 million and net profit of THB 25.81 million.

**1.14 Overview of Connected Transaction**

The acquisition and entire business transfer of T-Holding will be paid by cash for THB 45.00 million. The remaining amount of THB 268.45 million will be paid by issuing 76,700,000 shares by private placement (PP) with par value of THB 0.50 and offered price of THB 3.50. The Transaction is considered to be the transaction with connected person in accordance with the Notification of Capital Market Supervisory Board No. TorChor. 21/2008 Re: Ruled on Connected Transactions and Notification of the Board of Governors of the Stock Exchange of Thailand No. BorJor/Por 22-01 Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546. After the Transaction, Mr. Torchok Laoluechai will be appointed as the

executive committee (same level as the executive of the Company). The size of transaction is 37.03% of NTA of the Company as of June 30, 2017 which is higher than THB 20.00 million or more than 3.00% of net tangible assets (NTA) of the Company. The Transaction will be proposed to the Extraordinary General Meeting of Shareholders No. 2/2017 which will be held on October 3, 2017 to get the approval by the resolution of at least three-fourths of total votes of shareholders or proxies (if any) attending the meeting and eligible to vote, excluding interested shareholders. The Company also needs to disclose information regarding to the Transaction. In order get the approval from shareholders, the Company has appointed IFA to provide the opinion on the Transaction.

#### 1.15 Opinion of Board of Directors

The Board of Directors of the Company has resolved in its meeting that excluded interested directors and/or directors who are connected persons to approve the Transaction. The Board of Directors has opined that the acquisition and entire business transfer of T-Holding including ordinary shares of T for 99.99% of total outstanding shares. This acquisition will create synergy because the core business of T is also design and installation of flow metering system.

The acquisition and entire business transfer of T-Holding and T will benefit the Company and shareholders as specified in Section 1.13. Moreover, the price for entire business transfer is THB 313.45 million is fair and reasonable compared to the value of consideration using Discounted Cash Flow Approach based on important assumptions which are past performance and growth potential of revenues and profits in the future.

Moreover, the payment of this acquisition and entire business transfer is partially made by issuing ordinary shares of the Company. This can help to maintain the liquidity and allow the Company to use cash flow in other business expansions to generate higher return to shareholders in the future. The issuance of shares to executives of T will help in motivating them to work for maximum benefits of the Company.

#### 1.16 Opinion of Audit Committee and/or Directors that is different from the opinion from the Board of Directors in

##### 1.15

The opinion of audit committee is similar to the opinion of the Board of Directors.

## Part 2 : Reasonableness and Benefits of the Transaction

### 2.1 Objective and Necessity of the Transaction

The Board of Directors of the Company has resolved in its meeting no. 8/2017 held on August 9, 2017 to approve and propose to the Extraordinary General Meeting of Shareholders No. 2/2017 that will be held on October 3, 2017 to approve the acquisition of Techtronic Holding Co., Ltd. ("T-Holding") in form of Entire Business Transfer (EBT) including the entry into the entire business transfer agreement, the undertaking agreement and other relevant transaction documents.

The core business of T focuses on distributing of flow measurement and instruments as well as installation, design, and providing full services related to flow measurement and instruments. It has good relationship with customers in Petroleum, Petrochemical, Petroleum Exploration, Power Plant, and other industrial factories for more than 10 years. If the Company gets the approval from the shareholder meeting in entire business transfer from T, T will become a subsidiary of the Company and will be able to expand their customer bases in other sectors. Moreover, the Company will be able to expand its business, especially to Thailand's Eastern Economic Corridor (EEC) so as to generate more profits. After acquiring T, the Company expects to increase its potential and achieve the synergy as well as other benefits, which can be summarized as follows.

- 1) To support the business in creating competitive advantages to the whole company.
- 2) To integrate knowledge and technology in improving the service process.
- 3) To expand its customer bases to Thailand's Eastern Economic Corridor (EEC)
- 4) To generate more revenues and strengthen its financial position

Based on the above reasons, the Board of Directors of the Company has resolved in its meeting no. 8/2017 to approve this transaction. The agreed amount in the Entire Business Transfer Agreement is THB 313.45 million. The Company will make payment in cash for THB 45.00 million. The remaining amount of THB 268.45 million will be paid by issuing 76,700,000 shares by Private Placement (PP) with the par value of THB 0.50 per share. This share issuance for payment of the Entire Business Transfer of T-Holding to Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit who are current shareholders, directors, and executives of T-Holding and Techtronic Co., Ltd. ("T") which is a subsidiary of T-Holding.

## 2.2 Advantages of Entering into the Transaction and Disadvantages of Not Entering into the Transaction

### 2.3.1 Advantages of Entering into the Transaction

#### 1) Creating Synergy with Other Business Units of the Company

There are 2 business units that are related to T, which are Metering and Pipeline Transmission (or MPT) and Engineered Pumps and Systems (or EPS). Therefore, entering into the Transaction will create synergy for the Company as follows.

##### a) Metering and Pipeline Transmission (or MPT)

The core business of T focuses on distributing of flow measurement and instruments as well as installation, design, and providing full services related to flow measurement and instruments for industrial pipeline system. This is similar to one business unit of the Company using the similar engineering principal which is Metering and Pipeline Transmission (or MPT). The Company is specialized in engineering services for metering and control system for natural gas. T is specialized in flow measurement of liquid like oil and other petroleum which is less technologically complicated than the Company. The value for each project of T is less than the project about metering and control system using high technologically complicated. The customer base of T is the same as the customer base of the Company but in different business units. Customers of the Company are in the business unit related to natural gas whereas customers of T are in business unit related to oil and liquid e.g. PTT Public Company Limited, Bangchak Corporation Public Company Limited, etc. Moreover, the main personnel of T have knowledge, competency, and experience in installing metering for natural gas but T has limited working capital and it cannot take the projects related to install metering for natural gas with high project value.

After the approve of the Transaction, T will become a subsidiary of the Company with ownership proportion of 99.99%. The Company will be able to increase the natural gas metering projects with lower budget. Using personnel from T will have lower overhead cost than the Company. Therefore, the Company can increase its market share in construction of metering and control system and natural gas pipeline transmission system.

##### b) Engineered Pumps and Systems (or EPS)

Engineered Pumps and Systems (or EPS) focuses on design and distributing engineered pumps and other engineering equipment and compressor. The engineered pumps used for petroleum industry includes Gear Pumps, Screw Pumps, Diaphragm Pumps, Process Metering Pumps, and Process Centrifugal Pumps, etc. T has its head office in Rayong that is located in Thailand's Eastern Economic Corridor (EEC). This area is considered to be the area for strategic investment and main production base of the country including Petrochemical, automotive industry, and energy, etc. As the head office of T is located in that area, T has competitive advantages in providing fast and convenience services to customers. The customer base includes Petroleum, Petrochemical, power plants, and other industrial factories. Most of customers used engineered pumps. Based on the current

operation of the Company, if the Company has projects related to flow measurement instruments, the Company will purchase equipment or hire T as a sub-contractor. T is a distributor for flow measurement and instruments as well as installation, design, and providing full services related to flow measurement and instruments for industrial pipeline system. Its customers are from Petroleum industry, Petrochemical, power plants, and other industrial factories that are also customers of the Company.

After the approval of the Transaction, T will become a subsidiary of the Company with ownership proportion of 99.99%. This will create synergy because the Company can expand its customer bases to Thailand's Eastern Economic Corridor (EEC) using T as the channel in distributing engineer pumps and system. If the Engineered Pumps and Systems Business Unit would like to get the project related to flow measurement, the Company can order these equipment from T with high quality and the Company can better manage its overall cost. Moreover, if T has the project related to engineer pumps and system, T can order these products from the Company because the Company is specialized in these products. Therefore, T as a subsidiary of the Company will be able to manage its cost better and will increase total revenues and profits of the Company.

## **2) Having More Revenues and Profits from Operating Performance of T after the Transaction**

After the acquisition and entire business transfer of T-Holding, the Company will acquire all assets, liabilities, and rights of T-Holding. The most important assets are ordinary shares of T for 59,998 shares or 99.99%. T will become a subsidiary of the Company after the complete of entire business transfer. The transfer date has been specified on November 1, 2017. The Company will be able to combine the performance of T into the consolidated financial statement of the Company after the Transaction.

The operating performance in 2016 of T shows total revenues of THB 259.62 million and net profit of THB 25.81 million.

## **3) Reducing Risk from Depending on Business Related to Natural Gas**

If the shareholder meeting approves the entire business transfer of T-Holding, the Company will be able to diversify risk into other businesses. The current business of T is about flow measurement and instruments as well as installation, design, and providing full services related to flow measurement and instruments for industrial pipeline system which is similar to the business unit of Metering and Pipeline Transmission (or MPT) that mainly depends on natural gas. Moreover, T is a distributor of Air Flow Meter for factories used for Energy Saving and Utility Management System. Therefore, after the Transaction, the Company will be able to diversify the risk from depending on the price of natural gas which is volatile.



#### **4) Integrating Knowledge and Technology to Improve the Process of Providing Services**

The Company and T have knowledge and know-how in the installation of metering and control system in different areas. The Transaction will allow the exchange of technology. Based on the know-how of T in design of metering system, T will be able to provide new services like installation of flow measurement instruments without any impact to the production process or to use the flow measurement instruments for energy saving and utility management system.

#### **5) No Price Dilution for Current Shareholders**

The issuance of 76,700,000 share with par value of THB 0.50 and offered price of THB 3.50 as the payment for the entire business transfer of T-Holding will not create any price dilution to current shareholders. The offered price is higher than the 15-day weighted average price as traded in Stock Exchange on the day that the Board of Directors of the Company has the resolution to propose to the Extraordinary General Meeting of Shareholder No. 2/2017 to consider the Transaction. The average price during the period from July 18, 2017 to August 8, 2017 is THB 3.02 (Source: SETSMART) (More information in 1.7.3)

The share issuance and offering to shareholders of T-Holding will not make the price dilution effect because the offered price in private placement is higher than the market price by 15.89%

#### **6) Having a New Business Unit without Establishing from Scratch**

T is a distributor for flow measurement and instruments as well as installation, design, and providing full services related to flow measurement and instruments for industrial pipeline system. The service is in form of Turn Key that is to provide products and full services for customers so as to use products of T properly. T also has personnel with knowledge, specialization, and experience for more than 20 years including Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit. Moreover, T is an exclusive distributor of metering products for Petroleum and Petrochemical for the brand Brodie who is the global leader in these products. Therefore, T is very competitive and can provide Solution Package in metering system (More information in 1.8.1 and 1.8.2).

Moreover, T is a distributor flow measurement instruments to power plants who are also customers of the Company. T is also a distributor of Desuperheater System, Control Valve, and Metering and Letdown system as well as Air Flow Meter for factories used for Energy Saving and Utility Management System. Especially for Air Flow Meter for factories, the production cost can be analyzed precisely and it helps in managing production time and reducing production cost.

Furthermore, T has experience and well-known for customers based on the project references (More information in 1.8.3). If the Company would like to expand to flow measurement business as T, the Company needs to establish from scratch in acquiring products and personnel though the Company has the business unit similar

to T, which is Metering and Pipeline Transmission (MPT). The customers of T include factories distributing Flow Meter, Flow Computer, Truck Loading System, and Electrical Heat Tracing. If the Company would like to do the same business as T, the Company needs to develop faithfulness and trust with customers and acquiring quality products before the Company can compete to take market share.

Therefore, after the Transaction, T will become a subsidiary of the Company with ownership proportion of 99.99%. T has been already well-known as a distributor of various products and having personnel with experience and knowledge. Moreover, T has past accomplishment and is trusted by customers. The Company does not need to invest to establish the new business unit that may be complicated and time-consuming. It can also help in reducing risk of starting the new business.

#### **7) Reducing the Potential Competitor in the Future**

The nature of business of T is similar to the Company and using the same engineering technology. Moreover, the main personnel are Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit who have high experience as well as they are specialized and well-known as the distributor and service provider for flow measurement for more than 20 years. It also has good relationship with customers in Petroleum and Petrochemical industry. Its customers are also customers of the Company but in different business units including PTT Public Company Limited and Bangchak Corporation Public Company Limited. It is also a distributor of many well-known products. However, T has the financial constraint compared to the Company so T cannot take the project with higher value like Metering and Pipeline Transmission (or MPT) of the Company. If T has enough working capital to take such projects, T will become a main competitor of the Company. The approval of the Transaction will reduce the chance that T will become a competitor in the future.

### **2.3.1 Disadvantages of Entering into the Transaction and Advantages of Not Entering into the Transaction**

#### **1) Control Dilution and Earning Dilution Effect**

After the Extraordinary General Meeting No. 2/2017 approves the acquisition and entire business transfer of T-Holding for THB 313.45 million. The payment will be made in cash by THB 45.00 million and the remaining amount will be paid in form of issuing 76,700,000 shares by private placement (PP). The par value is THB 0.50 and the offered price is THB 3.50. The shares will be offered to the directors and shareholders of T-Holding as the compensation. Thereafter, the number of outstanding shares will increase from 600,000,000 shares to 676,700,000 shares. The control dilution will be 11.33% (More information in 1.7.3) which will not affect to the controlling power of the Company.

The earnings dilution effect will be also 11.33% (More information in 1.7.3). After the entire business transfer of T-Holding, the Company will hold ordinary shares of T with ownership proportion of 99.99% of registered

and paid-up capital of T. Based on the 4-quarter trailing net profit, if T has net profit less than THB 9.51 million, there will be earnings dilution effect. However, the net profit of T based on the audited financial statement as of December 31, 2016 was THB 25.81 million.

## **2.3 Advantages and Disadvantages of Entering into the Transaction with Connected Person Compared to Entering into the Transaction with Outsider**

### **2.3.1 Advantages of Entering into the Transaction with Connected Person**

#### **1) Getting the Executives of T to Work with the Company**

After the Transaction, the Company will take the entire business of T-Holding in form of the entire business transfer and T will become a subsidiary of the Company. The Company will appoint Mr. Torchok Laoluechai who has experience, know-how, and well-known as the distributor and service provider of flow metering system for more than 20 years with good relationship with customers in Petroleum and Petrochemical Industry to be the executive committee that is in the same level as the executives of the Company and the risk management committee. Mr. Torchok Laoluechai have knowledge and know-how in the installation of metering and control system in different areas that can exchange with each other. Based on the know-how of T in design of metering system, T will be able to provide new services like installation of flow measurement instruments without any impact to the production process or to use the gas flow measurement instruments for energy saving and utility management system. The appointment of Mr. Torchok Laoluechai as the executive committee and risk management committee will allow the cooperation between the Company and subsidiaries become more agile. Mr. Torchok Laoluechai will be able to work according to the policy of the Company because Mr. Torchok Laoluechai as the representative of executives of the Company will acknowledge the policy directly from the Board of Directors and will work together with the Board to determine the policy of T to move towards the best direction for the Company.

#### **2) Incentives for the Executives of T to Work with the Company for Long Term**

In the Transaction, the Company will take the entire business of T-Holding in form of the entire business transfer with the agreed amount in the Entire Business Transfer Agreement of THB 313.45 million. The Company will make payment in cash for THB 45.00 million. The remaining amount of THB 268.45 million will be paid by issuing 76,700,000 shares by Private Placement (PP) to with the par value of THB 0.50 per share and offered price of THB 3.50 per share. The issued shares will be offered to shareholders of T-Holding which are Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit. After the Transaction, the Company will appoint Mr. Torchok Laoluechai to be the executive committee that is in the same level as the executives of the Company. The share issuance by private placement as a part of payment in the Transaction will be the incentive for shareholders of T-

Holding to continue working as the executives of T to generate the growth for the Company. Mr. Torchok Laoluechai will acknowledge the policy directly from the Board of Directors and will work together with the Board to determine the policy of T to move towards the best direction for the Company. Moreover, Mr. Torchok Laoluechai who is the founder of T will be able to work independently as before the Transaction. This will be an incentive for executives of T to work together with the Company in long term and can avoid the conflict in management within the Company.

### 2.3.1 Disadvantages of Entering into the Transaction with Connected Person and Advantages of Entering into the Transaction with Outsider

None

### 2.3.1 Disadvantages of Entering into the Transaction with Outsider

#### 1) Not Getting Executive of T to Work with the Company

If the Company does the transaction with other people, the Company will not get Mr. Torchok Laoluechai who is a high-experience person with specialized and well-known as a distributor and engineering service provider for flow meter for more than 20 years with good relationship with customers in Petroleum and Petrochemical Industry to be the executive committee of the Company and works together to determine the policy of the Company in the future.

## 2.4 Risks of Entering into the Transaction and Not Entering into the Transaction

### 2.4.1 Risks of Entering into the Transaction

#### 1) Underperformance of T

After the Transaction, T will become a subsidiary of the Company with ownership proportion of 99.99%. If T cannot make profit as expectation, the Company needs to include the performance of T into the financial statement of the Company as the consolidated financial statement. Therefore, the Company has risk in consolidating the underperformance of T as the parent company with ownership proportion of 99.99%. However, T has the strength in distributing quality products and has the personnel who are specialized in products and services for installation of flow measurement instrument for customers in Petroleum, Petrochemical, Power Plant, and Industrial Pipeline System and have good relationship with those customers.

#### 2) The Executives of T may resign

In the Transaction, the Company has also entered into the undertaking agreement (More information in 1.5.2) that will be effective after the business transfer. There is no condition about management lock-up of the directors and main executives of T, which are Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit.

Therefore, there is a risk that the directors and main executives can resign from T and the Company without any legal obligation. The resignation of main executives of T can affect to the performance of T in the future. However, after the Transaction, the executives of T will get payment for entire business transfer of T-Holding for THB 268.45 million in form of 76,700,000 shares with par value of THB 0.50 and offered price of THB 3.50. These shares are prohibited from selling, distributing, or transferring for 5 years. The number of shares under prohibition will be reduced proportionately by 25.00% after the 2<sup>nd</sup> to 5<sup>th</sup> year (More information in 1.5.2). The share offering will be the incentives for executives of T to continue working with T to enhance its future performance so as to get higher return in form of dividends or capital gains from the ordinary shares of the Company in the future.

Moreover, if the executives of T resign from directors and/or executives of T and/or the Company, they will not be able to work in other businesses in Thailand with similar or being competitor of T and/or the Company. Moreover, they cannot persuade customers or distributors of T and/or the Company not to deal business with T and/or the Company within 2 years after resignation. This condition is to prevent from the case that the executives of T who have knowledge and know-how in flow measurement will be the competitor of T and the Company in the future.

### **3) The current credit of T will be terminated by financial institution**

T faces risk that the current credit in with bank no. 3 will be terminated. Those credits include letter of credit (L/C) with the amount of THB 18.00 million dated on November 10, 2014, letter of guarantee (L/G) with the amount of THB 4.00 million date on November 10, 2014, and letter of guarantee (L/G) with the amount of THB 8.00 million date on July 19, 2013 (More information in 1.8.6). Total amount is THB 30.00 million. The conditions in these 3 agreements stated that any event making the bank believe that there is will be a significant change negatively affecting the business, asset, liability, or status (financial or other) as well as a change in major shareholders will be considered as a default condition and all obligations must be paid immediately and/or the bank can terminate them immediately. Moreover, in the loan agreement with bank no. 1 for THB 5.00 million dated July 19, 2017, T-Holding is a under the contract of suretyship and T-Holding is still obligated under this obligation. Therefore, T-Holding will not be able to transfer the entire business to the Company and will not get tax benefit from the entire business transfer. The obligations based on condition precedents (More information in 1.5.1) specified that T-Holding needs to get the consent from financial institution as follows.

- T-Holding must take action to get consent from the bank no. 3 allowing the share transfer to the Company and this transfer will not breach the agreement between T and the bank. Thereafter, T-Holding must submit the evidence of the consent from the bank no. 3 to the Company to inspect.
- T-Holding and T must take action to get consent from bank no. 1 and bank no. 3 in terminating of any contract of suretyship of the transferrer or transferring of any right and obligation under the contract of suretyship of T-

Holding to other parties. Thereafter, T-Holding must submit the photocopy of the evidence of terminating any contract of suretyship or the consent from the bank to the Company to inspect.

T-Holding has already taken action to get the consent for the entire business transfer from bank no. 1 and bank no. 3. Currently, it is under the process of waiting for response. T-Holding must get consent from the financial institutions before the entire business transfer process. If the financial institutions reject the request for consent, the executives of T have the plan to use the current cash balance of T to pay off that credit.

#### 2.4.2 Risks of Not Entering into the Transaction

##### 1) The Company needs to expand into flow measurement and industrial pipeline business by itself

If the Company would like to expand into flow measurement and industrial pipeline business that is closed to Metering and Pipeline Transmission (or MPT), the Company can expand to such business using engineers of the Company. However, doing business about flow measurement and instruments does not require only specialized engineers but needs to have standard and credential products as well as project references and customer base as T has. Therefore, to expand into this business, the Company faces risk of failure due to lack of credential products, project references, and customer base.

##### 2) T may become a competitor of the Company in the future

The core business of T focuses on distributing of flow measurement and instruments as well as installation, design, and providing full services related to flow measurement and instruments for industrial pipeline system. This is similar to one business unit of the Company using the similar engineering principal which is Metering and Pipeline Transmission (or MPT). The Company is specialized in engineering services for metering and control system for natural gas. T is specialized in flow measurement of liquid like oil and other petroleum which is less technologically complicated and less project value than the Company. The business related to natural gas of the Company has barrier to entry in term of technology and start-up cost. Any company without technology or sufficient start-up cost cannot compete with the Company. T has engineering technology similar to the business unit of the Company but T has not enough working capital to take the projects in Metering and Pipeline Transmission. In the future, if T has enough working capital, T will be able to take such projects and become a competitor with the Company.

## Part 3: Fairness of Price and Appropriateness of Conditions for the Transaction

### 3.1 Fairness of Price of the Transaction

This part considers the reasonableness of the acquisition of Techtronic Holding Company Limited (“T-Holding”) in form of Entire Business Transfer (EBT) including all assets, liabilities, and rights of T-Holding. The agreed amount in the Entire Business Transfer Agreement is THB 313.45 million. The major asset is ordinary shares of Techtronic Company Limited (“T”). The Company will make payment in cash for THB 45.00 million. The remaining amount of THB 268.45 million will be paid by issuing 76,700,000 shares by Private Placement (PP) to with the par value of THB 0.50 per share and offered price of THB 3.50 per share. The issued shares will be offered to Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumongkit who are shareholders, directors, and executives of T-Holding and T. Moreover, the Company will appoint Mr. Torchok Laoluechai as the executive committee of the Company which will be in the same level as the executives and the risk management committee of the Company after the complete of this transaction.

IFA has studied, analyzed, and considered the value of assets that the Company will receive from the entire business transfer of T-Holding which is ordinary shares of T and other assets compared to the amount in the entire business transfer agreement of THB 313.45 million. IFA has performed the valuation to get the fair value using various approaches and provided opinions regarding to advantages and disadvantages of each approach. The valuation of the Transaction using 4 approaches that are generally acceptable based on financial theories are as follows.

1. Book Value Approach (BV)
2. Adjusted Book Value Approach (ABV)
3. Market Multiples Approach
  - 3.1 Price to Book Value Approach (P/BV)
  - 3.2 Price to Earning Approach (P/E)
4. Discounted Cash Flow Approach (DCF)

In this report, IFA has considered the reasonableness of the Transaction. However, T is not a listed company and did not need to prepare quarterly financial statement. IFA has considered the fairness of price in the Transaction based on business plan, assumptions, and interviewing with the executives of T. This opinion is based on the assumption that all information is completely accurate based on current condition and situation. IFA has considered different valuation approaches as follows.

Valuation Approach	Performed	Limitation of IFA
1. Book Value Approach	✓	The valuation of entire business transfer of T-Holding is based on the major asset which is ordinary shares of T with ownership proportion of 99.99%. This valuation approach does not reflect the future operation and competitiveness of T, as well as future economic and business conditions that might affect T. Moreover, T is not a listed company. There is no quarterly financial statement reviewed by the auditor approved by SEC. The valuation is mainly based on the audited financial statement as of December 31, 2016. From the above reason and limitation, this valuation approach may not properly reflect the true value of the business on going concern basis.
2. Adjusted Book Value (ABV)	✓	The valuation of entire business transfer of T-Holding is based on the major asset which is ordinary shares of T with ownership proportion of 99.99%. This valuation approach does not reflect the future operation and competitiveness of T, as well as future economic and business conditions that might affect T. Moreover, T is not a listed company. There is no quarterly financial statement reviewed by the auditor approved by SEC. The valuation is mainly based on the audited financial statement as of December 31, 2016. From the above reason and limitation, this valuation approach may not properly reflect the true value of the business on going concern basis.
3.1 Price to Book Value Approach (P/BV)	✓	T is not a listed company. There is no quarterly financial statement reviewed by the auditor approved by SEC. The valuation is mainly based on the audited financial statement as of December 31, 2016. The use of book value of T does not reflect the true value of the business and its future profitability.
3.2 Price to Earning Approach (P/E)	✓	T is not a listed company. There is no quarterly financial statement reviewed by the auditor approved by SEC. IFA cannot calculate latest 4 quarters trailing net profit in valuation model and needs to use net profit from the audited financial statement as of December 31, 2016. Moreover, this valuation approach may not reflect the true value of the business and its future profitability.
4. Discounted Cash Flow Approach (DCF)	✓	The assumptions may be uncertain e.g. the ability to bid for the projects and the distribution of products for Petroleum and Petrochemical, etc. The performance of the Company in the future may be under expectation or some assumptions need to be changed. However, T is not a listed company. There is no market price from demand and supply of investors that reflects the expected performance, profitability, economic conditions, and industry conditions. Although there are some limitations, this valuation approach includes future profitability and the ability to run the business on going



Valuation Approach	Performed	Limitation of IFA
		concern basis of T. Therefore, this valuation approach is the most appropriate for this Transaction.

The opinion of IFA about the fairness of price is based on the limitation about available information that may affect each valuation approach as mentioned in the above table.

The details of each valuation approach are as follows.

#### 1) Book Value Approach (BV)

The valuation using Book Value Approach is the book value of total net assets in the financial statement of the Company as of specific point of time. Using total assets minus total liabilities will get the value of shareholders' equity. However, the value using this approach may not reflect the current market value of assets and the profitability of the Company in the future as well as the trend in economic and business conditions. Based on the audited financial statement of T for the year ended December 31, 2016, the calculation of book value is as follows.

As of December 31, 2016			
Paid-up Capital	6.00	THB million	
Retained Earnings	34.05	THB million	
<b>Total Shareholders' Equity</b>	<b>40.05</b>	<b>THB million</b>	
<u>Add Cash and Cash Equivalents of T-Holding</u>	0.01	THB million	
<b>Value of the Transaction</b>	<b>40.06</b>	<b>THB million</b>	

Based on this valuation approach, the value of the Transaction is THB 40.06 million. Compared to the transaction price or the agreed amount in the entire business transfer agreement before deducting liabilities of T-Holding before of THB 313.45 million, the value is lower by THB 273.39 million which is 87.22% of the transaction price.

#### 2) Adjusted Book Value Approach (ABV)

This valuation approach uses total shareholders' equity of the Company based on the consolidated financial statement as of specific point of time. The book value of equity is adjusted to reflect the financial position and true value of shareholders' equity of the Company.

Adjustment for Fair Value of Asset

IFA made the adjustment for the book value of fixed asset of the Company using information from the appraisal report prepared by the independent appraiser approved by SEC which is UK Valuation and Agency Company Limited. The independent appraiser has appraised for the fair value of fixed assets of the Company for public purpose. The independent appraiser did the appraisal on June 20, 2017 which is less than 6 months (More information in 1.8.6) before IFA has made this report. Therefore, IFA has opined that this information can be used in valuation using adjusted book value approach. The adjustment can be summarized as follows.

**Summary of Adjustment for Fair Value of Assets based on Appraisal Report prepared by Independent Appraiser**

Assets	Book Value As of December 31, 2016 (THB million)	Appraised Value (THB Million)	Adjustment Increase / (Decrease) (THB million)	Appraisal Approach
<b>Assets located in Rayong Office, Rayong Province</b>				
Land, Warehouse, Office Building and Other Structures	6.60	10.02	3.42	Market approach for appraisal of land and cost approach for appraisal of building and structures
<b>Total</b>	<b>6.60</b>	<b>10.02</b>	<b>3.42</b>	

IFA used information from the audited financial statement of T as of December 31, 2016. The authorized and paid-up capital is THB 6.00 million in form of 60,000 ordinary shares with par value of THB 100, which can be summarized as follows.

<b>As of December 31, 2016</b>		
Paid-up Capital	6.00	THB million
Retained Earnings	34.05	THB million
<b>Total Shareholders' Equity – Before Adjustment</b>	<b>40.05</b>	<b>THB million</b>
<b>Adjustment</b>		
<u>Add</u> Additional value from the appraisal report prepared by independent appraiser	3.42	THB million
<b>Total Shareholders' Equity – After Adjustment</b>	<b>43.47</b>	<b>THB million</b>
<u>Add</u> Cash and Cash Equivalents of T-Holding	0.01	THB million
<b>Value of the Transaction</b>	<b>43.48</b>	<b>THB million</b>

Based on this valuation approach, the value of the Transaction is THB 43.48 million. Compared to the transaction price or the agreed amount in the entire business transfer agreement before deducting liabilities of T-Holding before of THB 313.45 million, the value is lower by THB 269.97 million which is 86.13% of the transaction price.

### 3) Market Multiples Approach

The market multiples approach uses market value ratio of comparable listed companies to reflect the investors' perspective towards the Company and/or the business during such period. The market value ratio used in the analysis includes Price to Book Value Ratio and Price to Earnings Ratio.

IFA has summarized the characteristics of comparable companies as follows.

1. They are the listed companies in Energy and Utilities Sector (sector: ENER) or Construction Services (sector: CONS) in the Stock Exchange of Thailand or in Resources Industry (sector: RESOURC or Property and Construction Industry (sector: PROPCON) of the Market for Alternative Investment (MAI). There are totally 93 companies.
2. The information about price to book value ratio (P/BV) and the price to earnings ratio (P/E) during past 360 trading days is available. This period is the period that IFA used in performing the valuation which is from February 16, 2016 to August 8, 2017. Based on this criterion, there are only 87 companies.
3. Their businesses are related to construction services, installation of metering system and/or natural gas and petroleum pipeline system. Based on this criterion, there are only 5 listed companies used as comparable companies in the valuation.

Therefore, based on above criteria, IFA has selected 5 listed companies as comparable companies with the following details.

Company	Symbol	Industry/Sector	First Trading Day	Nature of Business
TRC Construction Public Company Limited	TRC	Construction Services (CONS)	December 22, 2005	TRC is engaged in business of pipeline, contractor business system installation of engineering, petrochemical & process plant and business development and investment.
Scan Inter Public Company Limited	SCN	Energy and Utility (ENERG)	February 23, 2015	SCN focuses on energy business, especially the fully integrated natural gas. The Company's services consist of Private Mother Station Business, Third Party Logistics Business,

Company	Symbol	Industry/Sector	First Trading Day	Nature of Business
				Private Brand Station Business, Design, Manufacturing, Construction, Installation and Maintenance of NGV instruments, Installation of NGV & LPG Conversion System Business, Auto Dealer Business and other business such as CO2 Trading Business, Convenience Store Business, and Glass for Construction, Battery for Automobile, and Other Materials Trading Business.
Takuni Group Public Company Limited	TAKUNI	Resources (RESOURC)	August 19, 2014	TAKUNI and its subsidiaries business are Liquid Petroleum Gas (LPG) trading and energy related business as follows: 1.LPG trading as LPG trader under section 7 of Fuel Trade Act, B.E. 2543, is responsible for LPG procurement and trading to business and other customers. 2.LPG transportation as LPG and Ammonia transporter, is responsible for providing LPG transportation for the Company and other customers. 3.Construction Service for industrial oil and gas piping system construction as Engineering Procurement Construction 4.LPG/CNG conversion kit installation as LPG related equipment trading and LPG/CNG conversion kit installation for passenger cars 5.Non-Destructive Testing and Inspection service as NDT and inspection services for manufacturers, LPG stations and automobiles against international standards and regulations .6.Property Development Business which is now in the process of determining the appropriate business structure.

Company	Symbol	Industry/Sector	First Trading Day	Nature of Business
Siamraj Public Company Limited	SR	Resources (RESOURC)	November 11, 2015	SR operates three businesses units which are 1. Metering and pipeline transmission business unit (MPT) 2. Natural gas for vehicles business unit (NGV), and 3. Engineered pumps and systems business unit (EPS).
Sriracha Construction Public Company Limited	SRICHA	Construction Services (CONS)	July 2, 2012	SRICHA provides mechanical construction services for construction contractors or project owners directly. The engineering services can be divided into 1) mechanical construction by designing and providing raw materials, assembly, and installation of mechanical structure supporting pipeline system or machines in industrial factories customized with customers' demands, 2) Pipelining system construction including assembly, installation and connection of pipelines for liquid and gas e.g. oil, solutions, etc. for industrial factories including petrochemical factories, oil refineries, and power plants, 3) large metal tanks and the installation of Machine and Equipment including installation of large metal tanks, machine and equipment, and heavy installation in industrial factories.

Source: SETSMART

### 3.1 Price to Book Value Approach (P/BV)

The valuation using Price to Book Value Approach (P/BV Ratio) uses the book value based on the audited financial statement for year ended December 31, 2016 of T multiplied by the average P/BV ratio to get the value of the Transaction. The book value of shareholders' equity based on the audited financial statement for year ended December 31, 2016 of T is as follows.

As of December 31, 2016		
Paid-up Capital	6.00	THB million
Retained Earnings	34.05	THB million
<b>Total Shareholders' Equity</b>	<b>40.05</b>	<b>THB million</b>

IFA uses the average P/BV ratio for 360 days backward from August 8, 2017 which is the last trading day before the Board of Directors had the resolution to approve the Transaction. The calculation of the value of the business using the average P/BV ratio of comparables companies is as follows.

Calculation Period		Average P/BV Ratio (times)					Average	Value of the Business (THB million)
Number of Day	Period	TRC	SCN	TAKUNI	SR	SRICHA		
7 days	31 Jul 17 – 8 Aug 17	2.63	2.34	1.16	1.87	3.50	2.30	92.12
15 days	18 Jul 17 – 8 Aug 17	2.63	2.35	1.13	1.91	3.49	2.30	92.12
30 days	26 Jun 17 – 8 Aug 17	2.68	2.42	1.12	1.88	3.44	2.31	92.52
60 days	15 May 17 – 8 Aug 17	2.77	2.60	1.14	1.86	3.30	2.33	93.32
90 days	27 Mar 17 – 8 Aug 17	2.81	3.01	1.18	1.90	3.33	2.45	98.12
120 days	10 Feb 17 – 8 Aug 17	2.87	3.23	1.18	1.92	3.33	2.51	100.53
180 days	14 Nov 16 – 8 Aug 17	2.92	3.57	1.24	1.97	3.27	2.59	103.73
270 days	5 Jul 16 – 8 Aug 17	2.91	3.66	1.45	1.88	3.00	2.58	103.33
360 days	16 Feb 16 – 8 Aug 17	3.08	3.67	2.42	1.93	2.77	2.77	110.94

Source: SETSMART

Based on the above table, IFA has determined the value of T for highest value case and lowest value case as follows.

(Unit : THB million)

Case	Value of the Business	Cash and Cash Equivalents from Financial Statement of T-Holding as of December 31, 2016	Value of the Transaction
Highest Value Case	110.94	0.01	110.95
Lowest Value Case	92.12	0.01	92.13

Therefore, using the book value multiplied by the average P/BV Ratio of 5 comparable companies, the value of the Transaction is THB 92.13 – 110.95 million. Compared to the transaction price or the agreed amount in the entire business transfer agreement before deducting liabilities of T-Holding before of THB 313.45 million, the value is lower by THB 202.50 – 221.33 million which is 64.60% - 70.61% of the transaction price.

### 3.2 Price to Earning Approach (P/E)

The valuation using Price to Earning Approach (P/E Ratio) uses the net profit based on the audited financial statement for year ended December 31, 2016 of T multiplied by the average P/BV ratio to get the value of the Transaction. The net profit of shareholders' equity based on the audited financial statement for year ended December 31, 2016 of T is as follows.

As of December 31, 2016		
Net Profit	25.81	THB million

IFA uses the average P/E ratio for 360 days backward from August 8, 2017 which is the last trading day before the Board of Directors had the resolution to approve the Transaction. The calculation of the value of the business using the average P/E ratio of comparables companies is as follows.

Calculation Period		Average P/E Ratio (times)					Average	Value of the Business (THB million)
Number of Day	Period	TRC	SCN	TAKUNI	SR	SRICHA		
7 days	31 Jul 17 – 8 Aug 17	36.93	21.84	56.26	20.64	46.31	36.40	939.48
15 days	18 Jul 17 – 8 Aug 17	37.58	21.98	55.11	21.12	46.11	36.38	938.97
30 days	26 Jun 17 – 8 Aug 17	38.56	22.60	54.27	20.82	45.42	36.33	937.68
60 days	15 May 17 – 8 Aug 17	39.97	24.31	55.31	20.52	43.96	36.81	950.07
90 days	27 Mar 17 – 8 Aug 17	35.65	26.64	57.56	19.85	51.51	38.24	986.97
120 days	10 Feb 17 – 8 Aug 17	34.06	28.03	55.36	19.79	54.53	38.35	989.81
180 days	14 Nov 16 – 8 Aug 17	32.79	30.90	51.90	20.73	55.38	38.34	989.56
270 days	5 Jul 16 – 8 Aug 17	31.12	32.26	45.54	112.93	49.88	54.34	1,402.52
360 days	16 Feb 16 – 8 Aug 17	30.85	33.62	46.56	92.86	40.92	48.96	1,263.66

Source: SETSMART

Based on the above table, IFA has determined the value of T for highest value case and lowest value case as follows.

(Unit : THB million)

Case	Value of the Business	Cash and Cash Equivalents from Financial Statement of T-Holding as of December 31, 2016	Value of the Transaction
Highest Value Case	1,402.52	0.01	1,402.53
Lowest Value Case	937.68	0.01	937.69

Therefore, using the net profit of T multiplied by the average P/E Ratio of 5 comparable companies, the value of the Transaction is THB 937.69 – 1,402.53 million. Compared to the transaction price or the agreed amount in the entire business transfer agreement before deducting liabilities of T-Holding before of THB 313.45 million, the value is higher by THB 624.24 – 1,089.08 million which is 199.15% - 347.45% of the transaction price.

#### 4) Discounted Cash Flow Approach (DCF)

This valuation approach is based on the future performance of T by calculating the present value of future free cash flow to equity using the appropriate discount rate. The future free cash flow is calculated from financial projection of T for next 5 years (2017-2022) (the projection for 2017 is for the last 6 months of 2017) which is done based on going concern basis with the assumptions that there is no significant change in business of T and currently economic and business condition. After the projection period, IFA has considered on conservative basis to determine the growth rate at 1.00% per year under the assumption that the growth rate will be equal to long term economic growth of Thailand. The free cash flow to equity (FCFE) is discounted by the cost of equity (Ke) of the Company that is the required rate of return from entering into the Transaction. Thereafter, the value of T is used to determine the appropriate value of the Transaction that is used to compare with the transaction price.



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### **Explanation for Important Assumptions in Financial Projection**

The financial projection of T is done for 5 years (2017-2022) (the projection for 2017 is for the last 6 months of 2017) based on the annual financial statement of T audited by the auditor during 2015-2016 and the financial statement for 6 months ended June 30, 2017 prepared by the management of T. IFA has prepared the financial projection based on information, business plan, and assumptions from T including financial statement, interviewing with executives and employees. The purpose of this financial projection is to determine the fair value of T that is used to determine the appropriate value of the Transaction to compare with the transaction price. If there is any change in economics condition and other external factors that may affect the operation of T or there is any significant change in conditions of T that may be different from assumptions, the value of the Transaction in this valuation approach should be changed accordingly. IFA has done this financial projection on conservative basis relying on the facts.

#### **1. Revenue Projection**

The core business of T is the distribution and installation of meters and design, construction, and installation of flow metering system for industrial pipeline system for customers in Petroleum, Petrochemical, Petroleum Exploration, Power Plants, other industrial factories. IFA has done the revenue projection into 2 parts which are revenue from sales and services and revenue from construction as follows.

##### **1.1 Revenue from Sales and Services**

Revenue from Sales and Services of T was from the distribution and installation of flow metering system for industrial pipelines as well as providing maintenance services and calibration of equipment. Revenue from sale and services during past 3 years from 2014 to 2016 were THB 133.09 million, THB 175.71 million, and THB 159.30 million whereas it was THB 54.98 million during the first 6 months of 2017. Based on the interview with executives, the revenue from sales and services in 2016 decreased because T focused on construction services to create reputations and used as the reference projects. However, the business plan of T will focus more on sales and services in the future by expanding into customers in general industrial. T will distribute air metering systems used in general industrial factories and energy saving and utility management system. These products can be distributed to wider range of customers compared to current customers who are mainly from Petroleum, Petrochemical, and Power Plants. Currently, T has started distributing to large industrial factories (More information in 1.8.1). The target growth rate of 10.00% per year. The average growth rate during past 3 years was 11.34%. For the projection, IFA has considered the business plan and assumption from executives of T and determined the growth rate in the future at 10.00% per year. For the revenue in the second half of 2017, T has already got the orders that will be delivered in 2017 for THB 49.26 million. Moreover, the information of executive of T shows that

there are orders under negotiation with the value of THB 30.00 million and it is possible to get more orders in 2017. IFA has considered on conservative basis and estimated that T will earn revenues for only two-third of the value of orders under negotiation and has not included the possible orders that may be gotten in 2017. The projected revenue for the second half of 2017 is THB 69.25 million.

## 1.2 Revenue from Construction

Revenue from Construction of T was from providing construction services, design, installation of flow metering system for industrial pipelines for Petroleum, Petrochemical, Petroleum Exploration, Power Plants and other industrial factories. Revenue from construction during past 2 years from 2015 to 2016 were THB 23.86 million and THB 95.53 million whereas it was THB 27.16 million during the first 6 months of 2017. IFA has projected revenue from construction during second half of 2017 based on the backlog as of June 30, 2017 that the Company can record revenue in 2017 for 10 projects. Most of them are short-term projects and some are the backlog from 2016. There are 8 projects that will be complete in 2017. Based on the interview with executives of T, there are 4 new projects expected in the second half of 2017 with total value of THB 11.79 million. However, the revenues from these 4 projects are not included in this financial projection. The growth rate during the whole projection period should vary with investment budget of customers and economic conditions. IFA has considered on conservative basis and estimated the growth rate of revenue as the 10-year average growth rate of gross domestic product (GDP Growth) (Source: Bank of Thailand) which is 3.24% per year for the whole projection period.

## 2. Projection for Gross Profit

### 2.1 Gross Profit Margin of Revenue from Sales and Services

IFA has considered the 2-year gross profit margin of revenue from sales and services during 2015-2016 which are 25.64% and 30.54% respectively. The gross profit margin of revenue from sales and services during the first 6 months of 2017 is 41.21% showing an increasing trend because the company is the distributor of generally-acceptable products with quality higher than the standard level resulting in higher gross profit margin. Moreover, the company starts expanding into new customers like general industrial factories. IFA has projected the gross profit margin on conservative basis and determined the gross profit margin of revenue from sales and services at 32.69% for the whole projection period based on an increasing profit margin during 2015-2017 (Jan-Jun).

### 2.2 Gross Profit Margin of Revenue from Construction

IFA has considered the 2-year gross profit margin of revenue from construction during 2015-2016 which are 17.57% and 18.61% respectively. Meanwhile the gross profit margin of revenue from construction during the first 6 months of 2017 is 15.96%. IFA has projected the gross profit margin on conservative basis and

determined the gross profit margin of revenue from construction for the second half of 2017 at 27.68% from the special projects that are expected to be delivered in 2017. During the projection period from 2018 to 2023, IFA has determined the gross profit margin of revenue from construction at 17.38% for the whole projection period based on the average 3-year gross profit margin of revenue from sales and services during 2015-2017 (Jan-Jun).

(Unit : THB million)

Item	2017 (Jul - Dec)	2018	2019	2020	2021	2022
Revenues from Sales and Services	69.26	177.07	194.78	214.26	235.69	259.26
Gross Profit Margin – Sales and Services	32.69%	32.69%	32.69%	32.69%	32.69%	32.69%
Revenues from Construction	73.60	104.03	107.40	110.88	114.47	118.18
Gross Profit Margin – Construction	27.68%	17.38%	17.38%	17.38%	17.38%	17.38%
Gross Profit Margin – Total	30.11%	27.02%	27.25%	27.47%	27.68%	27.89%

### 3. Projection for Selling and Administrative Expenses

IFA has divided selling and administrative expenses of T into 6 items and determined the assumptions for each item as follows.

#### 3.1 Rental Expenses and Insurance Expenses

IFA has estimated the rental expenses that consist of rental expense for office, rental expense for automobile, rental expense for photocopying machines, and insurance expense.

##### 3.1.1 Rental Expense for Office

Currently, T has 2 offices which are the office in Rayong and in Bangkok. For the Office in Rayong, T has moved the office to be located on the land of T since February 2017. Therefore, T has no rental expense for office in Rayong since March 2017. For the office in Bangkok, T has signed the annual lease agreement with total rental fees of THB 30,000 per month. This rental fee has never changed before and the executives of T provided information that there is no plan to change the rental fee. IFA has considered on conservative basis to determine the that the rental fee will increase at 10% for every 3 years based on common practices.

##### 3.1.2 Rental Expense for Automobile

Currently, T has one lease agreement for automobile that will be expired in August 2018. From the interview with executives of T, there is no plan to extend this agreement or to make any new lease agreement in the future.

### 3.1.3 Rental Expense for Photocopy Machine

IFA has determined that the rental expense for photocopying machine will increase as the average 10-year inflation rate of 2.00% per year (Source: Bank of Thailand) for the whole projection period.

### 3.2 Utility Expenses

IFA has determined that the utility expenses including electricity, water supplies, and internet will increase as the average 10-year inflation rate of 2.00% per year (Source: Bank of Thailand) for the whole projection period.

### 3.3 Selling Expenses

IFA has determined that the selling expenses including fuel expense, automobile expense, transportation expense, and telephone expense will be 4.68% of total revenue for the whole projection period based on the average 3-year selling during 2015-2017 (Jan-Jun) .

### 3.4 Personnel Expenses

IFA has determined the personnel expenses including salaries, bonuses, and other personnel expenses by dividing employees into 3 groups which are executives, managers, and general employees. Based on the interview with executives of T, the salary will be adjusted at the rate of 0%-5% per year and T has the policy to pay the bonus at least 1 month of salary. However, the performance of T in the first half of 2017 is underperformed and there will be no bonus in 2017. However, IFA has considered on conservative basis to determine that the salary will increase at the rate of 5% per year and the bonus will equal to 2 months of salary. Moreover, IFA has determined that T will hire 1 more manager and 4 more general employees in 2017 based on the interview with executives of T. Therefore, the personnel expenses will be between THB 20.06 million and THB 24.29 million during the projection period.

### 3.5 Depreciation and Amortization Expenses

In projection of depreciation and amortization expense, IFA has determined the depreciation expense using straight line method based on the expected useful life of each asset, except the land that has unlimited useful life. The useful life is 20 years for buildings, 5 years for automobile, and 3 and 5 years for equipment and office equipment based on the accounting policy of the Company.

### 3.6 Other Expenses

IFA has determined that other expenses including service fees, miscellaneous expense, office supplies, supplies, and uniforms will increase as the average 10-year inflation rate of 2.00% per year (Source: Bank of Thailand) for the whole projection period.

## 4. Finance Costs

The finance costs include the financial cost from loan and the finance cost from financial lease agreement. Based on the interview with executives of T, T will repay its loans of THB 2 million within 2017. Moreover, in 2017, T has entered into the loan agreement with bank no. 1 on July 19, 2017 (More information in 1.8.6) for THB 5 million with the interest rate of 3.00% per year during Year 1-3 and MLR during Year 4-7 (Currently, MLR of the lender is 6.874% per year). From the interview with executives of T, T will repay all loans within 3 years. For financial lease agreements, T currently has 8 financial lease agreements and all will be expired in 2020 and T has no plan to do any additional financial lease agreement in the future. During the projection period, IFA has considered and determined assumptions that T will not borrow anymore because T will focus on selling and providing services. For the construction, T will rely on working capital from operating profits and current credit line with financial institution.

## 5. Income Tax Expense

IFA has determined the income tax rate at 20.00% of net profit for the whole projection period.

## 6. Projection for Net Working Capital

### 6.1 Accounts Receivable

IFA has considered to determine the assumptions about accounts receivable of T based on historical data (2015-2016 and the first 6 months of 2017) and T had the Days Sale Outstanding of 34 – 75 days. IFA has used the Days Sale Outstanding at 58 days which is the average Days Sale Outstanding during that period.

### 6.2 Accounts Payable

IFA has considered to determine the assumptions about accounts payable of T based on historical data (2015-2016 and the first 6 months of 2017) and T had the Days Payable Outstanding of 67 – 79 days. IFA has used the Days Payable Outstanding at 74 days which is the average Days Payable Outstanding during that period.

### 6.3 Inventories

IFA has considered to determine the assumptions about inventories of T based on historical data (2015-2016 and the first 6 months of 2017) and T had the Days Sale In Inventory of 8 – 15 days. IFA has used the Days Sale In Inventory at 10 days which is the average Days Sale In Inventory during that period.

### 7. **Projection for Capital Expenditure**

The core business of T is distributing (Trading) and providing construction services. This business does not depend on large amount of investment based on the interview of executives. Moreover, T has no investment plan in the future. Therefore, IFA has considered on conservative basis to determine the assumption that there is no capital expenditure during the whole projection period.

Projection for Operating Performance of T

(Unit : THB million)

Items	2017 (Jul – Dec)	2017	2018	2019	2020	2021	2022
Revenues from Sales and Services	69.26	124.24	177.07	194.78	214.26	235.69	259.26
Revenues from Construction	73.60	100.76	104.03	107.40	110.88	114.47	118.18
Other Revenues	0.06	0.52	0.35	0.89	0.97	1.07	1.18
<b>Total Revenues</b>	<b>142.91</b>	<b>225.52</b>	<b>281.45</b>	<b>303.06</b>	<b>326.11</b>	<b>351.23</b>	<b>378.61</b>
Cost of Sales and Services	46.62	78.95	119.20	131.12	144.23	158.65	174.52
Cost of Construction	53.23	76.05	85.94	88.73	91.60	94.57	97.63
<b>Total Cost of Sales, Services, and Constructing</b>	<b>99.85</b>	<b>155.00</b>	<b>205.14</b>	<b>219.84</b>	<b>235.83</b>	<b>253.22</b>	<b>272.15</b>
<b>Gross Profit</b>	<b>43.07</b>	<b>70.52</b>	<b>76.31</b>	<b>83.22</b>	<b>90.28</b>	<b>98.00</b>	<b>106.46</b>
Selling and Administrative Expenses	23.06	40.24	40.40	42.31	40.84	42.92	45.38
<b>Profit (Loss) before Finance Costs and Income Tax Expenses</b>	<b>20.01</b>	<b>30.28</b>	<b>35.91</b>	<b>40.91</b>	<b>49.44</b>	<b>55.08</b>	<b>61.08</b>
Finance Costs	0.64	1.47	0.71	0.33	0.02	-	-
<b>Profit (Loss) before Income Tax Expenses</b>	<b>19.37</b>	<b>28.82</b>	<b>35.20</b>	<b>40.58</b>	<b>49.41</b>	<b>55.08</b>	<b>61.08</b>
Income Tax Expenses	3.87	5.76	7.04	8.12	9.88	11.02	12.22
<b>Net Profit</b>	<b>15.49</b>	<b>23.05</b>	<b>28.16</b>	<b>32.46</b>	<b>39.53</b>	<b>44.07</b>	<b>48.87</b>

## 8. Projection for Free Cash Flow

### Discount Rate

The discount rate used to find present value of free cash flow is the cost of equity (Ke), which is calculated from Capital Asset Pricing Model (CAPM) with the following details

Cost of Equity (Ke) where	=	$R_f + \beta (R_m - R_f)$
Risk Free Rate (Rf)	=	The yield on zero-coupon government bond with maturity of 30 years, which is 3.49% as of August 8, 2017 (Source: ThaiBMA)
Beta ( $\beta$ )	=	The average historical volatility of ordinary share of a listed company for 2 years backward* (daily data). IFA has used the average Beta of SR, which is 1.05 (Source: eFinance)
Market Return (Rm)	=	The average historical return on Stock Exchange of Thailand since it was established for 42 years from the year 1975 to 2017 (as of August 8, 2017), which is 13.75% per year (Source: SETSMART)
Based on the above calculation, the cost of equity (Ke) of SR which is the expected return of shareholders of SR and the cost of capital in the Transaction is 14.26% per year.		

Note: IFA has used average volatility of SR (daily data) from November 11, 2015 to August 8, 2017 because SR has been listed in the Stock Exchange on November 11, 2015.

### Terminal Value of Cash Flow

The terminal value cash flow can be calculated as follows.

Terminal Value where	=	$((FCFE_6 \times (1 + G)) / (Ke - G))$
$FCFE_6$	=	The free cash flow to equity in the 6 <sup>th</sup> year (2023)
G	=	The growth rate of free cash flow after the projection period on going concern basis is 1.00% per year. IFA has considered the growth rate after projection period from the interview with executives of the company which is the long-term economic growth rate of Thailand.
Ke	=	The cost of equity, which is 14.26% per year.



Based on above information and assumptions, the free cash flow to equity and the value of share can be calculated as follows.

(Unit: THB million)

Description	2017 (Jul-Dec)	2018	2019	2020	2021	2022
Net Profit	15.49	28.16	32.46	39.53	44.07	48.87
± Non-Cash Items	2.14	4.21	4.21	0.56	0.35	0.34
± Change in Working Capital and Loan – Net	5.37	(0.09)	(0.80)	(0.87)	(0.95)	(1.04)
± Investment in Assets (Disposal of Assets)	-	-	-	-	-	-
± Debt Borrowing (Debt Repayment) and Capital Increase – Net	(3.36)	(4.93)	(5.84)	(1.43)	-	-
Free Cash Flow to Equity	19.65	27.35	30.03	37.79	43.46	48.17
Terminal Value		-	-	-	-	366.85
Present Value of Free Cash Flow to Equity	18.64	22.71	21.83	24.04	24.19	202.17
Present Value of Terminal Value Cash Flow	313.57					
Add Cash and Cash Equivalents	17.78					
Add Cash Restricted or Pledged	10.96					
Total Present Value of Free Cash Flow to Equity (THB million)	342.31					
Add Cash and Cash Equivalent of T-Holding as of December 31, 2016	0.01					
Value of the Transaction	342.32					

Based on this valuation approach, the value of the Transaction is THB 342.32 million. Compared to the transaction price or the agreed amount in the entire business transfer agreement before deducting liabilities of T-Holding before of THB 313.45 million, the value is higher by THB 28.87 million which is 9.21% of the transaction price.

## Sensitivity Analysis

IFA has performed the sensitivity analysis on the assumption used in financial projection using worst case scenario analysis. The assumptions used in projection of revenue from sales and services are based on the perspective of executives of T which is 10.00% which is higher than long-term economic growth rate. If the performance of T is under expectation during 2017 – 2022, it will affect the performance and operating cash flow of T as well as the value of the Transaction. Therefore, IFA has considered the worst-case scenario and changed the growth rate of revenue from sales and services at 3.24% which is the 10-year average growth rate of gross domestic products (GDP Growth) (Source: Bank of Thailand). There is no change in other assumptions. The value of the Transaction is as follows.

Fair Value	Value of the Transaction (THB million)	Compared to the Price in the Transaction
Base Scenario	342.32	9.21%
Revenue from Sales and Services will increase as the average growth rate of the country	261.60	(16.54%)

The sensitivity analysis is done on the important assumption by changing the growth rate of revenue from sales and services to 3.24% which is 10-year average growth rate of gross domestic products (GDP Growth) (Source: Bank of Thailand). The value of the Transaction reduces from the base scenario of THB 342.32 million to THB 261.60 million.

Based on the valuation using discounted free cash flow approach, the value of the Transaction is THB 261.60 – 342.32 million. Compared to the transaction price or the agreed amount in the entire business transfer agreement before deducting liabilities of T-Holding before of THB 313.45 million, the value is lower by THB 51.85 million and higher by THB 28.87 million or lower by 16.54% and higher by 9.21% of the transaction price.

IFA has performed many valuation approaches with different advantages and disadvantages. The value of the Transaction can be summarized as follows.

#### Summary of Fair Value from Different Valuation Approaches

Valuation Approach	Value of Share (THB million)	Price in the Transaction <sup>1</sup> (THB million)	Higher (Lower) than transaction price by (THB million)	Higher (Lower) than transaction price by (%)
1) Book Value Approach	40.06	313.45	(273.39)	(87.22%)
2) Adjusted Book Value Approach	43.48	313.45	(269.97)	(86.13%)
3.1) Price to Book Value Approach	92.13 - 110.95	313.45	(202.50) - (221.33)	(64.60%) - (70.61%)
3.2) Price to Earnings Approach	937.69 – 1,402.53	313.45	624.24 - 1,089.08	199.15% - 347.45%
4) Discounted Cash Flow Approach	261.60 – 342.32	313.45	(51.85) – 28.87	(16.54%) – 9.21%

Source: Valuation done by IFA

#### Summary of Valuation Approach that IFA has selected

##### 1) Discounted Cash Flow Approach (DCF)

This valuation approach is based on financial projection of the company and the appropriate discount rate. The financial projection requires many assumptions based on past performance, business plan, interview with executives, industry information and other related information. This information may be changed in the future from both internal factors and external factors. Moreover, the assumptions are uncertain because the performance of T depends on the auction of potential projects and distributing products to petroleum and petrochemical industry. The volatility in investment budget and economic condition as well as the results of auction may affect the financial projection. However, T is not a listed company and there is no market price based on demand and supply of investors that reflect the performance, profitability, economic condition and business condition. Although there are some limitations, this valuation approach has considered profitability and competency of T on going concern basis. Therefore, this valuation approach is appropriate to determine the value of the Transaction.

#### Summary of Valuation Approach that IFA has not selected

##### 1) Book Value Approach (BV) and Adjust Book Value Approach (ABV)

For the book value approach, IFA has used information from the audited financial statement for year ended December 31, 2016. For the adjusted book value approach, IFA has made adjustment for some transactions

so that they can better reflect the financial position of the Company. These two valuation approaches may not properly reflect future operation, competitiveness of T, trend in economic conditions and business conditions in the future. Therefore, these two valuation approaches may not properly reflect the true value of the business on going concern basis.

## 2) Price to Book Value Approach (P/BV) and Price to Earning Approach (P/E)

These valuation approaches use the average price to earnings ratio (P/E) and price to book value ratio (P/BV) of 5 comparable listed companies multiplied by net profit and book value to get the value of T and the value of the Transaction. IFA has opined that net profit and book value do not reflect the true value of the business. Therefore, using net profit and book value of the Company multiplied by the average price to earnings ratio (P/E) and price to book value ratio (P/BV) is not appropriate to determine the true value of the Transaction.

### Summary of the Opinion of IFA about the Fairness and Reasonableness of Transaction Price

IFA has considered many valuation approaches and opined that the most appropriate approach is discounted cash flow approach. The valuation using discounted cash flow approach is based on financial projection of the company and appropriate discount rate which have reflected all related factors. The value of the Transaction is THB 261.60 – 342.32 million which is lower than transaction price by THB 51.85 million and higher by THB 28.87 million or lower by 16.54% and higher by 9.21% of the transaction price. Based on above reasons, IFA has opined that the transaction price of THB 313.45 million is fair and reasonable.

### 3.2 Fairness of Price of Ordinary Shares of the Company (SR) used for Payment in the Transaction

This part considers the reasonableness of the acquisition of Techtronic Holding Company Limited (“T-Holding”) in form of Entire Business Transfer (EBT) including all assets, liabilities, and rights of T-Holding. The agreed amount in the Entire Business Transfer Agreement is THB 313.45 million. The major asset is ordinary shares of Techtronic Company Limited (“T”). The Company will make payment in cash for THB 45.00 million. The remaining amount of THB 268.45 million will be paid by issuing 76,700,000 shares by Private Placement (PP) to with the par value of THB 0.50 per share and offered price of THB 3.50 per share. The issued shares will be offered to Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit who are shareholders, directors, and executives of T-Holding and T. Moreover, the Company will appoint Mr. Torchok Laoluechai as the executive committee of the Company which will be in the same level as the executives and the risk management committee of the Company after the complete of this transaction.

IFA has studied, analyzed, and considered the fairness of offered price of shared issued by private placement to make payment for the Transaction. IFA has performed the valuation to get the fair value using various approaches and provided opinions regarding to advantages and disadvantages of each approach. The valuation of the Transaction using 5 approaches that are generally acceptable based on financial theories are as follows.

1. Book Value Approach (BV)
2. Adjusted Book Value Approach (ABV)
3. Market Multiples Approach
  - 3.3 Price to Book Value Approach (P/BV)
  - 3.4 Price to Earning Approach (P/E)
4. Market Price Approach
5. Discounted Cash Flow Approach (DCF)

In this report, IFA has considered the fairness of price in the Transaction based on business plan, assumptions, and interviewing with the executives of T. This opinion is based on the assumption that all information is completely accurate based on current condition and situation. IFA has considered different valuation approaches as follows.

Valuation Approach	Performed	Limitation of IFA
1. Book Value Approach	✓	This valuation approach does not reflect the future operation and competitiveness of the Company, as well as future economic and business conditions of natural gas business. Therefore, this

Valuation Approach	Performed	Limitation of IFA
		valuation approach may not properly reflect the true value of the business on going concern basis.
2. Adjusted Book Value (ABV)	✓	This valuation approach does not reflect the future operation and competitiveness of the Company, as well as future economic and business conditions of natural gas business. Therefore, this valuation approach may not properly reflect the true value of the business on going concern basis.
3.1 Price to Book Value Approach (P/BV)	✓	The use of book value per share of the Company (BVPS) does not reflect the true value of the business and future profitability. The value is from using the book value per share of the Company multiplied by average price to book value ratio (P/BV) of comparable companies.
3.2 Price to Earning Approach (P/E)	✓	The use of earnings per share of the Company (EPS) does not reflect the true value of the business and future profitability. The value is from using the earnings per share of the Company multiplied by average price to earnings ratio (P/E) of comparable companies
4. Market Price Approach	✓	The valuation approach uses market price of shares traded in SET. The market price reflects demand and supply of trading in SET by investors. Investors have considered news and public information, expected performance, profitability, competitiveness, economic and industry conditions as well as any event that may affect the performance of the Company and market and business conditions. Therefore, IFA has opined that the market price approach is appropriate to determine the value of shares of the Company.
5. Discounted Cash Flow Approach (DCF)	✓	Many assumptions are uncertain e.g. ability to maintain current customer base in distribution and installation of equipment, bidding for new projects, ability to maintain customer base in maintenance services for vehicle stations, etc. This will affect the future performance that may be different from projection or the assumptions used in valuation need to be adjusted.

The opinion of IFA about the fairness of price is based on the limitation about available information that may affect each valuation approach as mentioned in the above table.

The details of each valuation approach are as follows.

1) Book Value Approach (BV)

This valuation approach uses the value of shareholders' equity of the Company based on the consolidated financial statement as of specific point of time. However, the value using this approach may not reflect the current market value of assets and the profitability of the Company in the future as well as the trend in economic and business conditions. IFA uses information from the reviewed financial statement of the Company as of June 30, 2017 prepared by the Company. The authorized capital is THB 300.00 million in form of 600,000,000 ordinary shares with par value of THB 0.50. The details can be summarized as follows.

As of June 30, 2017		
Authorized and Paid-up Capital	300.00	THB million
Premium on Share Capital	433.73	THB million
Premium from Share-Based Payment	78.56	THB million
Retained Earnings	88.89	THB million
Other Shareholders' Equity	(10.59)	THB million
Minority Interest	4.11	THB million
<b>Total Shareholders' Equity</b>	<b>894.70</b>	<b>THB million</b>
Number of Share Outstanding	600.00	million shares
<b>Book Value per Share</b>	<b>1.49</b>	<b>THB/share</b>

IFA uses the number of paid-up shares to calculate the value of ordinary shares of the Company. Currently, the number of share outstanding is 600,000,000 shares with par value of THB 0.50. The value of share of the Company is THB 1.49 per share which is lower than the offered price of shares issued by private placement for payment of business transfer of THB 3.50 per share. The value is lower by THB 2.01 per share or 57.43% of transaction price.

2) Adjusted Book Value Approach (ABV)

This valuation approach uses the value of shareholders' equity of the Company based on the consolidated financial statement as of specific point of time. The book value of equity is adjusted to reflect the financial position and true value of shareholders' equity of the Company. Thereafter, the adjusted value of shareholders' equity is divided by the number of outstanding shares.

Adjustment for Fair Value of Asset

IFA made the adjustment for the book value of fixed asset of the Company using information from the appraisal report prepared by the independent appraiser approved by SEC which is Sims Property Consultant Company Limited. The independent appraiser has appraised for the fair value of fixed assets of the Company for

public purpose (More information in Appendix 2). The independent appraiser did 8 appraisal reports during August 20-22, 2017 which is less than 6 months before IFA has made this report. Therefore, IFA has opined that this information can be used in valuation using adjusted book value approach. The adjustment can be summarized as follows.

**Summary of Adjustment for Fair Value of Assets based on Appraisal Report prepared by Independent Appraiser**

Assets	Book Value As of June 30, 2016 (THB million)	Appraised Value (THB Million)	Adjustment Increase / (Decrease) (THB million)	Appraisal Approach
<b>Assets located in Head Office, Samut Prakan</b>				
Equipment, Automobile, and Automobile Installation Equipment	12.77	21.00	8.23	Replacement Cost Approach
<b>Natural Gas Station, Phitsanulok</b>				
Leasehold and Buildings	0.00*	11.25	11.25	Income Approach
Machine and Equipment	3.74	6.48	2.74	Replacement Cost Approach
<b>Natural Gas Station, Kamphaeng Phet</b>				
Leasehold and Buildings	0.00*	11.96	11.96	Income Approach
Machine and Equipment	3.91	6.91	3.00	Replacement Cost Approach
<b>Assets located in Bang Kruai District, Nonthaburi</b>				
2 units of 3-storey Commercial Buildings with mezzanine floor	8.20	11.20	3.00	Market Approach
<b>Natural Gas Station, Bangna</b>				
Leasehold and Buildings	2.62	11.29	8.67	Income Approach for value of leasehold and Replacement Cost Approach for buildings
Automobile, Machine, and Equipment	0.00	4.15	4.15	Replacement Cost Approach
<b>Natural Gas Station, Vibhavadee</b>				
Leasehold and Buildings	3.42	3.85	0.43	Income Approach for value of leasehold and Replacement Cost Approach for buildings
Automobile, Machine, and Equipment	0.00	3.67	3.67	Replacement Cost Approach
<b>Total</b>	<b>34.66</b>	<b>91.76</b>	<b>57.10</b>	

Note : \* The Company has already set the allowance for impairment for the full amount since 2014; so the book value as of June 30, 2017 is THB 0.



IFA uses information from the reviewed financial statement of the Company as of June 30, 2017 prepared by the Company. The authorized capital is THB 300.00 million in form of 600,000,000 ordinary shares with par value of THB 0.50. The details can be summarized as follows.

As of June 30, 2017		
Authorized and Paid-up Capital	300.00	THB million
Premium on Share Capital	433.73	THB million
Premium from Share-Based Payment	78.56	THB million
Retained Earnings	88.89	THB million
Other Shareholders' Equity	(10.59)	THB million
Minority Interest	4.11	THB million
<b>Total Shareholders' Equity – Before Adjustment</b>	<b>894.70</b>	<b>THB million</b>
<b>Adjustment</b>		
Add Additional value from the appraisal report prepared by independent appraiser	57.10	THB million
<b>Total Shareholders' Equity – After Adjustment</b>	<b>951.80</b>	<b>THB million</b>
Number of Share Outstanding	600.00	million shares
<b>Book Value per Share</b>	<b>1.59</b>	<b>THB/share</b>

IFA uses the number of paid-up shares to calculate the value of ordinary shares of the Company. Currently, the number of share outstanding is 600,000,000 shares with par value of THB 0.50. The value of share of the Company is THB 1.59 per share which is lower than the offered price of shares issued by private placement for payment of business transfer of THB 3.50 per share. The value is lower by THB 1.91 per share or 54.57% of transaction price.

### 3) Market Multiples Approach

The market multiples approach uses market value ratio of comparable listed companies to reflect the investors' perspective towards the Company and/or the business during such period. The market value ratio used in the analysis includes Price to Book Value Ratio and Price to Earnings Ratio.

IFA has summarized the characteristics of comparable companies as follows.

1. They are the listed companies in Energy and Utilities Sector (sector: ENER) or Construction Services (sector: CONS) in the Stock Exchange of Thailand or in Resources Industry (sector: RESOURC or Property and Construction Industry (sector: PROPCON) of the Market for Alternative Investment (MAI). There are totally 93 companies.
2. The information about price to book value ratio (P/BV) and the price to earnings ratio (P/E) during past 360 trading days is available. This period is the period that IFA used in performing the valuation

which is from February 16, 2016 to August 8, 2017. Based on this criterion, there are only 87 companies.

3. Their businesses are related to construction services, installation of metering system and/or natural gas and petroleum pipeline system. Based on this criterion, there are only 4 listed companies (excluding the Company) used as comparable companies in the valuation.

Therefore, based on above criteria, IFA has selected 4 listed companies as comparable companies with the following details.

Company	Symbol	Industry/ Sector	First Trading Day	Nature of Business
TRC Construction Public Company Limited	TRC	Constructi on Services (CONS)	December 22, 2005	TRC is engaged in business of pipeline, contractor business system installation of engineering, petrochemical & process plant and business development and investment.
Scan Inter Public Company Limited	SCN	Energy and Utility (ENERG)	February 23, 2015	SCN focuses on energy business, especially the fully integrated natural gas. The Company's services consist of Private Mother Station Business, Third Party Logistics Business, Private Brand Station Business, Design, Manufacturing, Construction, Installation and Maintenance of NGV instruments, Installation of NGV & LPG Conversion System Business, Auto Dealer Business and other business such as CO2 Trading Business, Convenience Store Business, and Glass for Construction, Battery for Automobile, and Other Materials Trading Business.
Takuni Group Public Company Limited	TAKUNI	Resources (RESOUR C)	August 19, 2014	TAKUNI and its subsidiaries business are Liquid Petroleum Gas (LPG) trading and energy related business as follows: 1.LPG trading as LPG trader under section 7 of Fuel Trade Act, B.E. 2543, is responsible for LPG procurement and trading to business and other customers. 2.LPG transportation as LPG and Ammonia transporter, is responsible for providing LPG transportation for the Company and other customers.

Company	Symbol	Industry/ Sector	First Trading Day	Nature of Business
				3.Construction Service for industrial oil and gas piping system construction as Engineering Procurement Construction 4.LPG/CNG conversion kit installation as LPG related equipment trading and LPG/CNG conversion kit installation for passenger cars 5.Non-Destructive Testing and Inspection service as NDT and inspection services for manufacturers, LPG stations and automobiles against international standards and regulations .6.Property Development Business which is now in the process of determining the appropriate business structure.
Sriracha Construction Public Company Limited	SRICHA	Construction Services (CONS)	July 2, 2012	SRICHA provides mechanical construction services for construction contractors or project owners directly. The engineering services can be divided into 1) mechanical construction by designing and providing raw materials, assembly, and installation of mechanical structure supporting pipeline system or machines in industrial factories customized with customers' demands, 2) Pipelining system construction including assembly, installation and connection of pipelines for liquid and gas e.g. oil, solutions, etc. for industrial factories including petrochemical factories, oil refineries, and power plants, 3) large metal tanks and the installation of Machine and Equipment including installation of large metal tanks, machine and equipment, and heavy installation in industrial factories.

Source: SETSMART

### 3.1) Price to Book Value Approach (P/BV)

This valuation approach uses book value per share (BVPS) from the financial statement as of specific point of time multiplied by the average price to book value ratio (P/BV Ratio or PBVR) of comparable listed companies. The criteria to select peer group as comparable companies are the above table.

In calculating the value of ordinary share of the Company using price to book value approach, IFA uses the average Price to Book Value Ratio (PBVR) for 360 days backward from the last trading day before the Board of Directors had the resolution to approve the Transaction. This period is from February 16, 2016 to August 8, 2017. The calculation is as follows.

Unit : THB million	Financial Statement of the Company As of June 30, 2017
Total Assets	1,185.43
Total Liabilities	290.86
Total Shareholders' Equity	894.57
<b>Book Value per Share (BVPS)</b>	<b>1.4910</b>

Calculation Period		Average P/BV Ratio (times)				Average	Value per Share (THB)
Number of Day	Period	TRC	SCN	TAKUNI	SRICHA		
7 days	31 Jul 17 – 8 Aug 17	2.63	2.34	1.16	3.50	2.41	3.59
15 days	18 Jul 17 – 8 Aug 17	2.63	2.35	1.13	3.49	2.40	3.58
30 days	26 Jun 17 – 8 Aug 17	2.68	2.42	1.12	3.44	2.41	3.59
60 days	15 May 17 – 8 Aug 17	2.77	2.60	1.14	3.30	2.45	3.65
90 days	27 Mar 17 – 8 Aug 17	2.81	3.01	1.18	3.33	2.58	3.85
120 days	10 Feb 17 – 8 Aug 17	2.87	3.23	1.18	3.33	2.65	3.95
180 days	14 Nov 16 – 8 Aug 17	2.92	3.57	1.24	3.27	2.75	4.10
270 days	5 Jul 16 – 8 Aug 17	2.91	3.66	1.45	3.00	2.76	4.11
360 days	16 Feb 16 – 8 Aug 17	3.08	3.67	2.42	2.77	2.99	4.46

Source : SETSMART

IFA uses the number of paid-up shares to calculate the value of ordinary shares of the Company. Currently, the number of share outstanding is 600,000,000 shares with par value of THB 0.50. The book value per share (BVPS) of the Company is THB 1.4910 per share. Using the price to book value approach by multiplying the book value per share with the average P/BV ratio of 4 comparable listed companies, the value of share is THB 3.58 – 4.46 per share. This value is higher than the offered price of shares issued by private placement for payment of business transfer of THB 3.50 per share by THB 0.08 – 0.98 per share or 2.29% - 27.43% of transaction price.

### 3.2) Price to Earning Approach (P/E)

This valuation approach uses earnings per share (EPS) from the financial statement as of specific point of time multiplied by the average price to earnings ratio (P/E Ratio) of comparable listed companies. The criteria to select peer group as comparable companies are the above table.

In calculating the value of ordinary share of the Company using price to earnings approach, IFA uses the average Price to Earnings Ratio (PER) for 360 days backward from the last trading day before the Board of Directors had the resolution to approve the Transaction. This period is from February 16, 2016 to August 8, 2017. The calculation is as follows.

Unit: THB million	Financial Statement of The Company As of June 30, 2017
Net Profit of Last 4 Quarters	74.39
Number of Outstanding Share (million shares)	600.00
<b>Earnings per Share (EPS)</b>	<b>0.1240</b>

Calculation Period		Average P/E Ratio (times)				Average	Value per Share (THB)
Number of Day	Period	TRC	SCN	TAKUNI	SRICHA		
7 days	31 Jul 17 – 8 Aug 17	36.93	21.84	56.26	46.31	40.34	5.00
15 days	18 Jul 17 – 8 Aug 17	37.58	21.98	55.11	46.11	40.20	4.98
30 days	26 Jun 17 – 8 Aug 17	38.56	22.60	54.27	45.42	40.21	4.99
60 days	15 May 17 – 8 Aug 17	39.97	24.31	55.31	43.96	40.88	5.07
90 days	27 Mar 17 – 8 Aug 17	35.65	26.64	57.56	51.51	42.84	5.31
120 days	10 Feb 17 – 8 Aug 17	34.06	28.03	55.36	54.53	42.99	5.33
180 days	14 Nov 16 – 8 Aug 17	32.79	30.90	51.90	55.38	42.74	5.30
270 days	5 Jul 16 – 8 Aug 17	31.12	32.26	45.54	49.88	39.70	4.92
360 days	16 Feb 16 – 8 Aug 17	30.85	33.62	46.56	40.92	37.99	4.71

Source : SETSMART

IFA uses the number of paid-up shares to calculate the value of ordinary shares of the Company. Currently, the number of share outstanding is 600,000,000 shares with par value of THB 0.50. The earnings per share (EPS) of the Company is THB 0.1240 per share. Using the price to earnings approach by multiplying the earnings per share with the average P/E ratio of 4 comparable listed companies, the value of share is THB 4.71 – 5.33 per share. This value is higher than the offered price of shares issued by private placement for payment of business transfer of THB 3.50 per share by THB 1.21 – 1.83 per share or 34.57% - 52.29% of transaction price.

#### 4) Market Price Approach

This valuation approach uses weighted average market price that reflects the actual investors' demand and supply in SET. Investors have considered all information including information about the Company, market outlook, as well as the expectation about different events that may affect the performance of the Company, market conditions, or economic conditions.

Using market price approach, IFA has used the weighted average price of ordinary shares of the Company (SR) traded in SET backward for 7 trading days to 360 trading days starting from August 8, 2017 which is the last trading day before the Board of Directors had resolution to propose to the shareholder meeting to approve the acquisition of T-Holding in form of entire business transfer. The payment is in form of cash for THB 45.00 million and newly-issued shares by private placement for 76,700,000 shares with par value of THB 0.50 per share and offered price of THB 3.50 per share. Total value of payment is THB 313.45 million. The calculation is as follows.

Summary of Weighted Average Price Backward from August 8, 2017

Number of Day	Calculation Period	Trading Volume (Shares)	Total Trading Value (THB)	Average Turnover (%)	Weighted Average Price (THB per share)
7 days	31 Jul 17 – 8 Aug 17	3,224,762	9,301,560	0.08	2.88
15 days	18 Jul 17 – 8 Aug 17	13,821,894	41,781,269	0.15	3.02
30 days	26 Jun 17 – 8 Aug 17	22,604,174	67,776,066	0.13	3.00
60 days	15 May 17 – 8 Aug 17	49,676,166	143,180,978	0.14	2.88
90 days	27 Mar 17 – 8 Aug 17	171,757,428	536,171,382	0.32	3.12
120 days	10 Feb 17 – 8 Aug 17	237,794,782	746,589,540	0.33	3.14
180 days	14 Nov 16 – 8 Aug 17	1,026,810,457	3,452,132,741	0.95	3.36
270 days	5 Jul 16 – 8 Aug 17	1,214,203,116	3,988,984,075	0.76	3.29
360 days	16 Feb 16 – 8 Aug 17	1,312,798,639	4,305,642,056	0.62	3.28

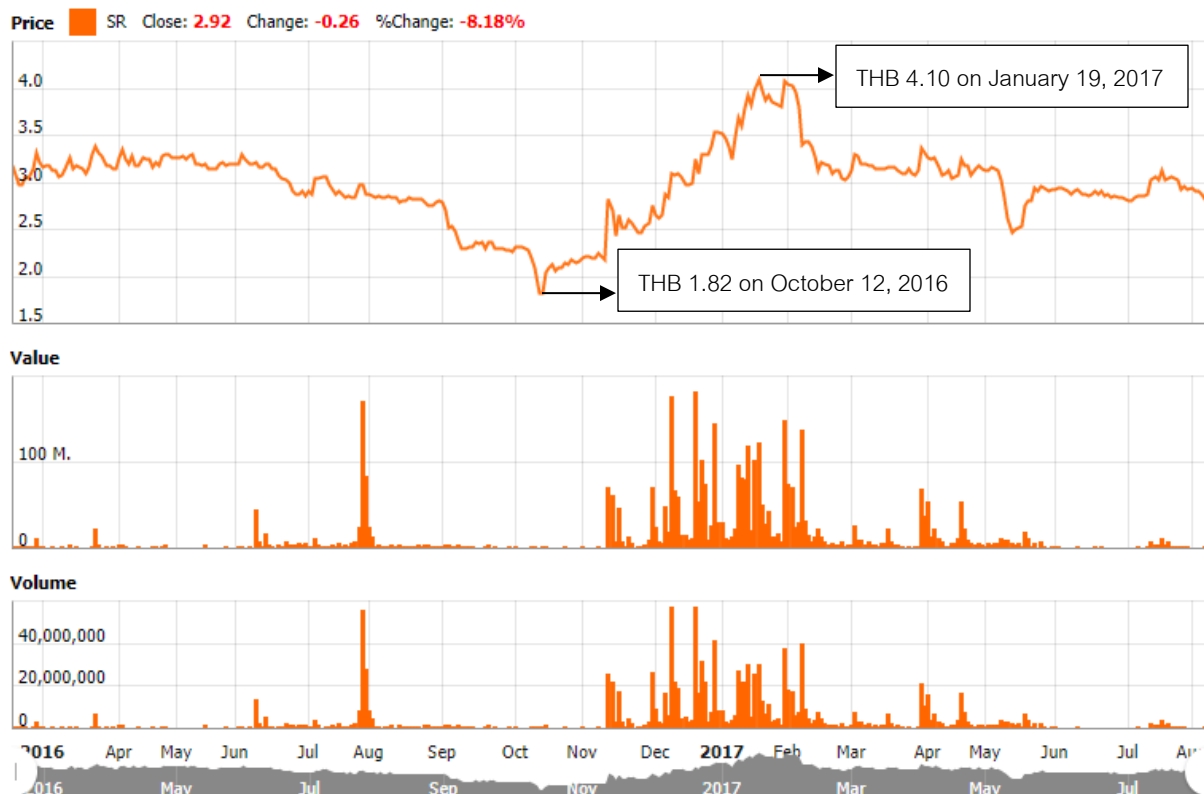
Source : SETSMART

Using this valuation approach, the value of share is between THB 2.88 – 3.66 per share, which is lower than the transaction price by THB 0.14 – 0.62 or 4.00% – 17.71%.

IFA uses the number of paid-up shares to calculate the value of ordinary shares of the Company. Currently, the number of share outstanding is 600,000,000 shares with par value of THB 0.50. The market price approach is based on the weighted average price of ordinary shares of the Company (SR) traded in SET backward for 7 trading days to 360 trading days. The value of share is THB 2.88 – 3.36 per share which is lower than the

offered price of shares issued by private placement for payment of business transfer of THB 3.50 per share by THB 0.14 – 0.62 per share or 4.00% - 17.71% of transaction price.

The period of backward 360 trading days is from February 16, 2016 to August 8, 2017. The highest closing price is THB 4.10 and the lowest closing price is THB 1.82.



## 5) Discounted Cash Flow Approach (DCF)

### 5.1) Normal Business

This valuation approach is based on the future performance of the Company by calculating the present value of future free cash flow to equity using the appropriate discount rate. The future free cash flow is calculated from financial projection of T for next 5 years (2017-2022) (the projection for 2017 is for the last 6 months of 2017) which is done based on going concern basis with the assumptions that there is no significant change in business of the Company and currently economic and business condition. After the projection period, IFA has considered on conservative basis to determine the growth rate at 1.00% per year under the assumption that the growth rate will be equal to long term economic growth of Thailand. The free cash flow to equity (FCFE) is discounted by the cost of equity (Ke) of the Company.

### Explanation for Important Assumptions in Financial Projection

The financial projection of the Company is done for 5 years (2017-2022) (the projection for 2017 is for the last 6 months of 2017) based on the financial statement of the Company for 6 months ended June 30, 2017 prepared by the Company and reviewed by the auditor. IFA has prepared the financial projection based on information, business plan, and assumptions from the Company including financial statement, interviewing with executives and employees. The purpose of this financial projection is to determine the fair value of ordinary share of the Company used to compare with the offered price of issued shares by private placement as a part of payment of the Transaction. If there is any change in economics condition and other external factors that may affect the operation of the Company or there is any significant change in conditions of the Company that may be different from assumptions, the value of share in this valuation approach should be changed accordingly. IFA has done this financial projection on conservative basis relying on the facts.

#### **1. Revenue Projection**

The main business of the Company can be divided into 3 units which are 1. Metering and Pipeline Transmission (MPT), 2. Energy Business Group (ENG), and 3. Engineered Pumps and Systems (EPS). IFA has considered and determined important assumptions by determining the revenue structure of each business unit as follows.

##### **1.1 Revenue from Metering and Pipeline Transmission (MPT)**

The revenue structure of Metering and Pipeline Transmission consists of 2 parts which are revenue from sales and installation of flow measuring system for natural gas and revenue from projects in construction of natural gas metering system. IFA has determined important assumptions for financial projection based on revenue structure as follows.

###### **1) Assumptions about sales and installation of flow measuring system for natural gas**

The revenues from this business unit during 2014-2016 were THB 39.69 million, THB 54.10 million, and THB 23.83 million respectively. The revenue for the first 6 months of 2017 was THB 21.13 million. The growth rate during the projection period depends on investment budget of customers and economic conditions. Based on the interview with executives of the Company, the growth rate is expected to be 7.00% for the whole projection period which is higher than the long-term economic growth rate of 3.24% based on the average 10-year growth rate of gross domestic products (GDP Growth) (Source: Bank of Thailand). IFA has considered and determined the growth rate at 7.00% for the whole projection period. The revenues during the projection period are between THB 42.27 million and THB 59.28 million.

###### **2) Assumptions about projects in construction of natural gas metering system**



The revenues from projects in construction during 2014-2016 and the first 6 months of 2017 were THB 1,284.13 million, THB 671.97 million, THB 475.02 million and THB 33.63 million respectively. IFA has estimated the revenue for the second half of 2017 based on the value of backlog as June 30, 2017 which is THB 60.07 million. Based on the interview with executives and business plan, this revenue depends on the large investment projects from operators in natural gas business and the capability to win the bidding of those projects. This revenue has decreased during past 3 years. However, this business will grow with economic conditions in long-term. Therefore, IFA has determined the growth rate of revenue from projects using the average 10-year growth rate of gross domestic products (GDP Growth) which is 3.24% per year (Source: Bank of Thailand)

## 1.2 Revenue from Energy Business Group (ENG)

The revenue structure of Energy Business Group consists of 4 parts which are revenue from natural gas station, revenue from sale and installation of equipment for maintenance of natural gas station, revenue from design and construction of natural gas station and revenue from maintenance of natural gas station. IFA has determined important assumptions for financial projection based on revenue structure as follows.

### 1) Assumptions about Natural Gas Station Business

Currently, the Company operates the natural gas stations under the name "Siamraj" for 2 stations which are in Vibhavadee and Bangna. IFA has determined the growth rate of unit sold for natural gas using 3-year historical data (2015-2016 and the first 6 months of 2017) whereas the average price per unit will increase at 2% per year based on 10-year average inflation rate of 2.00% (Source: Bank of Thailand) as follows.

Description	2017 (Jul-Dec)	2018	2019	2020	2021	2022
<b>Natural Gas Station - Vibhavadee</b>						
Unit Sold (million kg.)	4.62	10.44	10.52	10.60	10.67	10.75
Average Price per Unit (THB)	10.11	10.25	10.46	10.67	10.88	11.10
<b>Natural Gas Station - Bangna</b>						
Unit Sold (million kg.)	4.62	11.08	11.08	11.08	11.08	11.08
Average Price per Unit (THB)	10.38	10.52	10.73	10.95	11.16	11.39

- 2) Note: the average price per unit for the Natural Gas Station Vibhavadee is different from Bangna because there were special discounts for taxi and public vehicles in each area. Assumptions about Sale and Installation of Equipment for Maintenance of Natural Gas Station

The revenues from this business unit during 2014-2016 were THB 20.17 million, THB 8.73 million, and THB 37.06 million respectively. The revenue for the first 6 months of 2017 was THB 7.30 million. Based on the

past performance and interview with executives of the Company, the revenue for this business unit depends on investment budget of customers and economic conditions. IFA has determined the growth rate during the projection period using the long-term economic growth rate of 3.24% which is from 10-year growth rate of gross domestic products (GDP Growth) (Source: Bank of Thailand).

### 3) Assumptions about Projects in Design and Construction of Natural Gas Station

The revenues from these projects during 2014-2016 were THB 56.62 million, THB 100.44 million and THB 51.83 million respectively and this revenue was THB 42.11 million during the first 6 months of 2017. IFA has estimated the revenue for the second half of 2017 based on interview with executives and the value of backlog as June 30, 2017 which is THB 166.11 million. The growth rate during the projection period depends on investment budget of customers and economic conditions. Therefore, IFA has determined the growth rate during the projection period using the long-term economic growth rate of 3.24% which is from 10-year growth rate of gross domestic products (GDP Growth) (Source: Bank of Thailand).

### 4) Assumptions about Maintenance of Natural Gas Station Business

IFA has considered the assumptions based on interview with executive of the Company and divided the types of maintenance contracts into the maintenance contract for natural gas stations of PTT Public Company Limited ("PTT") and the maintenance contract for other natural gas stations. Based on interview with executives of the Company, there are 3 maintenance contracts for natural gas station of PPT divided by service areas with the duration of 2 years. From past data, the Company has won the auction for 1-2 maintenance contracts consecutively. For other customers based on past data, backlog, and interview with executives of the Company, the Company can maintain the same number of maintenance contracts as in the past. IFA has determined the number of maintenance contract for PTT at 1 contract with the same value of contract. The number of maintenance contracts for other customers at 29 contracts per year and the growth rate of value of contract is at 2.00% per year based on 10-year average inflation rate (Source: Bank of Thailand).

Description	2017 (Jul-Dec)	2018	2019	2020	2021	2022
<b>PTT</b>						
Number of Contract	1	1	1	1	1	1
Average Revenue per Contract (THB million)	126.18*	126.18	126.18	126.18	126.18	126.18
<b>Other Customers</b>						
Number of Contract	29	29	29	29	29	29

Description	2017 (Jul-Dec)	2018	2019	2020	2021	2022
Average Revenue per Contract (THB million)	2.66	3.11	3.17	3.23	3.30	3.36

Note : \*Revenue from maintenance contract for natural gas station of PTT is from the unit sold multiplied by maintenance cost per unit. Therefore, the revenue is that period is from the projection by the Company.

### 1.3 Engineered Pumps and Systems (EPS)

Assumptions about Sales and Installation of Engineered Pumps and Systems

Engineered Pumps and Systems Unit has revenue from design and distributing of engineered pumps and systems. IFA has considered based on interview with executives of the Company and determined the growth rate of 5.00% per year for the whole projection period. This is because the Company has the policy to maintain its current customers and get new customers. The Company also has variety of products to satisfy customers' needs for all industries that use engineered pumps and services. Therefore, the revenue from Engineered Pumps and Systems Unit is relatively stable.

### 1.4 Other Revenues

Other revenues include commission fees, revenue from service abroad, rental income and interest income. IFA has considered based on interview with executives and 3-year historical data (2014-2016 and the first six months of 2017) with proportion of 1.32%, 1.16%, 1.51%, and 2.74% respectively. IFA has decided to exclude other revenues in the first 6 months of 2017 because it was lower than the normal level. Therefore, IFA has considered the assumption about proportion of other revenues to total revenues using the average proportion during 2014-2016 which is 1.33% of total revenues from normal operation without extraordinary items. IFA has determined to use this proportion for the whole projection period.

## 2. Projection for Gross Profit

IFA has divided the gross profit structure into 3 units which are 1. Metering and Pipeline Transmission (MPT), 2. Energy Business Group (ENG), and 3. Engineered Pumps and Systems (EPS). IFA has used the average 3-year gross profit margin based on the revenue structure each business unit using 3-year historical data (2015-2016 and the first 6 months of 2017) after removing outlier. The average gross profit margin is between 13.31% and 43.98% which can be summarized as follows.

(Unit : THB million)

Description	2017 (Jul-Dec)	2018	2019	2020	2021	2022
Metering and Pipeline Transmission (MPT)	81.20	338.80	351.47	364.68	378.44	392.79
Energy Business Group (ENG)	477.22	674.19	688.84	703.89	719.37	735.28
Engineered Pumps and Systems (EPS)	141.25	336.56	353.39	371.06	389.61	409.09
Gross Profit Margin - Metering and Pipeline Transmission (MPT)	17.95%	16.73%	16.83%	16.94%	17.06%	17.17%
Gross Profit Margin - Energy Business Group (ENG)	22.25%	20.74%	20.76%	20.78%	20.79%	20.81%
Gross Profit Margin - Engineered Pumps and Systems (EPS)	28.88%	31.52%	31.52%	31.52%	31.52%	31.52%
Gross Profit Margin - Total	23.09%	22.42%	22.50%	22.57%	22.65%	22.73%

Note: \* The change in gross profit margin during projection period of each business unit because the change in revenue structure of each business unit. IFA has determined to use the constant proportion for the whole projection period.

### 3. Selling and Administrative Expenses

IFA has divided selling and administrative expenses of the Company into 5 items and determined the assumptions for each item as follows.

#### 3.1 Commission and Promotion Expenses

IFA has determined the commission and promotion expenses using 3-year historical data (2015-2016 and the first 6 months of 2017) and interview with executives of the Company. The Company mainly had commission and promotion expenses for Metering and Pipeline Transmission (MPT) and Engineered Pumps and Systems (EPS). The average expenses are 2.96% of total revenue from sale and installation of these 2 business units. Therefore, IFA has determined that the commission and promotion expenses will be 2.96% of total revenue from sale and installation of these 2 business for the whole projection period.

#### 3.2 Personnel Expenses

IFA has considered and determined assumptions about personnel expenses based on past information. Currently, the Company has employees and executives for 402 persons (Source: information from the Company at the end of 2<sup>nd</sup> quarter of 2017). IFA has determined that the number of employees and executives is constant for the whole projection period and compensation is based on recent information in the 2<sup>nd</sup> quarter of 2017. Moreover, IFA has considered the policy of the Company to determine the growth of salary and compensation which is based on inflation rate and individual performance with the average growth rate of 3.50% per year.

### 3.3 Depreciation and Amortization Expenses

IFA has estimated depreciation and amortization expenses based on the accounting policy of the Company specified in the financial statement. The assets related to utility system, tools and equipment and automobile are depreciated over 5 years. Assets related to accessories and office equipment are depreciated over 3 and 5 years. Assets related to leasehold are depreciated over 10-20 years. Moreover, the Company determined the amortization of computer software recorded as intangible assets over 3 years to 10 years. The assumptions are based on the accounting policy about depreciation and amortization expenses.

### 3.4 Rental Expense

IFA has estimated rental expense based on information from the Company including rental fee of land lease agreement for head office and land lease agreement for natural gas station in Bangna, Vibhavadee, Kamphaeng Phet, and Phitsanulok. If any agreement expires, it will be renewed as usual. The land lease agreement for natural gas station in Vibhavadee will expire in 2018. IFA has determined the growth rate of rental expense at 10.00% after renewing the agreement based on interview with executives of the Company.

### 3.5 Other Selling and Administrative Expenses

IFA has determined selling and administrative expenses based on information from the Company including utilities expenses, insurance expense, maintenance expenses, consultant expenses, office supply expenses, and other expenses. IFA has determined the growth rate of these expenses at 2% per year based on 10-year average inflation rate of 2.00% (Source: Bank of Thailand)

## 4. Finance Costs

Based on the capital structure of the Company, the finance costs of the Company are mainly from Promissory Note (PN) used in financing the projects and Trust Receipt (TR) used in supporting sales and installation of imported equipment. Currently, the interest rate is between MLR -0.50% and MLR-2.00%. IFA has used information about credit amount and interest rate based on the financial statement as of the end of 2<sup>nd</sup> quarter of 2017.

## 5. Income Tax Expense

IFA has determined the income tax rate at 20.00% of net profit for the whole projection period.

## 6. Projection for Net Working Capital

### 6.1 Accounts Receivable

IFA has considered to determine the assumptions about accounts receivable of the Company based on historical data (2015-2016 and the first 6 months of 2017) and the Company had the Days Sale Outstanding of 55 – 75 days. IFA has used the Days Sale Outstanding at 62 days which is the average Days Sale Outstanding during that period after removing outlier.

### 6.2 Accounts Payable

IFA has considered to determine the assumptions about accounts payable of the Company based on historical data (2015-2016 and the first 6 months of 2017) and the Company had the Days Payable Outstanding of 32 – 72 days. IFA has used the Days Payable Outstanding at 62 days which is the average Days Payable Outstanding during that period after removing outlier.

### 6.3 Inventories

IFA has considered to determine the assumptions about inventories of the Company based on historical data (2015-2016 and the first 6 months of 2017) and the Company had the Days Sale In Inventory of 27 – 46 days. IFA has used the Days Sale In Inventory at 38 days which is the average Days Sale In Inventory during that period after removing outlier.

## 7. Projection for Dividend Payment

IFA has projected for dividend payment and determined the dividend payout ratio at 40.00% of net profit based on the dividend policy of the Company.

Projection for Operating Performance of the Company

(Unit : THB million)

Description	2017 (Jul-Dec)	2017	2018	2019	2020	2021	2022
Revenue from Metering and Pipeline Transmission (MPT)	81.20	128.40	338.80	351.47	364.68	378.44	392.79
Revenue from Energy Business Group (ENG)	477.22	681.59	674.19	688.84	703.89	719.37	735.28
Revenue from Engineered Pumps and Systems (EPS)	141.25	0.00	336.56	353.39	371.06	389.61	409.09
Other Revenues	4.91	16.23	9.18	9.77	10.38	11.02	11.68
<b>Total Revenues</b>	<b>704.57</b>	<b>1,108.71</b>	<b>1,358.73</b>	<b>1,403.47</b>	<b>1,450.02</b>	<b>1,498.44</b>	<b>1,548.84</b>
Cost of Revenue from Metering and Pipeline Transmission (MPT)	66.62	129.46	282.13	292.31	302.89	313.90	325.34
Cost of Revenue from Energy Business Group (ENG)	371.05	547.45	534.37	545.85	557.65	569.79	582.26
Cost of Revenue from Engineered Pumps and Systems (EPS)	100.45	202.44	230.47	241.99	254.09	266.80	280.14
<b>Total Costs</b>	<b>538.12</b>	<b>879.35</b>	<b>1,046.97</b>	<b>1,080.15</b>	<b>1,114.64</b>	<b>1,150.48</b>	<b>1,187.73</b>
<b>Gross Profit</b>	<b>161.54</b>	<b>213.12</b>	<b>302.58</b>	<b>313.55</b>	<b>324.99</b>	<b>336.95</b>	<b>349.43</b>
Selling and Administrative Expenses	87.82	168.51	172.17	170.45	169.25	173.29	178.84
<b>Profit (Loss) before Finance Costs and Income Tax Expenses</b>	<b>78.63</b>	<b>60.84</b>	<b>139.59</b>	<b>152.87</b>	<b>166.12</b>	<b>174.67</b>	<b>182.27</b>
Finance Costs	0.84	2.62	1.49	1.34	1.26	1.18	1.15
<b>Profit (Loss) before Income Tax Expenses</b>	<b>77.79</b>	<b>58.22</b>	<b>138.10</b>	<b>151.53</b>	<b>164.86</b>	<b>173.49</b>	<b>181.12</b>
Income Tax Expenses	15.56	14.09	27.62	30.31	32.97	34.70	36.22
<b>Net Profit</b>	<b>62.24</b>	<b>44.14</b>	<b>110.48</b>	<b>121.22</b>	<b>131.89</b>	<b>138.80</b>	<b>144.89</b>

## 8. Projection for Free Cash Flow

### Discount Rate

The discount rate used to find present value of free cash flow is the cost of equity ( $K_e$ ), which is calculated from Capital Asset Pricing Model (CAPM) with the following details

Cost of Equity ( $K_e$ ) where	=	$R_f + \beta (R_m - R_f)$
Risk Free Rate ( $R_f$ )	=	The yield on zero-coupon government bond with maturity of 30 years, which is 3.49% as of August 8, 2017 (Source: ThaiBMA)
Beta ( $\beta$ )	=	The average historical volatility of ordinary share of a listed company for 2 years backward* (daily data). IFA has used the average Beta of SR, which is 1.05 (Source: eFinance)
Market Return ( $R_m$ )	=	The average historical return on Stock Exchange of Thailand since it was established for 42 years from the year 1975 to 2017 (as of August 8, 2017), which is 13.75% per year (Source: SETSMART)
Based on the above calculation, the cost of equity ( $K_e$ ) of SR which is the expected return of shareholders of SR and the cost of capital in the Transaction is 14.26% per year.		

Note: IFA has used average volatility of SR (daily data) from November 11, 2015 to August 8, 2017 because SR has been listed in the Stock Exchange on November 11, 2015.

### Terminal Value of Cash Flow

The terminal value cash flow can be calculated as follows.

Terminal Value where	=	$((FCFE_6 \times (1 + G)) / (K_e - G))$
$FCFE_6$	=	The free cash flow to equity in the 6 <sup>th</sup> year (2023)
G	=	The growth rate of free cash flow after the projection period on going concern basis is 1.00% per year. IFA has considered the growth rate after projection period from the interview with executives of the company which is the long-term economic growth rate of Thailand.
$K_e$	=	The cost of equity, which is 14.26% per year.

Based on above information and assumptions, the free cash flow to equity and the value of share can be calculated as follows.



(Unit : THB million)

Description	2017 (Jul-Dec)	2018	2019	2020	2021	2022
Net Profit	62.24	110.48	121.22	131.89	138.80	144.89
± Non-Cash Items	8.80	8.51	1.59	0.16	0.16	0.00
± Change in Working Capital and Loan – Net	149.98	(23.06)	(4.43)	(4.60)	(4.79)	(4.98)
± Debt Borrowing (Debt Repayment)	(2.77)	(4.07)	(2.32)	(1.82)	(1.24)	(0.12)
Free Cash Flow to Equity	218.25	91.86	116.06	125.63	132.93	139.80
Terminal Value						1,064.82
Present Value of Free Cash Flow to Equity	206.99	76.25	84.31	79.87	73.97	586.65
Present Value of Terminal Value Cash Flow	1108.04					
Add Cash and Cash Equivalents	439.24					
Add Cash Restricted or Pledged	110.80					
Total Present Value of Free Cash Flow to Equity (THB million)	1,658.08					
Number of Outstanding Share (million shares)	600.00					
Value per Share (THB)	2.76					

IFA uses the number of paid-up shares to calculate the value of ordinary shares of the Company. Currently, the number of share outstanding is 600,000,000 shares with par value of THB 0.50. The value of share based on discounted cash flow approach is THB 2.76 per share which is lower than the offered price of shares issued by private placement for payment of business transfer of THB 3.50 per share by THB 0.74 per share or 21.14% of transaction price.

## Sensitivity Analysis

IFA has performed the sensitivity analysis on the assumption used in financial projection using worst case scenario analysis. The assumptions used in projection of 1) revenue from sales and installation of flow measuring system for natural gas and 2) revenue from sales and installation of engineered pumps and systems based on the perspective of executives of the Company which are 7.00% and 5.00% respectively. This growth rate is higher than long-term economic growth rate of Thailand. Therefore, IFA has considered the growth rate on worst case scenario that the growth rate of these business units will converge to long-term growth rate of gross domestic products (GDP Growth) at 3.24% which is the 10-year average growth rate of gross domestic products (GDP Growth) (Source: Bank of Thailand). There is no change in other assumptions. The value of the Transaction is as follows.

Fair Value	Value per Share	Total Value (THB million)	Compared to the Price in the Transaction
Base Scenario	2.76	1,658.08	(21.04%)
Revenue from Sales and Services will increase as the average growth rate of the country	2.68	1,609.00	(23.38%)

The sensitivity analysis is done on the important assumption by changing the growth rate of revenue from sales and installation of flow measuring system for natural gas and revenue from projects in construction of natural gas metering system to 3.24% which is 10-year average growth rate of gross domestic products (GDP Growth) (Source: Bank of Thailand). The value of shareholders' equity reduces from the base scenario of THB 1,658.08 million to THB 1,609.00 million and the value of share reduces from THB 2.76 to THB 2.68.

IFA uses the number of paid-up shares to calculate the value of ordinary shares of the Company. Currently, the number of share outstanding is 600,000,000 shares with par value of THB 0.50. The value of share based on discounted cash flow approach is THB 2.68 – 2.76 per share which is lower than the offered price of shares issued by private placement for payment of business transfer of THB 3.50 per share by THB 0.74 – 0.82 per share or 21.14% - 23.38% of transaction price.

## 5.2) Valuation of Land Lease Project for Construction and Management of Parking Building at Thammasat University Hospital (Rangsit Campus) – Project Overview (in Appendix 3)

To consider the fairness of price of share issued by private place with offered price of THB 3.50 as the part of payment in the Transaction. The Company has informed the Stock Exchange of Thailand ("SET") about

TKS Venture Company Limited (“TKS”) which is a subsidiary of SR Commercial Holding Company Limited (“SRCH”) with ownership proportion of 80.00% and SRCH is a subsidiary of the Company with ownership proportion of 99.99% has entered into the land lease agreement for construction and management of parking building at Thammasat University Hospital (Rangsit Campus) (“TU Carpark”) with Thammasat University (“Lessor”) on July 17, 2017 (“Land Lease Agreement”). This land lease agreement will be binding to the Company after the approval from related parties. The Board of Directors of the Company has resolved in its meeting no. 7/2017 held on July 27, 2017 to approve TKS which is a subsidiary of the Company to enter into the land lease agreement for construction and management of parking building at Thammasat University Hospital (Rangsit Campus) (“the Project”). The term of lease agreement is 30 years after the complete of construction. Total investment is THB 394.21 million which is the investment for construction of THB 350.00 million and total rental payment for whole agreement of THB 44.21 million. Moreover, the Company has resolution to approve of entering into that land lease agreement as well as other related activities done by TKS.

IFA has considered the return from TU Carpark Project to include in the value of the Company. The details of the Project (As in Appendix 3). IFA has performed the feasibility study to consider the return from investment as follows.

#### 1) Free Cash Flow to Equity Approach

In this report, IFA has performed the feasibility study of the Project and value as the shareholder of the Project to provide the opinion regarding the appropriateness of the Transaction. This feasibility study is based on public information and information from the Company. The feasibility study of the Project is as follows.

Valuation Approach	Performed	Limitation of IFA
1. Free Cash Flow to Equity Approach	√	TU Carpark Project is the construction and management of parking building. The executives of the Company have determined the construction schedule and the operation in commercial phase is during November 2018 to January 2019. Assumptions about construction schedule and finance costs may be changed if there is any delay in construction and project development. IFA has used information about construction, investment budget, cost estimation, and other expenses from the Company.

The opinion of IFA about the fairness of price is based on the limitation about available information that may affect each valuation approach as mentioned in the above table.

### Explanation of Assumptions used in Financial Projection

The financial projection of the project in construction and management of parking building at Thammasat University Hospital (Rangsit Campus) ("TU Carpark") based on provided information (As in Appendix 3). The projection is done for 30 years (2019 – 2048) based on the construction schedule of the Project which is the term in land lease agreement with Thammasat University. IFA has done the financial projection of TU Carpark based on the interview with executives of the Company on conservative basis with the following assumptions.

#### **1. Projection for Revenues**

The revenue structure of TU Carpark Project consists of 2 parts which are Revenue from parking fees and revenue from rental fees of commercial area. IFA has considered and determined important assumptions by dividing the revenue structure of the Project as follows.

##### **1.1 Revenue from Parking Fees**

IFA has considered and determined the assumptions based on past data (The Fiscal Year 2016 from October 1, 2015 to September 30, 2016) about the use of parking area before the construction of parking buildings. Most visitors used the parking area zone A and zone B which are closed to the hospital. Total capacity is 800 cars. Based on the statistic, the average number of car using parking area excluding the personnel of the hospital is 2,174 cars per day.

IFA has also considered the statistic of car traffic and the number of in-patient and out-patient of Thammasat University Hospital based on past data (The Fiscal Year 2016 from October 1, 2015 to September 30, 2016). The number of visitors of the hospital is 2,732 visitors per day. Currently, the hospital has 541 beds and opens in official working hour during Monday to Friday at 07.00 – 16.00 hrs. The hospital also opens in after-hour period during Monday to Friday at 16.00 – 22.00 hrs. and during Saturday to Sunday including official holidays at 08.00 – 22.00 hrs.

Based on the above statistics, the average ratio of car used to number of patient is 0.80 cars per patient. IFA has determined to use this ratio constantly for the whole projection period. After the construction, the parking building will provide parking area for 4 floors with total capacity of 252 cars per floor excluding double parking which is totally 1,008 cars. The maximum capacity during 8.00 - 20.00 hrs. (12 hours per day) using the average parking hour of 4 hours will be 3,024 cars per day (excluding double parking). Based on the interview with executives of TKS, TKS has the policy to collect the parking fees at the rate of THB 20 for first 2 hours and THB 10 per hour afterward. Based on the agreement with Thammasat University, the parking fees can be increased for THB 5 per hour for every 5 years. Therefore, IFA has determined the parking fees as follows.

Number of Parking Hours	Parking Fees					
	Year 1-5	Year 6-10	Year 11-15	Year 16-20	Year 21-25	Year 26-30
First 2 Hours	THB 20	THB 30	THB 40	THB 50	THB 60	THB 70
After That (per hour)	THB 10	THB 15	THB 20	THB 25	THB 30	THB 35

Source : Information from TKS

Based on the interview with the officers in parking area (Zone A and Zone B) of Thammasat University Hospital, the average parking hours is 4 – 5 hours per car. From the statistic and interview with executives of TKS and other officers, IFA has determined the average park hour at 4 hours. After TKS has finished the construction and the parking building in TU Carpark Project has opened, the executives of TKS inform that Thammasat University Hospital is now considering to determine that parking area zone B will be reserved for personnel of the hospital. IFA has considered on conservative basis to determined the number of car that will use parking area equal to the average number of cars that used parking area A and B which is 2,174 cars per day. This number is assumed to be constant for the whole projection period.

## 1.2 Revenue from Rental Fees for Commercial Area

IFA has considered the rental fee for commercial area based on the construction plan (More information in Appendix 3). The area on the 1<sup>st</sup> floor will be divided for shops, restaurants, banks, and supermarket with total area of 5,200 sq.m. IFA has considered the rental fee based on the policy from executives which is THB 550/sq.m. This rental fee is consistent with other rental fees of commercial area in Thammasat University Hospital which is in the range between THB 555.55/sq.m. and THB 688.71/sq.m. IFA has considered and determined the growth rate of rental fee at 10.00% for every 5 years based on the plan of executives of TKS and the general practice in adjusting the rental fees in Bangkok and Vicinity. Moreover, IFA has considered the occupancy rate of 80.00% bases on interview with executives of TKS.

Therefore, the essential information about revenue from management of parking building of TU Carpark Project on conservative basis can be summarized as follows.

Details	Average Parking Fee per Hour (THB)	Average Parking Time (hours)	Number of Car per day (cars/day)	Number of Patient per day (patients/day)	Average Ratio of Car Used to Number of Patient (cars/patient)	Total Rental Area	Average Rental Fee per Sq.m. (THB/sq.m.)	Occupancy Rate (%)
Year 1-5	10	4	2,174	2,732	0.80	5,200 sq.m.	550	80%
Year 6-10	15	4	2,174	2,732	0.80	5,200 sq.m.	605	80%
Year 11-15	20	4	2,174	2,732	0.80	5,200 sq.m.	666	80%
Year 16-20	25	4	2,174	2,732	0.80	5,200 sq.m.	732	80%
Year 21-25	30	4	2,174	2,732	0.80	5,200 sq.m.	805	80%
Year 26-30	35	4	2,174	2,732	0.80	5,200 sq.m.	886	80%

## 2. Projection for Costs and Administrative Expenses

### 2.1 Rental Expense for Thammasat University

Based on information in the land lease agreement for construction and management of parking building, Thammasat University determined the annual rental payment that will be increased by 5.00% every 5 years which can be summarized as follows.

Year	Annual Rental Payment (THB million/year)
1 - 5	1.30
6 - 10	1.37
11 - 15	1.43
16 - 20	1.50
21 - 25	1.58
26 - 30	1.66

### 2.2 Revenue Sharing

Based on information in the land lease agreement for construction and management of parking building, the lessee will share revenue from parking fees and rental fees for commercial area at the rate of 3.00% of those revenues to Thammasat University every year.

### 2.3 Administrative Expenses

IFA has considered based on the interview with executives of TKS and found that the company has estimated the administrative expense at THB 467,500 per month or THB 5.61 million per year including salary for

employees, executives, maids, security guards, and gardeners for 26 people. IFA has determined the growth rate of salary using inflation rate and individual performance based on the policy of SR with the average of 3.50% per year.

#### **2.4 Building Maintenance Expenses**

Based on information in the land lease agreement for construction and management of parking building, the lessee needs to do the maintenance of building and structure so that it is clear and in the good condition. Moreover, the building must be repainted at least once every 6 years. However, if it is in the good condition, the lessee can ask for extend the period of repainting. Based on interview with executive of the Company, IFA has determined this expense at THB 3.00 million every 6 years.

#### **2.5 Insurance Expense**

IFA has considered based on the interview with executives of the Company to determine the insurance expense based on other projects of SR which is between 0.15% and 0.24% of project value. Therefore, IFA has considered on conservative basis to determine the insurance expense at 0.25% of project value for the whole projection period.

#### **2.6 House and Building Tax Expenses**

In accordance with Building and Land Tax Act B.E. 2475, the lessor is responsible to pay tax once a year for the asset in form of building and structure attached to building or other structures at the rate of 12.50% of annual rental fee.

#### **2.7 Other Expenses**

IFA has considered based on the interview with executives of the Company and determined other expenses including water supplies/electricity, office expenses, and other operating expenses at THB 1.2 million per year. IFA has determined the growth rate of this expense based on the average 10-year inflation which is 2.00% (Source: Bank of Thailand).

#### **2.8 Depreciation Expenses**

IFA has determined the depreciation expense of building and building system using the useful life of 30 years based on the term in land lease agreement with Thammasat University Hospital. The useful life of tools and equipment is 5 years.

### 3. Finance Costs

IFA has been informed from the executives of TKS that TKS received the letter of intent for loan support from one financial institution with the amount of THB 250.00 million. Currently, the Company is negotiating for other conditions with that financial institution. IFA has been informed that the term of this loan is 10 years with the interest rate of MRL – 2.00% which is the same interest rate of other loans of the Company.

### 4. Income Tax Expenses

IFA has determined the income tax rate at 20.00% of net profit for the whole projection period.

### 5. Investment

The Company has expected to invest in TU Carpark Project for THB 350.00 million including the construction of parking building and the estimation from executives of the Company as follows.

- 1) Investment for construction of building and building system including high-voltage and transformer system, lighting system, electrical power system, water treatment system, air conditioning system, fire protection system and fire extinguishing system. The parking building is 5-storey building with total investment of THB 310.00 million.
- 2) Investment for system used in management of parking building and other equipment for THB 40.00 million.
- 3) The source of capital for investment in TU Carpark Project is from loan from financial institution of THB 250.00 million and investment from the Company.



Projection of Operating Performance TU Carpark

(Unit : THB million)

Item (Unit: THB million)	2019	2020	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048
Revenue from Parking Fees	31.74	31.74	31.74	31.74	47.61	47.61	47.61	47.61	47.61	63.48	63.48	63.48	63.48	63.48	79.35	79.35	79.35	79.35	79.35	95.22	95.22	95.22	95.22	95.22	111.09	111.09	111.09	111.09	111.09
Revenue from Rental Fees	27.46	27.46	27.46	27.46	30.20	30.20	30.20	30.20	30.20	33.22	33.22	33.22	33.22	33.22	36.54	36.54	36.54	36.54	36.54	40.20	40.20	40.20	40.20	40.20	44.22	44.22	44.22	44.22	44.22
<b>Total Revenues</b>	<b>59.20</b>	<b>59.20</b>	<b>59.20</b>	<b>59.20</b>	<b>77.81</b>	<b>77.81</b>	<b>77.81</b>	<b>77.81</b>	<b>77.81</b>	<b>96.70</b>	<b>96.70</b>	<b>96.70</b>	<b>96.70</b>	<b>96.70</b>	<b>115.90</b>	<b>115.90</b>	<b>115.90</b>	<b>115.90</b>	<b>115.90</b>	<b>135.42</b>	<b>135.42</b>	<b>135.42</b>	<b>135.42</b>	<b>135.42</b>	<b>155.31</b>	<b>155.31</b>	<b>155.31</b>	<b>155.31</b>	<b>155.31</b>
Rental Expense to Thammasat University	1.30	1.30	1.30	1.30	1.37	1.37	1.37	1.37	1.37	1.43	1.43	1.43	1.43	1.43	1.50	1.50	1.50	1.50	1.50	1.58	1.58	1.58	1.58	1.58	1.66	1.66	1.66	1.66	1.66
Revenue Sharing to Thammasat University	1.78	1.78	1.78	1.78	2.33	2.33	2.33	2.33	2.33	2.90	2.90	2.90	2.90	2.90	3.48	3.48	3.48	3.48	3.48	4.06	4.06	4.06	4.06	4.06	4.66	4.66	4.66	4.66	4.66
Personnel Expenses	5.61	5.81	6.22	6.44	6.66	6.90	7.14	7.39	7.65	7.91	8.19	8.48	8.77	9.08	9.40	9.73	10.07	10.42	10.79	11.16	11.55	11.96	12.38	12.81	13.26	13.72	14.20	14.70	15.21
Maintenance Expense (every 6 years)					3.00												3.00						3.00						
Insurance Expense	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88
House and Building Tax Expense	3.43	3.43	3.43	3.43	3.78	3.78	3.78	3.78	3.78	4.15	4.15	4.15	4.15	4.15	4.57	4.57	4.57	4.57	4.57	5.02	5.02	5.02	5.02	5.02	5.53	5.53	5.53	5.53	5.53
Office and Other Operating Expenses	1.20	1.22	1.27	1.30	1.32	1.35	1.38	1.41	1.43	1.46	1.49	1.52	1.55	1.58	1.62	1.65	1.68	1.71	1.75	1.78	1.82	1.86	1.89	1.93	1.97	2.01	2.05	2.09	2.13
Depreciation Expenses	18.33	18.33	18.33	18.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33
<b>Total Expenses</b>	<b>32.53</b>	<b>32.75</b>	<b>33.21</b>	<b>33.45</b>	<b>29.67</b>	<b>26.93</b>	<b>27.20</b>	<b>27.48</b>	<b>27.76</b>	<b>29.07</b>	<b>32.38</b>	<b>29.69</b>	<b>30.02</b>	<b>30.36</b>	<b>31.77</b>	<b>32.13</b>	<b>35.51</b>	<b>32.89</b>	<b>33.29</b>	<b>34.82</b>	<b>35.25</b>	<b>35.69</b>	<b>39.14</b>	<b>36.62</b>	<b>38.28</b>	<b>38.78</b>	<b>39.30</b>	<b>39.84</b>	<b>40.40</b>
<b>Profit (Loss) before Finance Costs and Tax</b>	<b>26.67</b>	<b>26.45</b>	<b>25.99</b>	<b>25.74</b>	<b>48.14</b>	<b>50.88</b>	<b>50.61</b>	<b>50.34</b>	<b>50.05</b>	<b>67.63</b>	<b>64.33</b>	<b>67.01</b>	<b>66.68</b>	<b>66.34</b>	<b>84.12</b>	<b>83.76</b>	<b>80.39</b>	<b>83.00</b>	<b>82.60</b>	<b>100.60</b>	<b>100.17</b>	<b>99.73</b>	<b>96.28</b>	<b>98.81</b>	<b>117.03</b>	<b>116.53</b>	<b>116.01</b>	<b>115.47</b>	<b>114.91</b>
Finance Costs	10.19	9.30	7.39	6.38	5.32	4.22	3.07	1.87	0.63																				
<b>Profit before Income Tax Expenses</b>	<b>16.48</b>	<b>17.15</b>	<b>18.59</b>	<b>19.36</b>	<b>42.82</b>	<b>46.66</b>	<b>47.54</b>	<b>48.47</b>	<b>49.42</b>	<b>67.63</b>	<b>64.33</b>	<b>67.01</b>	<b>66.68</b>	<b>66.34</b>	<b>84.12</b>	<b>83.76</b>	<b>80.39</b>	<b>83.00</b>	<b>82.60</b>	<b>100.60</b>	<b>100.17</b>	<b>99.73</b>	<b>96.28</b>	<b>98.81</b>	<b>117.03</b>	<b>116.53</b>	<b>116.01</b>	<b>115.47</b>	<b>114.91</b>
Income Tax Expenses	3.30	3.43	3.72	3.87	8.56	9.33	9.51	9.69	9.88	13.53	12.87	13.40	13.34	13.27	16.82	16.75	16.08	16.60	16.52	20.12	20.03	19.95	19.26	19.76	23.41	23.31	23.20	23.09	22.98
<b>Net Profit (Loss)</b>	<b>13.19</b>	<b>13.72</b>	<b>14.87</b>	<b>15.49</b>	<b>34.25</b>	<b>37.33</b>	<b>38.04</b>	<b>38.77</b>	<b>39.54</b>	<b>54.11</b>	<b>51.46</b>	<b>53.61</b>	<b>53.35</b>	<b>53.07</b>	<b>67.30</b>	<b>67.01</b>	<b>64.31</b>	<b>66.40</b>	<b>66.08</b>	<b>80.48</b>	<b>80.14</b>	<b>79.79</b>	<b>77.02</b>	<b>79.04</b>	<b>93.62</b>	<b>93.22</b>	<b>92.81</b>	<b>92.37</b>	<b>91.93</b>

Based on assumptions in financial projection used for feasibility study of TU Carpark Project in leasing and management of the Project for 30 years, IFA has determined the value of the Project as follows.

#### 1) Free Cash Flow to Equity Approach (FCFE)

To estimate the return of TU Carpark Project, IFA has prepared the financial projection for 30 years from 2519 to 2548 which is the period that the lessor can utilize building and structures in the project area including the usage of commercial area and parking area as specified in the agreement with Thammasat University. The construction period is 1 year and the construction is expected to complete in November 2018. The project is based on the assumptions that there is no event or external factors that will significantly affects the assumptions used in financial projection for TU Carpark Project.

The assumptions used in considering the fairness of price and appropriateness of the transaction are based on investment information, feasibility study done by the Company, related public information, other related documents, as well as the interview with executives of the Company and other related parties. The purpose is to determine the return and feasibility of the Project. If there are external uncontrollable factors that may affect the construction time or the operation of the project or any significant change in the Project, the return estimated in this study might be changed accordingly.

IFA has considered the assumption used in feasibility study of the Project based on interview with executives of the Company on conservative basis and determined the important measures for the project feasibility as follows.

- Net Present Value (NPV) is the present value of net cash flow of the Project. Using the present value of cash inflows deducting the present value of cash outflows using cost of equity ( $K_e$ ) as the discount rate, the result is net present value (NPV).
- Equity Internal Rate of Return (Equity IRR) is the rate of return from investment in the Project and the discount rate that makes NPV equal to zero.
- Payback Period is the length of time in years and months used to get the amount invested in the Project back using the accumulated cash flow in the future.

#### Discounted Rate

IFA had used cost of equity ( $K_e$ ) as the discount rate in calculating present value of free cash flow to equity for next 30 years.  $K_e$  is calculated from Capital Asset Pricing Model (CAPM). Using the formula  $K_e = R_f + \beta (R_m - R_f)$ ,  $K_e$  of the Project is 14.26%.

IFA has used this discount rate to calculate Net Present Value (NPV), Equity Internal Rate of Return (Equity IRR), and Payback Period from Free Cash Flow to Equity. The calculation of NPV, Equity IRR, and Payback Period is based on the projection of free cash flow as follows.

Projection for Free Cash Flow to Equity

(Unit : THB million)

		2017																															
Year		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	
Net Profit	THB million		13.19	13.72	14.29	14.87	15.49	34.25	37.33	38.04	38.77	39.54	54.11	51.46	53.61	53.35	53.07	67.30	67.01	64.31	66.40	66.08	80.48	80.14	79.79	77.02	79.04	93.62	93.22	92.81	92.37	91.93	
± Depreciation and Amortization	THB million		18.33	18.33	18.33	18.33	18.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	10.33	
± Debt Borrowing (Debt Repayment)	THB million	250.00	(20.54)	(21.43)	(22.37)	(23.34)	(24.35)	(25.41)	(26.51)	(27.66)	(28.86)	(29.53)																					
± Net Investment in the Project	THB million	(350.00)																															
Free Cash Flow to Equity	THB million	(100.00)	10.98	10.62	10.25	9.87	9.47	19.18	21.15	20.71	20.24	20.34	64.44	61.79	63.94	63.68	63.41	77.63	77.34	74.64	76.74	76.42	90.81	90.47	90.12	87.35	89.38	103.96	103.55	103.14	102.71	102.26	
Net Present Value (NPV)						63.74 THB million																											
Equity Internal Rate of Return (Equity IRR)						19.21% per year																											
Payback Period						8 years 5 months																											

Based on the net present value, the Company has ownership proportion in TKS Venture Company Limited (“TKS”) who has got the TU Carpark Project for 80.00%. The summary about net present value (NPV), equity internal rate of return (Equity IRR) and payment period is as follows.

Items	Unit
Net Present Value (NPV)	THB 63.74 million
Ownership Proportion in TKS	80.00 %
Net Present Value for the Company (NPV)	THB 50.99 million
Equity Internal Rate of Return (Equity IRR)	19.21%
Payback Period	8 years 5 months

Based on the projection for number of car using the past statistic about car traffic, the net present value (NPV) is THB 50.99 million. The equity internal rate of return (Equity IRR) is 19.21% per year. The payback period is 8 years 5 months.

#### Sensitivity Analysis based on the Expansion Plan of Thammasat University Hospital (Rangsit Campus)

IFA has performed the sensitivity analysis by adjusting the number of out-patient and in-patient based on the expansion plan of Thammasat University Hospital (Rangsit Campus) that there will be a new building to support more number of patients. In 2016, Thammasat University Hospital had 541 beds and it is expected that the new building will be ready for use in 2021 with 209 more beds. Therefore, there will be totally 750 beds or will increase by 38.63% (Source: Thammasat University Hospital (Rangsit Campus)). Based on the assumption about the ratio of car usage to number of patient at 0.80 cars per patient. The average number of cars per day will increase from 2,174 cars to 3,014 cars per day starting from 2021 until the end of projection period. After considering the period of maximum parking area usage from 8.00 hrs to 20.00 hrs. (12 hours per day) with the average parking hour of 4 hours per car, the maximum capacity of parking building will be 3,024 cars per day excluding double parking. The capacity is enough to support the expansion plan of the hospital. In sensitivity analysis, IFA has also considered that the costs of project may be higher than estimation by 5.00%, 10.00%, and 20.00%. Therefore, IFA has determined the changes in net present value (NPV), equity internal rate of return (Equity IRR), and payback period as follows.

Sensitivity Analysis	Net Present Value (NPV)	Net Present Value for the Company (NPV)	Equity Internal Rate of Return (Equity IRR)	Payback Period
Cost as Projection	THB 63.74 million	THB 50.99 million	19.21%	8 years 5 months
<b>Scenario – Higher Cost</b>				
Higher by 5.00%	THB 53.07 million	THB 42.46 million	18.27%	9 years 2 months
Higher by 10.00%	THB 42.40 million	THB 33.92 million	17.41%	10 years 1 months
Higher by 20.00%	THB 21.06 million	THB 16.84 million	15.90%	11 years 4 months
<b>Scenario – Hospital Expansion</b>				
Cost as Projection	THB 130.83 million	THB 104.66 million	23.24%	6 years 7 months
<b>Scenario – Hospital Expansion and Higher Cost</b>				
Higher by 5.00%	THB 120.15 million	THB 96.12 million	22.18%	6 years 12 months
Higher by 10.00%	THB 109.48 million	THB 87.59 million	21.22%	7 years 5 months
Higher by 20.00%	THB 88.14 million	THB 70.51 million	19.52%	8 years 4 months

The sensitivity analysis is based on the expansion plan of Thammasat University Hospital that the new building will be ready for use in 2021 and the number of beds will increase from 541 beds in 2016 to 750 beds in 2021 as well as the possibility that the cost of project will be higher than expectation by 5.00%, 10.00%, and 20.00%. After including the expansion plan, the return for the Company will be higher. However, if the cost of the project is higher, the return for the Company will be lower. The return for the Company will be highest in the scenario of hospital expansion and no increase in the cost of project. The net present value (NPV) is THB 104.66 million. The equity internal rate of return (Equity IRR) is 23.24%. the payback period is 6 year 7 months. The return for the Company will be lowest in the scenario of an increase in the cost of project by 20.00%. The net present value (NPV) is THB 16.84 million. The equity internal rate of return (Equity IRR) is 15.90%. the payback period is 11 year 4 months.

### 5.3) Fairness of Price of Ordinary Share of the Company (SR) after including the Project in Construction and Management of Parking Building at Thammasat University Hospital (Rangsit Campus)

IFA has considered the fairness of price or ordinary share of the Company after including the project in construction and management of parking building at Thammasat University Hospital (Rangsit Campus) additionally from the value of share in normal business. This project is the acquisition of asset within 6 months before the Transaction. The Company has already disclosed information and signed the land lease agreement for construction and management of parking building at Thammasat University Hospital (Rangsit Campus) with Thammasat University (“the Lessor”) by TKS Venture Company Limited (“TKS”) which is a subsidiary of SR Commercial Holding Company Limited (“SRCH”) with ownership proportion of 80.00% and SRCH is a subsidiary of the Company with ownership proportion of 99.99% on July 17, 2017. This project is the investment that can generate more profits to the Company in the future. Therefore, after including this project in sensitivity analysis

of normal business of the Company including TU Carpark Project, IFA has determined the present value for free cash flow to equity and the value of share as follows.

Fair Value	Base Scenario		Growth Rate as GDP Growth	
	Value per Share (THB)	Total Value (THB million)	Value per Share (THB)	Total Value (THB million)
Normal Business	2.76	1,658.08	2.68 <sup>min</sup>	1,609.00
Normal Business and TU Carpark Project				
Cost as Projection	2.85	1,709.08	2.77	1,660.00
Normal Business and Higher Cost of TU Carpark Project				
Higher by 5.00%	2.83	1,700.54	2.75	1,651.46
Higher by 10.00%	2.82	1,692.00	2.74	1,642.92
Higher by 20.00%	2.79	1,674.93	2.71	1,625.85
Normal Business and Hospital Expansion				
Cost as Projection	2.94 <sup>max</sup>	1,762.74	2.86	1,713.67
Hospital Expansion and Higher Cost of TU Carpark Project				
Higher by 5.00%	2.92	1,754.21	2.84	1,705.13
Higher by 10.00%	2.91	1,745.67	2.83	1,696.59
Higher by 20.00%	2.88	1,728.60	2.80	1,679.52

From the sensitivity analysis, for the scenario of normal business and the growth rate of revenue from sales and installation as 3.24% based on the average 10-year growth rate of gross domestic products (GDP Growth) (Source: Bank of Thailand), the value of ordinary share is lowest at THB 2.68 per share. In the scenario of normal business with the growth rate of revenue from sales and installation based on perspective of executives including the hospital expansion without any cost higher than expectation, the value of ordinary share is highest at THB 2.94 per share.

IFA uses the number of paid-up shares to calculate the value of ordinary shares of the Company. Currently, the number of share outstanding is 600,000,000 shares with par value of THB 0.50. The values of share based on discounted cash flow approach in all scenarios are THB 2.68 – 2.94 per share which is lower than the offered price of shares issued by private placement for payment of business transfer of THB 3.50 per share by THB 0.56 – 0.82 per share or 16.00% - 23.38% of transaction price.

Summary of Fair Value of SR from Different Valuation Approaches

Valuation Approach	Value of Share (THB per share)	Price in the Transaction (THB per share)	Higher (Lower) than transaction price by (THB per share)	Higher (Lower) than transaction price by (%)
1) Book Value Approach	1.49	3.50	(2.01)	(57.43%)
2) Adjusted Book Value Approach	1.59	3.50	(1.91)	(54.57%)
3) Price to Book Value Approach	3.58 – 4.46	3.50	0.08 – 0.96	2.29% - 27.43%
4) Price to Earnings Approach	4.56 – 5.16	3.50	1.06 – 1.66	30.29% - 47.43%
5) Market Price Approach	2.88 – 3.36	3.50	(0.14 – 0.62)	(4.00% - 17.71%)
6) Discounted Cash Flow Approach	2.68 – 2.94	3.50	(0.56 – 0.82)	(16.00% - 23.43%)

Source: Valuation done by IFA

IFA has performed many valuation approaches with different advantages and disadvantages. The value of the Transaction can be summarized as follows.

Summary of Valuation Approach that IFA has selected

1) Market Price Approach

This valuation approach is based on the market price of share traded in SET that reflects the investors' demand and supply in SET. Investors have considered all information including public information, expected future performance and profitability, competitiveness, information regarding to economic and industry, as well as the expectation about different events that may affect the performance of the Company, market conditions, or economic conditions. Therefore, IFA has opined that this valuation approach is appropriate and has selected this valuation approach in this report. The market price is collected backward from August 8, 2017 which is the last trading day before the Board of Directors has the resolution to approve the Transaction. After the Board of Directors has the resolution to approve the Transaction starting from August 9, 2017, the market price of ordinary share of the Company has already reflected this information because investors have acknowledged this resolution. IFA has determined the period of collecting market price of ordinary shares of the Company backward for 7 trading days to 360 trading days starting from August 8, 2017 which is the last trading day before the board resolution.

Summary of Valuation Approach that IFA has not selected

1) Book Value Approach (BV) and Adjust Book Value Approach (ABV)

The book value approach is based on the financial statement for 6 months ended on June 30, 2017 prepared by management of SR and reviewed by the auditor that is used to prepare the reviewed consolidated financial statement of the Company. The adjusted book value approach will adjust for some items that may affect to the number shown in the financial statement to better reflect the financial position of the Company. These two



valuation approaches do not properly reflect future operation, competitiveness of the Company, trend in economic conditions and business conditions related to natural gas in the future. Therefore, these two valuation approaches may not properly reflect the true value of the business on going concern basis.

## 2) Market Multiples Approach

These valuation approaches use the average price to earnings ratio (PER) and price to book value ratio (P/BV Ratio) of 4 comparable listed companies multiplied by earnings per share (EPS) and book value per share (BVPS) to get the value of share. IFA has opined that earnings per share (EPS) and book value per share (BVPS) do not reflect the true value of the business because the value does not reflect the value of the Company and its future profitability. Moreover, the comparable companies have revenue structure and business structure slightly differently. Therefore, using earnings per share (EPS) and book value per share (BVPS) of the Company multiplied by the average price to earnings ratio (P/E Ratio) and price to book value ratio (PBVR) is not appropriate to determine the true value of the Transaction.

## 3) Discounted Cash Flow Approach (DCF)

This valuation approach is based on financial projection which is based on many important assumptions from the Company and past information under current business conditions and economic conditions. These assumptions are uncertain because the performance of the Company depends on the bidding for large construction projects for metering systems and projects in maintaining natural gas stations or construction of natural gas stations. There are only few operators in such businesses. If the Company cannot win the bidding for some projects, the performance may be under expectation or some assumptions must be changed accordingly. Therefore, IFA has opined that this valuation approach is not appropriate because of uncertainty of many factors including the number and value of future projects that will significantly affect determined assumptions and future performance.

### Summary of the Opinion of IFA about the Fairness and Reasonableness of Offered Price of SR as the Payment for the Transaction

IFA has opined that the most appropriate approach to determine the fair value of ordinary share of SR is market price approach which is based on the market price traded in SET. This market price has already reflected many factors that may affect the performance of the Company as well as overall market conditions and economic conditions. The value of share from this valuation approach is THB 2.88 – 3.36 per share which is lower than the transaction price of THB 3.50 by THB 0.14 – 0.62 per share or lower by 4.00 – 17.71% of transaction price.

Based on above reasons, IFA has opined that the offered price by private placement of THB 3.50 per share as the payment for the Transaction is fair and reasonable.

### 3.3 Appropriateness of Conditions of the Transaction

After the entire business transfer of T-Holding, the Company will receive all assets, liabilities, and rights of T-Holding. The major asset is ordinary share of T for 59,998 shares which is 99.99% of authorized capital of T. The important conditions in the Transaction are as follows.

- Under condition precedents of entire business transfer agreement, T-Holding needs to get consent from financial institution regarding to the restriction in transferring of share of T and the conditions on removing as the guarantor of the transferrer and the former guarantor. The Company will get both rights and obligations of T. With the consent from financial institution, this will not breach the loan agreement.
- Under the payment in the entire business transfer of THB 313.45 million including 1) cash of THB 45.00 million after deducting liabilities that the transferrer will receive from the transferee, and 2) issuance of ordinary share by private placement for 76,700,000 shares with par value of THB 0.50 and offered price of THB 3.50. For cash payment, there is a condition that T-Holding will receive cash payment after deducting liabilities of T-Holding. After the Transaction, the Company will receive all assets, liabilities, and rights of T-Holding. After the payment of cash deducting liabilities, the Company has no burden to prepare cash for payment of liabilities from the business transfer. Moreover, the issuance of ordinary shares by private placement with offered price of THB 350 to make payment of the Transaction is higher than the weighted average price of shares of the Company traded in SET during 15 trading days before the Board of Directors had the resolution to approve the Transaction which is THB 3.02 per share. This condition complies with the Notification of the Capital Market Supervisory Board No.Torjor.72/2558 Re: Approval to Listed Companies of offer sale of new common shares in the Manner of Private Placement.
- Under the conditions in entire business transfer agreement, the transferrer will be responsible for any fees, duties, and expenses related to the process of transferring. Therefore, the Company does not need to be responsible for any related expense.
- Under the term and conditions of Lock-up for newly-issued shares of the Company in the Undertaking Agreement, the period of prohibiting from selling, distributing, transferring, or create obligations during 5 years with the following details.

Period	Proportion of Newly-Issued Shares Subject to Lock-up
From The First Day to Year 2	100% of newly-issued shares
From Year 2 to Year 3	75% of newly-issued shares
From Year 3 to Year 4	50% of newly-issued shares
From Year 4 to Year 5	25% of newly-issued shares

This condition will motivate directors and executives of T to work hard for T as a subsidiary of the Company during 5-year period.

- However, if new shareholders get newly-issued shares with offered price lower than 90% of market price in accordance with the Notification of The Stock Exchange of Thailand Re : Rules, Conditions and Procedures Governing the Listing of Ordinary or Preferred Shares Issued for Capital Increase B.E. 2558

(The market price is the weighted average price of shares traded in SET at least 7 trading day to 15 trading day before the issuance date), new shareholders are prohibited from selling these shares within 1 year after the first trading day. After 6 months, new shareholders can proportionately sell these shares for 25% of shares under prohibition ("Prohibition of Sale as Notification of SET")

- Under the condition about prohibition of competition specified in the amendment no. 2 of the undertaking agreement (More information in 1.5.3), Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit will not be able to work in other businesses in Thailand with similar or being competitor of T and/or the Company after resigning from directors and/or executives of T and/or the Company. Moreover, they cannot persuade customers or distributors of T and/or the Company not to deal business with T and/or the Company within 2 years after resignation.
- Under the conditions in entire business transfer agreement, if the Extraordinary General Meeting of Shareholder does not approve the Transaction, the agreement will be terminated automatically and the transferrer cannot claim for any compensation from the Company.
- The Board of Directors has resolved in its meeting no. 8/2017 to approve the Transaction and appoint Mr. Torchok Laoluechai who is a shareholder of T-Holding as well as director and executive of T as the executive committee and the risk management committee of the Company after the complete of this transaction if the shareholders approve the Transaction. The appointment of the executive of T as the executive committee of the Company will allow Mr. Torchok Laoluechai to acknowledge the policy directly from the Board of Directors and will work together with the Board to determine the policy of T to move towards the best direction for the Company.

Based on above conditions, IFA has opined that the conditions of the Transaction are appropriate.

#### Part 4: Summary of the Opinion of IFA

Based on above information, IFA has considered the acquisition of Techtronic Holding Company Limited (“T-Holding”) in form of Entire Business Transfer (EBT) including the entry into the relevant transactions. The entire business transfer of T-Holding will allow the Company to receive all asset, liabilities, and rights of T-Holding. The major acquired asset is ordinary shares of Techtronic Company Limited (“T”) for 59,998 shares which is 99.99% of authorized capital of T. The agreed amount in the Entire Business Transfer Agreement is THB 313.45 million. The Company will make payment in cash for THB 45.00 million. The remaining amount of THB 268.45 million will be paid by issuing 76,700,000 shares by Private Placement (PP) with the par value of THB 0.50 per share. This share issuance for payment of the Entire Business Transfer of T-Holding is 12.78% of the current paid-up capital of the Company. The offered price is THB 3.50 per share. The newly-issued shares will be offered to Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit who are current shareholders and directors of T-Holding as well as directors and executives of T. After the Transaction, the Company will appoint Mr. Torchok Laoluechai as the executive committee of the Company which be in the same level as the executives and the risk management committee of the Company after the complete of this transaction. The business of T will continue running. Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit are still directors together with 3 directors appointed by the Company to look over the business of T. This Transaction is the acquisition of assets from the executive of the Company (After the Transaction) which is considered to be the acquisition of assets from the connected person.

Entering into the Transaction, the Company can expand its business to another related business immediately, especially for the flow metering systems for industrial pipeline systems which have the same customer base as the Company. The Company can acquire experience and know-how from the executives of T who have experience more than 20 years as well as can create synergy with other business units of the Company like Metering and pipeline transmission Unit and Engineered pumps and systems Unit. Moreover, the Company can combine the performance of T into the consolidated financial statement of the Company after the Transaction.

The agreed amount of payment in the entire business transfer (EBT) agreement of T-Holding is THB 313.45 million. IFA has opined that this amount is fair and appropriate for the entire business transfer of T-Holding. The fair value of the Transaction using the discounted cash flow approach is THB 261.60 – 342.32 million. Compared to the transaction price, the value is lower by THB 51.85 million and higher by THB 28.87 million or lower by 16.54% and higher by 9.21% of transaction price. The part of payment is in form of ordinary shares of the Company which will be issued by private placement (PP) for 76,700,000 shares with offered price of THB 3.50 per share. The share issuance may create control dilution effect and earnings dilution effect of 11.33%. However, the offered price in private placement is higher than the fair value of share using market price approach or weighted average market price of shares backward for 7 trading days to 360 trading days starting from August 8, 2017 which is the last trading day before the Board of Directors has the resolution to approve the

Transaction. The market price approach can better reflect the true value of the Company. The fair value of share is THB 2.88 – 3.36 per share which is lower than the offered price by THB 0.14 – 0.62 per share or lower by 4.00% - 17.71% of the offered price. Therefore, IFA has considered the fairness of price and reasonableness of the conditions in the Transaction including advantages and disadvantages of entering or not entering into the Transaction and has opined it is better for the Company to enter into the Transaction. IFA has opined that shareholders should vote for this Transaction.

Asset Pro Management Co., Ltd. as the Independent Financial Advisor has performed the due diligence and analysis of various information with prudence under the professional standards. The opinion is based on the information and documents received from related parties including from executives of the Company. It is assumed that all received information are completely accurate based on the current condition and situation. If there is any significant change from the current condition and/or some information are inaccurate, it may significantly affect the opinion of IFA in this report and this is not the responsibility of IFA.

The shareholders should study the information in this IFA report and related documents in order to come up with own justification for making appropriate decision. The decision to vote for or against the transactions rests primarily with the shareholders.

Yours Faithfully,

Asset Pro Management Company Limited

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Mr. Somphob Sakpunpanom

Chairman of Board of Directors

In performing financial advisory in this transaction, APM has assigned Mr. Seksun Thanapajai to be the operational controller.

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Mr. Seksun Thanopajai

Operational Controller

# Appendix

## Appendix 1

### Overview of Siamraj Public Company Limited

(Source : Information from the Company)

#### 1.1 General Information

Company Name	:	Siamraj Public Company Limited
Registered Date	:	Siamraj Public Company Limited (formerly known as Siam Rajathanee Corporation Company Limited and Engineering Products Company Limited) was established on February 20, 1984 as Engineering Products Co., Ltd. And on February 2, 2015, the company has transformed to the public company.
Current Status	:	Listed on the Stock Exchange of Thailand since November 11, 2015
Company Registration Number	:	0107558000067
Type of Business	:	The main business operations are metering and pipeline transmission, providing services related to alternative energy e.g. renewable energy, fuel stations, and design, construction, and management of natural gas stations, design and distribution of engineered pumps and systems to industry factories and power plants.
Location	:	289/9 Moo 10, Old Railway Road, Samrong Sub-District, Phrapradaeng District, Samutprakarn 10130
Web Site	:	<a href="http://www.siamrajplc.com">http:// www.siamrajplc.com</a>
Registered Capital	:	THB 300,000,000
Paid-up Capital	:	THB 300,000,000 600,000,000 Shares Par Value of THB 0.50
Dividend Policy	:	At the rate of 40.00% of net profit after income tax and legal reserve



## **1.2 Nature of Business**

Siamraj Public Company Limited (formerly known as Siam Rajathanee Corporation Co., Ltd. and Engineering Products Co., Ltd.) was established on February 20, 1984 and listed on the Stock Exchange of Thailand since November 11, 2005. The current authorized and paid-up capital is THB 300,000,000 (Three Hundred Million Baht). The current business involves with natural gas and engineered pump systems.

### **Product and Services**

#### **1) Metering and Pipeline Transmission (MPT)**

The Company offers Flow Measuring Systems and Engineering services from branched natural gas pipeline to the Power Stations, Process Industrial Plants and Natural Gas service stations along the pipeline system including drilling platforms in the sea or inland, transmission point to gas separation plants, transmission point to power plants and industrial factories, and natural gas measurement within power plants and industrial factories. Moreover, the Company provides service in design and construction of the natural gas metering systems which includes Gas Chromatograph, Flow Metering, and Flow Computer.

#### **2) Energy Business Group (ENG)**

The Company provides the NGV related services which are classified to three parts as follows:

##### **2.1) Natural Gas for Vehicles**

- The NGV stations, named “Siamraj”, are operated to provide NGV to vehicles used NGV as fuel. The Company operates two “Siamraj” NGV stations located in Vibhavadee and Bangna
- NGV stations for Transport Company Limited
- Management service for NGV stations

##### **2.2) Design and Construction of Natural Gas Service Stations for Vehicles**

- Design and construction of NGV stations
- Design and construction of NGV quality improvement stations

##### **2.3) Maintenance for NGV Stations**

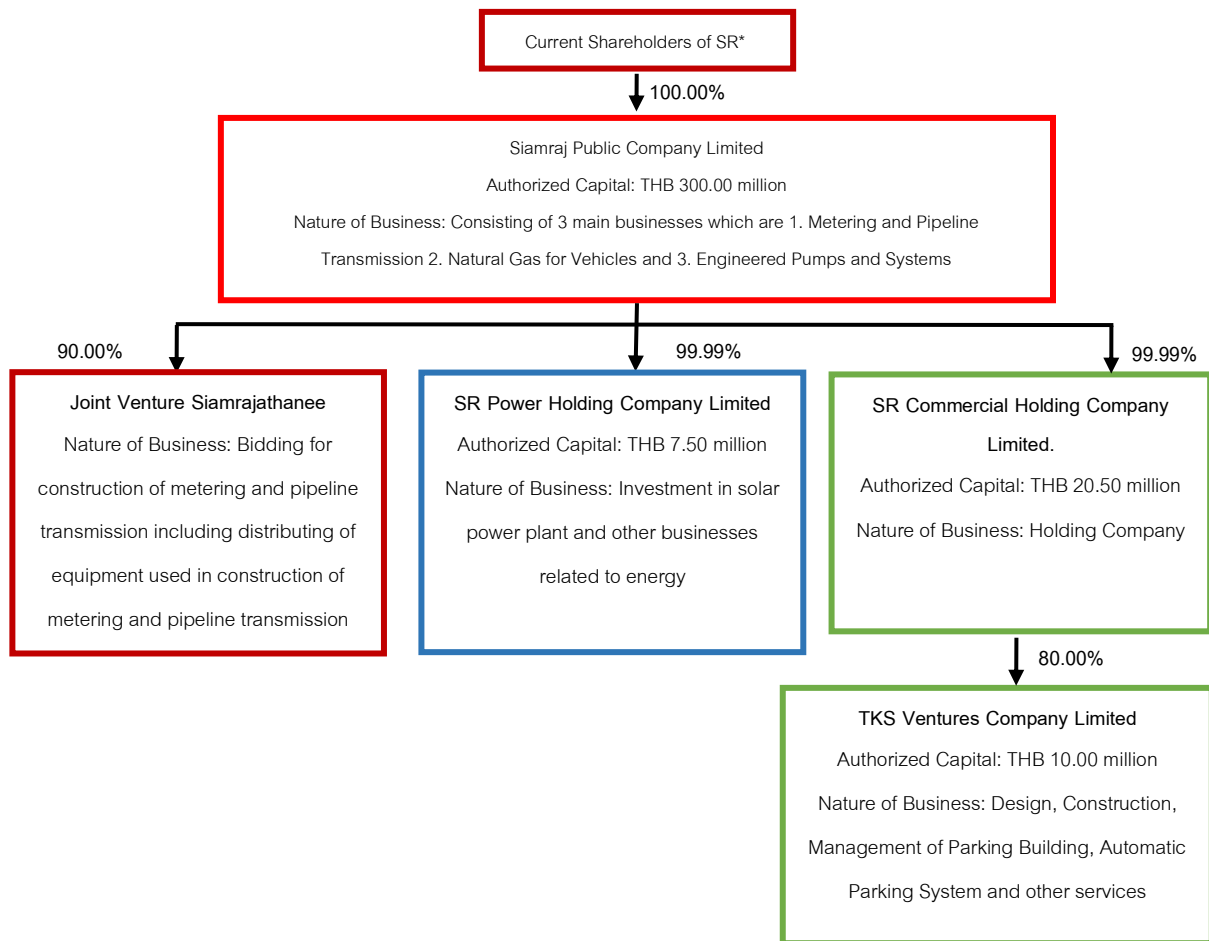
#### **3) Engineered Pumps and Systems (EPS)**

The company is specialized in engineered pumps and systems and other related equipment for industrial factories and power plants as well as distribution of engineered pumps and systems to customers in all industries. The products that the Company design and distribute are as follow.

- Industrial pump systems included Gear Pumps, Sanitary Pumps, Screw Pumps, Vacuum Pumps, Diaphragm Pumps, Process Metering Pumps, and Process Centrifugal Pumps
- Air Compressors used in industrial factories
- Gas Turbines and Gas Compressor for Power Plants

The Company has continuously improved its operation and engineering services under ISO 9901:2008 which is the international standard with worldwide acceptable in quality control of products and services. The Company has get the quality assurance in construction of natural gas metering systems, distribution of equipment used in natural gas metering and pipeline systems, construction of stations, maintenance of stations, and distribution of engineered pumps and systems. The Company has good credential from business partners for more than 30 years.

### 1.3 Company Structure



Note: \*The shareholding structure of the Company is as of August 28, 2017

\*\*The Company has requested for liquidation of Joint Venture Siamrajathanee and Engineering Product as of December 30 2016

#### Joint Venture Siamrajathanee

Joint Venture Siamrajathanee is located at 289/9 Moo 10, Old Railway Road, Samrong Sub-District, Phrapradaeng District, Samutprakarn 10130. It was established on September 1, 2011 by Siamraj Public Company Limited with ownership proportion of 90.00%. The Joint Venture Siamrajathanee operates in the business related to bid for construction projects of natural gas metering and pipelining systems as well as related equipment in construction of natural gas metering and pipelining systems.

#### SR Power Holding Company Limited

SR Power Holding Company Limited is located at 289/9 Moo 10, Old Railway Road, Samrong Sub-District, Phrapradaeng District, Samutprakarn 10130. It was established on May 18, 2017 with authorized capital

of THB 30.00 million and paid-up capital of THB 7.50 million. Siamraj Public Company Limited holds 99.99% of outstanding shares. The main business is investment in solar power plants and other businesses in energy sector. Currently, there is no revenue from this business.

#### SR Commercial Holding Company Limited

SR Commercial Holding Company Limited is located at 289/9 Moo 10, Old Railway Road, Samrong Sub-District, Phrapradaeng District, Samutprakarn 10130. It was established on July 5, 2017 with authorized capital of THB 82.00 million and paid-up capital of THB 20.50 million. Siamraj Public Company Limited holds 99.99% of outstanding shares. The main business is investment in other companies.

#### TKS Venture Company Limited

TKS Venture Company Limited is located at 289/9 Moo 10, Old Railway Road, Samrong Sub-District, Phrapradaeng District, Samutprakarn 10130. It has the authorized capital of THB 10.00 million and paid-up capital of THB 10.00 million. Siamraj Public Company Limited holds this company via SR Commercial Holding Company Limited with ownership proportion 80.00%. The main business is design, construction, and providing services.

#### 1.4 List of Shareholders

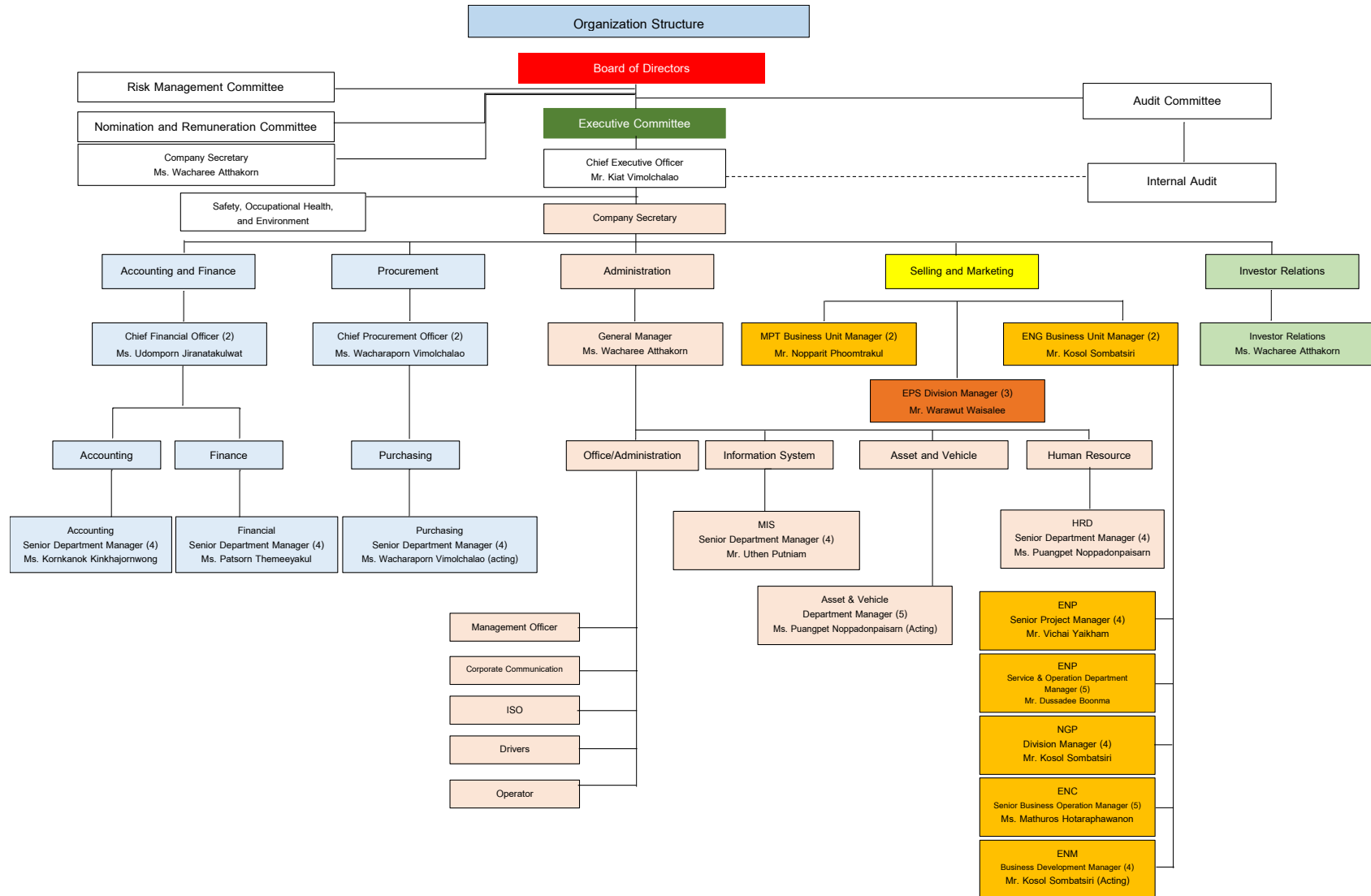
The company has authorized capital of THB 300,000,000 (Three Hundred Million Baht) in form of 600,000,000 ordinary shares with par value of THB 0.50 per share. List of shareholders who hold more than 0.50% of outstanding shares as of August 28, 2017 (Waiting for update) which is the latest book closing date is as follows.

No.	Shareholder	Number of Shares	%
1	Mr. Kiat Vimolchalao	212,100,000	35.35
2	Mr. Krittin Vimolchalao	51,300,000	8.55
3	Ms. Kritina Vimolchalao	51,300,000	8.55
4	Ms. Wacharaporn Vimolchalao	51,300,000	8.55
5	Mr. Jarupoj Neesanun	28,800,000	4.80
6	Ms. Nakanun Neesanun	26,007,000	4.33
7	Mr. Vipong Rattanasirivilai	15,600,000	2.60
8	Mrs. Poonsuk Makaranont	8,414,000	1.40
9	Mr. Surapon Tangkaprasert	7,932,000	1.32
10	Mr. Chartchai Pookyaporn	7,200,000	1.20

No.	Shareholder	Number of Shares	%
11	Mrs. Uraiporn Chalernsappayakorn	5,900,000	0.98
12	Mr. Thanachit Makaranont	5,485,000	0.91
13	Mr. Siripong kanakooop	4,628,900	0.77
14	Mr. Pornsin Kraisukdawat	4,266,300	0.71
15	Mrs. Warangkana Techaiya	4,215,000	0.70
16	Ms. Fuangfah Siripurikarn	4,030,000	0.67
17	Mr. Adul Boonrod	4,000,000	0.67
18	Mr. Wuttichat Kanlayanamit	3,720,000	0.62
19	Ms. Sudarat Vetcharuwat	3,263,500	0.54
20	Mrs. Preenan Tangmaneenimit	3,200,000	0.53

Note : After the Transaction, Mr. Torchok Laoluechai will get the newly-issued shares for 46,020,000 shares and Mr. Chatchawan Jetjumnongkit will get the newly-issued shares for 30,680,000 shares.

## 1.5 Organizational Structure and List of Directors and Executives



Source: Information from the Company

### **Board of Directors**

As of August 8, 2017, the Board of Directors consists of 7 members as follows.

Name	Position
1. Mr.Kiat Vimolchalao	Director
2. Ms.Udomporn Jiranatakulwat	Director
3. Ms.Wacharaporn Vimolchalao	Director
4. Ms.Wacharee Atthakorn	Director
5. Mr.Roj Burusratanabhand	Independent Director / Chairman of Audit Committee
6. Mr.Bunprasit Tangchaisuk	Independent Director / Audit Committee
7. Mr.Pongnimit Dusitnitsakul	Independent Director / Audit Committee

**Note :** Based on the document no. SR E2560/005 Re: the resignation of the chairman of the Board of Directors dated February 23, 2017: Mr. Kanoksak Pinsang resigned from the chairman of the Board of Directors effective on March 1, 2017. Currently, the Company is under the process of selection the appropriate person for this position.

### **Audit Committee**

As of August 8, 2017, the Audit Committee consists of 3 members as follows

Name	Position
1. Mr.Roj Burusratanabhand	Chairman of Audit Committee /Independent Director
2. Mr.Bunprasit Tangchaisuk	Audit Committee / Independent Director
3. Mr.Pongnimit Dusitnitsakul	Audit Committee / Independent Director

### **Nomination and Remuneration Committee**

As of August 8, 2017, the Nomination and Remuneration Committee consists of 3 members as follows.

Name	Position
1. Mr.Roj Burusratanabhand	Chairman of the Nomination and Remuneration Committee/ Independent Director
2. Mr.Bunprasit Tangchaisuk	Nomination and Remuneration Committee/ Independent Director
3. Mr.Pongnimit Dusitnitsakul	Nomination and Remuneration Committee/ Independent Director

### Executive Committee

As of August 8, 2017, the Executive Committee consists of 7 members as follows

Name	Position
1. Mr.Kiat Vimolchalao	Managing Director
2. Ms.Udomporn Jiranatakulwat	Director
3. Ms.Wacharaporn Vimolchalao	Director
4. Ms.Wacharee Atthakorn	Director
5. Mr.Nopparit Phoomtrakul	Director
6. Mr.Kosol Sombatsiri	Director
7. Mr.Warawut Waisalee	Director

Note : After the Transaction, Mr. Torchok Laoluechai will be appointed as the executive committee.

### Executives

As of August 8, 2017, the Company has 7 executives as follows.

Name	Position
1. Mr.Kiat Vimolchalao	Chief Executive Officer and Managing Director
2. Ms.Udomporn Jiranatakulwat	Chief Finance Officer and Accounting
3. Ms.Wacharaporn Vimolchalao	Chief Procurement Officer
4. Ms.Wacharee Atthakorn	General Manager
5. Mr.Nopparit Phoomtrakul	Business Unit Manager Metering and Pipeline Transmission Business Unit
6. Mr.Kosol Sombatsiri	Business Unit Manager NGV Business Unit
7. Mr.Warawut Waisalee	Business Unit Manager Engineered Pumps and Systems Business Unit



## 1.6 Operating Performance and Financial Position

### Statement of Financial Position

Item	Unit : THB Million							
	2014	%	2015	%	2016	%	Q2/2017	%
<b>Assets</b>								
<b>Current Assets</b>								
Cash and cash equivalents	39.44	3.49%	483.58	34.98%	90.91	6.59%	150.18	12.67%
Short-term investments	-	0.00%	150.02	10.85%	501.50	36.37%	289.06	24.38%
Trade and other receivables-net	475.60	42.05%	282.31	20.42%	234.86	17.03%	271.54	22.91%
Unbilled Receivables	40.39	3.57%	177.62	12.85%	159.52	11.57%	109.65	9.25%
Short-term loans to related parties	126.27	11.16%	-	0.00%	-	0.00%	-	0.00%
Inventories-net	228.50	20.20%	110.71	8.01%	128.25	9.30%	125.35	10.57%
Construction Project	17.28	1.53%	-	0.00%	-	0.00%	-	0.00%
Retention receivables	12.83	1.13%	12.83	0.93%	13.50	0.98%	-	0.00%
Other current assets	10.47	0.93%	15.01	1.09%	4.00	0.29%	12.18	1.03%
<b>Total current assets</b>	<b>950.77</b>	<b>84.05%</b>	<b>1,232.08</b>	<b>89.13%</b>	<b>1,132.54</b>	<b>82.14%</b>	<b>957.96</b>	<b>80.81%</b>
<b>Non-Current Assets</b>								
Cash Restricted or Pledged	34.99	3.09%	23.29	1.68%	120.27	8.72%	110.80	9.35%
Available-for-sale investment-net	25.53	2.26%	19.80	1.43%	16.50	1.20%	12.30	1.04%
Investment in properties-net	-	0.00%	-	0.00%	8.34	0.61%	8.20	0.69%
Property, plant and equipment-net	70.34	6.22%	50.62	3.66%	42.74	3.10%	35.80	3.02%
Intangible assets-net	2.39	0.21%	1.53	0.11%	1.32	0.10%	1.02	0.09%
Deferred tax assets	46.12	4.08%	51.35	3.71%	40.55	2.94%	42.86	3.62%
Refundable tax	1.01	0.09%	3.72	0.27%	16.49	1.20%	16.49	1.39%
Other non-current asset	-	0.00%	-	0.00%	-	0.00%	-	0.00%
<b>Total non-current assets</b>	<b>180.39</b>	<b>15.95%</b>	<b>150.31</b>	<b>10.87%</b>	<b>246.21</b>	<b>17.86%</b>	<b>227.47</b>	<b>19.19%</b>
<b>Total assets</b>	<b>1,131.17</b>	<b>100.00%</b>	<b>1,382.38</b>	<b>100.00%</b>	<b>1,378.75</b>	<b>100.00%</b>	<b>1,185.43</b>	<b>100.00%</b>

Item	Unit : THB Million							
	2014	%	2015	%	2016	%	Q2/2017	%
<b>Liabilities and shareholders' equity</b>								
<b>Current liabilities</b>								
Bank overdrafts and short-term borrowings from financial institutions	117.65	10.40%	137.46	9.94%	13.89	1.01%	26.91	2.27%
Trade accounts and other payable	426.59	37.71%	185.98	13.45%	311.65	22.60%	156.12	13.17%
Advance received under construction contracts	72.75	6.43%	13.90	1.01%	0.86	0.06%	4.32	0.36%
Current portion of long-term liabilities	1.82	0.16%	-	-	-	-	-	-
Finance lease liabilities	10.77	0.95%	8.50	0.61%	6.66	0.48%	5.01	0.42%
Accrued for construction contracts and rendering of services	6.27	0.55%	18.86	1.36%	2.37	0.17%	8.94	0.75%
Provision for import duty and value added tax	2.10	0.19%	65.89	4.77%	65.89	4.78%	65.89	5.56%
Other current liabilities	9.56	0.85%	12.80	0.93%	5.09	0.37%	3.11	0.26%
<b>Other current liabilities</b>	<b>647.51</b>	<b>57.24%</b>	<b>443.39</b>	<b>32.07%</b>	<b>406.41</b>	<b>29.48%</b>	<b>270.30</b>	<b>22.80%</b>
<b>Non-current liabilities</b>								
Finance lease liabilities-net	19.98	1.77%	9.82	0.71%	8.01	0.58%	7.33	0.62%
Retirement benefit obligations	18.84	1.67%	16.09	1.16%	12.30	0.89%	13.23	1.12%
Long-term provision	72.50	6.41%	-	-	-	-	-	-
<b>Total Non-current liabilities</b>	<b>111.32</b>	<b>9.84%</b>	<b>25.91</b>	<b>1.87%</b>	<b>20.31</b>	<b>1.47%</b>	<b>20.56</b>	<b>1.73%</b>
<b>Total liabilities</b>	<b>758.83</b>	<b>67.08%</b>	<b>469.30</b>	<b>33.95%</b>	<b>426.72</b>	<b>30.95%</b>	<b>290.86</b>	<b>24.54%</b>
<b>Equity</b>								
Issued and paid-up share capital	225.00	19.89%	300.00	21.70%	300.00	21.76%	300.00	25.31%

Item	Unit : THB Million							
	2014	%	2015	%	2016	%	Q2/2017	%
Premium on share capital	-	-	433.73	31.38%	433.73	31.46%	433.73	36.59%
Premium on share-based payment	78.56	6.95%	78.56	5.68%	78.56	5.70%	78.56	6.63%
Retained earnings								
Appropriated - Legal reserve	9.06	0.80%	12.62	0.91%	16.87	1.22%	16.87	1.42%
Unappropriated	49.73	4.40%	83.62	6.05%	125.00	9.07%	71.90	6.07%
Other component of equity	0.00	0.00%	(4.59)	(0.33%)	(7.23)	(0.52%)	(10.59)	(0.89%)
Equity attributable to owners of the parent	362.36	32.03%	903.94	65.39%	946.93	68.68%	890.47	75.12%
Non-controlling interests	9.99	0.88%	9.14	0.66%	5.10	0.37%	4.10	0.35%
<b>Total equity</b>	<b>372.34</b>	<b>32.92%</b>	<b>913.08</b>	<b>66.05%</b>	<b>952.03</b>	<b>69.05%</b>	<b>894.58</b>	<b>75.46%</b>
<b>Total liabilities and equity</b>	<b>1,131.17</b>	<b>100.00%</b>	<b>1,382.38</b>	<b>100.00%</b>	<b>1,378.75</b>	<b>100.00%</b>	<b>1,185.43</b>	<b>100.00%</b>

#### Statement of Comprehensive Income

Item	Unit : THB Million							
	2014	%	2015	%	2016	%	6M/2017	%
<b>Revenues</b>								
Revenues from sales of goods and rendering of services	931.91	42.13%	894.49	55.33%	791.43	59.67%	317.07	80.72%
Revenues from construction contracts	1,280.02	57.87%	722.15	44.67%	534.94	40.33%	75.75	19.28%
<b>Total revenues</b>	<b>2,211.93</b>	<b>100.00%</b>	<b>1,616.64</b>	<b>100.00%</b>	<b>1,326.37</b>	<b>100.00%</b>	<b>392.82</b>	<b>100.00%</b>
<b>Costs</b>								
Costs of sales of goods and rendering of services	856.54	38.72%	814.59	50.39%	646.63	48.75%	264.56	67.35%
Cost of construction contracts	1,061.52	47.99%	641.63	39.69%	469.16	35.37%	76.68	19.52%
<b>Total costs</b>	<b>1,918.06</b>	<b>86.71%</b>	<b>1,456.22</b>	<b>90.08%</b>	<b>1,115.79</b>	<b>84.12%</b>	<b>341.24</b>	<b>86.87%</b>
<b>Gross profit</b>	<b>293.87</b>	<b>13.29%</b>	<b>160.41</b>	<b>9.92%</b>	<b>210.58</b>	<b>15.88%</b>	<b>51.58</b>	<b>13.13%</b>
Other incomes	29.20	1.32%	81.35	5.03%	61.46	4.63%	11.32	2.88%

Item	Unit : THB Million							
	2014	%	2015	%	2016	%	6M/2017	%
Selling and Administrative expenses	116.40	5.26%	147.25	9.11%	144.90	10.92%	80.68	20.54%
Administrative expenses	32.53	1.47%	-	-	-	-	-	-
Management remuneration	29.31	1.33%	-	-	-	-	-	-
Loss on impairment of plant and equipment	78.66	3.56%	-	-	-	-	-	-
Expense from share-based payment	78.56	3.55%	-	-	-	-	-	-
Profit (loss) before finance cost and income tax expense	(12.39)	(0.56%)	94.51	5.85%	127.14	9.59%	(17.78)	(4.53%)
Finance cost	11.78	0.53%	4.63	0.29%	2.83	0.21%	1.78	0.45%
Profit (loss) before income tax expense	(24.17)	(1.09%)	89.88	5.56%	124.31	9.37%	(19.57)	(4.98%)
Income tax expense	9.66	0.04%	19.27	1.19%	20.05	1.51%	(1.47)	(0.37%)
Profit (loss) for the period	(33.83)	(1.53%)	70.61	4.37%	104.26	7.86%	(18.10)	(4.61%)
Other comprehensive income								
Items that will be not reclassified subsequently to profit or loss								
Actuarial losses		(0.93)	-	-	3.82	-	-	-
Items that will be reclassified subsequently to profit or loss								
Change in value of available-for-sale investment	-	-	(4.59)	-	(2.64)	-	(3.36)	-
Total comprehensive income (loss) for the period	(0.93)	-	(4.59)	-	1.18	-	(3.36)	-
	(54.24)	-	66.02	-	105.44	-	(21.46)	-
Profit (loss) attributable to								
Owners of the parent	(35.96)	-	67.44	-	101.81	-	(17.10)	-
Loss for the year of the discontinued operations	(19.48)	-	-	-	-	-	-	-
Non-controlling interests	2.13	-	3.16	-	2.45	-	(1.00)	-
	(53.31)	-	70.61	-	104.26	-	(18.10)	-
Total comprehensive income (loss) attributable to								
Owners of the parent	(36.89)	-	62.86	-	102.99	-	(20.46)	-
Loss for the year of the discontinued operations	(19.48)	-	-	-	-	-	-	-

Item	Unit : THB Million							
	2014	%	2015	%	2016	%	6M/2017	%
Non-controlling interests		2.13		3.16		2.45		(1.00)
		(54.24)		66.02		105.44		(21.46)

#### Statement of Cash Flows

Cash flows from operating activities	Unit : THB Million			
	2014	2015	2016	Q2/2017
Profit (loss) before income tax for the period	(48.52)	89.88	124.31	(19.57)
<b>Adjustments</b>				
Depreciation	46.24	20.42	17.93	8.99
Amortization	1.32	1.22	1.28	0.44
Loss on impairment of plant and equipment	78.66	-	-	-
Gain from sales and disposal of equipment	(8.93)	(4.46)	(2.04)	(0.78)
(Reversal) Bad debt and Allowance for doubtful account	0.48	2.70	(4.12)	(0.67)
(Reversal) Allowance for decrease in value of inventories	16.79	36.56	(6.43)	(1.01)
(Reversal) Provision for impairment	-	-	(8.50)	-
Gain from sales of short-term investments	-	-	(2.72)	(4.59)
Unrealized (gain) loss from short-term investments valuation adjustment	-	(0.02)	(3.77)	0.24
Unrealized (gain) loss on exchange rates	(1.31)	(0.61)	0.70	0.19
Expense from provisions (Reversal)	(0.18)	-	-	-
Dividend income	-	(0.71)	(0.20)	-
Provisions for construction contracts and rendering of services	-	16.76	(16.04)	6.58
Retirement benefit obligation expense	2.64	2.63	2.32	0.94
Expense from share-based payment	78.56	-	-	-
Interest income	(1.11)	(2.25)	(1.33)	(0.64)
Interest expense	11.79	11.17	4.44	1.78
<b>Cash flows before changes in operating assets and liabilities</b>	<b>176.43</b>	<b>173.29</b>	<b>105.83</b>	<b>(8.09)</b>
<b>Changes in operating assets and liabilities</b>				
Trade and other receivables	(141.76)	191.07	51.03	(37.50)
Unbilled receivables under construction contracts	94.33	(137.23)	18.11	49.86
Inventories	89.43	81.23	(11.11)	3.91
Work in process	(16.88)	17.28	-	-
Retention receivables	(6.08)	-	(0.68)	13.50
Other current assets	0.00	(4.54)	11.01	(1.97)

Cash flows from operating activities	Unit : THB Million			
	2014	2015	2016	Q2/2017
Other non-current assets	1.23	0.96	0.05	-
Trade and other payables	77.45	(249.57)	124.86	(155.03)
Advance received under construction contracts	54.61	(58.85)	(13.04)	3.46
Other current liabilities	(1.24)	3.24	(7.71)	(1.99)
Cash paid for employee benefit obligation	(0.92)	(5.38)	(1.35)	-
<b>Cash generated from (used in) operations</b>	<b>326.60</b>	<b>11.50</b>	<b>277.00</b>	<b>(133.85)</b>
Interest received	1.24	2.41	1.33	0.64
Interest paid	(16.70)	(11.23)	(4.44)	(1.78)
Income tax paid	(39.82)	(33.30)	(21.83)	(4.72)
<b>Net cash received from (used in) operating activities</b>	<b>271.32</b>	<b>(30.62)</b>	<b>252.06</b>	<b>(139.70)</b>

Cash flows from investing activities	Unit : THB Million			
	2014	2015	2016	Q2/2017
Cash payments for purchase of available-for-sale investment	(25.53)	-	-	-
Change in deposits at financial institutions used as collateral	(10.09)	11.70	(96.98)	9.47
Dividend received	-	0.71	0.20	-
Cash received from sales of short-term investments	-	-	735.54	740.70
Cash payments for purchase of short-term investments	-	(150.00)	(1,080.52)	(523.91)
Cash received from short-term loans to related parties	28.00	305.00	-	-
Cash payments for short-term loans to related parties	(126.28)	(178.72)	-	-
Cash received from disposals of assets	148.36	-	-	-
Cash received from sales of property, plant and equipment	-	11.50	5.05	1.31
Cash payments for purchases of property, plant and equipment	(21.53)	(3.68)	(5.52)	(0.21)
Cash payments for purchases of intangible assets	(1.64)	(0.36)	(1.07)	(0.14)
<b>Net cash received from (used in) investing activities</b>	<b>(8.71)</b>	<b>(3.85)</b>	<b>(443.30)</b>	<b>227.21</b>

Cash flows from financing activities	Unit : THB Million			
	2014	2015	2016	Q2/2017
Cash received (payments) of short-term loans from financial institutions	70.86	19.81	(123.57)	13.02
Cash received from short-term loans from related parties	601.93	-	-	-
Cash repayments for short-term loans from related parties	(799.99)	-	-	-
Cash repayments for long-term loan from financial institution	(126.67)	(1.82)	-	-

Cash flows from operating activities	Unit : THB Million			
	2014	2015	2016	Q2/2017
Cash payments for financial lease liabilities	(12.32)	(16.10)	(11.47)	(4.87)
Proceeds of the capital increase	175.00	525.00	-	-
Cash payments for share offering	-	(16.28)	-	-
Dividend paid	(181.25)	(30.00)	(60.00)	(36.00)
Dividend paid to non-controlling interests	-	(2.00)	(6.49)	-
<b>Net cash received from (used in) financing activities</b>	<b>(272.44)</b>	<b>478.61</b>	<b>(201.53)</b>	<b>(27.86)</b>
<b>Cash and cash equivalents increase (decrease) - net</b>	<b>(9.83)</b>	<b>444.14</b>	<b>(392.78)</b>	<b>59.65</b>
Effect of exchange rate changes on cash and cash equivalents	-	-	0.11	(0.38)
<b>Cash and cash equivalents at the beginning of the period</b>	<b>49.27</b>	<b>39.44</b>	<b>483.58</b>	<b>90.91</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>39.44</b>	<b>483.58</b>	<b>90.91</b>	<b>150.18</b>

#### Financial Ratio

Ratio	2014	2015	2016	Q2/2017
<b>LIQUIDITY RATIO</b>				
Current Ratio (X)	1.47	2.78	2.79	3.54
Quick Ratio (X)	0.80	2.07	2.04	2.63
Operating Cash Flow Ratio (x)	0.26	0.32	0.25	(0.02)
Account Receivable Turnover (x)	6.36	4.96	6.49	3.98
Days Sale Outstanding (Days)	57	73	55	90*
Inventory Turnover (x)	6.39	6.62	6.33	4.04
Days Sale In Inventory (Days)	56	54	57	89*
Account Payable Turnover (x)	7.31	6.73	6.44	4.51
Days Payable Outstanding (Days)	49	54	56	80*
Cash Cycle (Days)	64	73	56	100
<b>PROFITABILITY RATIO</b>				
Gross Profit Margin	13.29%	9.92%	15.88%	13.13%
EBIT to Net Sale	(1.88%)	0.81%	4.95%	(7.41%)
Other Income Margin	1.30%	4.79%	4.43%	2.80%
Net Profit Margin	(1.51%)	4.16%	7.51%	(4.48%)
Return on Equity	(9.31%)	10.99%	11.18%	(3.92%)*

Ratio	2014	2015	2016	Q2/2017
<b>EFFICIENCY RATIO</b>				
Return on Assets (%)	(2.85%)	5.62%	7.55%	(2.82%)*
Return on Fixed Assets (%)	6.70%	150.51%	261.76%	(46.35%)*
Asset Turnover (x)	1.88	1.31	1.02	0.35*

<b>FINANCIAL POLICY RATIO</b>				
Total Liabilities to Equity (x)	2.04	0.51	0.45	0.33
Interest Coverage (x)	19.47	0.81	62.09	N/A
Dividend Payout (%)	N/A	42.49%	57.55%	N/A

Note : These items are annualized used for comparison

## Overview of Financial Position of the Company

### Past Performance

#### Revenue

The Company had total revenues during 2014-2016 of THB 2,211.93 million, THB 1,616.64 million, and THB 1,326.37 million respectively. Total revenues decreased by 26.91% in 2015 and 17.95% in 2016. Total revenues are from 3 business units which are Metering and Pipeline Transmission, Energy Business Group and Engineered Pumps and Systems. Total revenues for the first 6 months of 2017 were THB 215.42 million.

#### 1. Metering and Pipeline Transmission (MPT)

The Company had revenues from Metering and Pipeline Transmission during 2014-2016 of THB 1,325.12 million, THB 749.95 million, and THB 495.30 million respectively. This revenue decreased by 43.40% in 2015 and 33.96% in 2016. The major revenue of this business comes from the projects and the Company has already realized the revenue from the important projects like Zawtika Project with total value of THB 1,073.48 million and most of this amount has been revenue in 2014. Moreover, There are PPTC Power Plant Project, Khanom Power Plant Project, and Top Power Plant Project with project value of THB 227.00 million, THB 312.54 million, and THB 264.95 million respectively and this amount has been revenue in 2015.

For the first 6 months of 2017, the Company had revenues from Metering and Pipeline Transmission of THB 47.20 million.

#### 2. Energy Business Group (ENG)



The Company had revenues from Energy Business Group during 2014-2016 of THB 665.34 million, THB 688.43 million, and THB 473.66 million respectively. This revenue increased by 3.47% in 2015 and decreased by 31.20% in 2016. The revenue from natural gas stations during 2014-2016 was THB 198.33 million, THB 259.66 million, and THB 223.66 million respectively. In 2014, there was the political unrest and National Council for Peace and Order used Curfew that results in less customers. In 2015, the political situation became stable resulting in more customers and revenues. However, the revenue decreased in 2015 due to the downtrend of global oil price resulting in less demand for alternative energy. The revenue from design and construction of natural gas stations during 2014-2016 was THB 57.07 million, THB 102.48 million, and THB 61.21 million respectively. An increase in revenue in 2015 was mainly from the Projects of PTT with value of THB 97.49 million and this entire amount was revenue in 2015. In 2016, the revenue decreased due to the downtrend of global oil price resulting in less demand for alternative energy and slowdown in projects related to alternative energy. The revenue from maintenance of natural gas stations during 2014-2016 was THB 339.26 million, THB 326.29 million, and THB 188.79 million respectively. A significant decrease of revenue in 2016 because of the expiration of 2-year maintenance contracts for natural gas stations of PTT. After the contract expired in December 2015, the Company had got the new 2-year contract with the value of THB 240.00 million which is lower than the value of previous contract of THB 480.00 million. Therefore, the revenue in 2016 decreased significantly. For the first 6 months of 2017, the Company had revenues from Energy Business Group of THB 204.37 million which was mainly from natural gas stations of the Company and maintenance services for national gas stations.

3. Engineered Pumps and Systems (EPS)

The Company had revenues from Engineered Pumps and Systems during 2014-2016 of THB 221.47 million, THB 178.25 million, and THB 357.41 million respectively. This revenue decreased by 19.52% in 2015 and increased by 100.51% in 2016. In 2015, there was the slowdown of many industries resulting in less demand from customers and lower revenues. In 2016, the economic recovery made revenue from sales of engineered pumps increase significantly. For the first 6 months of 2017, the Company had revenues from Engineered Pumps and Systems of THB 141.25 million.

4. Other Revenues

The Company had other revenues from interest income, revenue from management services, revenue from the rent of breakpoint, gain from sale of assets, gain from exchange rate, gain from sale of short-term investment. Other revenues during 2014-2016 were THB 29.20 million, THB 81.35 million, and THB 61.46 million respectively. This revenue increased by 178.60% in

2015 and decreased by 24.45% in 2016. Other revenue increased significantly from revenue from commission of Siemens from acquiring customers for Gas Turbine for power plants. For the first 6 months of 2017, the Company had other revenues of THB 11.32 million.

## Costs

The Company had costs during 2014-2016 of THB 1,918.06 million, THB 1,456.22 million, and THB 1,115.79 million respectively. The costs decreased by 24.08% in 2015 and 23.38% in 2016. During 2014-2016, the costs are 86.71%, 90.08%, and 84.12% of total revenues respectively. The costs are from 3 business units which are Metering and Pipeline Transmission, Energy Business Group and Engineered Pumps and Systems. The costs for the first 6 months of 2017 were THB 181.00 million which was 84.02% of total revenues.

1. The costs from Metering and Pipeline Transmission consists of cost of sales, cost of raw material, cost of hiring sub-contractors, personnel expenses. The Company had costs from Metering and Pipeline Transmission during 2014-2016 of THB 1,121.70 million, THB 687.86 million, and THB 466.80 million respectively. The costs from Metering and Pipeline Transmission decreased by 38.68% in 2015 and 32.14% in 2016. During 2014-2016, the costs are 84.65%, 91.72%, and 94.25% of revenues from Metering and Pipeline Transmission respectively due to an increase of costs proportionately to revenues. The costs from Metering and Pipeline Transmission for the first 6 months of 2017 were THB 62.85 million which was 133.16% of revenues from Metering and Pipeline Transmission.
2. The costs from Energy Business Group consists of cost of natural gas stations, cost of design and construction of natural gas stations, and cost in maintenance of natural gas stations. The cost of natural gas stations mainly consists of cost of sales and personnel expenses. The Company had costs of natural gas stations during 2014-2016 of THB 170.21 million, THB 210.18 million, and THB 184.70 million respectively. The costs of natural gas stations increased by 23.48% in 2015 and decreased by 12.12% in 2016. During 2014-2016, the costs are 85.82%, 80.94%, and 82.58% of revenues from natural gas stations respectively which was mainly form the purchase of NGV for sales in the stations. The cost of design and construction of natural gas stations mainly consist of cost of sales, cost of hiring sub-contractors, and personnel expenses. The Company had costs of design and construction of natural gas stations during 2014-2016 of THB 57.03 million, THB 113.63 million, and THB 50.53 million respectively. The costs of design and construction of natural gas stations increased by 99.25% in 2015 and decreased by 55.53% in 2016. During 2014-2016, the costs are 99.93%, 110.88%, and 82.55% of revenues from design and construction of natural gas stations respectively. The cost of maintenance of natural gas stations mainly consist of cost of sales, cost of raw material, cost of hiring sub-contractors, and personnel expenses. The Company had costs of maintenance of natural gas stations during

2014-2016 of THB 365.39 million, THB 327.63 million, and THB 157.86 million respectively. The costs of maintenance of natural gas stations decreased by 10.33% in 2015 and decreased by 51.82% in 2016. During 2014-2016, the costs are 107.70%, 100.41%, and 83.62% of revenues from maintenance of natural gas stations respectively. The costs of maintenance of natural gas stations for the first 6 months of 2017 were THB 176.40 million which was 86.31% of revenues from Energy Business Group.

3. The costs from Engineered Pumps and Systems mainly consists of cost of sales. The Company had costs from Engineered Pumps and Systems during 2014-2016 of THB 145.30 million, THB 116.92 million, and THB 255.90 million respectively. The costs from Engineered Pumps and Systems decreased by 19.53% in 2015 and increased by 118.87% in 2016. During 2014-2016, the costs are 65.60%, 65.59%, and 71.60% of revenues from Engineered Pumps and Systems respectively due to an increase of costs proportionately to revenues. The costs from Engineered Pumps and Systems for the first 6 months of 2017 were THB 101.99 million which was 72.20% of revenues from Engineered Pumps and Systems.

### Selling and Administrative Expenses

The Company had selling and administrative expenses during 2014-2016 of THB 178.24 million, THB 147.25 million, and THB 144.89 million respectively. The selling and administrative expenses decreased by 17.39% in 2015 and 1.60% in 2016. During 2014-2016, the selling and administrative expenses are 8.06%, 9.11%, and 10.92% of total revenues respectively. Selling and administrative expenses consist of sale promotion expense, personnel expenses, travel expense, utilities expenses. The decrease of selling and administrative expenses was from personnel expenses in 2015 and the recovery of allowance for bad debts in 2016. Selling and administrative expenses for the first 6 months of 2017 were THB 80.68 million which was 19.97% of total revenue.

### Profitability

The Company had gross profit during 2014-2016 of THB 293.87 million, THB 160.41 million, and THB 210.58 million respectively. The gross profit margin was 13.29%, 9.92%, and 15.88% respectively. The gross profit decreased by 45.41% in 2015 and increased by 31.28% in 2016 because the major revenues of the Company were from the projects which are not stable. The gross profit for the first 6 months of 2017 was THB 51.58 million with gross profit margin of 13.13%.

The Company had net profit (loss) during 2014-2016 of THB (53.31) million, THB 70.61 million, and THB 104.26 million respectively. The net profit margin was (1.51)%, 4.16%, and 7.51% respectively. The gross profit increased by 140.55% in 2015 and increased by 47.66% in 2016. In 2014, the Company recorded extraordinary expenses and loss from terminating the projects including loss from impairment of building and equipment and loss from payment by issuing shares. Excluding loss from payment by issuing shares, the

Company would have net profit of THB 25.26 million with net profit margin of 1.13%. The net profit (loss) for the first 6 months of 2017 was THB (18.10) million with net profit margin of (4.48)% due to a decrease in the value of project extension for Metering and Pipeline Transmission and the penalty from project delay of THB 7.15 million.

## Assets

The Company had total assets of THB 1,131.17 million, THB 1,382.38 million, and THB 1,378.75 million as of December 31, 2014 – 2016 respectively. The current assets were THB 950.78 million, THB 1,232.07 million, and THB 1,132.54 million which were 84.05%, 89.13%, and 82.14% of total assets respectively. The non-current assets were THB 180.39 million, THB 150.31 million, and THB 246.21 million which were 15.95%, 10.87%, and 17.86% of total assets respectively.

The major changes in assets were as follows.

1. During 2015-2016, short-term investments were THB 150.02 million and THB 501.50 million which were 10.85% and 36.37% of total assets respectively. Most of short-term investments were investment in debt instruments.
2. During 2014-2016, net accounts receivable and other receivables were THB 475.60 million, THB 282.31 million and THB 234.86 million which were 42.05%, 20.42% and 17.03% of total assets respectively. The net accounts receivable and other receivables was from the projects which were based on the project value of the Company.
3. During 2014-2016, unbilled receivables were THB 40.39 million, THB 177.62 million and THB 159.52 million which were 3.57%, 12.85% and 11.57% of total assets respectively. The Company recorded revenues from the Projects proportionately to their progress. However, the Company did not send the invoices because the projects were under inspection for acceptance by the project owners and related parties.
4. During 2014-2016, inventories were THB 228.50 million, THB 110.71 million and THB 128.25 million which were 20.20 %, 8.01% and 9.30% of total assets respectively. In 2015, Inventories decreased because the Company used some of them for maintenance of natural gas stations. And the loss from impairment of inventories. In 2016, inventories increased from a revenue increase of revenues from Engineered Pumps and Systems.
5. During 2014-2016, available-for-sale investments were THB 25.53 million, THB 19.80 million and THB 16.50 million which were 2.26%, 1.43% and 1.20% of total assets respectively. The decline in value is from the impairment of investment in ordinary shares of Petroleum Trading Lao Public Company (PTL) trade in Lao Securities Exchange.
6. During 2014-2016, cash restricted or pledged were THB 34.99 million, THB 23.29 million and THB 120.27 million which were 3.09%, 1.68% and 8.72% of total assets respectively. The cash

restricted or pledged has increased because the Company used the time deposit of the Company to use in pledging instead of deposits of directors of the Company.

7. During 2014-2016, property, plant, and equipment were THB 70.35 million, THB 50.62 million and THB 42.74 million which were 6.22%, 3.66% and 3.10% of total assets respectively. The decline in value is due to the depreciation of buildings, structures, and automobiles.

As of June 30, 2017, the Company had total assets of THB 1,185.43 million. Total current assets were THB 957.96 million which was 80.81% of total assets and total non-current assets were THB 227.47 million which was 19.19% of total assets.

### Liabilities

The Company had total liabilities of THB 758.83 million, THB 469.30 million, and THB 1,426.72 million as of December 31, 2014 – 2016 respectively. Total liabilities were 67.71%, 51.40%, and 44.82% of total liabilities and shareholders' equity in 2014 – 2016 respectively. The current liabilities were THB 647.51 million, THB 443.39 million, and THB 406.41 million which were 85.33%, 94.48%, and 95.24% of total liabilities respectively. The non-current liabilities were THB 111.32 million, THB 25.91 million, and THB 20.31 million which were 14.67%, 5.22%, and 4.76% of total liabilities respectively.

The major changes in liabilities were as follows.

1. During 2014-2016, short-term loans from financial institution were THB 117.65 million, THB 137.46 million and THB 13.89 million which were 15.50%, 29.29%, and 3.26% of total liabilities respectively. The decline in value was from a decrease in the number of projects on hand from previous year.
2. During 2014-2016, account payable and other payables were THB 426.59 million, THB 185.98 million and THB 311.65 million which were 56.22%, 39.63%, and 73.03% of total liabilities respectively. Most payables were from the purchase of products from suppliers in engineered pumps and systems. The change in value was from an increase in revenue and a decrease in revenue from this business unit respectively.
3. During 2014-2016, the net financial lease liabilities matured in 1 year were THB 10.77 million, THB 8.50 million and THB 6.66 million which were 1.42%, 1.81%, and 1.56% of total liabilities respectively. The net financial lease liabilities matured in 1-5 years were THB 19.98 million, THB 9.82 million and THB 8.01 million which were 2.63%, 2.09%, and 1.88% of total liabilities respectively. The company had financial lease agreements with leasing companies for automobiles and equipment used in operation. The repayments were made on monthly basis and the average term was 3-5 years. As of June 30, 2017, the Company had total liabilities of

THB 290.86 million. Total current liabilities were THB 270.30 million and total non-current liabilities were THB 20.56 million.

### Liquidity

During 2014-2016, the Company had cash and cash equivalents of THB 39.44 million, THB 483.58 million and THB 90.91 million respectively. The balance in 2015 increased by THB 444.14 million and the balance in 2016 decreased by THB 392.67 million. The amount of cash flows from each activity were as follows.

1. For the cash flow from operating activating during 2014-2016, the Company had net cash received from (used in) operating activities were THB 271.32 million, THB (30.62) million, and THB 252.06 million respectively. The changes were mainly from accounts receivable and other receivables, unbilled receivable, accounts payable and other payables, and advance received under construction contracts.
2. For the cash flow from investing activating during 2014-2016, the Company had net cash used in investing activities were THB 8.70 million, THB 3.85 million, and THB 443.30 million respectively. This was mainly from the purchase of short-term investment.
3. For the cash flow from financing activating during 2014-2016, the Company had net cash received from (used in) financing activities were THB (272.44) million, THB 478.61 million, and THB (201.53) million respectively. The changes were mainly from repayment of long-term loans from financial institutions, short-term loans from related parties, and dividend payment. In 2015, the Company had issued new ordinary shares for THB 525.00 million which resulted in large cash received from financing activities.
4. The current ratio of the Company during 2014-2016 were 1.47 times, 2.78 times, and 2.79 times respectively. As of June 30, 2017, the Company had cash and cash equivalents of THB 150.18 million and the current ratio was 3.54 times.

### Shareholders' Equity

The Company had total shareholders' equity of THB 372.33 million, THB 913.08 million, and THB 952.03 million as of December 31, 2014 – 2016 respectively. Total shareholders' equity was 32.92%, 66.05%, and 69.05% of total liabilities and shareholders' equity in 2014 – 2016 respectively. The increase in value was from the net profit of the Company in 2015-2016. In 2015, the Company had issued new ordinary shares for THB 525.00 million. During 2015-2016, the Company had paid dividend of THB 30.000 million and THB 60.00 million respectively. As of June 30, 2017, The Company had total shareholders' equity of THB 894.58 million.

## Appendix 2

### Overview of Assets of Siamraj Public Company Limited

(Source : Appraisal Report)

#### Company assets details

##### 1. Equipment, Automobile, and Automobile-Installed Equipment – Head Office of the Company

Type of asset	:	Equipment, Automobile, and Automobile-Installed Equipment
Location	:	289/9 Moo 10, Old Railway Road, Samrong Sub-District, Phrapradaeng District, Samutprakarn
Purpose	:	For public purpose
Criteria	:	To determine the market value of equipment
Owner	:	The Company
Holder	:	The Company
Assumption	:	No additional assumptions
Appraisal Method	:	Depreciated Replacement Cost Approach
Machinery Value	:	THB 21.00 Million
Appraiser date	:	June 22, 2017
Independent Appraiser	:	Sims Property Consultant Company Limited
Inspector	:	Mr.Worasak Chotchalamkulchai

##### 2. Leasehold with Buildings and Equipment – Natural Gas Service Station Phitsanulok

Type of asset	:	Leasehold with Buildings and Equipment
Location	:	111 Moo 8 Phitsanulok-Den Chai Road Km. 237+750, Banpa Sub-District, Muang district, Phitsanulok
Purpose	:	For public purpose
<b>Leasehold and Buildings</b>		
Land Area	:	4,386.00 square wah (10-3-86.0 Rai)
Rent Area	:	1,251.00 square wah (3-0-51.0 Rai)
Lessor	:	K Venture Company Limited
Lessee	:	The Company*
Pledging	:	not pledged to any financial institutions
Encumbrance	:	Under the lease agreement with the Company for the term of 19 years. The remaining term is 16 years and 6 months
Limitation of Usage	:	The property is located out of zoning area of Phitsanulok
Assumption	:	The condition in the lease agreement does not allow for sublease. However, the valuation is based on the assumptions that the land can be subleased.
Appraisal Method	:	Profit Rent Method

Total Value	:	THB 11.25 Million including Leasehold (under the remaining term of lease agreement): THB 2.07 million Building: THB 9.18 million
<b>Machinery</b>		
Appraisal Method	:	Depreciated Replacement Cost Approach
Machinery Value	:	THB 6.48 Million
Appraiser date	:	June 22, 2017
Independent Appraiser	:	Sims Property Consultant Company Limited
Inspector	:	Mr.Worasak Chotchalamasakulchai

\* Contractual party is Siam Rajathanee Corporation Company Limited (former name)

### 3. Leasehold with Buildings and Equipment – Natural Gas Service Station Kamphaeng Phet

Type of asset	:	Leasehold with Buildings and Equipment
Location	:	239 Moo 1 Phahonyothin Road Km. 395+0000, Don Taeng Sub-District, Kanuworaraksaburi district, Kamphaeng Phet
Purpose	:	For public purpose
<b>Leasehold with Buildings</b>		
Land Area	:	4,427.50 square wah (11-0-27.5 Rai)
Rent Area	:	1,596.00 square wah (3-3-96.0 Rai)
Lessor	:	K Venture Company Limited
Lessee	:	The company*
Pledging	:	not pledged to any financial institutions
Encumbrance	:	Under the lease agreement with the Company for the term of 19 years and 6 days. The remaining term is 16 years and 6 months
Limitation of Usage	:	The property is located out of zoning area of Kamphaeng Phet
Assumption	:	The condition in the lease agreement does not allow for sublease. However, the valuation is based on the assumptions that the land can be subleased.
Appraisal Method	:	Profit Rent Method
Assets Value	:	THB 11.96 Million including Leasehold (under the remaining term of lease agreement): THB 1.19 million Building: THB 10.77 million
<b>Machinery</b>		
Appraisal Method	:	Depreciated Replacement Cost Approach
Machinery Value	:	THB 6.91 Million
Appraiser date	:	June 22, 2017
Independent Appraiser	:	Sims Property Consultant Company Limited
Inspector	:	Mr.Worasak Chotchalamasakulchai

\* Contractual party is Siam Rajathanee Corporation Company Limited (former name)



#### 4. 2 Units Of 3-Storey Commercial Building with Mezzanine Floor – Nonthaburi

Type of asset	: 2 units of 3-storey commercial building with mezzanine floor
Location	: 88/123 and 88/124 Ksitsana Village, Kanchanaphisek Road (TorLor. 9), Bang Khu Wiang Sub-District, Bang Kruai District, Nonthaburi
Purpose	: For public purpose
Land Area	: 51.00 square wah (0-0-51.0 Rai)
Holding Characteristics	: Held by the Owner
Owner	: The company
Pledging	: not pledged to any financial institutions
Limitation of Usage	: The property is located in the zoning area in accordance with Nonthaburi Town Planning Act B.E. 2548. It is in the yellow zone which is the low-population residential zone. Currently, the zoning is under revision.
Appraisal Method	: Market Approach
Assets Value	: THB 11.20 Million
Appraiser date	: June 22, 2017
Independent Appraiser	: Sims Property Consultant Company Limited
Inspector	: Mr. Worasak Chotchalamkulchai

#### 5. Leasehold with Buildings – Natural Gas Service Station Bang Na

Type of asset	: Leasehold with Buildings
Location	: The NGV station, named “Siamraj” at 325/1 Bangna-Trad Bangkok
Purpose	: For public purpose
Land Area	: 1,205.00 square wah (3-0-05.0 Rai)
Rent Area	: 710.57 square wah (1-3-10.57 Rai)
Lessor	: Roong Reuang Coach Company Limited
Lessee	: The Company*
Pledging	: Pledged to Siam Commercial Bank Public Company Limited
Encumbrance	: Under the lease agreement with Roong Reuang Coach Company Limited for the term of 10 years. Currently, the remaining term is 2 years 11 months
Limitation of Usage	: The property is located in the zoning area in accordance with Greater Bangkok Plan B.E. 2556. It is in the orange zone which is the medium-population residential zone.
Assumption	: The condition in the lease agreement for Title Deed No. 41516, 140269, and 140270 does not allow for sublease. However, the valuation is based on the assumptions that the land can be subleased.
Appraisal Method	: 1) Profit Rent Method for leasehold 2) Depreciated Replacement Cost Approach for buildings

Assets Value	:	THB 11.29 Million including Leasehold (under the remaining term of lease agreement): THB 8.32 million Building: THB 2.97 million
Appraiser date	:	June 22, 2017
Independent Appraiser	:	Sims Property Consultant Company Limited
Inspector	:	Mr.Kitchawat Mahakusol

\* Contractual party is Siam Rajathanee Corporation Company Limited (former name)

#### 6. Automobile, Machinery, and Equipment – Natural Gas Service Station Bang Na

Type of asset	:	Automobile, Machinery, and Equipment
Location	:	The NGV station, named “Siamraj” at 325/1 Bangna-Trad Bangkok
Purpose	:	For public purpose
Criteria	:	To determine the market value of the equipment
Owner of Equipment	:	The Company
Holder of Equipment	:	The Company
Assumption	:	No additional assumption
Owner	:	The Company
Appraisal Method	:	Depreciated Replacement Cost Approach
Assets Value	:	THB 4.15 Million
Appraiser date	:	June 22, 2017
Independent Appraiser	:	Sims Property Consultant Company Limited
Inspector	:	Mr. Worasak Chotchalamkulchai

#### 7. Leasehold with Buildings – Natural Gas Service Station Vibhavadee

Type of asset	:	Leasehold with Buildings
Location	:	The NGV station, named “Siamraj” at 5 5 7 Vibhavadee Road, Ladyao Sub-District, Chatuchak District, Bangkok
Purpose	:	For public purpose
Land Area	:	688.00 square wah (1-2-88.0 Rai)
Rent Area	:	688.00 square wah (1-2-88.0 Rai)
Lessor	:	Bangkok Construction Company Limited
Lessee	:	The company*
Pledging	:	not pledged to any financial institutions
Encumbrance	:	Under the lease agreement with Construction Company Limited for the term of 10 years. Currently, the remaining term is 1 years 2 months
Limitation	:	The property is located in the zoning area in accordance with Greater Bangkok Plan B.E. 2556. It is in the orange zone which is the medium-population residential zone.

Assumption	: The condition in the lease agreement for Title Deed No. 6801 and 14829 does not allow for sublease. However, the valuation is based on the assumptions that the land can be subleased.
Appraisal Method	: 1) Profit Rent Method for leasehold 2) Depreciated Replacement Cost for buildings
Assets Value	: THB 3.85 Million including Leasehold (under the remaining term of lease agreement): THB 1.16 million Building: THB 2.69 million
Appraiser date	: June 22, 2017
Independent	: Sims Property Consultant Company Limited
Appraiser	
Inspector	: Mr.Kitchawat Mahakusol

\* Contractual party is Siam Rajathanee Corporation Company Limited (former name)

#### 8. Automobile, Machinery, and Equipment – Natural Gas Service Station Vibhavadee

Type of asset	: Automobile, Machinery, and Equipment
Location	: The NGV station, named “Siamraj Public Company Limited” at 557 Vibhavadee Road, Ladyao Sub-District, Chatuchak District, Bangkok
Purpose	: For public purpose
Criteria	: To determine the market value of equipment
Owner of Equipment	: The Company
Holder of Equipment	: The Company
Assumption	: No additional assumptions
Owner	: The Company
Appraisal Method	: Depreciated Replacement Cost Approach
Asset Value	: THB 3.67 Million
Appraiser date	: June 22, 2017
Independent Appraiser	: Sims Property Consultant Company Limited
Inspector	: Mr. Worasak Chotchalamkulchai

### Appendix 3

#### Overview of Parking Building Project

#### At Thammasat University Hospital (Rangsit Campus)

(Source: Information from the Company)

#### 1. Background and Information of Parking Building Project of Thammasat University Hospital (Rangsit Campus)

Siamraj Public Company Limited ("the Company") has notified the Stock Exchange of Thailand ("SET") regarding TKS Ventures Company Limited. ("TKS") who is a subsidiary of SR Commercial Holding Company Limited ("SRCH") with ownership proportion of 79.99% and SRCH is a subsidiary of the Company with ownership proportion of 99.99%. TKS has signed the land lease agreement for the construction and management of the parking building at Thammasat University Hospital (Rangsit Campus) with Thammasat University ("Lessor") on July 17, 2017 ("Land Lease Agreement"). The lease agreement will be binding upon the internal approval process of related companies. The Board of Directors of the Company has resolved in its meeting no. 7/2017 on July 27, 2017 to approve TKS which is a subsidiary of the Company to enter into the lease transaction for the land area of Thammasat University Hospital (Rangsit Campus) from Thammasat University with the land area of 6 Rai 2 Ngan and approve the construction and management of the Parking Building Project at Thammasat University Hospital (Rangsit Campus) ("the Project"). The lease term is 30 years starting after the building has been completely constructed. Total amount of investment is THB 394.21 million including the investment in construction of THB 350.00 million and total cost of land leasing of THB 44.21 million. Moreover, the Board of the Company also has the resolution for the confirmation of the lease agreement and all related activities done by TKS.

#### 2. Transaction Date

TKS has entered into the agreement with Thammasat University on July 17, 2017.

#### 3. Related Parties and Relationship

Lessor : Thammasat University

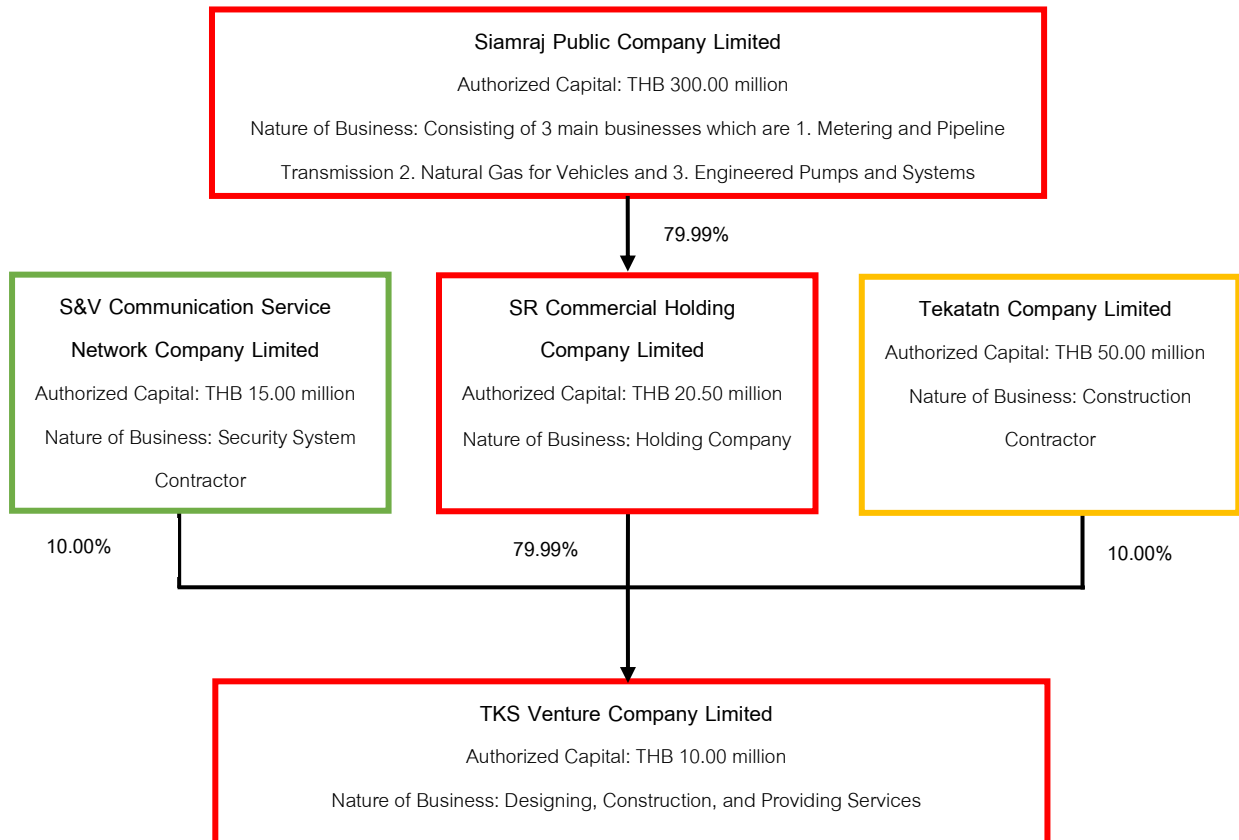
Lessee : TKS which is a subsidiary of the Company with ownership proportion of 79.99% held by SRCH (The Company has the ownership proportion of 99.99% om SRCH).

Relationship : The lessor is not a connected person with the Company.

#### 4. Overview of TKS Ventures Company Limited

Name	:	TKS Ventures Company Limited. ("TKS")
Registration Date	:	July 12, 2017
Business Overview	:	The core business is designing, constructing and providing services.
Authorized Capital	:	As of July 12, 2017, TKS has the authorized and paid-up capital of THB 10.00 million in form of 1,000,000 ordinary shares with the par value of THB 10.

#### 4.1. Shareholding Structure of TKS



#### 4.2. List of Shareholders of TKS

No.	Name	Number of Share	Proportion
1	SR Commercial Holding Company Limited	799,997	79.99%
2	Tekatatn Company Limited	100,000	10.00%
3	S&V Communication Service Network Company Limited	100,000	10.00%
4	Mr. Kiat Vimolchalao	1	0.00%
5	Mr. Kosol Sombatsiri	1	0.00%
6	Ms. Mathuros Hotarapawanont	1	0.00%
	<b>Total</b>	<b>1,000,000</b>	<b>100.00%</b>

#### 4.3. List of Directors of TKS

There are 5 directors of TKS. The authorized signatory of the Company can be done by anyone of Mr.Kiat Vimolchalao or Mr.Kosol Sombatsiri or Ms.Kornkanok Klinkhachonwong together with anyone of Mr.Surasak Chumraskarn or Mr.Vekhin Damrongrat

No.	Name
1	Mr. Kiat Vimolchalao*
2	Mr. Kosol Sombatsiri*
3	Ms. Kornkanok Klinkhachonwong*
4	Mr. Surasak Chumraskarn
5	Mr. Vekhin Damrongrat

Note: \*Directors who are the representatives from the Company

## 5. General Information

Entering into this land lease agreement is for the construction of parking building, as well as management of commercial area and parking area. The building will support an increasing in the number of patients of Thammasat University Hospital at Thammasat University (Rangsit Campus) ("Thammasat University Hospital"). The number of patients have increased every year. The hospital will also provide an after-hours clinic, which can attract more number of patients. Moreover, Thammasat University Hospital is a Super Tertiary Hospital providing medical services in all areas and heading towards Excellent Center. The objective is to allow everyone to get standard medical services and focus on public benefits. There is also a plan to increase the number of ward to support more number of patients in Rangsit, Pathum Thani, Ayutthaya, and vicinity. The hospital will increase its capacity in providing more medical services for poor patients. Currently, there are 541 beds in the hospital and there is a plan to increase the capacity to 750 beds in the future (Source: [http://www.hospital.tu.ac.th/ab\\_hospital.php](http://www.hospital.tu.ac.th/ab_hospital.php))

The purpose of the Project is to support the growth of the Hospital. Currently, Thammasat University Hospital provides 2 parking areas which are Parking Area Zone A (the location of the Parking Building Project) and Parking Area Zone B. There are around 2,000 cars per day that currently uses these parking areas which can be considered as full capacity. If the Hospital has the plan to expand its current services, these parking areas will not be enough to support patients, visitors, and other people who may come for services at Thammasat University Hospital. The Project will provide parking areas for 4 floors (2<sup>nd</sup> floor to 5<sup>th</sup> floor), which is 12,096 square meters ("sq.m."). Including the road and other usages, total area will be 25,6000 sq.m. that can support up to 1,008 cars at once (excluding double parking). Moreover, the Parking Building Project will provide the commercial area including many shops, food court, and banks on the 1<sup>st</sup> floor with the area of 5,200 sq.m. in order to serve any visitor of Thammasat University Hospital.

Regarding to above information, TKS has expected to earn revenue from parking fees and rental fees for commercial area, which will be the new stable source of revenue for the whole term of land lease agreement of 30 years. This revenue will help in supporting the growth of the Company. Furthermore, this transaction will allow the Company to start the new business in managing parking area and commercial area. The details of the Project are as follows.

5.1. Summary of Land Lease Agreement for Construction and Management of Parking Building at Thammasat University Hospital (Rangsit Campus)

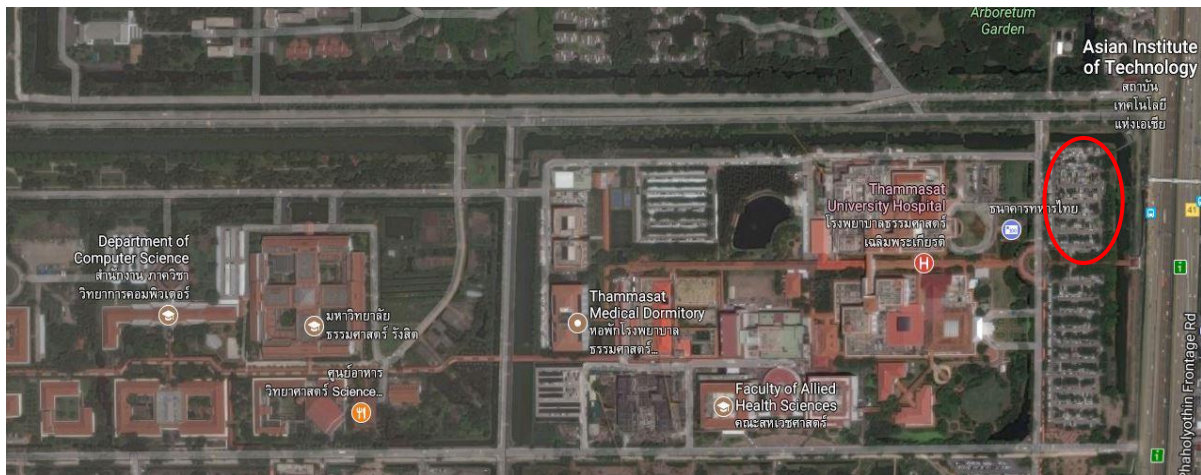
Lessor	Thammasat University
Lessee	TKS Venture Company Limited (TKS)
Agreement Date	July 17, 2017
Lease Term	30 years after the construction has completed
Construction Period	Within 2 years after signing date and the lessor will deliver the property to the lessee
Rental Payment	The annual rental payment is THB 1.30 million and the payment will increase at the rate of 5.00% every 5 years.
Property	Title Deed No. 1867, Land Parcel No. 76, Sub-District No. 370, Klong Nueng Sub-District, Khlong Luang District, Pathum Thani (partially) at Parking Area Zone A in front of Thammasat University Hospital (Rangsit Campus)
Area	6 Rai 2 Ngan
Details	<p><b>Conditions</b></p> <ul style="list-style-type: none"> <li>- The lessee must design and construct the building and structure in the area of the Project and deliver to the lessor.</li> <li>- The lessee agreed that the ownership of the building and structure according to the specification and construction layout as in the agreement will be transferred to the lessor immediately after the construction has been completed and the lessor has accepted the delivery.</li> </ul> <p><b>Responsibility of the Lessee (Before getting the rights to run the business)</b></p> <ul style="list-style-type: none"> <li>- The lessee will be responsible for any expense related to design and construction of parking building and commercial area.</li> <li>- The lessee paid the deposit as in the agreement to the lessor and the lessor will payback this amount after the construction has been completed and the lessor has accepted the delivery of building and structure.</li> <li>- The lessee must complete the construction within 2 years from the date that contractual parties have registered the lease right. If the construction is delayed, the penalty must be paid on a daily basis at the agreed rate (THB 18,000 per day)</li> <li>- The lessee must insure against all types of risks and is responsible for insurance premiums.</li> </ul>

	<ul style="list-style-type: none"><li>- If there are any change in construction, demolition, expansion, or modification done by the lessee, the lessee must pay the penalty as agreed (20.00%) of total value of change in construction, demolition, expansion, or modification. If such actions make the value of buildings and structure decline, the lessee must make payment to compensate the declined value.</li></ul> <p><b>Rights and Responsibility of Lessee (after getting the rights to operate)</b></p> <ul style="list-style-type: none"><li>- The rental payment for the Project during the first 5 years is THB 1.30 million per year. The rental payment will increase at the rate of 5.00% for every 5 years. Moreover, there are the revenue sharing for parking fees, rental fees, service fees, and/or rental fee for advertising billboard at the rate of 3.00% of total revenue.</li></ul> <table><tr><th colspan="6">Summary of Rental Payment</th></tr><tr><th>Year 1-5</th><th>Year 6-10</th><th>Year 11-15</th><th>Year 16-20</th><th>Year 21-25</th><th>Year 26-30</th></tr><tr><td>THB 1.30 million</td><td>THB 1.37 million</td><td>THB 1.43 million</td><td>THB 1.50 million</td><td>THB 1.58 million</td><td>THB 1.66 million</td></tr><tr><td colspan="5">Total</td><td>44.21</td></tr></table> <ul style="list-style-type: none"><li>- The lessee can adjust the rental fees for commercial area once every 5 years upon the approval of the lessor. The parking fees can increase at the rate of THB 5/hour every 5 years.</li><li>- The lessee can sublease the area in the project for commercial purpose and provide parking area.</li><li>- The lessee will transfer all rights and obligations under the lease agreement between the lessee and the sublessee to the lessor including any deposit and advance payment at the end of lease agreement.</li><li>- The sublessee cannot sublease to other parties.</li><li>- The lessee is responsible for repainting the building at least once every 6 years. However, if the building is in the good condition, the lessee can propose the lessor to extend the period of repainting.</li><li>- The lessee is responsible for any damage from disaster in the project area.</li><li>- The lessee is responsible in requesting for installation or service as well as any expense related to utilities system. The lessee can collect utility expenses from customers without revenue sharing to the lessor.</li><li>- The lessee is responsible for any expense, tax, and fees related to operation.</li></ul>	Summary of Rental Payment						Year 1-5	Year 6-10	Year 11-15	Year 16-20	Year 21-25	Year 26-30	THB 1.30 million	THB 1.37 million	THB 1.43 million	THB 1.50 million	THB 1.58 million	THB 1.66 million	Total					44.21
Summary of Rental Payment																									
Year 1-5	Year 6-10	Year 11-15	Year 16-20	Year 21-25	Year 26-30																				
THB 1.30 million	THB 1.37 million	THB 1.43 million	THB 1.50 million	THB 1.58 million	THB 1.66 million																				
Total					44.21																				

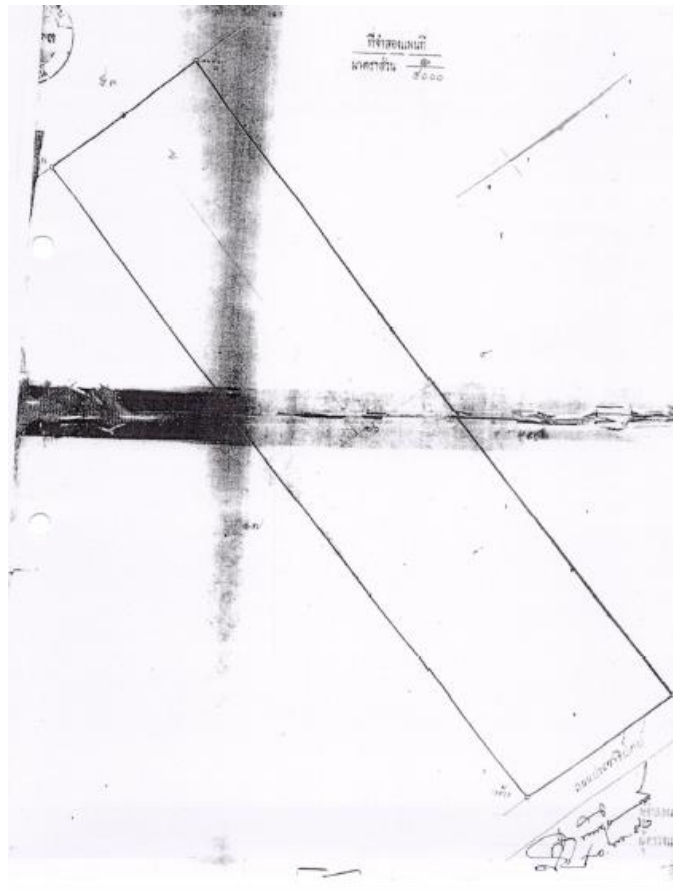
Note: \* TKS is considered to be a subsidiary of the Company. SR Commercial Holding Company Limited (SRCH) which is a subsidiary of the Company with ownership proportion of 99.99% currently holds 79.99% of the authorized capital of TKS.



#### 5.1.1. Map of Parking Building and Commercial Area Project



#### 5.1.2. Title Deed of Parking Building and Commercial Area Project



### 5.1.3. Photographs of Thammasat University Hospital



### 5.1.4. Model of Parking Building and Commercial Area Project

The Parking Building and Commercial Area is a 5-storey building with total area of 6,400.00 sq.m. located at the front of Thammasat University Hospital. Currently, this area is Parking Area Zone A (the location of Parking Building Project). The land area is 6 Rai 2 Ngan that can support the parking of around 500 cars.

Moreover, Thammasat University Hospital has the plan to expand the number of bed from 541 beds to 750 beds in the future. Currently, parking area zone A and zone B can support car park at the average of 2,000 cars per day which may not be enough to support all patients and visitors.

TKS has the plan to design the 1<sup>st</sup> floor of the building as commercial area for shops, restaurants, and banks to facilitate patients, relatives, personnel of hospital, students, and other visitors of Thammasat University Hospital. The rental fees will be THB 550 per sq.m. Moreover, TKS will prepare some areas used for advertising and earn revenues from advertising. From 2<sup>nd</sup> floor to 5<sup>th</sup> floor of the parking building,

TKS will design as parking area with capacity of 252 cars per floor. Total capacity for 4 floors is 1,008 cars (excluding double parking). The details of usage plan are as follows.

Summary of Area Usage for Parking Building and Commercial Area

Floor	Usage	Area (Sq.m.)
1	Rental Space	5,200
	Shops	3,683
	Small Shops	683
	Food Court	548
	Banks	286
	Passage and Other Usages	1,200
2	Parking Area	6,400
	Parking Lot	3,024
	Road and Other Usages	3,376
3	Parking Area	6,400
	Parking Lot	3,024
	Road and Other Usages	3,376
4	Parking Area	6,400
	Parking Lot	3,024
	Road and Other Usages	3,376
5	Parking Area	6,400
	Parking Lot	3,024
	Road and Other Usages	3,376
Total		32,000

The investment amount of THB 350.00 million includes the investment for construction of building and building system like high-voltage electricity and transformer system, illumination system, electrical power system, waste water treatment system, air conditioning system, water system, fire protection system, and sprinkler system in form of 5-storey building for THB 310.00 million. The investment for parking building management system and solar roof is THB 40.00 million. The details can be summarized as follows.

Summary of Investment in Parking Building and Commercial Area Project

No.	Details	Amount (THB Million)
1	Building Construction	310.00
2	Building Management and Solar roof	40.00
Total		350.00

### Prototype for Parking Building and Commercial Area Project

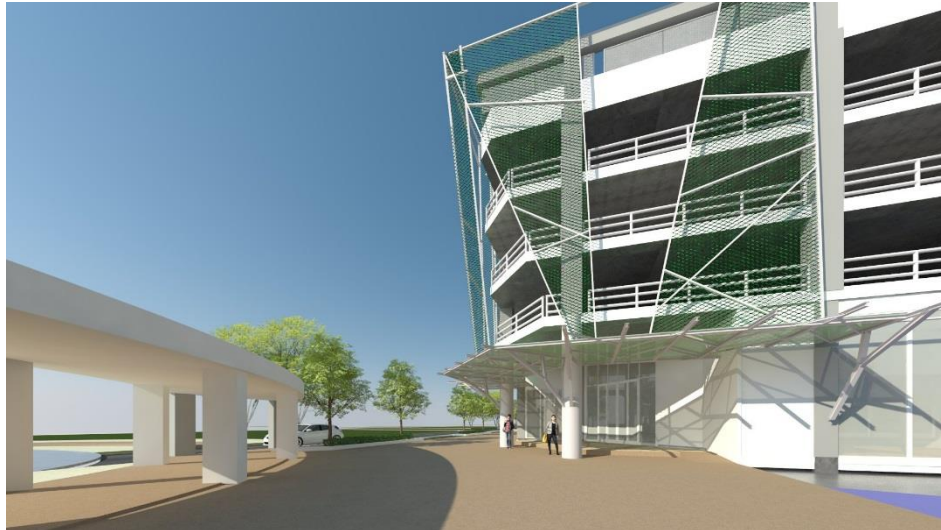


Prototype of Parking Building (Front)



Prototype of Parking Building





Prototype of Parking Building (Side)

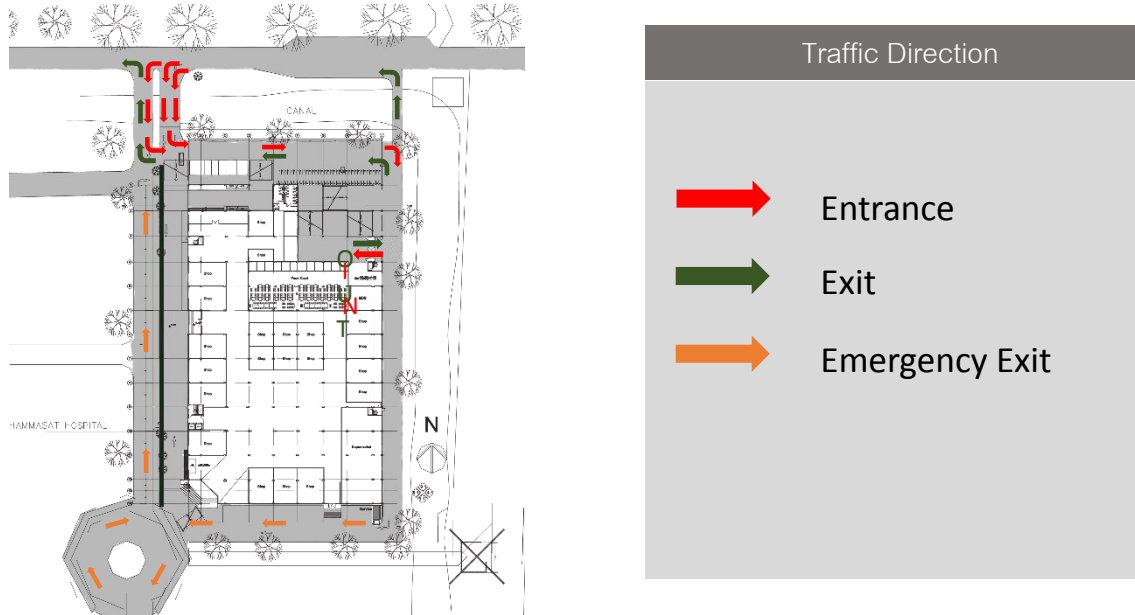


Prototype of Parking Building (Side)



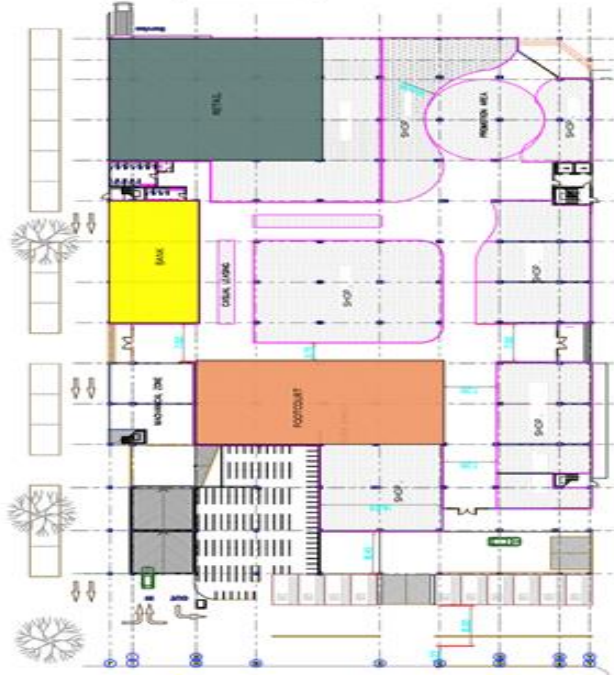
Prototype of Parking Building (Back)

### 5.1.5. Layout of Parking Building and Commercial Area Project



Draft Layout of Traffic Direction

Layout of the 1<sup>st</sup> Floor

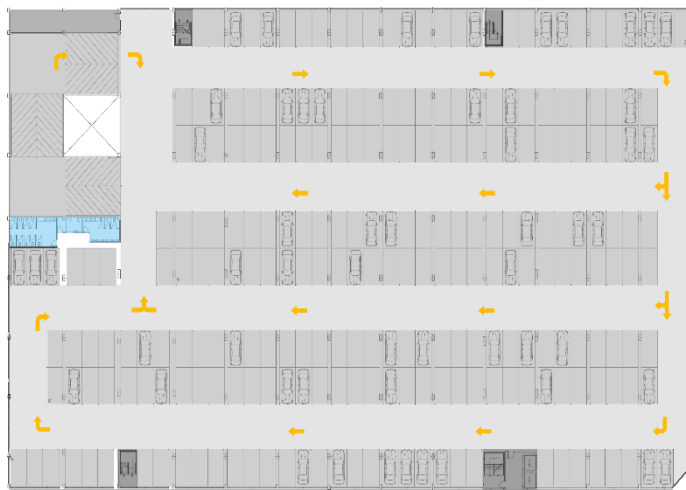


1<sup>st</sup> Floor

Rental Space of 5,200.00 square meters, which is divided into

- Large Shop for 3,683.00 square meters
- Small Shops for 683.00 square meters
- Foot Court for 548.00 square meters
- Banks for 286.00 square meters

Layout of 2<sup>nd</sup>-4<sup>th</sup> Floor

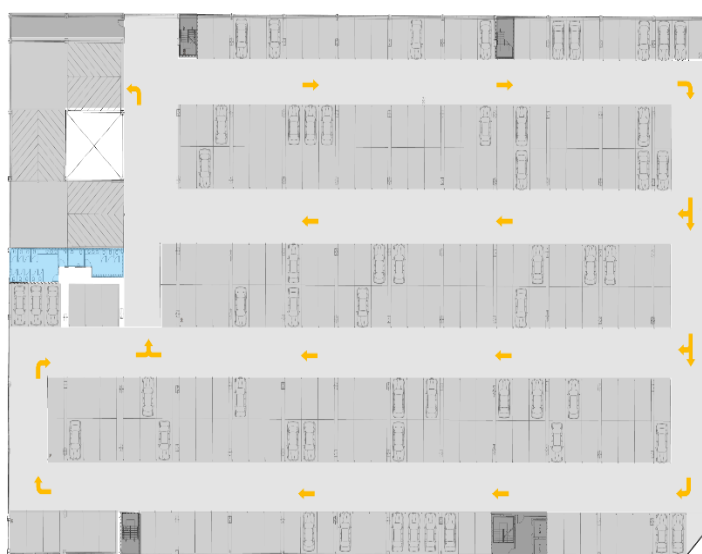


- Road
- Toilet
- Parking Lots
- Staircase and Elevator

2<sup>nd</sup>-4<sup>th</sup> Floor

- 252 parking lots with the area of 3,024.00 square meters
- Road, toilet, staircase and elevator, and other usages for 3,376.00 square meters

Layout of 5<sup>th</sup> Floor



Road
  Toilet

Parking Lots
  Staircase and Elevator

5<sup>th</sup> Floor

- 252 parking lots with the area of 3,024.00 square meters
- Road, toilet, staircase and elevator, and other usages for 3,376.00 square meters

## 5.2. Schedule of rental payment for construction and management of parking building at Thammasat University Hospital (Rangsit Campus)

TKS has agreed for leasing the land with Thammasat University. The annual rental payment starts at THB 1.30 million and shall be increased at the rate of 5% for every 5 years for 30 years lease term. Rental fee throughout the term of Land Lease Agreement totaling THB 44.21million. The details of rental fee are as follows.

Period	Rental fee/Year (THB Million)	Rental fee/5 Year (THB Million)
Year 1-5	1.30	6.50
Year 6-10	1.37	6.85
Year 11-15	1.43	7.15
Year 16-20	1.50	7.50
Year 21-25	1.58	7.90
Year 26-30	1.66	8.30
Total		44.21



### 5.3. Operation Schedule

No.	Description	Duration (Day)	Year 2017						Year 2018											
			Jul 60	Aug 60	Sep 60	Oct 60	Nov 60	Dec 60	Jan 61	Feb 61	Mar 61	Apr 61	May 61	Jun 61	Jul 61	Aug 61	Sep 61	Oct 61	Nov 61	Dec 61
1	Signing the agreement in construction and management of parking building	1																		
2	Project Draft	1																		
3	Construction Permit Drawing and Construction Drawing	45																		
3.1	Construction Permit Drawing	30																		
3.2	Construction Drawing	30																		
4	Calling for bids	56																		
4.1	Selection for Construction Supervisor	10																		
4.2	Signing the Contract with Construction Supervisor	1																		
4.3	Contractor Selection	15																		
4.4	Signing the Contract with Construction Contractor	1																		

No.	Description	Duration (Day)	Year 2017						Year 2018											
			Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
			60	60	60	60	60	60	61	61	61	61	61	61	61	61	61	61	61	61
5	Construction	401																		
5.1	Material Selection	42.25																		
5.2	Material Ordering																			
5.3	Detail Drawing																			
5.4	Preparing for construction																			
5.5	Foundation pile																			
5.6	Foundation work																			
5.7	Flooring																			
5.8	Construction for 1 <sup>st</sup> floor																			
5.9	Construction for 2 <sup>nd</sup> floor																			
5.10	Construction for 3 <sup>rd</sup> floor																			
5.11	Construction for 4 <sup>th</sup> floor																			
5.12	Construction for 5 <sup>th</sup> floor																			
5.13	Exterior																			
5.14	Building Engineering																			
5.15	Work Delivery																			
5.16	Opening																			

## 6. Expected Benefits

The management of parking area and commercial area on the 1<sup>st</sup> floor of the Project will be a new source of revenue for the Company. This revenue is stable for the whole land lease term of 30 years and can support the growth of the Company. This Project will also allow the Company to start the business in managing parking area and commercial area whereas the Company still focuses on its current core business.

## 7. Source of Capital

The source of capital of the Company for Parking Building Project at Thammasat University Hospital (Rangsit Campus) is as follows.

Source of Capital	(THB Million)	Use of Capital	(THB Million)
Loan from Financial Institution <sup>1</sup>	250.00	Construction of Parking Building and Commercial Area	350.00 <sup>3</sup>
Investment by Shareholders <sup>2</sup>	100.00		
<b>Total</b>	<b>350.00</b>	<b>Total</b>	<b>350.00</b>

Note: <sup>1</sup> The Company has received the Letter of Intent from a financial institution to provide loan to support the project for THB 250.00 million.

<sup>2</sup> The consolidated financial statement as of June 30, 2017 shows the balance for cash and cash equivalents of THB 150.18 million. Moreover, the Company also has short-term investment of THB 289.06 million. The Company will invest in the Project proportionately to its ownership which is 80.00% or around THB 80.00 million. The investment from S&V Communication Service Network Company Limited is 10.00% or THB 10.00 million and the investment from Tekatatn Company Limited is 10% or THB 10.00 million.

<sup>3</sup> Total rental payment is THB 44.21, which will be paid from working capital of TKS year by year.

**INFORMATION MEMORANDUM ON THE OFFERING OF THE NEWLY ISSUED ORDINARY SHARES  
OF SIAMRAJ PUBLIC COMPANY LIMITED TO SPECIFIC INVESTORS (PRIVATE PLACEMENT)**

The Board of Directors' Meeting No. 8/2017 of SIAMRAJ PUBLIC COMPANY LIMITED (the "Company"), held on August 9, 2017, has resolved to approve the allocation of 76,700,000 newly issued ordinary shares, with a par value of THB 0.50 per share, to existing shareholder of Techtronic Holding<sup>1</sup> ("T-Holding"), at the offering price of THB 3.50 per share, totaling of THB 268,450,000, as a consideration for an acceptance of transfer of the entire business of T-Holding, including but not limited to its assets, liabilities, agreements, employees, licenses, other rights relating to the business operation of T-Holding, as well as all benefits over the assets and the ordinary shares of Techtronic Company Limited ("T"), T-holding's subsidiary holding 59,998 or 99.99% of the registered capital therein (the "Entire Business: EBT") by way of the entire business transfer. The transfer price of the Entire Business of T-Holding equals to THB 313,450,000, whereby the Company will pay a consideration to T-Holding in cash, by THB 45,000,000 and in kind by issuing newly issued ordinary shares to existing shareholder of T-Holding at the offering price of THB 3.50 per share (collectively, the "Acquisition Transaction"). In this regard, the offering of the Company's newly issued ordinary shares to existing shareholder is the offering at no discount from the market price pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 72/2558 Re: Approval for Offering of Newly Issued Shares by Listed Companies to Specific Investors (Private Placement) (the "Private Placement Notification") (collectively, the "Offering")

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<sup>1</sup> The entire business transfer process will occur approximately within 45 days (depending on the completeness of condition precedent). After the shareholder meeting has approved the purchase of and the entire business transfer from Techtronic Holding, including relevant approvals on any matters necessary and/or relating to such entire business transfer, Techtronic Holding shall transfer its entire business to the Company and register its dissolution within 2017. In terms of the liquidation process of Techtronic Holding, all the assets owning by Techtronic Holding at that time will be transferred back to its shareholders, pursuant to this case – the newly issued shares which are the consideration of this transaction will also be transferred to the shareholders of Techtronic Holding. Therefore, in order to short-cut the process aforementioned, Techtronic Holding has stipulated in the entire business transfer agreement regarding the payment of consideration for the entire business transfer that the Company shall pay the consideration in cash to Techtronic Holding and transfer the newly issued shares amounting 76,700,000 directly to the shareholders of Techtronic Holding.

The Offering must be approved by a general meeting of shareholders of the Company where an approval shall be passed by an affirmative vote of a simple majority of the total votes of the shareholders attending such meeting and having the right to vote. In addition to the approval from the Extraordinary General Meeting of Shareholders No. 2/2017 on the Offering, the Company is also required an approval from the Office of the Securities and Exchange Commission (the "SEC Office") on the offering of newly issued ordinary shares to specific investors (private placement) pursuant to the Private Placement Notification prior to the Offering.

In any event, the purchase and acceptance of the entire business transfer are subject to the following condition precedents:

- (a) the shareholder meeting of the Company resolves to approve the purchase of and acceptance of the entire business transfer from Techtronic Holding, including approving other relevant matters which are necessary and/or relating to the entire business transfer which is on October 3, 2017;
- (b) Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit enter into and sign the undertaking agreement with the Company regarding the lock-up period which have already signed on August 10, 2017;
- (c) on the Entire Business Transfer Date, there is no and not likely to have an occurrence of event or an act which has an adverse impact to Techtronic or interferes the transaction stipulated on the entire business transfer agreement which the schedule and payment of the entire business transfer is on November 1, 2017 or any other date mutually agreed by both Parties;
- (d) there is no laws enforced by any relevant governmental authorities which have announced or to be announced which will be into force and effect after the Entire Business Transfer Date that prohibiting the entire business transfer;
- (e) there is no claims or proceeding regardless whether Techtronic Holding or Techtronic is a plaintiff or the defendant that the impact of which may affect the perfection and completeness of the entire business transfer under the entire business transfer agreement including there is no legal proceeding or any acts by any person contesting the transaction under the entire business transfer agreement
- (f) the meeting of the Board of Directors and the extraordinary general meeting of shareholders resolve to approve the entire business transfer to the Company, including the entry into the entire business transfer agreement and any acts necessary for the completion of the entire business transfer which is on November 1, 2017 or any other date mutually agreed by both Parties

- (g) Techtronic Holding procures that the Board of Directors of Techtronic resolved to approve the calling of shareholders' meeting on the Entire Business Transfer Date for the consideration and approval of the change of numbers of directors and the authorized directors as proposed by the Company which is on November 1, 2017 or any other date mutually agreed by both Parties.
- (h) Techtronic Holding procures that Techtronic shall obtain a consent from creditors with regard to the transfer of Techtronic's shares to the Company pursuant to which the creditor shall not deem that it constitutes a breach Techtronic has with it, and a copy of such consent shall be delivered to the Company for review and verification which is before November 1, 2017.

The key information that the shareholders may require in making the decision is as follows:

1. Details of the offering, determination and reasonableness of the offering price and determination of the market price

1.1. Details of the Offering

The Company will issue 76,700,000 of new ordinary shares, with a par value of THB 0.50 per share, to be allocated to existing shareholder of T-Holding, refer to the fair value appraised based on a discounted cash flow method and the key assumptions of the past operating results and capability of growth of revenue and profit in the future.

Nevertheless, T-Holding will be dissolved with in 2017, As a result, those shares will be distributed to T-Holding's shareholders as detailed in the Information Memorandum on the Acquisition of Assets and the Connected Transaction Relating to the Transfer of the Entire Business of T-Holding Company Limited. Upon the completion of the transfer of the Entire Business, T will be the subsidiary of SR by the way Mr. Torchok Laoluechai and Mr. Chatchawal Chetchamngkit remain director of T.

Table of allocation to existing Shareholder of T-Holding

Shareholder of T-Holding		No. of share of T-Holding (Share)	Percentage of T-Holding	No. of share of SR (Share)
1	Mr. Torchok Laoluechai	36,000	60.00	46,020,000
2	Mr.Chatchawal Chetchamngkit	23,999	40.00	30,680,000
3	Mrs.Wannee Chetchamngkit	1		-
Total		60,000	100.00	76,700,000

Remarks: 1) According to the Company's list of shareholders as of the book closure date on April 29, 2017

2) Mr. Chatchawal Chetchamngkit and Mrs. Wannee Chetchamngkit are a married couple.

Siam Rajathanee Building 289/9 Moo 10, Old Railway Road, Samrong, Phrapradaeng, Samutprakarn 10130, Thailand

Tel : 0-2743-5010-25, Fax : 0-2743-5007-8, E-mail : [info@siamrajplc.com](mailto:info@siamrajplc.com), Website : [www.siamrajplc.com](http://www.siamrajplc.com)

In addition, the issuance of the Company's newly issued ordinary shares as the consideration for the Entire Business of T-Holding will constitute a connected transaction pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transaction B.E. 2546 (2003) (as amended) (the "Connected Transaction Notifications"), where the total transaction size is equivalent to 37.03 percent of the Company's net tangible assets ("NTA"). (For more detail, please see the Information Memorandum on the Acquisition of Assets and the Connected Transaction Relating to the Transfer of the Entire Business of T-Holding Company Limited.) as below;

Related Person		T-Holding		T
		Position	Portion of share (%)	Position
1	Mr. Torchok Laoluechai	Authorized Director	60.00	Authorized Director
2	Mr.Chatchawal Chetchamnongkit	Authorized Director	40.00	Authorized Director

Note: T is a subsidiary of T-Holding, and after this transaction Mr. Torchok Laoluechai and Mr.Chatchawal Chetchamnongki will be director of T

## 1.2. The determination and reasonableness of the offering price

The Company fixed the offering price of the Company's newly issued ordinary shares at 3.50 per share, with reference to the fair value appraised based on a discounted cash flow method, and the key assumptions of the past operating results and capability of the growth of revenue and profit in the future of SR and T.

In the case that on the Allocation Date, the offering price is lower than 90% of the Market Price according to the Notification of the Stock Exchange of Thailand re Rules, Conditions, and Procedures Governing the Listing of Ordinary or Preferred Shares Issues for Capital Increase B.E. 2558 (Market Price means a weighted average price of shares traded in the SET for not less than 7 consecutive business days but not exceeding 15 consecutive business days prior to the first date on which such shares are offered for sale) the Company shall prohibit the shareholders of Techtronic Holding from selling any of them within the period of 1 year from the commencement date on which the shares are traded on the Exchange. Upon completion of 6-month period of trading of such shares issued for capital increase on the SET, the shareholders of Techtronic Holding can gradually sell their Shares that are subject to the prohibition of sale at 25 percent of the total number of newly issued shares that are subject to the prohibition of sale.

Throughout the term and effectiveness of this agreement, the New Shareholders of the Company agree to comply with the following terms and condition regarding lock-up of the newly issued shares of the Company, as follows:

- a) The terms and conditions on lock-up shall have the period of 5 years commencing from the date the newly issued shares of the Company have been allocated to the New Shareholders of the Company ("Lock-up Period")
- b) Throughout the lock-up period, the New Shareholder of the Company agree to not sell, distribute or transfer the Company's newly issued shares, create encumbrance or conduct any acts which resulting into such share being owned by other persons, having detail as follows:

Period of Time	The Ratio of the Lock-up Shares
The first day of allocation to the second anniversary of the Allocation Date	100% of the increased newly issued shares of the Company
c) From the second anniversary of the Allocation Date to the third anniversary of the Allocation Date	75% of the increased newly issued shares of the Company
h From the third anniversary of the Allocation Date to the fourth anniversary of the Allocation Date	50% of the increased newly issued shares of the Company
r From the fourth anniversary of the Allocation Date to the fifth anniversary of the Allocation Date	25% of the increased newly issued shares of the Company

g

hout the lock-up period, the new shareholders of the Company agrees to arrange with the Company's registrar to issue share certificate of the newly issued shares and deliver the same to the Company whereby the Company agrees to return the share certificates to the New Shareholders of the Company by portions not restricted by the lock-up period stipulated in (b).

### 1.3. Determination of the market price

The "market price" means the volume-weighted average price of the Company's shares trading on the SET during 15 consecutive business days prior to the date on which the Company's Board of Directors has passed a resolution to propose the Offering to the Extraordinary General Meeting of Shareholders No.2/2017 for approval, from July 18, 2017 to August 8, 2017, which was equivalent 3.02 per share (source: SETSMART from [www.setsmart.com](http://www.setsmart.com))



## 2. Purposes of the issuance of newly issued ordinary shares and proceeds utilization plan

### 2.1 Purposes of the issuance of newly issued ordinary shares and proceeds utilization plan

The Company has a plan to accept the transfer of the Entire Business of T-Holding, the Company will pay the consideration in kind to existing shareholder, by issuing 76,700,000 newly issued ordinary shares, with a par value of THB 0.50 per share, at the offering price of THB 3.50 per share. After the shareholder meeting approved the transaction to take 59,998 shares or 99.99 of T. Owing to the fact that the Company chose to pay the recompense to T-Holding Company, which cost THB 313,450,000 by 76,700,000 of the Company shares with Par value of THB 0.50 per share and the offering price at THB 3.50 or total value of THB 268,450,000 and paying THB 45,000,000 more by cash. That makes Company pay less in the form of cash, so the Company will be liquidated and can invest in other business in the future. However, the "Control Dilution" and "EPS Dilution" might occur with approximately 11.33% that is because the Company chose to pay by shares, but the Company is expecting that T-Holding's net income will be able cover the EPS Dilution.

As of June 30,2017	Financial statement of T (THB million) (Management Review)
Total Asset	103.56
Total Liability	58.49

Remarks: T-Holding did not prepare consolidated financial statements reflecting the performance of T. Currently, financial performance and status of T-Holding is only "investment in T" which T is T-Holding's subsidiary holding 100%

### 2.2 Details of the project of the Company or its subsidiary in which the proceeds will be utilized

After the general meeting of shareholders of the Company resolving to approve the transaction, the Company will accept the Entire Business of T-Holding by way of the entire business transfer.

#### Detail of T

##### 1) Business Information

Date of incorporation	29 July 2004
Type of business	1) Design and installation of a fluid flow control and flow measurement system 2) Distributor and service provider of control and measurement of fluid flow in piping
Office location	14 Soi Samyaek By Past Sukhumvit Rd. Noen Phra, Muang, Rayong 21000

Siam Rajathanee Building 289/9 Moo 10, Old Railway Road, Samrong, Phrapradaeng, Samutprakarn 10130, Thailand

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Registered and paid-up capital	THB 6,000,000
Number of register and paid-up shares	60,000 shares
Par value	THB 100 per shares

2) Board of Directors of T

T's Board of Directors		Position
1.	Mr. Torchok Laoluechai	Director
2.	Mr. Chatchawal Chetchamnongkit	Director

Authorized Signatory: One of the Director signs and affixes the Company's seal

3) Shareholders of T

T's shareholders, according to the list of shareholders as of May 25, 2017, are as follows:

T's Shareholders		Number of Shares held (shares)	Shareholding Percentage
1.	Techtronic Holding Company Limited	59,998	100.00
2.	Mr. Torchok Laoluechai	1	0.00
3.	Mr. Chatchawal Chetchamnongkit	1	0.00
Total Shares		60,000	100.00

4) Summary of Financial Information and Operating Results of T

Statement of Financial Position Unit : Million Baht	As at December 31			As at June 30, 2017 (By Management)
	2014 Audited	2015 Audited	2016 Audited	
<b>ASSETS</b>				
Cash and cash equivalents	12.19	14.88	15.86	17.78
Trade and other receivables	35.11	22.33	46.62	34.41
Inventories	2.14	3.57	3.43	2.83
<b>Total Current Assets</b>	<b>49.78</b>	<b>50.49</b>	<b>87.25</b>	<b>73.73</b>
Land, Building and Equipment	15.40	15.33	18.24	16.80
<b>Total Non-Current Assets</b>	<b>27.98</b>	<b>23.59</b>	<b>29.29</b>	<b>27.82</b>
<b>Total Assets</b>	<b>77.75</b>	<b>74.08</b>	<b>116.54</b>	<b>101.55</b>
<b>LIABILITIES</b>				
Trade and other payables	29.54	40.29	46.81	24.26
<b>Total Current Liabilities</b>	<b>35.19</b>	<b>46.98</b>	<b>66.47</b>	<b>45.69</b>

Statement of Financial Position Unit : Million Baht	As at December 31			As at June 30, 2017 (By Management)
	2014 Audited	2015 Audited	2016 Audited	
Total Non-Current Liabilities	24.93	12.86	10.02	8.25
Total Liabilities	60.12	59.84	76.49	53.94
<u>SHAREHOLDER'S EQUITY</u>				
Issued and paid-up share capital	6.00	6.00	6.00	6.00
Retained earnings	11.63	8.24	34.05	41.61
Total Shareholders' Equity	17.63	14.24	40.05	50.06
Total Liabilities and Shareholders' Equity	77.75	74.08	116.54	101.55

Statement of Profit or Loss and Other Comprehensive Income Unit : Million Baht	For the Year ended December 31			For The Six-Month Period Ended June 30, 2017 (By Management)
	2014 Audited	2015 Audited	2016 Audited	
Revenue from sales and services	133.09	199.57	254.83	82.15
Cost of sales and services	107.64	150.30	188.40	55.15
Gross profit	25.45	49.27	66.43	27.00
Other income	1.63	1.03	4.80	0.46
Selling and Administrative expenses	23.21	38.87	37.51	17.18
Other expenses	1.50	4.86	7.90	2.72
Profit for the period	2.37	6.57	25.81	7.56

2.3 Opportunity to generate the revenue to the Company, expected impacts from the project failure and risk from the project

2.3.1. Opportunity to generate the revenue to the Company

Currently, the Company is a specialist in designing and installing gas metering station and a provider of gas metering related equipment including industrial pump system, after the transaction completed, T will be the subsidiary of the company. T will make the company going

Siam Rajathanee Building 289/9 Moo 10, Old Railway Road, Samrong, Phrapradaeng, Samutprakarn 10130, Thailand

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to be specialist in designing products and services covering flow system and control both of fluid and gas.

### 2.3.2. Expected impacts from the project failure and risk from the project

In the case that T cannot run its operation according to expectation plan, the Company may have lower profit than expected. However, the Company strongly believes in the capacity of T. In addition, T has similar products that would be complimentary to the business of the Company, and well-known among customers and experienced in this industry.

- The way that T operates is relying on Petrochemical and Energy sector, which could put the T into risk. According to the information received from T, T is the designer and installer of the control system with the measurement of the high pressure gas and liquid flow rate, also included the selling of equipment that related to the gas system. The majority of the customers are in the Petrochemical and Energy sector. If the companies in that field are having negative growth, the T's revenue would be affected from that. However, T has realized on that risk and that makes T increases the Innovative Service such as the cableless measurement technology for the gauges maintenance, and increase in the sector of target customer such as Power Saving Management in the industrial sector by using the Anemometer. Therefore, T would be able to reduce risks and do not need to rely on one sector and also can increase the revenue.
- The chance that the two directors of the T (Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit) will be resigned from the T and operate the same model of business in the future could be the risk. However, in the agreement the Company agreed to pay those two of T directors by share and can be sold within the agreement. That is to motivate those two to work with the SR group and apart from that, the Company will appoint Mr. Torchok Laoluechai those to be the executive director or equivalent to the director. Moreover, Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit will have the rights to manage T but within the company's policy. These two also signed the amended contract on 7th September 2017, which is covered the time that they will be banned from this kind of business after they resign from T for 2 years. The Company will make the success plan for inherit the management from Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit in the future. This is the way that Company will use to reduce the risk of relying on those two.

- The risk that the Company guarantees the credit limit for the existing shareholders owing to the fact that The Company T has a credit with the financial institution and T-Holding as the shareholder of T. Therefore, if the Company is the new shareholder of the T with 99.99%, the financial institution might ask the Company to be the guarantor for the existing shareholders. However, the Company will discuss about this with the financial institution and also the loan policy for the associated company.

### 2.3.3. Preliminary budget and total budget expected to use on the project in order to generate revenue

The Company will purchase and accept the transfer of the Entire Business of T-Holding, at the transfer price of THB 313,450,000, whereby the Company will pay a consideration to T-Holding in cash, by THB 45,000,000 and in kind by issuing newly issued ordinary shares to existing shareholder of T-Holding at the offering price of THB 3.50 per share. The Company can continue to operate the Entire Business of T-Holding and will be able to generate more income from the advantage of the entire business transfer process which the Company do not require any additional funds to do so.

3. Information on effects which may occur as a result of the capital increase or the allocation to the newly issued shares to specific investors (private placement) The issuance of newly issued ordinary shares of the Company as mentioned above shall have effects on the Company's shareholders as follow:

#### 3.1 Price Dilution

$$\begin{aligned}
 &= \frac{\text{Price before offering} - \text{Price after offering}}{\text{Price before offering}} \\
 &= \frac{3.02 - 3.08}{3.02} \\
 &= -1.66\%
 \end{aligned}$$

#### Calculation of Price after offering

$$\text{Price after offering} = \frac{(\text{No. of paid-up share} \times \text{Price before offering}) + (\text{No. of newly issue share} \times (\text{Offering price}))}{(\text{No. of paid-up share}) + (\text{No. of newly issue share})}$$

- No. of paid-up share                      600,000,000                      Shares
- No. of newly issue share                      76,700,000                      Shares

- Price before offering 3.02 Baht/Share
- Offering price 3.50 Baht/Share

$$\text{Price after offering} = \frac{(600,000,000 \text{ shares} \times 3.02) + (76,700,000 \text{ shares} \times 3.50)}{(600,000,000 \text{ shares} + 76,700,000 \text{ shares})}$$

$$= 3.07 \text{ Baht/Share}$$

After the offering, there will be no price dilution effect as the offering price is higher than the market price. Because of the offering price for private placement is higher than market price 15.89 percentage

### 3.2 Control Dilution

$$= \frac{\text{No. of newly issue share}}{\text{No. of paid-up share} + \text{No. of newly issue share}}$$

$$= \frac{76,700,000}{(600,000,000 + 76,700,000)}$$

$$= -11.33\%$$

### 3.3 Earning per Share Dilution

$$= \frac{\text{EPS before offering} - \text{EPS after offering}}{\text{EPS before offering}}$$

$$= \frac{0.1240 - 0.1099}{0.1240}$$

$$= -11.33\%$$

#### Calculation of EPS before and after offering

According to Company's net profit from Quarter 2 of 2016 to Quarter 2 of 2017 is THB 74,387,000

	Before offering	After offering
Net Profit for 4 Quarter previous (Baht)	74,387,000	
No. of Share (Share)	600,000,000	676,700,000
EPS (Baht/Share)	0.1240	0.1099

3.4 The worthiness that the shareholders would receive compared to the impact on the share of net profit or shareholder's voting right.

Refer to the financial projection of the Company and T for 2018, which is the consolidated financial statement start from 1<sup>st</sup> January 2018 onward. That means that if the Company uses the consolidated net profit of T in 2018, the Company's net income in the consolidated financial statement would increase by 28%, which is higher than the dilution of the EPS that showed in Section 3.3.

	SR group before merging with T	T	SR group after merging with T	Increase / Decrease
Net Profit	100,000,000	28,000,000	128,000,000	Increase by 28%
EPS (Earning per share)	0.1478	0.32	0.1892	Increase by 28%

Note :

- 1) There are 676,700,000 of shares that used to calculate the EPS, which are the fully-dilute.
- 2) The information above is from the estimation of the management team of the Company to present to the boards for their consideration for this merging. Nevertheless, this is not included the transaction that might occur from the account standard such as the goodwill or the other intangible asset.
- 3) The net profit of the Company and T refer to the projection that made by the management team in 2016, the Company and T has the net profit of THB 101,810,000 and THB 25,810,000 respectively

3.5 After the Entire Business Transfer of T, T will become a subsidiary in the group of the Company (holding 99.99% by SR), T is expected to strengthen SR's group business and bring synergy together as follows:

1) **Enhancing the Competitive Advantage to Both Companies**

a) *Extending the product and service line to the Company's group, the metering business, and the industrial pump system business*

T is a company that specializes in designing and installing control systems of fluid and measuring fluid flow in pipeline systems such as petrol fuel, petroleum, crude oil, LPG and ETC. T is also a distributor of equipment related to flow rate measurement for the world's leading brands and popular in the industry. Its major customers are mainly in the fuel energy

business, oil refineries, power plants, automotive factories and other business in Rayong and Bangkok area. There are employees and executive with over 25 years of experience in this business area. It also has been trusted by customers to design control of flow of fluid in the pipeline system such as PTT Group, Thai oil Group, Bangchak Group, SCG Group, and etc.

After the Entire Business Transfer of T, T will become the Company's subsidiary which the Company will have more integrated products and services to design and install control and measurement systems for high-pressure gas and fluid flow.

- b) *The service will become more efficient which could strengthen a competitive advantage in the industry which will be able to accept higher value of projects and more integrated projects*

After the Entire Business Transfer of T, T will become a wholly owned subsidiary of the Group and will be supported by the Company in term of finance, employee and so on. Therefore, T will be able to handle larger and more integrated projects. As in the past, T has an expertise only in station measurement and fluid control which T have not accepted any pump and pipe project. Therefore, T normally negotiated with the project owner to obtain the only station for measuring and controlling the fluid.

Due to financial and personnel support from the Company, T will be able enlarge its business and recognize higher revenue. On the other hand, the Company will also be able to sell more products in large projects.

- c) *The Company is able to increase its exposure to small scale projects for the Gas Metering Business*

Normally, the Company has been accepted only medium to large scale projects for the gas metering business. The Company has not accepted small scale projects due to high personnel and administrative expenses. However, after the Entire Business Transfer of T, T can be a representative of the Company to accepted small scale gas metering projects because T's personnel and administrative expenses are less than the Company's. The Company will also support T in term of gas metering technical skills.



## 2) Integration of Knowledge and Technology to Develop the Service Process

The Company and T have knowledge and know-how of the installation of the measurement station and the systems in different areas (gas/fluid) so they can exchange their expertise to each other. Being not only an installer of fluid measurement station but also a product innovator, T always create innovative products to meet the specific need of customer which are not available in the market and also keep improving the product quality by modifying it. This strategy could strengthen T's competitive advantage. One of the good example of innovative product is T creates the installation of a fluid measurement station without affecting the production process by using gas flow meters to control the pumps to control the use of electricity (Energy Saving and Air Loss Protection in the Utilities Management).

## 3) Becoming a leaders in Design and Installation in Thailand's Eastern Economic Corridor (EEC)

At present, one of the government's policies toward country investment is to encourage the investment in the Eastern Seaboard, a strategic investment and production base. The Company and T have their customer bases located in this area, especially T, which the headquartered is based in Rayong. After the Entire Business Transfer of T, the Company will have more customer base in the Eastern region which will increase the potential of being a leader of design and installation measurement and flow control facilities that cover higher pressure gas and fluid. This is a good preparation to serve the increasing demand in the future.

## 4) Having a Stronger Financial Position and Financial Status

After the Entire Business Transfer of T, the Company will prepare the consolidated financial statements, which will include T's financial performance and financial status as per the Entire Business Transfer Agreement. T will be transferred in the fourth quarter of 2017.

According to T's financial performance for the fiscal year 2017, the revenue from sales and services is THB 254.83 million. The Company reported net profit of THB 25.81 million (net profit margin of 10.13 percent). Its Debt/Equity Ratio is 0.66.

## 4. Opinion of the Board of Directors on the matters required in the Notification of the Capital Market Supervisory Board No. TorJor. 73/2558 Re. Particulars in the Invitation to a Shareholders' Meeting of Listed Companies to Request for Approval for Issuance and Offering of Securities

### 4.1 Determination and reasonableness of the offering price

Determination of the consideration by issuing 76,700,000 newly issued ordinary shares, with a par value of THB 0.50 per share and the fair value of THB 3.5 per share, with reference to the fair value appraised based on a discounted cash flow method and the key assumptions of the past operating results and capability of growth of revenue and profit in the future. However, the valuation of T by the management team for the boards consideration is between THB 300,560,000 – THB 364,940,000. They have the significant financial assumption and the other returns by following:

Company name	$K_e$	Marketability Discount	Terminal Growth	NPV (THB)	IRR
T	13.34%	20%	1%	7,452,068	14.33%

The boards has considered based on the information above and they concluded that the price in the business transfer agreement from T-Holding in the amount of THB 313,450,000 is the appropriate price owing to the fact that the Company's valuation for T is included the internal rate of return or 14.33%, which is more than the cost of capital of the Company according to the assumption above.

In addition, the offering price offers no discount from the market price, which was equivalent to the volume-weighted average price of the Company's ordinary shares trading on the SET during 15 consecutive business days prior to the date on which the Company's Board of Directors has passed a resolution to propose the offering of the Company's newly issued ordinary shares to the Extraordinary General Meeting of Shareholders No. 2/2017 for approval, from July 18, 2017 to August 8, 2017, which was equivalent to THB 3.02 per share ( source: SETSMART from [www.setsmart.com](http://www.setsmart.com))

#### 4.2 Rationales and necessity of the Offering

The allocation of the Company's newly issued ordinary shares to T-Holding was appropriate, since the Company wished to accept the transfer of the Entire Business of T-Holding which includes its assets, liabilities, as well as its the ordinary shares, whereas the business of T-Holding is to provide services that are similar to the Company's which would be complimentary to the Company's business , especially in terms of designing and installing fluid measurement station which it has long been established and operated in the market with continuous profitability as detailed in Section 3.4. Moreover, the T also considered about the dividend for all T's shareholders with 98.72% (refer to the audited financial statement).

However, the boards agreed that the qualification of the person who has been allocated shares, which are Mr. Torchok Laoluechai and Mr. Chatchawan Jetjumnongkit are both capable to work with SR group very well and both of them also have experiences that related and personal interest by following:

Full name	Mr. Torchok Laoluechai	Mr. Chatchawan Jetjumnongkit
Age	47	42
Spouse	Ms.Nareerat Jitsansuay	Mrs.Wannee Jetjumnongkit
Education	<ul style="list-style-type: none"> <li>● Master (Public and Private Management) NIDA</li> <li>● Bachelor of Business Administration (B.B.A) Bangkok University</li> <li>● Bachelor of Engineering (Mechanical engineering) King Mongkut's University of Technology North Bangkok</li> </ul>	<ul style="list-style-type: none"> <li>● Bachelor of Science (physics) King Mongkut's University of Technology Thonburi</li> </ul>
Work Experience	<ul style="list-style-type: none"> <li>● 2549 – current</li> <li>● Managing Director of Techtronic Co.,Ltd.</li> <li>● 2542 – 2549 General Manager and Director of Oval Group</li> <li>● 2536 – 2541 Product Manager of Siamrajathanee Co., LTD.</li> </ul>	<ul style="list-style-type: none"> <li>● 2549 – current General Manager of Techtronic Co.,Ltd.</li> <li>● 2542 – 2549 Asst. Sale Manager Oval group</li> <li>● 2539 – 2542 Sale Engineer Siam Rajathanee Co., LTD.</li> </ul>

#### 4.3 Feasibility of the utilization plan of the proceeds derived from the Offering

There are no issues using proceeds derived from the Offering to be concerned as the capital increase and allocation of the Company's shares to T-Holding is to pay as a consideration.

#### 4.4 Reasonableness of the capital increase and sufficiency of funds in case the proceeds derived from the Offering do not cover all of the project expenses

There are no issues using proceeds derived from the Offering to be concerned as the capital increase and allocation of the Company's shares to T-Holding is to pay as a consideration. The

Company will use THB 45,000,000 in cash to pay T-Holding. However, by using cash, the Company will need to use the IPO money that received from investor to pay and this will not affect the cash flow of the Company. From financial statement of the 2<sup>nd</sup> quarter 2017, the Company have Cash and Equivalent equal to THB 151,800,000.

- 4.5 Expected effects to the business operation of the Company, including the financial position and operating results as a result of the capital increase and undertaking pursuant to the proceeds utilization plan

Post-Acquisition Transaction, 99.99 percent of T's total shares will be transferred to the Company and T will become one of the Company group's subsidiaries by way of the entire business transfer of T-Holding which T-Holding will be dissolved after that. T will continue to operate its business as before which is to design and install control and measurement of fluid station and also sell related products.

The entire business transfer of T-Holding is expected to completed within Q4/2017 which the Company will consolidate the operating results of T into the Company's financial statements. Based in their past performance, T had good financial position in term of both revenue generation and profitability. Therefore, the entire business transfer of T-Holding will enhance the Company's profitability in the future. Furthermore, the Company's expected that T could increase the revenue and profit about 28% in 2561 (refer to Section 3.4), and also the Debt to Equity ratio of the Company will decrease from 0.32 to 0.25.

## 5. Warranty of Directors

The Board of Directors certifies that the Board of Directors has performed its duty honestly and diligently preserved the benefits of the Company in relation to such capital increase. However, in the case of any damage occurring to the Company as a result of the Board's performance, the shareholders may file a lawsuit against such director on behalf of the Company for damages, according to Section 85 of the Securities and Exchanges Act B.E. 2535 (1992). In addition, if such performances of the Boards allow any director obtain undue benefits; the shareholders that have the right to vote total of 5% or more can demand the Company to process that action. However, if the Company do not process that within 1 month after the shareholders demanded, the shareholders may file a lawsuit to claim for such benefits from such director on behalf of the Company, according to Section 89 / 18 of the Securities and Exchanges Act B.E. 2535 (1992).

Please be informed accordingly.

Sincerely yours,

(Mrs. Wacharee Atthakorn)

Authorized to sign on behalf of the Company

## CAPITAL INCREASE REPORT FORM

Siamraj Public Company Limited

August 9, 2017

Siamraj Public Company Limited (the “Company”), hereby reports the resolutions of the Board of Directors’ Meeting No. 8/2017 held on August 9, 2017 at 1 p.m. in respect of the capital increase and the allocation of shares as follows:

## 1. Capital Increase

The Board of Directors’ Meeting No.8/2017 resolved to approve the increase of the registered capital of the Company by THB 38,350,000 from THB 300,000,000 to THB 338,350,000 by issuing 76,700,000 newly issued ordinary shares, with a par value of THB 0.50 per share, detail as follows:

Type of Capital Increase	Type of Shares	Number of Shares (shares)	Par Value (THB per share)	Total (THB)
<input checked="" type="checkbox"/> Specific purpose of utilizing the proceeds	Common Stock	76,700,000	0.50	38,350,000
<input type="checkbox"/> General Mandate	-	-	-	-

## 2. Allocation of new shares (แบบกำหนดวัตถุประสงค์ในการใช้เงินทุน)

## 2.1. Details of Allocation

Allotted to	Number (shares)	Offering Price (THB per share)	Date and Time of Subscription and Payment
1. MR. TORCHOK LAOLUECHAI	46,020,000	3.50	Entire Business Transfer Date
2. MR.CHATCHAWAN JETJUMNINGKIT	30,680,000		
Total	76,700,000		

Remark

- 1) The entire business transfer process will occur November 1, 2017 or any other date mutually agreed by both Parties (depending on the completeness of condition precedent). After the shareholder meeting has approved the purchase of and the entire business transfer from

Techtronic Holding, including relevant approvals on any matters necessary and/or relating to such entire business transfer, Techtronic Holding shall transfer its entire business to the Company and register its dissolution within 2017. In terms of the liquidation process of Techtronic Holding, all the assets owning by Techtronic Holding at that time will be transferred back to its shareholders, pursuant to this case – the newly issued shares which are the consideration of this transaction will also be transferred to the shareholders of Techtronic Holding. Therefore, in order to short-cut the process aforementioned, Techtronic Holding has stipulated in the entire business transfer agreement regarding the payment of consideration for the entire business transfer that the Company shall pay the consideration in cash in the amount of THB 45,000,000 to Techtronic Holding and transfer the newly issued shares amounting 76,700,000 directly to the shareholders of Techtronic Holding which are Mr.Tochok Laoluechai and Mr.Chatchawal Chetchamnongkit at the offering price of THB 3.50 per share.

(Please consider the detail on the process of entire business transfer and the shareholding structure of T-Holding in the Information Memorandum on the Acquisition of Assets and Connected Transaction of Siamraj Public Company Limited to The Transfer of Entire Business of Techtronic Holding Company Limited (**Enclosure 1**))

- 2) In addition, the shareholders of Techtronic Holding who are allocated with the newly issued shares shall comply with terms and condition under the undertaking agreement regarding the lock-up period for a period of 5 years commencing from the date the newly issued shares of the Company have been allocated to such shareholders ( the “ **Allocation Date**” ). The shareholders agree to not sell, distribute or transfer the Company's newly issued shares, create encumbrance or conduct any acts which resulting into such share being owned by other persons, the lock-up period pursuant to which shall have details as follows:

Period of Time	The Ratio of the Lock-up Shares
The first day of allocation to the second anniversary of the Allocation Date	100% of the increased newly issued shares of the Company
From the second anniversary of the Allocation Date to the third anniversary of the Allocation Date	75% of the increased newly issued shares of the Company
From the third anniversary of the Allocation Date to the fourth anniversary of the Allocation Date	50% of the increased newly issued shares of the Company
From the fourth anniversary of the Allocation Date to the fifth anniversary of the Allocation Date	25% of the increased newly issued shares of the Company

The allocation of the Company's newly issued ordinary shares to T-Holding is made at the offering price with no discount from the Market Price.

- 3) In this respect, "Market Price" means the weighted average of the Company's share price trading on the SET during 15 consecutive business days prior to the date on which the Company's Board of Directors has passed a resolution to propose the offering of the Company's newly issued ordinary shares to the Extraordinary General Meeting of Shareholders No. 2/2017 for approval, from July 18, 2017 to August 8, 2017, which was equivalent to THB 3.02 (Information retrieved from SETTRADE in [www.settrade.com](http://www.settrade.com) of the SET).

(Please consider the details on the offering of the newly issued ordinary shares at the offering price with no discount from the Market Price in the Information Memorandum on the Offering of Newly Issued Ordinary Shares to Specific Investors (Private Placement) (Enclosure 3)).

- 4) The offering of the newly issued ordinary shares to a specific investor has a clearly determined offering price. According to the Notification of the Capital Market Supervisory Board No. TorJor. 72/2015 Re: Approval for Offering of Newly Issued Shares by Listed Companies to the Specific Investors ( the " **Private Placement Notification**" ) , even the Company has been approved by the Extraordinary General Meeting of Shareholders No. 2/2017 to offer the newly issued ordinary shares of the Company to T-Holding, the Company is also required an approval on the offering of such newly issued ordinary shares to a specific investor (through a private placement) from the Office of the Securities and Exchange Commission ( the " **SEC Office**" ) before offering such newly issued shares to T-Holding.
- 5) Moreover, the offering of the newly issued shares to T-Holding' shareholders is considered a connected transaction under the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of



Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) as Mr. Torchok, a director and shareholder in T-Holding, will be appointed to be a board member in the Company after the entire business transfer of T-Holding accordingly. The total transaction size is equivalent to 37.03 percent of the Company's net tangible assets as at June 30, 2017, which exceeds THB 20 million and/or is more than 3.00 percent of the Company's net tangible assets. Therefore, the Company requires an approval for entering into the connected transaction from the general meeting of shareholders whereas such approval shall be passed by an affirmative vote of not less than three-fourths of the total votes of the shareholders attending the meeting and entitled to votes, excluding the vote cast by the shareholders having an interest in the matter. In addition, the Company is required to disclose information on the acquisition of assets and the connected transaction of the Company.

(Please consider the details on the connected transaction of the Company in the Information Memorandum on the Acquisition of Assets and Connected Transaction of Siamraj Public Company Limited Relating to the Transfer of Entire Business of Techtronic Holding Company Limited (Enclosure 1))

## 2.2. Actions to be undertaken by the Company when there are fractions of shares

Since the increase of the registered capital and the offering of the newly issued ordinary shares are made to a specific investor (through a private placement), therefore, there will not be fractions of shares.

## 3. Schedule for convening the extraordinary general meeting of shareholders to approve the capital increase and the allocation of shares

The Company will convene the Extraordinary General Meeting of Shareholders No. 2/2017 on October 3, 2017 at 1.30 p.m. venue The Srinakarin 2 The Dusit Princess Srinakarin Bangkok Hotel 53 Srinakarin Road, Nongbon, Praveet, Bangkok, 10250 and the date for determining the names of shareholders who shall be entitled to attend the Extraordinary General Meeting of Shareholders No. 2/2017 will be on August 25, 2017 and the date for gathering the names of shareholders under Section 225 of the Securities and Exchange Act B.E. 2535 (as amended) by closing the share register book and suspension of share transfer, as well as to amend, change or determine the date, time and venue of the Extraordinary General Meeting of Shareholders No. 2/2017 if the Company faces any problem in preparing the documents and information which results in any delay in preparing those documents and information and sending of such documents and information to the shareholders within the time specified by the applicable rules, regulations and law, or in case of

occurrence of any event which necessarily causes amendment or change of the determination of such dates and time to be made as appropriate.

**4. Application for approval on the capital increase/share allocation from relevant government agencies and related conditions**

4.1. The Company will register the increase of its registered capital and paid-up capital with the Department of Business Development, Ministry of Commerce.

4.2. The Company will request an approval from the SET on listing the newly issued ordinary shares as listed securities on the SET.

4.3. The Company must be approved by the SE Office for offering the newly issued ordinary shares to a specific investor (through a private placement) pursuant to the Private Placement Notification.

**5. Objectives of the capital increase and the proceeds utilization plan of the increased capital**

The Company will issue 76,700,000 newly issued ordinary shares, with a par value of THB 0.50 per share, at the offering price of THB 3.50 per share as a consideration of THB 313,450,000 (paying cash in the amount of THB 45,000,000 and issuing shares of 76,700,000 shares) for the acceptance of the transfer of the Entire Business of T.

Owing to the fact that the Company chose to pay the recompense to T-Holding Company, which cost THB 313,450,000 by 76,700,000 of the Company shares with Par value of THB 0.50 per share and the offering price at THB 3.50 or total value of THB 268,450,000 and paying THB 45,000,000 more by cash. That makes Company pay less in the form of cash, so the Company will be liquidated and can invest in other business in the future. However, the "Control Dilution" and "EPS Dilution" might occur with approximately 11.33% that is because the Company chose to pay by shares, but the Company is expecting that T-Holding's net income will be able cover the EPS Dilution.

**6. Benefits which the Company will receive from the capital increase/share allocation**

**1) Enhancing the Competitive Advantage to Both Companies**

a) *Extending the product and service line to the Company's group, the metering business, and the industrial pump system business*

T is a company that specializes in designing and installing control systems of fluid and measuring fluid flow in pipeline systems such as petrol fuel, petroleum, crude oil, LPG and

ETC. T is also a distributor of equipment related to flow rate measurement for the world's leading brands and popular in the industry. Its major customers are mainly in the fuel energy business, oil refineries, power plants, automotive factories and other business in Rayong and Bangkok area. There are employees and executive with over 25 years of experience in this business area. It also has been trusted by customers to design control of flow of fluid in the pipeline system such as PTT Group, Thai oil Group, Bangchak Group, SCG Group, and etc.

After the Entire Business Transfer of T, T will become the Company's subsidiary which the Company will have more integrated products and services to design and install control and measurement systems for high-pressure gas and fluid flow.

- b) *The service will become more efficient which could strengthen a competitive advantage in the industry which will be able to accept higher value of projects and more integrated projects*

After the Entire Business Transfer of T, T will become a wholly owned subsidiary of the Group and will be supported by the Company in term of finance, employee and so on. Therefore, T will be able to handle larger and more integrated projects. As in the past, T has an expertise only in station measurement and fluid control which T have not accepted any pump and pipe project. Therefore, T normally negotiated with the project owner to obtain the only station for measuring and controlling the fluid.

Due to financial and personnel support from the Company, T will be able enlarge its business and recognize higher revenue. On the other hand, the Company will also be able to sell more products in large projects.

- c) *The Company is able to increase its exposure to small scale projects for the Gas Metering Business*

Normally, the Company has been accepted only medium to large scale projects for the gas metering business. The Company has not accepted small scale projects due to high personnel and administrative expenses. However, after the Entire Business Transfer of T, T can be a representative of the Company to accepted small scale gas metering projects because T's personnel and administrative expenses are less than the Company's. The Company will also support T in term of gas metering technical skills.

**2) Integration of Knowledge and Technology to Develop the Service Process**

The Company and T have knowledge and know-how of the installation of the measurement station and the systems in different areas (gas/fluid) so they can exchange their expertise to each other. Being not only an installer of fluid measurement station but also a product innovator, T always create innovative products to meet the specific need of customer which are not available in the market and also keep improving the product quality by modifying it. This strategy could strengthen T's competitive advantage. One of the good example of innovative product is T creates the installation of a fluid measurement station without affecting the production process by using gas flow meters to control the pumps to control the use of electricity (Energy Saving and Air Loss Protection in the Utilities Management).

**3) Becoming a leaders in Design and Installation in Thailand's Eastern Economic Corridor (EEC)**

At present, one of the government's policies toward country investment is to encourage the investment in the Eastern Seaboard, a strategic investment and production base. The Company and T have their customer bases located in this area, especially T, which the headquarterd is based in Rayong. After the Entire Business Transfer of T, the Company will have more customer base in the Eastern region which will increase the potential of being a leader of design and installation measurement and flow control facilities that cover higher pressure gas and fluid. This is a good preparation to serve the increasing demand in the future.

**4) Having a Stronger Financial Position and Financial Status**

After the Entire Business Transfer of T, the Company will prepare the consolidated financial statements, which will include T's financial performance and financial status as per the Entire Business Transfer Agreement. T will be transferred in the fourth quarter of 2017.

According to T's financial performance for the fiscal year 2017, the revenue from sales and services is THB 254.83 million. The Company reported net profit of THB 25.81 million (net profit margin of 10.13 percent). Its Debt/Equity Ratio is 0.66.

**7. Benefits the shareholder would receive from the capital increase/share allocation****7.1. Dividend policy**

The Company has a policy to pay dividend approximately 40 percent of the net profits after tax and appropriation of relevant reserve funds as required by law, based on the standalone financial

statement of the Company. In this regard, in declaring dividend, the Company will take into account the Company's cash flow, sufficiency of working capital, future investment plan, debt repayment obligations, terms and conditions of the contracts to which the Company is a party, limitation by law, and other factors as deemed necessary and appropriate in the future.

7.2. Subscribers of the newly issued shares at this offering will be entitled to receive dividends from the Company's operating results from

The subscribers of the Company's newly issued ordinary shares at this offering will be entitled to receive dividends declared by the Company upon the registration of their names as shareholders of the Company.

7.3. Others

- None -

#### 8. Other important information that shareholder need for making decisions on the approval of the capital increase/share allocation

The issuance of newly issued ordinary shares of the Company as mentioned above shall have effects on the Company's shareholders as follow:

##### 8.1. Price Dilution

$$= \frac{\text{Price before offering} - \text{Price after offering}}{\text{Price before offering}}$$

$$= \frac{3.02 - 3.08}{3.02}$$

$$= -1.66\%$$

##### Calculation of Price after offering

$$\text{Price after offering} = \frac{(\text{No. of paid-up share} \times \text{Price before offering}) + (\text{No. of newly issue share} \times (\text{Offering price}))}{(\text{No. of paid-up share}) + (\text{No. of newly issue share})}$$

● No. of paid-up share	600,000,000	Shares
● No. of newly issue share	76,700,000	Shares
● Price before offering	3.02	Baht/Share
● Offering price	3.50	Baht/Share

$$\text{Price after offering} = \frac{(600,000,000 \text{ shares} \times 3.02) + (76,700,000 \text{ shares} \times 3.50)}{(600,000,000 \text{ shares} + 76,700,000 \text{ shares})}$$

$$= 3.07 \text{ Baht/Share}$$

After the offering, there will be no price dilution effect as the offering price is higher than the market price. Because of the offering price for private placement is higher than market price 15.89 percentage

## 8.2. Control Dilution

$$= \frac{\text{No. of newly issue share}}{\text{No. of paid - up share} + \text{No. of newly issue share}}$$

$$= \frac{76,700,000}{(600,000,000 + 76,700,000)}$$

$$= - 11.33\%$$

## 8.3. Earning per Share Dilution

$$= \frac{\text{EPS before offering} - \text{EPS after offering}}{\text{EPS before offering}}$$

$$= \frac{0.1240 - 0.1099}{0.1240}$$

$$= - 11.33\%$$

## Calculation of EPS before and after offering

According to Company's net profit from Quarter 2 of 2016 to Quarter 2 of 2017 is THB 74,387,000

	Before offering	After offering
Net Profit for 4 Quarter previous (Baht)	74,387,000	
No. of Share (Share)	600,000,000	600,000,000
EPS (Baht/Share)	0.1240	0.1240

8.4. The worthiness that the shareholders would receive compared to the impact on the share of net profit or shareholder's voting rights.

Refer to the financial projection of the Company and T for 2018, which is the consolidated financial statement start from 1<sup>st</sup> January 2018 onward. That means that if the Company uses the consolidated net profit of T in 2018, the Company's net income in the consolidated financial statement would increase by 28%, which is higher than the dilution of the EPS that showed in Section 3.3.

	SR group before merging with T	T	SR group after merging with T	Increase / Decrease
Net Profit	100,000,000	28,000,000	128,000,000	Increase by 28%
EPS (Earning per share)	0.1478	0.32	0.1892	Increase by 28%

Note : 1) There are 676,700,000 of shares that used to calculate the EPS, which are the fully-dilute.

2) The information above is from the estimation of the management team of the Company to present to the boards for their consideration for this merging. Nevertheless, this is not included the transaction that might occur from the account standard such as the goodwill or the other intangible asset.

3) The net profit of the Company and T refer to the projection that made by the management team in 2016, the Company and T has the net profit of THB 101,810,000 and THB 25,810,000 respectively

## 9. Warranty of Directors

The Board of Directors certifies that the Board of Directors has performed its duty honestly and diligently preserved the benefits of the Company in relation to such capital increase. However, in the case of any damage occurring to the Company as a result of the Board's performance, the shareholders may file a lawsuit against such director on behalf of the Company for damages, according to Section 85 of the Securities and Exchanges Act B.E. 2535 (1992). In addition, if such performance of the Board allow any director or his/her related persons to obtain undue benefits; the shareholders may file a lawsuit to claim for such benefits from such director on behalf of the Company, according to Section 89/18 of the Securities and Exchanges Act B.E. 2535 (1992).

10. Schedule of actions where the Board of Directors of the Company passes a resolution approving the capital increase or allocation of newly issued shares

No.	Procedure	Date / Month / Year
1.	Board of Directors' Meeting No. 8/2017	August 9,2017
2.	The date for determining the names of shareholders who shall entitled to attend the Extraordinary General Meeting of Shareholders No. 2/2017 (Record Date)	August 25,2017
3.	The date for gathering the names of shareholders under section 225 of Securities and Exchange Act B.E. 2535 (as amended) by closing the share register book and suspending the share transfer	August 28,2017
4.	Extraordinary General Meeting of Shareholders No. 2/2017	October 3, 2017
5.	Registration of capital increase with the Ministry of Commerce	Within October 17, 2017

The Company hereby certifies that the information contained herein is true and complete in all respects.

Please be informed accordingly

Sincerely yours,

(Mrs. Wacharee Atthakorn)

Authorized to sign on behalf of the Company



**Articles of Association  
of  
Siamraj Public Company Limited**

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**CHAPTER VI  
Shareholders' Meetings**

31. The board of directors shall call a shareholders' meeting which is an annual ordinary general meeting of shareholders within 4 (four) months of the end of the fiscal year of the Company.

Any shareholders' meetings other than the one referred to in the first paragraph shall be called an extraordinary general meeting. The board of directors shall convene such extraordinary general meeting at any time as deemed appropriate.

Any shareholders holding shares of no less than one-fifth (1/5) of the total amount of shares sold or no less than twenty five (25) shareholders holding shares of no less than one-tenth (1/10) of the total amount of shares sold, have the right to jointly request, in written form of request, the board of directors to convene an extraordinary general shareholders' meeting at any time as they deem appropriate, provided that the request shall clearly state a reason to convene such extraordinary general meeting. In this case, the board of directors must arrange for an extraordinary general meeting within one (1) month of the date of receipt of the aforementioned request from the shareholders.

32. In regard to the calling the shareholders' meeting, the board of directors shall prepare a notice containing information regarding the venue, date, agenda, and matters to be proposed to the meeting together with adequate details. The matters to be proposed to the shareholders' meeting must be clearly identified, whether they are proposed for acknowledgement, approval, or consideration, as the case may be. In addition, the notice shall include the comments of the board of directors on such matters. The meeting notice shall be sent to the shareholders and the registrar at least seven (7) days prior to the meeting date. In addition, the notice of a shareholders' meeting shall be published on a newspaper prior to the meeting date no less than three (3) days and at least three (3) consecutive days.

The venue of the shareholders' meeting shall be located in the province in which the head office located, or any other province nearby.

33. In every shareholders' meeting, a quorum shall consist of the presence of the shareholders and proxies (if any) of at least twenty five (25) persons or at least half of the total number of shareholders. The quorum of the shareholders' meeting shall be constituted when such shareholders hold the shares in an aggregate of at least one-third (1/3) of the total number of the shares sold.

In any shareholders' meeting, if the quorum is not constituted by one (1) hour after the beginning time for which the meeting is scheduled and such shareholders' meeting is called at the request of the shareholders; such shareholders' meeting shall be terminated. If the shareholders' meeting is not called at the request of the shareholders, the shareholders' meeting shall be adjourned. In this regard, a notice shall be sent to the

shareholders at least seven (7) days prior to the meeting date. A quorum for this rescheduled shareholders' meeting is not required.

34. The Chairman of the board of directors shall be the chairman of the shareholders' meeting. In the case that the Chairman of the board of directors is not present or is unable to perform his/her duty, the vice chairman shall act as the chairman of the shareholders' meeting. If the vice chairman is not present or is unable to perform his/her duty, a shareholder shall be elected to be the chairman of the shareholders' meeting.
35. In regard to the voting of the shareholders' meeting, each shareholder shall have one (1) vote for each share he/she holds. If any shareholder has any special interest in any matter, such shareholder shall be prohibited from casting his/her vote on that matter except in the voting for the election of directors. The affirmative vote of a resolution of the shareholders' meeting shall be made as follows:
  - (1) In the normal case, a majority of the shareholders who attend the meeting and cast their votes. In the event of a tied vote, the Chairman shall have a casting vote;
  - (2) Each of the following matters requires at least three-fourths (3/4) of the total votes of the shareholders who attend the meeting and have the rights to vote:
    - (a) The sale or transfer of the whole or substantial part of business of the Company to other persons;
    - (b) The purchase or acquisition of the transfer of the business of other private companies or public companies by the Company;
    - (c) The execution, amendment, or termination of contract with respect to the granting of a lease of the whole and substantial part of business of the Company, the assignment of other person(s) to manage the business of the Company, or the amalgamation of the Company's business with other persons with the purpose of sharing benefits or deficits.
    - (d) The amendment of the Company's Memorandum of Association or Articles of Association;
    - (e) The increase or decrease of the registered capital of the Company;
    - (f) The dissolution of the Company;
    - (g) The issuance of debentures of the Company; or
    - (h) The amalgamation of the Company with another company;
36. The following businesses are to be transacted at the annual general meeting of the shareholders:
  - (1) To consider and acknowledge the report of the board of directors relating to the Company's performance in the previous year;

- (2) To consider and approve the financial statement and the profit and loss statement from the previous fiscal year;
- (3) To consider and approve the allocation of profits and the dividend payment;
- (4) To consider and approve the appointment of directors to substitute the retiring directors by rotation;
- (5) To consider and approve the determination the remuneration of the directors;
- (6) To consider and approve the appointment of the auditor and the determination of the remuneration of the auditor; and
- (7) To consider any other matters (if any).

## **Guidelines for Registration, Appointment of Proxy, and Documents and Evidences to Be Presented on the Meeting Date**

### **The registration**

The Company will allow the shareholders and proxies to register to attend the meeting from 12.30 p.m. onwards on Tuesday October 3, 2017, at Room Srinakarin 2, Dusit Princess Srinakarin Hotel, located at Srinakarin Road, Nongbon Sub-district, Pravet District, Bangkok 10250. The location is as shown on the location map, as per **Enclosure 12**

### **The appointment of proxy**

In case a shareholder cannot attend the meeting in person, the shareholder can appoint a person as his/her proxy to attend the meeting and vote on his/her behalf. The Company has provided 3 proxy forms in accordance with the forms specified by the Department of Business Development, the Ministry of Commerce. The Proxy Form A, Form B and Form C have been enclosed together with this invitation letter, as per in **Enclosure 11**. Shareholders can download such 3 proxy forms from the Company's website at [www.siamrajplc.com](http://www.siamrajplc.com). The features of each proxy form are as follows:

- Proxy Form A: is a general form that is simple and uncomplicated.
- Proxy Form B: is an explicit form that sets out specific details of authorization.
- Proxy Form C: is a form to be used specifically by shareholders who are foreign investors and have appointed a custodian in Thailand to be a share depository and keeper.

The appointment of proxy can be done as follows:

1. Shareholders (other than shareholders who are foreign and have appointed a custodian in Thailand to be a share depository and keeper) may choose to use either Proxy Form A or Proxy Form B. In any case, only one type of the proxy form can be chosen. The Company recommends the shareholders to use Proxy Form B. and specify the voting for each agenda.
2. Shareholders who are foreign investors and have appointed a custodian in Thailand to be a share depository and keeper shall choose to use Proxy Form C.
3. A shareholder who appoints a proxy shall appoint only one proxy to attend the meeting and cast a vote. The shareholder cannot split his/her votes to different proxies to vote separately.
4. A shareholder can appoint any person to be his/her proxy as he/she wishes, or appoint an independent director of the Company whose details are shown in **Enclosure 10** to be his/her proxy. If the shareholders choose to appoint an independent director of the Company to be his/her proxy, the Company recommends the shareholder to use Proxy Form B, indicate his/her vote on each agenda item, and deliver the proxy form together with supporting documents to Siamraj Public Company Limited, (Investor Relations), located at 289/9 Moo 10, Old Railway Road, Samrong, Phrapradaeng, Samutprakarn 10130. For convenience purposes of reviewing documents, please have the documents delivered to the Company no later than no later than October 3, 2017. For foreign investor that delegate custodian to deposit and protect their share please send the all documents to company within September 27, 2017

5. A proxy form must be correctly and clearly filled out, signed by the grantor and the proxy, and affixed with Baht 20 stamp duty, which must be crossed and dated upon appointment of the proxy.
6. To attend the meeting, a proxy **must present** a proxy form and supporting documents at document verification desk on the meeting date.

**Documents to be presented on the meeting date**

**Individuals**

1. In case the shareholders attend the meeting in person, the shareholder is required to present his/her valid Thai national ID card or government identification card, driving license or passport (for foreign shareholders). In case of name or surname change, documentary evidence to such effect must also be presented.
2. In case a shareholder appoints a proxy to attend, it is required to present the following documents:
  - 1) The proxy form, correctly and completely filled in and signed by the grantor and the proxy, and affixed with a stamp duty.
  - 2) Copy of valid identification card or government officer card or driving license or passport (in case of foreign shareholders) of the grantor, certified as true and correct copy by the grantor.
  - 3) Valid identification card or government officer card or driving license or passport (in case of foreign shareholders) of the proxy

**Juristic Persons**

1. In the case the authorized representative of the shareholders attend the meeting in person, it is required to present the following documents:
  - 1) Copy of valid identification card or government officer card or driving license or passport (in case of foreign shareholders) of the authorized representative, certified as true and correct copy by the representative.
  - 2) Copy of an affidavit of the shareholder, issued by the Ministry of Commerce within 6 months of the meeting date, certified as true and correct copy by the authorized representative, with the statement showing that such authorized representative who attends the meeting is empowered to act on behalf of such juristic shareholder.
2. In the case the shareholders appoint the proxy to attend the meeting, it is required to present the following documents:
  - 1) The proxy form, correctly and completely filled in and signed by the grantor and the proxy, and affixed with a stamp duty.
  - 2) Copy of valid identification card or government officer card or driving license or passport (in case of foreign shareholders) of the authorized representative, certified as true and correct copy by the representative.

- 3) Valid identification card or government officer card or driving license or passport (in case of foreign shareholders) of the proxy.
  - 4) Copy of an affidavit of the shareholder, issued by the Ministry of Commerce within 6 months of the meeting date, certified as true and correct copy by the authorized representative, with the statement showing that such authorized representative who signs the proxy form is empowered to act on behalf of such juristic shareholder.
3. In the case the shareholders, who are foreign investors and have appointed a custodian in Thailand to be a share depository and keeper, appoint a proxy by using Proxy Form C., it is required to present the following documents:

3.1 Documents from custodian

- 1) The Proxy Form C, correctly and completely filled in and signed by the authorized representative of the custodian which is the grantor and the proxy, and affixed with a stamp duty.
- 2) Document confirming that the person who signed the proxy form is permitted to operate the custodian business.
- 3) Copy of an affidavit of the custodian, certified as true and correct copy by the authorized representative of the custodian no more than 6 months, with the statement showing that such authorized representative of the custodian, who signs the proxy form as the grantor, is empowered to act on behalf of the custodian.
- 4) Copy of valid identification card or government officer card or driving license or passport (in case of foreign shareholders) of the authorized representative of the custodian, certified as true and correct copy by the representative.

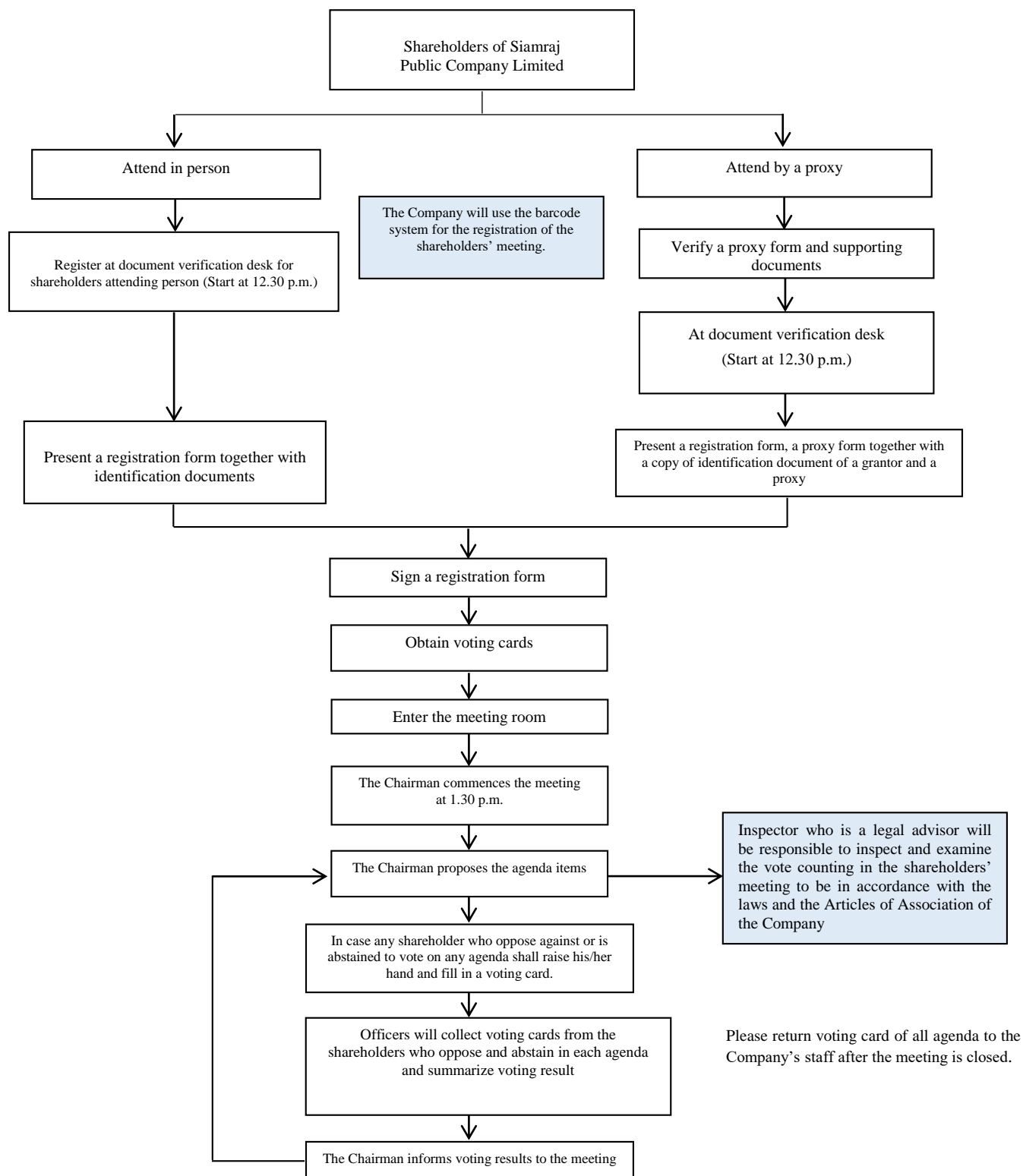
3.2 Documents from shareholder

- 1) Power of Attorney from the shareholder appointing the custodian to sign the proxy form on his/her behalf.
- 2) Copy of an affidavit of the shareholder, certified as true and correct copy by the authorized representative no more than 6 months, with the statement showing that such authorized representative who signs the power of attorney is empowered to act on behalf of such juristic shareholder.
- 3) Copy of valid identification card or government officer card or driving license or passport (in case of foreign shareholders) of the authorized representative, certified as true and correct copy by the representative.

3.3 Documents from proxy

It is required to presented Copy of valid identification card or government officer card or driving license or passport (in case of foreign shareholders) of the proxy, certified as true and correct copy by the representative.

**Procedures for Attending the Extraordinary General Meeting of Shareholders No. 2/2017**  
**Siamraj Public Company Limited**  
**On Tuesday October 3, 2017 at 1.30 p.m.**





แบบฟอร์มลงทะเบียนของ บริษัท สยามราช จำกัด (มหาชน)  
Registration Form of Siamraj Public Company Limited

\* Please present this document together with Thai national ID card , government identification card,  
driving license ( or passport for foreigner) to register to the meeting.\*



### Profiles of Independent Directors for Proxy Appointment

	<p><b>Name</b> : Mr. Roj Burusratanabhand</p> <p><b>Current Position</b> : Independent director / chairman of audit committee / director / chairman of nomination and compensation committee</p> <p><b>Age</b> : 60</p> <p><b>Address</b> : 287/94 Charansanitwong Road, Bang Khun Si, Bangkok Noi, Bangkok</p> <p><b>Conflict of Interest</b> : None</p>
	<p><b>Name</b> : Mr. Pongnimit Dusitnitsakul</p> <p><b>Current Position</b> : Independent director / audit committee / director / nomination and compensation committee</p> <p><b>Age</b> : 58</p> <p><b>Address</b> : 38/10 Soi ngamwongwan 47 Yaek 24 (Chinnakhet 2/22) Thung Song Hong Sub-district, Lak Si District, Bangkok</p> <p><b>Conflict of Interest</b> : None</p>

หนังสือมอบฉันทะ แบบ ก.

Proxy Form A.

(แบบทั่วไปซึ่งเป็นแบบที่ง่ายและไม่ซับซ้อน)

(General and Simple Form)

(ปิดอากรแสตมป์ 20 บาท)

(Please attach stamp duty of Baht 20)

เลขทะเบียนผู้ถือหุ้น \_\_\_\_\_

Shareholder registration number

เขียนที่ \_\_\_\_\_

Written at

วันที่ \_\_\_\_\_ เดือน \_\_\_\_\_ พ.ศ. \_\_\_\_\_

Date Month Year

(1) ข้าพเจ้า \_\_\_\_\_ สัญชาติ \_\_\_\_\_ อยู่เลขที่ \_\_\_\_\_ ซอย \_\_\_\_\_  
I/We \_\_\_\_\_ nationality \_\_\_\_\_ residing/located at no. \_\_\_\_\_ Soi \_\_\_\_\_  
ถนน \_\_\_\_\_ ตำบล/แขวง \_\_\_\_\_ อำเภอ/เขต \_\_\_\_\_ จังหวัด \_\_\_\_\_  
Road \_\_\_\_\_ Tambol/Kwaeng \_\_\_\_\_ Amphur/Khet \_\_\_\_\_ Province \_\_\_\_\_  
รหัสไปรษณีย์ \_\_\_\_\_  
Postal Code \_\_\_\_\_

(2) เป็นผู้ถือหุ้นของบริษัท สยามราช จำกัด (มหาชน) (“บริษัท”)  
Being a shareholder of Siamraj Public Company Limited (“Company”)  
โดยถือหุ้นจำนวนทั้งสิ้นรวม \_\_\_\_\_ หุ้น และออกเสียงลงคะแนนได้เท่ากับ \_\_\_\_\_ เสียง ดังนี้  
Holding the total number of \_\_\_\_\_ shares and have the rights to vote equal to \_\_\_\_\_ votes as follows  
☐ หุ้นสามัญ \_\_\_\_\_ หุ้น และออกเสียงลงคะแนนได้เท่ากับ \_\_\_\_\_ เสียง  
ordinary share \_\_\_\_\_ shares and have the rights to vote equal to \_\_\_\_\_ votes  
☐ หุ้นบุริมสิทธิ \_\_\_\_\_ หุ้น และออกเสียงลงคะแนนได้เท่ากับ \_\_\_\_\_ เสียง  
preference share \_\_\_\_\_ shares and have the rights to vote equal to \_\_\_\_\_ votes

(3) ขอมอบฉันทะให้ (กรุณาเลือกข้อใดข้อหนึ่ง)  
Hereby appoint (Please choose one of following)

กรณีเลือกข้อ 1. กรุณาทำเครื่องหมาย  
✓ ที่ ☐ 1. ระบุชื่อผู้รับมอบอำนาจ  
If you make proxy by choosing No.1,  
please mark ✓ at ☐ 1. and give the  
details of proxy (proxies).

☐ 1. ชื่อ \_\_\_\_\_ อายุ \_\_\_\_\_ ปี อยู่บ้านเลขที่ \_\_\_\_\_  
Name \_\_\_\_\_ age \_\_\_\_\_ years residing/located at no. \_\_\_\_\_  
ถนน \_\_\_\_\_ ตำบล/แขวง \_\_\_\_\_ อำเภอ \_\_\_\_\_  
Road \_\_\_\_\_ Tambol/Kwaeng \_\_\_\_\_ Amphur/Khet \_\_\_\_\_  
จังหวัด \_\_\_\_\_ รหัสไปรษณีย์ \_\_\_\_\_  
Province \_\_\_\_\_ Postal Code \_\_\_\_\_

หรือ/Or

ชื่อ \_\_\_\_\_ อายุ \_\_\_\_\_ ปี อยู่บ้านเลขที่ \_\_\_\_\_  
Name \_\_\_\_\_ age \_\_\_\_\_ years residing/located at no. \_\_\_\_\_  
ถนน \_\_\_\_\_ ตำบล/แขวง \_\_\_\_\_ อำเภอ \_\_\_\_\_  
Road \_\_\_\_\_ Tambol/Kwaeng \_\_\_\_\_ Amphur/Khet \_\_\_\_\_  
จังหวัด \_\_\_\_\_ รหัสไปรษณีย์ \_\_\_\_\_  
Province \_\_\_\_\_ Postal Code \_\_\_\_\_

คนหนึ่งคนใดเพียงคนเดียว  
Anyone of these persons

กรณีเลือกข้อ 2. กรุณาทำเครื่องหมาย  
✓ ที่ ☐ 2. และเลือกกรรมการอิสระ  
If you make proxy by choosing No. 2,  
please mark ✓ at ☐ 2. and choose  
the Independent Director.

☐ 2. มอบฉันทะให้กรรมการอิสระของบริษัท คือ  
Appoint the Independent Director of the Company  
☐ นายพงษ์นิมิต ดุสิตนิตย์สกุล Mr. Pongnimit Dusitnitsakul  
☐ นายโรจน์ บุรรรัตนพันธ์ Mr. Roj Burusratanabhand

(รายละเอียดประวัติกรรมการอิสระปรากฏตามสิ่งที่ส่งมาด้วย 9 ของหนังสือเชิญประชุมวิสามัญ  
ผู้ถือหุ้น ครั้งที่ 2/2560) (Details of the Independent Director of the Company are specified in  
Enclosure 9 of the Invitation of the Extraordinary General Meeting of Shareholders No.  
2/2560)

ทั้งนี้ ในกรณีที่กรรมการอิสระผู้รับมอบฉันทะไม่สามารถเข้าประชุมได้ ให้กรรมการที่เหลือเป็นผู้รับมอบฉันทะแทนกรรมการอิสระที่ไม่สามารถเข้าประชุม  
In this regard, in the case where any of such members of the Independent Directors is unable to attend the meeting, the other members of the Independent Directors shall be appointed as a proxy instead of the member of the Independent Directors who is unable to attend the meeting.

เป็นผู้แทนของข้าพเจ้าเพื่อเข้าประชุมและออกเสียงลงคะแนนแทนข้าพเจ้าในการประชุมวิสามัญผู้ถือหุ้น ในวันที่ 3 ตุลาคม 2560 เวลา 13.30 น. ณ ห้องศรีนครินทร์ 2 โรงแรม ดุสิตปรีนเซส ศรีนครินทร์ ถนนศรีนครินทร์ แขวงหนองบอน เขตประเวศ กรุงเทพมหานคร หรือที่แจ้งเลื่อนไปใน วัน เวลา และสถานที่อื่นด้วย

as my/our proxy ("proxy") to attend and vote on my/our behalf at the Extraordinary General Meeting of Shareholders No. 2/2560 on October 3, 2017 at 1.30 p.m. at Room Srinakarin 2, Dusit Princess Srinakarin Hotel, located at Srinakarin Road, Nongbon Sub-district, Pravet District, Bangkok, or such other date, time and place as the meeting may be held.

กิจการใดที่ผู้รับมอบฉันทะได้กระทำไปในการประชุม เว้นแต่กรณีที่ผู้รับมอบฉันทะไม่ออกเสียงตามที่ข้าพเจ้าระบุในหนังสือมอบฉันทะให้ถือเสมือนว่า ข้าพเจ้าได้กระทำเองทุกประการ

Any acts performed by the proxy in this meeting, except in the event that the proxy does not vote consistently with my/our voting intentions as specified herein, shall be deemed to be the actions performed by myself/ourselves.

ลงชื่อ/ Signed .....ผู้มอบฉันทะ/Grantor  
(.....)

ลงชื่อ/ Signed .....ผู้รับมอบฉันทะ/Proxy  
(.....)

ลงชื่อ/ Signed .....ผู้รับมอบฉันทะ/Proxy  
(.....)

ลงชื่อ/ Signed .....ผู้รับมอบฉันทะ/Proxy  
(.....)

#### หมายเหตุ/Remarks

ผู้ถือหุ้นที่มอบฉันทะจะต้องมอบฉันทะให้ผู้รับมอบฉันทะเพียงรายเดียวเป็นผู้เข้าประชุมและออกเสียงลงคะแนน ไม่สามารถแบ่งแยกจำนวนหุ้นให้ผู้รับมอบฉันทะหลายคนเพื่อแยกการลงคะแนนเสียงได้

The shareholder appointing the proxy shall appoint only one proxy to attend the meeting and cast a vote. The shareholder cannot split his/her votes to different proxies to vote separately.

หนังสือมอบฉันทะ แบบ ข.

Proxy Form B.

(แบบที่กำหนดรายการต่างๆ ที่จะมอบฉันทะที่จะเลือกตั้งเจนนและตายตัว)

(Form with fixed and specific details authorizing proxy)

(ปิดอากรแสตมป์ 20 บาท)

(Please attach stamp duty of Baht 20)

เลขทะเบียนผู้ถือหุ้น \_\_\_\_\_

Shareholder registration number

เขียนที่ \_\_\_\_\_

Written at

วันที่ \_\_\_\_\_ เดือน \_\_\_\_\_ พ.ศ. \_\_\_\_\_

Date Month Year

(1) ข้าพเจ้า \_\_\_\_\_ สัญชาติ \_\_\_\_\_ อยู่เลขที่ \_\_\_\_\_ ซอย \_\_\_\_\_  
I/We \_\_\_\_\_ nationality residing/located at no. Soi \_\_\_\_\_  
ถนน \_\_\_\_\_ ตำบล/แขวง \_\_\_\_\_ อำเภอ/เขต \_\_\_\_\_ จังหวัด \_\_\_\_\_  
Road Tambol/Kwaeng Amphur/Khet Province  
รหัสไปรษณีย์ \_\_\_\_\_  
Postal Code

(2) เป็นผู้ถือหุ้นของบริษัท สยามราช จำกัด (มหาชน) (“บริษัท”)  
Being a shareholder of Siamraj Public Company Limited (“Company”)  
โดยถือหุ้นจำนวนทั้งสิ้นรวม \_\_\_\_\_ หุ้น และออกเสียงลงคะแนนได้เท่ากับ \_\_\_\_\_ เสียง ดังนี้  
Holding the total number of \_\_\_\_\_ shares and have the rights to vote equal to \_\_\_\_\_ votes  
as follows  
☐ หุ้นสามัญ \_\_\_\_\_ หุ้น และออกเสียงลงคะแนนได้เท่ากับ \_\_\_\_\_ เสียง  
ordinary share shares and have the rights to vote equal to \_\_\_\_\_ votes  
☐ หุ้นบุริมสิทธิ \_\_\_\_\_ หุ้น และออกเสียงลงคะแนนได้เท่ากับ \_\_\_\_\_ เสียง  
preference share shares and have the rights to vote equal to \_\_\_\_\_ votes

(3) ขอมอบฉันทะให้ (กรุณาเลือกข้อใดข้อหนึ่ง)  
Hereby appoint (Please choose one of following)

กรณีเลือกข้อ 1. กรุณาทำเครื่องหมาย  
✓ ที่ ☐ 1. ระบุชื่อผู้รับมอบอำนาจ  
If you make proxy by choosing  
No.1, please mark ✓ at ☐ 1. and  
give the details of proxy (proxies).

☐ 1. ชื่อ \_\_\_\_\_ อายุ \_\_\_\_\_ ปี อยู่บ้านเลขที่ \_\_\_\_\_  
Name age years residing/located at no.  
ถนน \_\_\_\_\_ ตำบล/แขวง \_\_\_\_\_ อำเภอ \_\_\_\_\_  
Road Tambol/Kwaeng Amphur/Khet  
จังหวัด \_\_\_\_\_ รหัสไปรษณีย์ \_\_\_\_\_  
Province Postal Code

หรือ/Or

ชื่อ \_\_\_\_\_ อายุ \_\_\_\_\_ ปี อยู่บ้านเลขที่ \_\_\_\_\_  
Name age years residing/located at no.  
ถนน \_\_\_\_\_ ตำบล/แขวง \_\_\_\_\_ อำเภอ \_\_\_\_\_  
Road Tambol/Kwaeng Amphur/Khet  
จังหวัด \_\_\_\_\_ รหัสไปรษณีย์ \_\_\_\_\_  
Province Postal Code

คนหนึ่งคนใดเพียงคนเดียว

Anyone of these persons

กรณีเลือกข้อ 2. กรุณาทำเครื่องหมาย  
✓ ที่ ☐ 2. และเลือกกรรมการอิสระ  
If you make proxy by choosing No. 2,  
please mark ✓ at ☐ 2. and choose  
the Independent Director.

☐ 2. มอบฉันทะให้กรรมการอิสระของบริษัท คือ  
Appoint the Independent Director of the Company  
☐ นายพงษ์นิมิต ดุสิตนิตย์สกุล Mr. Pongnimit Dusitnitsakul  
☐ นายโรจน์ บุรุษรัตนพันธ์ Mr. Roj Burusatanabhand

(รายละเอียดกรรมการอิสระปรากฏตามสิ่งที่ส่งมาด้วย 9 ของหนังสือเชิญประชุมวิสามัญ  
ผู้ถือหุ้น ครั้งที่ 2/2560) (Details of the Independent Director of the Company are specified in  
Enclosure 9 of the Invitation of the Extraordinary General Meeting of Shareholders No.  
2/2560)

ทั้งนี้ ในกรณีที่กรรมการอิสระผู้รับมอบฉันทะไม่สามารถเข้าประชุมได้ ให้กรรมการที่เหลือเป็นผู้รับมอบฉันทะแทนกรรมการอิสระที่ไม่สามารถเข้าประชุม  
In this regard, in the case where any of such members of the Independent Directors is unable to attend the meeting, the other members of the Independent Directors shall be appointed as a proxy instead of the member of the Independent Directors who is unable to attend the meeting.

เป็นผู้แทนของข้าพเจ้าเพื่อเข้าประชุมและออกเสียงลงคะแนนแทนข้าพเจ้าในการประชุมวิสามัญผู้ถือหุ้น ในวันที่ 3 ตุลาคม 2560 เวลา 13.30 ณ ห้องศรีนครินทร์ 2 โรงแรม ดุสิตพรีนเซส ศรีนครินทร์ ถนนศรีนครินทร์ แขวงหนองบอน เขตประเวศ กรุงเทพมหานคร หรือที่จะพึงเลื่อนไปในวัน เวลา และสถานที่อื่นด้วย

as my/our proxy ("proxy") to attend and vote on my/our behalf at the Extraordinary General Meeting of Shareholders No. 2/2560 on October 3, 2017 at 1.30 p.m. at Room Srinakarin 2, Dusit Princess Srinakarin Hotel, located at Srinakarin Road, Nongbon Sub-district, Pravet District, Bangkok, or such other date, time and place as the meeting may be held.

- (4) ข้าพเจ้าขอมอบฉันทะให้ผู้รับมอบฉันทะออกเสียงลงคะแนนแทนข้าพเจ้าในการประชุมครั้งนี้ ดังนี้  
In this Meeting, I/we grant my/our proxy to consider and vote on my/our behalf as follows:

- ☐ (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
(a) The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.
- ☐ (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
(b) To grant my/our proxy to vote as per my/our desire as follows:

**วาระที่ 1                      พิจารณารับรองรายงานการประชุมสามัญผู้ถือหุ้นประจำปี 2560**

Agenda item no. 1      To consider and certify the Minutes of the 2017 Annual General Meeting of Shareholders

- ☐ ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.
- ☐ ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
The proxy shall have the right to approve in accordance with my/our intention as follows:
- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |

**วาระที่ 2                      พิจารณานุมัติการซื้อและรับโอนกิจการทั้งหมดจากบริษัท เทคโทรนิค โฮลดิ้ง จำกัด โดยวิธีการโอนกิจการทั้งหมด รวมถึง**  
**การเข้าทำสัญญาโอนกิจการทั้งหมด สัญญาตกลงกระทำการ และเอกสารอื่นๆ ที่เกี่ยวข้องกับการทำรายการดังกล่าว รวมถึง**  
**ตลอดถึง การออกหุ้นเพิ่มทุนของบริษัทเพื่อใช้ชำระค่าซื้อและรับโอนกิจการให้แก่เทคโทรนิค โฮลดิ้ง ซึ่งเป็นการเข้าทำ**  
**รายการได้มาซึ่งสินทรัพย์ของบริษัท และรายการที่เกี่ยวข้องกัน**

Agenda item no. 2      To consider and approve for the purchase of and the entire business transfer from Techtronic Holding Company Limited including the entry into the entire business transfer agreement, the undertaking agreement and other relevant transaction documents covering the issuance of new shares to be a consideration for the purchase of and the entire business transfer from Techtronic Holding which is an acquisition of assets and connected transaction

- ☐ ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.
- ☐ ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
The proxy shall have the right to approve in accordance with my/our intention as follows:
- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |

**วาระที่ 3                      พิจารณานุมัติการเพิ่มทุนจดทะเบียนของบริษัทจำนวน 38,350,000 บาท จากทุนจดทะเบียนเดิมจำนวน 300,000,000 บาท**  
**เป็นทุนจดทะเบียนจำนวน 338,350,000 บาท โดยการออกหุ้นสามัญเพิ่มทุนจำนวน 76,700,000 หุ้น มูลค่าหุ้นที่ตราไว้หุ้นละ**  
**0.50 บาท**

Agenda item no. 3      To consider and approve the increase of the Company registered capital in the amount of THB 38,350,000 from the current registered capital of THB 300,000,000 to be the new registered capital of THB 338,350,000 by issuing 76,700,000 newly ordinary shares at the par value of THB 0.50 per share

- ☐ ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.
- ☐ ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
The proxy shall have the right to approve in accordance with my/our intention as follows:
- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |

- วาระที่ 4**      **พิจารณาอนุมัติการแก้ไขเพิ่มเติมหนังสือบริคณห์สนธิ ข้อ 4. ของบริษัท เพื่อให้สอดคล้องกับการเพิ่มทุนจดทะเบียนของ บริษัท**
- Agenda item no. 4      To consider and approve the amendment of Clause 4 of the Memorandum of Association of the Company to be in line with the increase of the Company's registered capital.
- ☐ ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร
- The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.
- ☐ ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้
- The proxy shall have the right to approve in accordance with my/our intention as follows:
- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> จดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |
- 
- วาระที่ 5**      **พิจารณาอนุมัติการจัดสรรหุ้นเพิ่มทุนจำนวน 76,700,000 หุ้น มูลค่าที่ตราไว้หุ้นละ 0.50 บาท ให้แก่บุคคลในวงจำกัด (Private Placement)**
- Agenda item no. 5      To consider and approve the allocation of 76,700,000 newly issued shares at the par value of THB 0.50 per share to specific persons (Private Placement)
- ☐ ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร
- The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.
- ☐ ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้
- The proxy shall have the right to approve in accordance with my/our intention as follows:
- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> จดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |
- 
- วาระที่ 6**      **พิจารณาเรื่องอื่น ๆ (ถ้ามี)**
- Agenda item no. 6      To consider other matters (if any)
- ☐ ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร
- The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.
- ☐ ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้
- The proxy shall have the right to approve in accordance with my/our intention as follows:
- |                                   |                                      |                                     |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> จดออกเสียง |
| Approve                           | Disapprove                           | Abstain                             |
- 
- (5)      การลงคะแนนเสียงของผู้รับมอบฉันทะในวาระใดที่ไม่เป็นไปตามที่ระบุไว้ในหนังสือมอบฉันทะนั้นให้ถือว่า การลงคะแนนเสียงนั้นไม่ถูกต้องและไม่ใช่เป็นการลงคะแนนเสียงของข้าพเจ้าในฐานะผู้ถือหุ้น
- If the proxy does not vote consistently with my/our voting intentions as specified herein, such vote shall be deemed incorrect and is not made on my/our behalf as the Company's shareholders.
- 
- (6)      ในกรณีที่ข้าพเจ้าไม่ได้ระบุความประสงค์ในการออกเสียงลงคะแนนในวาระใดไว้หรือระบุไว้ไม่ชัดเจนหรือในกรณีที่ประชุมมีการพิจารณาหรือลงมติในเรื่องใดนอกเหนือจากเรื่องที่ระบุไว้ข้างต้น รวมถึงกรณีที่มีการแก้ไขเปลี่ยนแปลงหรือเพิ่มเติมข้อเท็จจริงประการใด ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร
- In the event that I/we have not specified my/our voting intention on any agenda item or have not clearly specified or in case the meeting considers or passes resolutions in any matters other than those specified above, including in case there is any amendment or addition of any fact, the proxy shall have the right to consider and vote on my/our behalf as he/she may deem appropriate in all respects.

กิจการใดที่ผู้รับมอบฉันทะได้กระทำให้ในการประชุม เว้นแต่กรณีที่ผู้รับมอบฉันทะไม่ออกเสียงตามที่ข้าพเจ้าระบุในหนังสือมอบฉันทะให้ถือเสมือนว่าข้าพเจ้าได้กระทำการเองทุกประการ

Any acts performed by the proxy in this meeting, except in the event that the proxy does not vote consistently with my/our voting intentions as specified herein, shall be deemed to be the actions performed by myself/ourselves.

ลงชื่อ/Signed .....ผู้มอบฉันทะ/Grantor  
(.....)

ลงชื่อ/ Signed .....ผู้รับมอบฉันทะ/Proxy  
(.....)

ลงชื่อ/ Signed .....ผู้รับมอบฉันทะ/Proxy  
(.....)

ลงชื่อ Signed .....ผู้รับมอบฉันทะ/Proxy  
(.....)

#### หมายเหตุ/Remarks

1. ผู้ถือหุ้นที่มอบฉันทะจะต้องมอบฉันทะให้ผู้รับมอบฉันทะเพียงรายเดียวเป็นผู้เข้าประชุมและออกเสียงลงคะแนน ไม่สามารถแบ่งแยกจำนวนหุ้นให้ผู้รับมอบฉันทะหลายคนเพื่อแยกการลงคะแนนเสียงได้

The shareholder appointing the proxy shall appoint only one proxy to attend the meeting and cast a vote. The shareholder cannot split his/her votes to different proxies to vote separately.

2. ในกรณีที่มิวาระที่จะพิจารณาในการประชุมมากกว่าวาระที่ระบุไว้ข้างต้น ผู้มอบฉันทะสามารถระบุเพิ่มเติมได้ในใบระจําต่อแบบหนังสือมอบฉันทะแบบ ข. ตามแนบ

In case where the statement exceeds those specified above, additional details may be specified in the Attachment to this Proxy Form B. provided.

**ใบประจำต่อแบบหนังสือมอบฉันทะแบบ ข.**  
**Attachment to Proxy Form B.**

**การมอบฉันทะในฐานะเป็นผู้ถือหุ้นของบริษัท สยามราช จำกัด (มหาชน)**  
A proxy is granted by a shareholder of Siamraj Public Company Limited

ในการประชุมวิสามัญผู้ถือหุ้น ครั้งที่ 2/2560 วันที่ 3 ตุลาคม 2560 เวลา 13.30 น. ณ ห้องศรีนครินทร์ 2 โรงแรม ดุสิตปรี๊นเซส ศรีนครินทร์ ถนนศรีนครินทร์ แขวง  
หนองบอน เขตประเวศ กรุงเทพมหานคร หรือที่จะพึงเลื่อนไปในวัน เวลา และสถานที่อื่นด้วย

At the Extraordinary General Meeting of Shareholders No. 2/2560 on October 3, 2017 at 1.30 p.m. at Room Srinakarin 2, Dusit Princess Srinakarin  
Hotel, located at Srinakarin Road, Nongbon Sub-district, Pravat District, Bangkok, or such other date, time and place as the meeting may be held.

☐ วาระที่ \_\_\_\_\_ เรื่อง \_\_\_\_\_

Agenda item no.

Re:

☐ ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.

☐ ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

The proxy shall have the right to approve in accordance with my/our intention as follows:

☐ เห็นด้วย

☐ ไม่เห็นด้วย

☐ จดออกเสียง

Approve

Disapprove

Abstain

☐ วาระที่ \_\_\_\_\_ เรื่อง \_\_\_\_\_

Agenda item no.

Re:

☐ ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.

☐ ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

The proxy shall have the right to approve in accordance with my/our intention as follows:

☐ เห็นด้วย

☐ ไม่เห็นด้วย

☐ จดออกเสียง

Approve

Disapprove

Abstain

☐ วาระที่ \_\_\_\_\_ เรื่อง \_\_\_\_\_

Agenda item no.

Re:

☐ ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.

☐ ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

The proxy shall have the right to approve in accordance with my/our intention as follows:

☐ เห็นด้วย

☐ ไม่เห็นด้วย

☐ จดออกเสียง

Approve

Disapprove

Abstain

☐ วาระที่ \_\_\_\_\_ เรื่อง \_\_\_\_\_

Agenda item no.

Re:

☐ ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.

☐ ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

The proxy shall have the right to approve in accordance with my/our intention as follows:

☐ เห็นด้วย

☐ ไม่เห็นด้วย

☐ จดออกเสียง

Approve

Disapprove

Abstain



แบบหนังสือมอบฉันทะ แบบ ค.

Proxy Form C.

(ใช้เฉพาะกรณีที่ผู้ถือหุ้นที่ปรากฏชื่อในทะเบียนเป็นผู้ลงทุนต่างประเทศและแต่งตั้งให้คัสโตเดียน (Custodian) ในประเทศไทยเป็นผู้รับฝากและดูแลหุ้นให้เท่านั้น)

(For the shareholders who are specified in the register as foreign investor and has appointed a custodian in Thailand to be a share depository and keeper)

(ปิดอากรแสตมป์ 20 บาท)

(Please attach stamp duty of Baht 20)

เลขทะเบียนผู้ถือหุ้น \_\_\_\_\_  
Shareholder registration number

เขียนที่ \_\_\_\_\_  
Written at  
วันที่ \_\_\_\_\_ เดือน \_\_\_\_\_ พ.ศ. \_\_\_\_\_  
Date Month Year

(1) ข้าพเจ้า \_\_\_\_\_ สัญชาติ \_\_\_\_\_ อยู่เลขที่ \_\_\_\_\_ ซอย \_\_\_\_\_  
I/We \_\_\_\_\_ nationality \_\_\_\_\_ residing/located at no. \_\_\_\_\_ Soi \_\_\_\_\_  
ถนน \_\_\_\_\_ ตำบล/แขวง \_\_\_\_\_ อำเภอ/เขต \_\_\_\_\_ จังหวัด \_\_\_\_\_  
Road \_\_\_\_\_ Tambol/Kwaeng \_\_\_\_\_ Amphur/Khet \_\_\_\_\_ Province \_\_\_\_\_  
รหัสไปรษณีย์ \_\_\_\_\_  
Postal Code \_\_\_\_\_

ในฐานะผู้ประกอบธุรกิจเป็นผู้รับฝากและดูแลหุ้น (Custodian) ให้กับ \_\_\_\_\_

As the custodian of \_\_\_\_\_

ซึ่งเป็นผู้ถือหุ้นของบริษัท สยามราช จำกัด (มหาชน) ("บริษัท")

Being a shareholder of Siamraj Public Company Limited ("Company")

โดยถือหุ้นจำนวนทั้งสิ้นรวม \_\_\_\_\_ หุ้น และออกเสียงลงคะแนนได้เท่ากับ \_\_\_\_\_ เสียง ดังนี้

Holding the total number of \_\_\_\_\_ shares and have the rights to vote equal to \_\_\_\_\_

follows

☐ หุ้นสามัญ \_\_\_\_\_ หุ้น และออกเสียงลงคะแนนได้เท่ากับ \_\_\_\_\_ เสียง  
ordinary share \_\_\_\_\_ shares and have the rights to vote equal to \_\_\_\_\_

votes

☐ หุ้นบุริมสิทธิ \_\_\_\_\_ หุ้น และออกเสียงลงคะแนนได้เท่ากับ \_\_\_\_\_ เสียง  
preference share \_\_\_\_\_ shares and have the rights to vote equal to \_\_\_\_\_ votes

(2) ขอมอบฉันทะให้ (กรุณาเลือกข้อใดข้อหนึ่ง)

Hereby appoint (Please choose one of following)

กรณีเลือกข้อ 1. กรุณาทำเครื่องหมาย  
✓ ที่ ☐ 1. ระบุนามผู้รับมอบอำนาจ  
If you make proxy by choosing  
No.1, please mark ✓ at ☐ 1. and  
give the details of proxy (proxies).

☐ 1. ชื่อ \_\_\_\_\_ อายุ \_\_\_\_\_ ปี อยู่บ้านเลขที่ \_\_\_\_\_  
Name \_\_\_\_\_ age \_\_\_\_\_ years residing/located at no. \_\_\_\_\_  
ถนน \_\_\_\_\_ ตำบล/แขวง \_\_\_\_\_ อำเภอ \_\_\_\_\_  
Road \_\_\_\_\_ Tambol/Kwaeng \_\_\_\_\_ Amphur/Khet \_\_\_\_\_  
จังหวัด \_\_\_\_\_ รหัสไปรษณีย์ \_\_\_\_\_  
Province \_\_\_\_\_ Postal Code \_\_\_\_\_

หรือ/Or

ชื่อ \_\_\_\_\_ อายุ \_\_\_\_\_ ปี อยู่บ้านเลขที่ \_\_\_\_\_  
Name \_\_\_\_\_ age \_\_\_\_\_ years residing/located at no. \_\_\_\_\_  
ถนน \_\_\_\_\_ ตำบล/แขวง \_\_\_\_\_ อำเภอ \_\_\_\_\_  
Road \_\_\_\_\_ Tambol/Kwaeng \_\_\_\_\_ Amphur/Khet \_\_\_\_\_  
จังหวัด \_\_\_\_\_ รหัสไปรษณีย์ \_\_\_\_\_  
Province \_\_\_\_\_ Postal Code \_\_\_\_\_

คนหนึ่งคนใดเพียงคนเดียว

Anyone of these persons

กรณีเลือกข้อ 2. กรุณาทำเครื่องหมาย  
✓ ที่ ☐ 2. และเลือกกรรมการอิสระ  
If you make proxy by choosing No. 2,  
please mark ✓ at ☐ 2. and choose  
the Independent Director.

☐ 2. มอบฉันทะให้กรรมการอิสระของบริษัท คือ  
Appoint the Independent Director of the Company

☐ นายพงษ์นิมิต ดุสิตนิตย์สกุล Mr. Pongnimit Dusitnitsakul

☐ นายโรจน์ บุรุษรัตนพันธ์ Mr. Roj Burusratanabhand

(รายละเอียดกรรมการอิสระปรากฏตามสิ่งที่ส่งมาด้วย 9 ของหนังสือเชิญประชุมวิสามัญ  
ผู้ถือหุ้น ครั้งที่ 2/2560) (Details of the Independent Director of the Company are

ทั้งนี้ ในกรณีที่กรรมการอิสระผู้รับมอบฉันทะไม่สามารถเข้าประชุมได้ ให้กรรมการที่เหลือเป็นผู้รับมอบฉันทะแทนกรรมการอิสระที่ไม่สามารถเข้าประชุม  
In this regard, in the case where any of such members of the Independent Directors is unable to attend the meeting, the other members of the Independent Directors shall be appointed as a proxy instead of the member of the Independent Directors who is unable to attend the meeting.

เป็นผู้แทนของข้าพเจ้าเพื่อเข้าประชุมและออกเสียงลงคะแนนแทนข้าพเจ้าในการประชุมวิสามัญผู้ถือหุ้น ในวันที่ 3 ตุลาคม 2560 เวลา 13.30 ณ ห้องศรีนครินทร์ 2 โรงแรม ดุสิตปรีนเซส ศรีนครินทร์ ถนนศรีนครินทร์ แขวงหนองบอน เขตประเวศ กรุงเทพมหานคร หรือที่จะพึงเลื่อนไปในวัน เวลา และสถานที่อื่นด้วย

as my/our proxy ("proxy") to attend and vote on my/our behalf at the Extraordinary General Meeting of Shareholders No. 2/2560 on October 3, 2017 at 1.30 p.m. at Room Srinakarin 2, Dusit Princess Srinakarin Hotel, located at Srinakarin Road, Nongbon Sub-district, Pravet District, Bangkok, or such other date, time and place as the meeting may be held.

(3) ข้าพเจ้าขอมอบฉันทะให้ผู้รับมอบฉันทะเข้าร่วมประชุมและออกเสียงลงคะแนนในครั้งนี้ ดังนี้

I/We grant my/our proxy to attend this Meeting and cast votes as follows:

☐ มอบฉันทะตามจำนวนหุ้นทั้งหมดที่ถือและมีสิทธิออกเสียงลงคะแนนได้

Grant all of my/our proxy in accordance with the amount of shares with voting right I/we hold

☐ มอบฉันทะบางส่วน คือ

Grant certain of my/our proxy as follows:

☐ หุ้นสามัญ \_\_\_\_\_ หุ้น และมีสิทธิออกเสียงลงคะแนนได้ \_\_\_\_\_ เสียง  
ordinary share shares and have the rights to vote equal to

votes

☐ หุ้นบุริมสิทธิ \_\_\_\_\_ หุ้น และมีสิทธิออกเสียงลงคะแนนได้ \_\_\_\_\_ เสียง  
preference share shares and have the rights to vote equal to votes  
รวมสิทธิออกเสียงลงคะแนนทั้งหมด \_\_\_\_\_ เสียง  
Total voting right Votes

(4) ข้าพเจ้าขอมอบฉันทะให้ผู้รับมอบฉันทะออกเสียงลงคะแนนแทนข้าพเจ้าในการประชุมครั้งนี้ดังนี้

In this Meeting, I/we grant my/our proxy to consider and vote on my/our behalf as follows:

วาระที่ 1 พิจารณารับรองรายงานการประชุมสามัญผู้ถือหุ้นประจำปี 2560

Agenda item no. 1 To consider and certify the Minutes of the 2017 Annual General Meeting of Shareholders

☐ ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.

☐ ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

The proxy shall have the right to approve in accordance with my/our intention as follows:

☐ เห็นด้วย \_\_\_\_\_ เสียง ☐ ไม่เห็นด้วย \_\_\_\_\_ เสียง ☐ งดออกเสียง \_\_\_\_\_ เสียง  
Approve Votes Disapprove Votes Abstain Votes

วาระที่ 2

พิจารณานุมัติการซื้อและรับโอนกิจการทั้งหมดจากบริษัท เทคทรอนิกส์ โฮลดิ้ง จำกัด โดยวิธีการโอนกิจการทั้งหมด รวมถึงการเข้าทำสัญญาโอนกิจการทั้งหมด สัญญาตกลงกระทำการ และเอกสารอื่นๆ ที่เกี่ยวข้องกับการทำรายการดังกล่าว รวมตลอดถึง การออกหุ้นเพิ่มทุนของบริษัทเพื่อใช้ชำระค่าซื้อและรับโอนกิจการให้แก่เทคทรอนิกส์ โฮลดิ้ง ซึ่งเป็นการเข้าทำรายการได้มาซึ่งสินทรัพย์ของบริษัท และรายการที่เกี่ยวข้องกัน

Agenda item no. 2 To consider and approve for the purchase of and the entire business transfer from Techtronic Holding Company Limited including the entry into the entire business transfer agreement, the undertaking agreement and other relevant transaction documents covering the issuance of new shares to be a consideration for the purchase of and the entire business transfer from Techtronic Holding which is an acquisition of assets and connected transaction

☐ ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.

☐ ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

The proxy shall have the right to approve in accordance with my/our intention as follows:

☐ เห็นด้วย \_\_\_\_\_ เสียง ☐ ไม่เห็นด้วย \_\_\_\_\_ เสียง ☐ งดออกเสียง \_\_\_\_\_ เสียง  
Approve Votes Disapprove Votes Abstain Votes

วาระที่ 3 พิจารณานุมัติการเพิ่มทุนจดทะเบียนของบริษัทจำนวน 38,350,000 บาท จากทุนจดทะเบียนเดิมจำนวน 300,000,000 บาท เป็นทุนจดทะเบียนจำนวน 338,350,000 บาท โดยการออกหุ้นสามัญเพิ่มทุนจำนวน 76,700,000 หุ้น มูลค่าหุ้นที่ตราไว้หุ้นละ 0.50 บาท

Agenda item no. 3 To consider and approve the increase of the Company registered capital in the amount of THB 38,350,000 from the current registered capital of THB 300,000,000 to be the new registered capital of THB 338,350,000 by issuing 76,700,000 newly ordinary shares at the par value of THB 0.50 per share

☐ ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.

☐ ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
The proxy shall have the right to approve in accordance with my/our intention as follows:

<input type="checkbox"/> เห็นด้วย	เสียง	<input type="checkbox"/> ไม่เห็นด้วย	เสียง	<input type="checkbox"/> งดออกเสียง	เสียง
Approve	Votes	Disapprove	Votes	Abstain	Votes

วาระที่ 4 พิจารณานุมัติการแก้ไขเพิ่มเติมหนังสือบริคณห์สนธิ ข้อ 4. ของบริษัท เพื่อให้สอดคล้องกับการเพิ่มทุนจดทะเบียนของบริษัท

Agenda item no. 4 To consider and approve the amendment of Clause 4 of the Memorandum of Association of the Company to be in line with the increase of the Company's registered capital.

☐ ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.

☐ ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
The proxy shall have the right to approve in accordance with my/our intention as follows:

<input type="checkbox"/> เห็นด้วย	เสียง	<input type="checkbox"/> ไม่เห็นด้วย	เสียง	<input type="checkbox"/> งดออกเสียง	เสียง
Approve	Votes	Disapprove	Votes	Abstain	Votes

วาระที่ 5 พิจารณานุมัติการจัดสรรหุ้นเพิ่มทุนจำนวน 76,700,000 หุ้น มูลค่าที่ตราไว้หุ้นละ 0.50 บาท ให้แก่บุคคลในวงจำกัด (Private Placement)

Agenda item no. 5 To consider and approve the allocation of 76,700,000 newly issued shares at the par value of THB 0.50 per share to specific persons (Private Placement)

☐ ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.

☐ ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
The proxy shall have the right to approve in accordance with my/our intention as follows:

<input type="checkbox"/> เห็นด้วย	เสียง	<input type="checkbox"/> ไม่เห็นด้วย	เสียง	<input type="checkbox"/> งดออกเสียง	เสียง
Approve	Votes	Disapprove	Votes	Abstain	Votes

วาระที่ 6 พิจารณาเรื่องอื่น ๆ (ถ้ามี)

Agenda item no. 6 To consider other matters (if any)

☐ ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.

☐ ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้  
The proxy shall have the right to approve in accordance with my/our intention as follows:

<input type="checkbox"/> เห็นด้วย	เสียง	<input type="checkbox"/> ไม่เห็นด้วย	เสียง	<input type="checkbox"/> งดออกเสียง	เสียง
Approve	Votes	Disapprove	Votes	Abstain	Votes

(5) การลงคะแนนเสียงของผู้รับมอบฉันทะในวาระใดที่ไม่เป็นไปตามที่ระบุไว้ในหนังสือมอบฉันทะนี้ถือว่าการลงคะแนนเสียงนั้นไม่ถูกต้องและไม่ใช่เป็นการลงคะแนนเสียงของข้าพเจ้าในฐานะผู้ถือหุ้น  
If the proxy does not vote consistently with my/our voting intentions as specified herein, such vote shall be deemed incorrect and is not made on my/our behalf as the Company's shareholders.

(6) ในกรณีที่ข้าพเจ้าไม่ได้ระบุความประสงค์ในการออกเสียงลงคะแนนในวาระใดไว้หรือระบุไว้ไม่ชัดเจนหรือในกรณีที่ประชุมมีการพิจารณาหรือลงมติในเรื่องใดนอกเหนือจากเรื่องที่ระบุไว้ข้างต้น รวมถึงกรณีที่มีการแก้ไขเปลี่ยนแปลงหรือเพิ่มเติมข้อเท็จจริงประการใด ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร  
In the event that I/we have not specified my/our voting intention on any agenda item or have not clearly specified or in case the meeting considers or passes resolutions in any matters other than those specified above, including in case there is any amendment or addition of any fact, the proxy shall have the right to consider and vote on my/our behalf as he/she may deem appropriate in all respects.

กิจการใดที่ผู้รับมอบฉันทะได้กระทำไปในการประชุม เว้นแต่กรณีที่ผู้รับมอบฉันทะไม่ออกเสียงตามที่ข้าพเจ้าระบุในหนังสือมอบฉันทะให้ถือเสมือนว่าข้าพเจ้าได้กระทำเองทุกประการ

Any acts performed by the proxy in this meeting, except in the event that the proxy does not vote consistently with my/our voting intentions as specified herein, shall be deemed to be the actions performed by myself/ourselves.

ลงชื่อ/Signed .....ผู้มอบฉันทะ/Grantor  
(.....)

ลงชื่อ/ Signed .....ผู้รับมอบฉันทะ/Proxy  
(.....)

ลงชื่อ/ Signed .....ผู้รับมอบฉันทะ/Proxy  
(.....)

ลงชื่อ Signed .....ผู้รับมอบฉันทะ/Proxy  
(.....)

#### หมายเหตุ/Remarks

1. หนังสือมอบฉันทะแบบ ค. นี้ ใช้เฉพาะกรณีที่ผู้ถือหุ้นที่ปรากฏชื่อในทะเบียนเป็นผู้ลงทุนต่างประเทศและแต่งตั้งให้คัสโตเดียน (Custodian) ในประเทศไทยเป็นผู้รับฝากและดูแลหุ้นให้เท่านั้น

This Proxy form C. is only used for the shareholder who is specified in the register as a foreign investor and has appointed a custodian in Thailand to be a share depository and keeper.

2. หลักฐานที่ต้องแนบพร้อมกับหนังสือมอบฉันทะ คือ

The documents needed to be attached to this Proxy form are:

- (1) หนังสือมอบอำนาจจากผู้ถือหุ้นให้คัสโตเดียน (Custodian) เป็นผู้ดำเนินการลงนามในหนังสือมอบฉันทะแทน  
Power of attorney from the shareholder empowering the custodian to sign this Proxy form on his/her behalf

- (2) หนังสือยืนยันว่าผู้ลงนามในหนังสือมอบฉันทะแทนได้รับอนุญาตประกอบธุรกิจคัสโตเดียน (Custodian)  
Document confirming that the person who signed the proxy form is permitted to operate the custodian business

3. ผู้ถือหุ้นที่มอบฉันทะจะต้องมอบฉันทะให้ผู้รับมอบฉันทะเพียงรายเดียวเป็นผู้เข้าประชุมและออกเสียงลงคะแนนไม่สามารถแบ่งแยกจำนวนหุ้น ให้ผู้รับมอบฉันทะหลายคนเพื่อแยกการลงคะแนนเสียงได้

The shareholder appointing the proxy shall appoint only one proxy to attend the meeting and cast a vote. The shareholder cannot split his/her votes to different proxies to vote separately.

4. ในกรณีที่มิวาระที่จะพิจารณาในการประชุมมากกว่าวาระที่ระบุไว้ข้างต้น ผู้มอบฉันทะสามารถระบุเพิ่มเติมได้ในใบประจำต่อแบบหนังสือมอบฉันทะแบบ ค. ตามแนบ

In case where the statement exceeds those specified above, additional details may be specified in the Attachment to Proxy Form C. provided.

ใบประจำต่อแบบหนังสือมอบฉันทะแบบ ค.

Attachment to Proxy Form C.

การมอบฉันทะในฐานะเป็นผู้ถือหุ้นของบริษัท สยามราช จำกัด (มหาชน)

A proxy is granted by a shareholder of Siamraj Public Company Limited

ในการประชุมวิสามัญผู้ถือหุ้น ครั้งที่ 2/2560 วันที่ 3 ตุลาคม 2560 เวลา 13.30 น. ณ ห้องศรีนครินทร์ 2 โรงแรม ดุสิตปรีนเซส ศรีนครินทร์ ถนนศรีนครินทร์ แขวงหนองบอน เขตประเวศ กรุงเทพมหานคร หรือที่จะพึงเลื่อนไปในวัน เวลา และสถานที่อื่นด้วย

At the Extraordinary General Meeting of Shareholders No. 2/2560 on October 3, 2017 at 1.30 p.m. at Room Srinakarin 2, Dusit Princess Srinakarin Hotel, located at Srinakarin Road, Nongbon Sub-district, Pravet District, Bangkok, or such other date, time and place as the meeting may be held.

☐ วาระที่ \_\_\_\_\_ เรื่อง \_\_\_\_\_

Agenda item no.

Re:

☐ ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.

☐ ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

The proxy shall have the right to approve in accordance with my/our intention as follows:

<input type="checkbox"/> เห็นด้วย _____ เสียง	<input type="checkbox"/> ไม่เห็นด้วย _____ เสียง	<input type="checkbox"/> งดออกเสียง _____ เสียง			
Approve	Votes	Disapprove	Votes	Abstain	Votes

☐ วาระที่ \_\_\_\_\_ เรื่อง \_\_\_\_\_

Agenda item no.

Re:

☐ ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.

☐ ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

The proxy shall have the right to approve in accordance with my/our intention as follows:

<input type="checkbox"/> เห็นด้วย _____ เสียง	<input type="checkbox"/> ไม่เห็นด้วย _____ เสียง	<input type="checkbox"/> งดออกเสียง _____ เสียง			
Approve	Votes	Disapprove	Votes	Abstain	Votes

☐ วาระที่ \_\_\_\_\_ เรื่อง \_\_\_\_\_

Agenda item no.

Re:

☐ ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.

☐ ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

The proxy shall have the right to approve in accordance with my/our intention as follows:

<input type="checkbox"/> เห็นด้วย _____ เสียง	<input type="checkbox"/> ไม่เห็นด้วย _____ เสียง	<input type="checkbox"/> งดออกเสียง _____ เสียง			
Approve	Votes	Disapprove	Votes	Abstain	Votes

☐ วาระที่ \_\_\_\_\_ เรื่อง \_\_\_\_\_

Agenda item no.

Re:

☐ ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

The proxy shall have the right on my/our behalf to consider and approve independently as it deems appropriate.

☐ ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

The proxy shall have the right to approve in accordance with my/our intention as follows:

<input type="checkbox"/> เห็นด้วย _____ เสียง	<input type="checkbox"/> ไม่เห็นด้วย _____ เสียง	<input type="checkbox"/> งดออกเสียง _____ เสียง			
Approve	Votes	Disapprove	Votes	Abstain	Votes

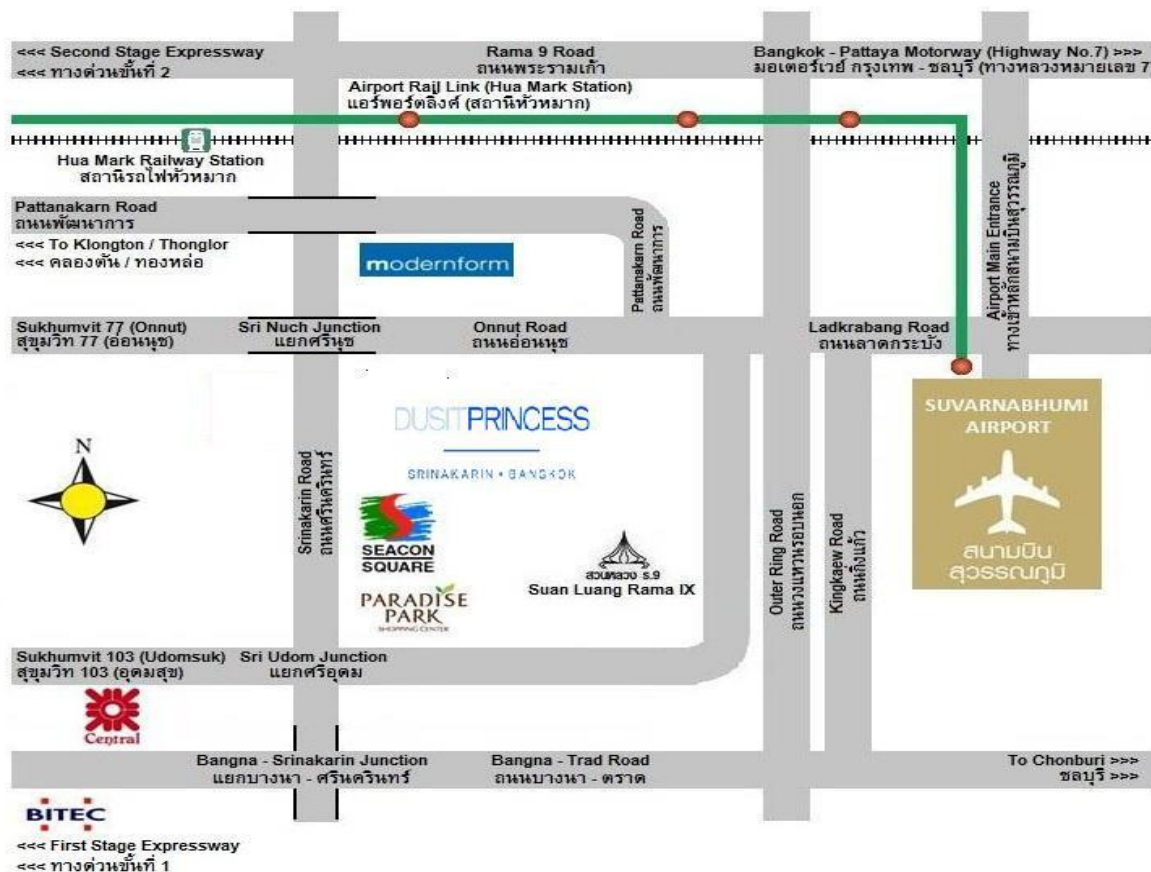
## Extraordinary General Meeting of Shareholders (EGM2/2017)

Siamraj Public Company Limited

Tuesday October 3<sup>rd</sup> 2017 – 1:30 PM (registration started 11:30AM)

Venue: Srinakarin-2 Room, Dusit Princess Hotel

53 Srinakarin Road, Nongbon, Pravet, Bangkok

Travelling Recommendation

- (1) From Bangna- Trat expressway, stay on the left and take the exit to the frontage road then pass Central Department Store – Bangna in about 1 km. Then take a left turn toward Srinakarin Road and go straight. Then make a u-turn at Sri-Nuch/Suan Luang Junction. The hotel will be on the left before Seacon Square Department Store
- (2) From outbound Sukhumvit Road, when reached Bangna intersection, stay on the left and take the exit to the frontage road then pass Central Department Store – Bangna in about 1 km. Then turn left toward Srinakarin Road and go straight. Then make a u-turn at Sri-Nuch/Suan Luang Junction. The hotel will be on the left before Seacon Square Department Store
- (3) From outbound Rama 9 road, when reached the junction between Rama 9 road and Srinakarin Road, make a left turn toward Srinakarin Road and go straight, The hotel will be on the left before Seacon Square Department Store
- (4) Using public transportation, traveling by Bus route number 145 and 207