

**Independent Financial Advisor's Opinion on
the Acquisition and Disposition of Assets
and the Connected Transaction**

of



Bangkok Post Public Company Limited

by



Silom Advisory Co., Ltd

4 February 2021

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To Shareholders
Bangkok Post Public Company Limited

Subject Independent Financial Advisor's Opinion on the Acquisition and Disposition of Assets and the
Connected Transaction

Referred to;

1. The resolutions of the Board of Directors of Bangkok Post Public Company Limited No. 1/2020 held on 25 February 2020 and the Information Memorandum of the Transactions
2. The resolutions of the Board of Directors of Bangkok Post Public Company Limited No. 5/2020 held on 14 October 2020 and the Information Memorandum of the Transactions
3. The resolutions of the Board of Directors of Bangkok Post Public Company Limited No. 1/2021 held on 28 January 2021 and the Information Memorandum of the Transactions
4. The resolutions of the Annual General Meeting of shareholders 2020 of Bangkok Post Public Company Limited held on 22 April 2020 and the Information Memorandum on the Transactions
5. The Annual Registration Statement (Form 56-1) and the Annual Report of Bangkok Post Public Company Limited for year ended 31 December 2019
6. Audited financial report of Bangkok Post Public Company Limited for 12-months period ended 31 December 2018 and 31 December 2019
7. Reviewed financial report of Bangkok Post Public Company Limited for 9-months period ended 30 September 2020
8. Appraisal Reports by Knight Frank Chartered (Thailand) Co., Ltd, appraised on 4 August 2020 and 5 August 2020
9. Appraisal Reports by 15 Business Advisory Co., Ltd, appraised on 31 October 2020

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Glossary

Abbreviation	Definition
POST or the Company	: Bangkok Post Public Company Limited
Romruen Land	: Romruen Land Co., Ltd
KF	: Knight Frank Chartered (Thailand) Co., Ltd
15BA	: 15 Business Advisory Co., Ltd
IFA or the Advisor	: Silom Advisory Co., Ltd
SEC	: The Securities and Exchange Commission
SET	: The Stock Exchange of Thailand
IFA's Opinion	: Independent Financial Advisor's Opinion on the Acquisition and Disposition of Assets and the Connected Transaction of Bangkok Post Public Company Limited
Notifications on Asset Acquisition and Disposal	: The Notification of the Capital Market Supervisory Board No. TorChor. 20/2551, Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated 31 August 2008 (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand, re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, dated 29 October 2004 (as amended)
Notifications on Connected Transaction	: The Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transaction dated 31 August 2008 and (as amended), and the Notification of the Securities and Exchange Commission Re: Disclosure of Information and Other Acts of Listed Companies Concerning Connected Transactions B.E. 2546 dated 19 November 2003 (as amended)
Public Limited Companies Act	: Public Limited Companies Act, B.E.2535 (as amended)
Securities and Exchange Act	: Securities and Exchange Act B.E.2535 (as amended)
Highest and Best Use of Assets	: The best possible use of the assets concerning legal requirements, physical suitability, marketing and financial potentials, which creates overall highest value of assets in overall
Market Value	: Monetary value of asset representing the asset price willfully settled between seller and buyer on the assessment date under normal trading conditions where buyer and seller do not have related interest. The asset has been offered for sell for a reasonable period and both parties; while fully informed and are not under pressure, agreed to trade with an assumption that ownership of the assets is legally transferable.
Market Value for the Existing Use	: The market value of asset with an assumption that the asset will continue to be used in its original condition and the asset is able to be sold in an

Abbreviation**Definition**

open market. The meaning of this definition does not consider the optimal use of asset. Such value may not reflect intrinsic value of the asset in an event of asset divestment and may not reflect the asset value if the condition and utilization of the asset have been changed.

Section 1: Executive Summary

According to the Board of Directors' meeting of Bangkok Post Public Company Limited ("the Company") No. 1/2020 held on 25 February 2020 which approved and proposed to the Annual General Meeting of shareholders 2020 held on 22 April 2020 to consider the disposition of assets between the Company and general investor using auction method. The shareholders' meeting approved the disposition of assets consisting of (1) Printing and Distribution Center (Bang Na) including land, buildings, and printing machines and (2) Office Building (Klong Toei) including land and buildings, at the minimum price totaling 1,472.85 million Baht for two assets which was equal to 90% of the appraised value of the assets. In 2020, the Company had arranged the auction according to the resolution of the shareholders' meeting. However, there was only three investors submitted the bid for some assets ex. Land and buildings, and a printing machine. Moreover, the bidding prices were far lower than the minimum price approved by shareholders; the bidding price for land and buildings in the Printing and Distribution Center (Bangna) was only 258 million Baht while no one placed a bid for the Office Building (Klong Toei). Therefore, the Company was unable to dispose the assets.

Regarding previous operation and a drastic change in consumer behavior relating to print media consumption, print medias such as newspaper and magazines receive much less attention from consumers. The Company has been struggling to cope with the change and to get by however, in 2020 overall economy of Thailand, as well as the Company, was severely affected by COVID-19 epidemic. The Company experienced operating loss and low on working capital. Thus, during the year the Company and its subsidiaries had to receive additional financial support from Mr. Suthikiati Chirathivat who is the connected person of the Company. Therefore, on 30 September 2020 the Company and subsidiaries had borrowed from Mr. Suthikiati Chirathivat 265 million Baht in total, exceeding 250 million Baht which is the amount of financial support approved by the annual general meeting of shareholders 2020. Therefore, the Board of Directors' meeting No. 4/2020 held on 14 October 2020 has resolved to increase the amount of additional financial support received from Mr. Suthikiati Chirathivat from the amount not exceeding 250 million Baht to the amount not exceeding 400 million Baht.

The Company then reconsidered the disposition of both asset which the board of directors' meeting No. 7/2020 held on 2 December 2020 passed a resolution to arrange an auction to seek the buyer of both assets in order to gain cash to repay the debt and to use as the Company's working capital which will increase liquidity and lessen financial cost of the Company. The auction was opened for either general public or connected persons of the Company. The winning bidder of the Office Building (Klong Toei) must allow the Company to leaseback office space not over than 9,000 sq. m. with 180 parking space units at the rate of 400 Baht/ sq. m./ month for rent and service for a period of 3 years

To carry out the auction, the Company placed advertisement for the auction in Bangkok Post newspaper during 24 - 30 December 2020, and sold the auction envelop during 4 - 12 January 2021. Bid submission date was 13 January 2021 and bid envelops were open on 14 January 2021. However, Romruen Land Co., Ltd ("Romruen Land"), who is the connected person of the Company, was the only bidder in this auction submitting bids; 344.03 million Baht for the Printing and Distribution Center and 882.18 million Baht for the Office Building (Klong Toei), totaling 1,226.21 million Baht. The bidding prices was the minimum selling price of both assets equaling 90% of the average appraised value appraised by the independent appraisers. Then the Board of

Directors' meeting No. 1/2021 held on 28 January 2021 has passed a resolution to sell the assets to Romruen Land and put forward to the Extraordinary General Meeting of shareholders No. 1/2021 for approval.

The details of the Transactions were as follows;

1.1 Details of the Transactions

1. Disposition of Printing and Distribution Center (Bangna) and Office Building (Klong Toei)

The Company will enter into the Disposition of Assets Disposition of Assets with Romruen Land which is the winning bidder. The assets to be disposed comprise of;

- 1) Printing and Distribution Center (Bangna) located at 999 Moo 9 separate from Thepparat Road (highway number 34) km. 19.5, Kwang Ban Chalong, Khet Bang Pli, Samutprakan. The asset comprises of land and buildings with total area of 19 rai 1 ngan 40 Sq. wa, and 20 sets of machines and equipment.

The Company has ceased to use the Printing and Distribution Center (Bangna) as the Company has discontinued its print media production at Printing and Distribution Center (Bangna) and outsourced the process to another publisher since 1 September 2020 onward.

- 2) Office Building (Klong Toei) 136 Na Ranong Road Klong, Kwang Klong Toey, Khet Klong Toey, Bangkok with area according to title deed of 7 rai, 64.0 square wah. The asset comprises of 7 rai 64.0 and Sq. wa of land, and the office buildings. Currently the Office Building (Klong Toei) is the Company's head office.

The Company will sell the Printing and Distribution Center (Bangna) and the Office Building (Klong Toei) to Romruen Land at the price of 344.03 million Baht and 882.18 million Baht respectively, totaling 1,226.21 million Baht. The price is the minimum asset price which equals to 90% of average appraised value by the independent appraisers.

The disposition of the Printing and Distribution Center (Bangna) and the Office Building (Klong Toei) is considered as;

1. **Disposition of Assets** according to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated 31 August 2008 (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (as amended) ("the Notification on Asset Acquisition or Disposal"). The transaction size is equal to 1,533.22 million Baht or 73.41% based on the total value of consideration approach, by comparing the amount received with total assets of the Company according to the consolidated financial statements for the period ended 30 September 2020. The transaction is considered as Type I assets disposition which requires approval from the shareholders meeting with votes of not less than three-fourth of total number of the shareholders attending the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter. The Company did not have other acquisition and disposition of assets within 6 months prior to the date which the Board of Directors' meeting passed a resolution to entering into the transaction.

2. **Connected Transactions** according to the Notification of the Capital Market Supervisory Board No.TorChor 21/2551 Re: Rules on Connected Transaction, dated 31 August 2008 and the amendments thereto, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, B.E. 2546 dated 19 November 2003 (as amended) ("the Notification on Connected Transaction") as Romruen Land which is the winning bidder and the Company share the same directors and shareholders; Mr. Suthikiati Chirathivat and Mr. Thirakiati Chirathivat. Whereas Mr. Suthikiati Chirathivat is a major shareholder of Romruen Land holding 75% of the paid-up capital of Romruen Land. Mr. Suthikiati Chirathivat is also (1) a major shareholder of the Company holding 24.22% of issued and paid-up shares (2) Chairman of the Board and (3) Chairman of the Executive Committee.

The size of transaction is 1,533.22 million Baht therefore the Transaction is deemed as a connected transaction with transaction size over than 20 million Baht (since the Company reported negative net tangible assets according to the consolidated financial statement of the Company for 9-months period ended 30 September 2020, it is unable to calculate transaction size in percentage of net tangible assets). Therefore, the Company is responsible for disclosing the information on entering into the transaction to SET immediately, to appoint the independent financial advisor to provide their opinion on entering into the transaction, and to arrange a shareholders' meeting to approve the Transaction. The Transaction must receive approval from the shareholders meeting with votes of not less than three-fourth of total number of the shareholders attending the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter.

2. Leaseback of Office Building (Klong Toei)

According to the term of reference of the auction, after sales and ownership transfer of the Office Building (Klong Toei) to Romruen Land which is the winning bidder the, Company will leaseback office space in the Office Building (Klong Toei) for total area not over than 9,000 sq. m. with 180 parking space units (Parking building 1th – 4th floor) for a period of 3 years at the rate of 400 Baht/sq. m./ month for rent and service. Total charge for the 3-years rent is equal to 129.60 million Baht. The Company can extend the contract by noticing the counterparty in advance at least 60 days prior to the end of contract. In this regard, the Company has considered that current usable area of the Office Building (Klong Toei), which consists of the office buildings service building, publishing building and parking building, is more than the Company needs. Therefore, the Board of Directors considered to reduce it to the minimum necessary.

The leaseback of the Office Building (Klong Toei) is considered as;

1. **Acquisition of Assets** according to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated 31 August 2008 (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (as amended) ("the Notification on Asset Acquisition or Disposal"). The transaction size is 129.60 million Baht or 6.21% based on the total value of consideration approach which is less than 15%. The transaction therefore is within authorization of the Board of Directors. The Company does not have to report and disclose the information to the Stock Exchange of Thailand. However, in order to comply with good corporate governance practice, the Board of Directors had a resolution to propose an agenda to the

Extraordinary General Meeting of shareholders for approval. The Transaction must receive approval from the shareholders meeting with votes of not less than three-fourth of total number of the shareholders attending the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter.

2. Connected Transactions according to the Notification of the Capital Market Supervisory Board No.TorChor 21/2551 Re: Rules on Connected Transaction, dated 31 August 2008 and the amendments thereto, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, B.E. 2546 dated 19 November 2003 (as amended) (“the Notification on Connected Transaction”) as Romruen Land which is the winning bidder and the Company share the same directors and shareholders; Mr. Suthikiati Chirathivat and Mr. Thirakiati Chirathivat. Whereas Mr. Suthikiati Chirathivat is a major shareholder of Romruen Land holding 75% of the paid-up capital of Romruen Land. Mr. Suthikiati Chirathivat is also (1) a major shareholder of the Company holding 24.22% of issued and paid-up shares (2) Chairman of the Board and (3) Chairman of the Executive Committee.

The size of transaction is 129.60 million Baht therefore the Transaction is deemed as a connected transaction with transaction size over than 20 million Baht (since the Company reported negative net tangible assets according to the consolidated financial statement of the Company for 9 - months period ended 30 September 2020, it is unable to calculate transaction size in percentage of net tangible assets). Therefore, the Company is responsible for disclosing the information on entering into the transaction to SET immediately, to appoint the independent financial advisor to provide their opinion on entering into the transaction, and to arrange a shareholders’ meeting to approve the Transaction. The Transaction must receive approval from the shareholders meeting with votes of not less than three-fourth of total number of the shareholders attending the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter.

3. Receiving Financial Support from the Connected Person

As the Annual General Meeting of shareholders 2020 of Bangkok Post Public Company Limited (“the Company”) held on 22 April 2020 passed a resolution approving the Company to receive financial support from Mr. Suthikiati Chirathivat, who is the connected person of the Company, in the amount not over than 250 million Baht for working capital while the Company is proceeding the disposition of assets. However, due to the unsuccessful auction in 2020 and severe economic hardship due to COVID-19, the Company experienced operating loss and low on working capital. Therefore, the Company and subsidiaries urgently needed additional financial support for its working capital. As a result, on 30 September 2020, the Company and subsidiaries has borrowed Mr. Suthikiati Chirathivat 265 million Baht in total which exceeded the amount of loans approved the annual general meeting of shareholders 2020.

The Board of Directors’ meeting No. 4/2020 held on 14 October 2020 then passed a resolution approving the increase the amount of financial support received from Mr. Suthikiati Chirathivat from not over than 250 million Baht to not over than 400 million Baht. The financial support would be used as working capital while the Company is proceeding the disposition of assets to acquire cash for debt repayment and working capital. The loan is a call loan without collateral with a fixed interest of 4.875% per annum based on minimum loan rate

(MLR) - % 1.00 of Bangkok Bank Public Company Limited on 1 April 2020. The rate has been decreased to 4.50% based on MLR - 1.375% from 1 December 2020 onward.

The financial support is deemed as a **Connected Transaction** according to the Notification of the Capital Market Supervisory Board No.TorChor 21/2551 Re: Rules on Connected Transaction, dated 31 August 2008 and the amendments thereto, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, B.E. 2546 dated 19 November 2003 (as amended) ("the Notification on Connected Transaction") with maximum transaction not over than 18,000,000 Baht based on an assumption that the maximum amount of loans is not over than 400 million Baht at the rate of 4.50% with duration of 1 year since the transaction was Short-term loans for working capital. The connected transaction therefore is not over than 20 million Baht (since the Company reported negative net tangible assets according to the consolidated financial statement of the Company for 9-months period ended 30 September 2020, it is unable to calculate transaction size in percentage of net tangible assets).

The Company is only responsible for disclosing the information on entering into the transaction to SET. However, in order to comply with good corporate governance practice, the Board of Directors has passed a resolution to propose an agenda to the Extraordinary General Meeting of shareholders for approval, to appoint the independent financial advisor to provide their opinion on entering into the transaction, and to arrange a shareholders' meeting to approve entering into the transaction. The Transaction must receive approval from the shareholders meeting with votes of not less than three-fourth of total number of the shareholders attending the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter.

In this regard, the Company has appointed Silom Advisory Co., Ltd ("IFA" or "the Advisor") as the independent financial advisor to provide their opinion on entering into the acquisition and disposition of assets and receiving the financial support which is the connected transaction of the Company to shareholders of the Company as information for their consideration.

In order to calculate the number in this report, some figures and values are typically rounded up by two or three digits based on case by case in which the derived numbers may not equal to such figure and value appeared in this report.

IFA has studied on relevant information, advantages and disadvantages of the disposition and acquisition of assets with the connected person, advantages and disadvantages of the financial support received from the connected person, and price appropriateness of the Transaction. IFA's Opinion are summarized as follows;

1.2 Advantages and Disadvantages of the Disposition of Assets

1.2.1 Advantages of Entering into the Transaction

1. The Company will receive cash from the disposition of assets to increase financial liquidity and ability to repay

On 30 September 2020, the Company and subsidiaries had borrowed from financial institutes and the connected person as follows;

Loans taken by the Company and subsidiaries (Million Baht)	Financial Statement as of 30 September, 2020	
	Consolidated	separated
Bank overdrafts and short-term loans	983.23	933.63
Long-term loans due within one year	144.00	144.00
Short-term loans from connected person	265.00	250.00
Long-term loans from financial institutes	129.47	129.47
Total loans from financial institutes and connected person	1,521.70	1,457.10

As the Company experienced net operating loss, especially in 2020 which the Company's revenue from operation was heavily affected by COVID-19, the Company has been low on working capital and needed to acquire more fund. During January - September 2020, the Company and subsidiaries has borrowed from the connected person 104 million Baht in total, in addition to the loans taken in 2019 from the connected person amounting to 161 million Baht. As a result, as of 30 September 2020 the Company and subsidiaries had received financial support from the connected person 265 million Baht in total.

Increasing debt caused the Company's debt to equity ratio to increase from 4.86 at the end of 2019 to 39.92 as of 30 September 2020. On the other hand, the Company has become low on financial liquidity; on 30 September 2020 current ratio was reduced to 0.08, which affected the Company's operation and ability to repay debt of the Company. During the 2nd quarter of 2020, the Company negotiated with the financial institute for loan waiver to temporary stop repayment between June - December 2020. The Company received another loan waiver in December 2020, with a condition that the Company have to proceed the disposition of assets and to repay the debts starting from March 2021 onward. All loans from the financial institute must be repaid within 2022.

By selling the Printing and Distribution Center (Bangna) and the Office Building (Klong Toei) at 1,226.21 million Baht, excluding VAT, Fees, Revenue Stamp and other expenses, the Company will gain cash which will increase liquidity so it will be able to repay loans and gain more working capital. The Company expected to transfer ownership and receive payment for the assets within April 2021.

2. The Company can reduce expense from the assets and interest expense

The assets to be disposed are fixed assets which burdened the Company with maintenance cost and depreciation expense decreasing future value of the assets. By selling the assets, the Company will have less expenses.

Moreover, after the Company receives payment from the disposition of assets and repays its debt, it will have less interest expense. The Company currently has interest expense of 6.97 million Baht per month, according to the consolidated financial statement for 9-months period ended 30 September 2020.

3. The Company is still able to rent the Office Building (Klong Toei)

After entering into the transaction, though the Company will have lost ownership in the assets, it is still able to leaseback office space in the Office Building (Klong Toei) because the condition of the auction stipulating that the winning bidder must allow the Company to leaseback the Office Building (Klong Toei). The Company expected that total space to be rent will not over than 9,000 sq. m. with 180 parking space units at the rate of 400 Baht/ sq.m. /month for a period of 3 years. Therefore, the Company does not have to relocate the head office and can avoid expenses relating to relocation.

1.2.2 Disadvantages of Entering into the Transaction

1. The Company will lose ownership in the assets

By entering into the disposition of assets, ownership in the assets will be transferred to the winning bidder. Thus, the Company will lose ownership in the assets and lose an opportunity to gain benefit from the assets in a long run, including a chance to benefit if the price of the assets rises in the future.

2. The offering price is lower than book value, and the Company will have to record a loss from selling the assets

By entering into the disposition of assets at the price of 1,226.21 million Baht which is the minimum selling price specified for the auction, equaling to 90% of the average appraised value determined by two independent appraisers; KF and 15BA. The offering price is also lower than book value of the assets reported in the financial statements on 30 September 2020, which book value of the Printing and Distribution Center (Bangna) and the Office Building (Klong Toei) equal to 1,533.22 million Baht. If the shareholders' meeting approves the Company to enter into the transaction, the Company expects to transfer ownership in the assets to the buyer and to receive payment within April 2021. With that the Company will have to record a loss from selling the assets approximately 280.50 million Baht in the statement of comprehensive income. The loss is calculated from a difference between the selling price and the book value of the assets on transaction date. Thus, the Company may have net loss in 2021.

According to the reviewed financial statements for 9-months ended on 30 September 2020, the Company's shareholders' equity reported in the Consolidated financial statement equals 38.27 million Baht. By recording a loss from selling the assets, the Company may have net loss in 2021, and reported negative shareholders' equity in the consolidated financial statement for a year ended 31 December 2021. The negative shareholders' equity is a major ground of possible delisting according to the notification of the Stock Exchange of Thailand The Delisting of Securities B.E. 2542 (1999).

3. Shareholders' equity may become negative and could be considered as a major ground for delisting

By entering into the disposition of assets at the price of 1,226.21 million Baht which is the minimum selling price specified for the auction, equaling to 90% of the average appraised value determined by two independent appraisers; KF and 15BA. The offering price is also lower than book value of the assets reported in the financial statements on 30 September 2020, which book value of the Printing and Distribution Center (Bangna) and the Office Building (Klong Toei) equal to 1,533.22 million Baht. If the shareholders' meeting approves the Company to enter into the transaction, the Company expects to transfer ownership in the assets to the buyer and to receive payment within April 2021. With that the Company will have to record a loss from selling the assets approximately 280.50 million Baht in the statement of comprehensive income. The loss is calculated from a difference between the selling price and the book value of the assets on transaction date. Thus, the Company may have net loss in 2021.

As previously mentioned, the disposition of assets will cause the Company to record a loss from selling the assets approximately 280.50 million Baht, and the Company may have net loss for the year 2021. Moreover, according to the financial statements on 30 September 2020, the Company's shareholders' equity was 38.27 million Baht. Therefore, the loss from asset sales may cause the Company to have net loss and shareholders' equity to become negative which is considered as a major ground for delisting according to the notification of the Stock Exchange of Thailand The Delisting of Securities B.E. 2542 (1999).

4. The Company is responsible for the expenses and tax relating to asset sales

The disposition of assets will cause the Company to be responsible to transfer expenses totaling 34.02 million Baht approximately, as follows;

Expenses (The Company's portion)	Rate of fee *	Amount (million Baht)
Transfer fee	% 1.00 of Selling Price	15.12
Corporate Tax	% 1.00 of selling price	15.12
Revenue Stamp	% 0.25 of selling price	3.78
Total		34.02

Note: Calculated proportionally with the selling price or appraised value which ever value is higher.

1.2.3 Advantages of Not Entering into the Transaction

1. The Company maintains ownerships of the assets

If the Company does not enter into the disposition of assets, it will not lose ownership of the assets and will be able to gain benefit in a long run. The Company will also have a chance to benefit from increasing price of the assets in the future.

2. The Company will not have pay for the expenses and tax relating to asset sales

If the Company does not enter into the disposition of assets, it will not have to pay for the expenses and tax incurred from asset sales which are approximately 34.02 million Baht in total.

1.2.4 Disadvantages of Not Entering into the Transaction

1. The Company will have to seek for another source of fund causing more financial cost

If the Company does not enter into the disposition of assets, it will lose a chance to gain cash for debt repayment and for working capital. The Company will have to seek for another source of fund which will cause more financial cost.

2. Uncertainty in asset sale in the future

If the Company does not enter into the disposition of assets, there will be uncertainty if it wants to sell the assets in the future. The Company may not be able to sell the assets promptly to meet its need of cash for debt repayment or for its working capital. Moreover, the conditions of sale may be changed depending on circumstances.

1.3 Advantages and Disadvantages of Entering into the Transaction with the Connected Person - Disposition of Assets

1.3.1 Advantages of Entering into the Transaction with the connected person

Ease of negotiation

Negotiation on the leaseback agreement between the Company and Romruen Land which is the winning bidder and the connected person can possibly be done with ease and promptly, especially during economic slowdown due to COVID-19. As it is unlikely to persuade investors to submit a bid for the assets of the Company.

1.3.2 Disadvantages of Entering into the Transaction with the connected person

As the Company had arranged an envelope auction to sell both assets in 2020 according to the resolution the shareholders' meeting. The auction had been opened for general public except connected persons of the Company. However, the auction was unsuccessful as some bidders submitted the bids for some component of the assets and the offering prices were much lower than the price approved by the shareholders' meeting.

Therefore, to proceed the transaction, the Company arranged another envelop auction equally allowing both general public and connected persons to submit a bid. However, due to the economic circumstance, no investor, except Romruen Land, submitted a bid at the price stipulated by the Company. Because the connected person of the Company has submitted a bid, the Company is able to proceed the transaction to convert its assets into cash for debt repayment and its working capital.

However, by entering into the transaction with the connected person, the Company has to abide by the Notification on Connected Transaction. Thus, the Company had to disclose the information on entering into the transaction to SET, appointed the independent financial advisor to provide their opinion on entering into the transaction, and arranged a shareholders' meeting to approve the transaction. In this regard, the Company must receive approval from the shareholders' meeting with votes of not less than three-fourth of total votes of

shareholder who attending the meeting and having voting right; excluding the stakeholders who have conflict of interest with the transaction.

1.4 Advantages and Disadvantages of the Acquisition of Assets

1.4.1 Advantages of Entering into the Transaction

1. The Company can continue to use the office buildings

By leaseback the Office Building (Klong Toei), the Company can continue to use the building as its head office. The Company does not have to relocate its office or move all office equipment out, and its business operation will not be interrupted for at least 3 years.

2. The Company can avoid relocation expense

By leaseback the Office Building (Klong Toei), the Company will not have to move out from the building and does not have to pay for office relocation which can be significant amount.

1.4.2 Disadvantages of Entering into the Transaction

1. The Company will have to pay rental fee for the office buildings

By leaseback the Office Building (Klong Toei), the Company will have to pay for office space not over than 9,000 sq. m. at the rate of not over than 400 Baht/ sq.m. /month for rent and service for a period of 3 years; or 129.60 million Baht in total.

1.5 Advantages and Disadvantages of Entering into the Transaction with the connected person - Acquisition of Assets

1.5.1 Advantages of Entering into the Transaction with the connected person

Ease of negotiation

Negotiation on the leaseback agreement between the Company and Romruen Land which is the winning bidder and the connected person can possibly be done with ease and promptly, in accordance to the conditions specified in the auction's terms of reference.

1.5.2 Disadvantages of Entering into the Transaction with the connected person

The Company will have to comply with the Notification on Connected Transaction

The leaseback of the Office Building (Klong Toei) is a condition specified in the auction which the winning bidder; either a third-party or the connected person, must agree to allow the Company to leaseback office space

in the Office Building (Klong Toei) not over than 9,000 sq. m. at the rate of not over than 400 Baht/ sq.m. /month for rent and service (180 units of parking space included) for a period of 3 years.

However, by entering into the transaction with the connected person, the Company has to abide by the Notification on Connected Transaction. Thus, the Company had to disclose the information on entering into the transaction to SET, appointed the independent financial advisor to provide their opinion on entering into the transaction, and arranged a shareholders' meeting to approve the transaction. In this regard, the Company must receive approval from the shareholders' meeting with votes of not less than three-fourth of total votes of shareholder who attending the meeting and having voting right; excluding the stakeholders who have conflict of interest with the transaction.

1.6 Advantages and Disadvantages of Receiving Financial Support from the Connected Person

1.6.1 Advantages of Entering into the Transaction

1. The Company will have more financial liquidity to continue its business

The Company is presently facing business problems and low on financial liquidity. By entering into the transaction, the Company will have working capital to pay for its business operation such as operating expenses.

2. The Company will be able to maintain credibility

The Company is presently facing business problems and low on financial liquidity. By entering into the transaction, the Company will have working capital to pay for interest to financial institutes by due date. Thus, the Company will be able to maintain its credibility.

1.6.2 Disadvantages of Entering into the Transaction

1. The loan received must be repaid when requested

The financial support received by the Company is a call loan which must be repaid on demand with interest. The Company therefore has a risk that, in case the Company has to repay the loan, it may not have enough cash for the repayment.

2. The Company will have to comply with the Notification on Connected Transaction

The Company has to abide by the Notification on Connected Transaction. Thus, the Company had to disclose the information on entering into the transaction to SET, appointed the independent financial advisor to provide their opinion on entering into the transaction, and arranged a shareholders' meeting to approve the transaction. In this regard, the Company must receive approval from the shareholders' meeting with votes of not less than three-fourth of total votes of shareholder who attending the meeting and having voting right; excluding the stakeholders who have conflict of interest with the transaction.

1.7 Risks of entering into the transaction

1. The risk of possible delisting

By entering into the transaction, the Company will have to record a loss from asset disposition approximately 280.50 million Baht. The loss may cause the Company to report net loss for 2021. According to the reviewed financial statements for 9-months ended on 30 September 2020, the Company's shareholders' equity recorded in the consolidated financial statement was only 38.27 million Baht. Therefore, if it enters into the transaction and record the loss from asset disposition, the Company may have net loss in 2021 and its shareholders' equity recorded in the audited consolidated financial statement for year ended 31 December 2021 may become negative; which is a major ground of possible delisting according to the notification of the Stock Exchange of Thailand The Delisting of Securities B.E. 2542 (1999).

In such case, the Company's securities listed in the Stock Exchange of Thailand will be suspended (SP symbol), then SET will announce a major ground for possible delisting and post symbol "NC" (Non-Compliance) on its securities within 7 days. The Company's securities will be suspended for a month and after it has disclosed business rehabilitation guidelines, the suspension will be revoked for one month which the Company's securities will be able to trade with cash balance account. After one month, its securities will be suspended until the Company is able to rehabilitate its business, the grounds for delisting have been eliminated and the Company meets all listing qualifications to resume trade.

However, though the Company does not enter into the disposition of assets, the risk that its shareholders' equity will become negative is still intact, according to the previous operating performance along with business forecast, the Company will experience net loss from existing business which will increase the amount of retained loss. In order to survive with sustainability, the Company must have a suitable strategic plan for long-term business operation to cope with the changes in media business.

1.8 Summary of the Opinion of the Independent Financial Advisor

1.8.1 Disposition of Assets

After considering the advantages and disadvantages of entering into the transactions, along with the advantages and disadvantages of not enter into the disposition of assets, **the Advisor opined that the entering into the transactions is reasonable.**

In order to consider appropriateness of the transaction price, the Advisor has reviewed the fair value appraised by the independent appraisers using book value method. Summary of the appraisal report on the assets to be Disposed is as follows;

No.	Details of assets	Book Value (million Baht)	Appraised Value (million Baht)	
			KF ¹	15BA ²
1	Printing and Distribution Center (Bangna)			
	Land	261.20	261.20	261.20
	Buildings	96.41	83.70	-
	Printing machines and equipment	11.27	92.60	66.00
	Total	368.88	437.50	327.00
2	Office Building (Klong Toei)			
	Land	859.20	859.20	859.00
	Office buildings	305.14	242.20	-
	Total	1,164.34	1,101.40	859.00
	Grand total	1,533.22	1,538.90	1,186.00

Note: ¹ Knight Frank Chartered (Thailand) Co., Ltd

² 15 Business Advisory Co., Ltd

The two independent appraisers recommended cost approach for the asset appraisal even though they presented different opinion on how to determine market value of the assets. For the Printing and Distribution Center (Bangna), KF used cost approach to assess the market value on existing-use basis because the buildings and machines are specifically designed and constructed for the Company's print media business which make it difficult or inefficient to utilize the assets for other purpose. As for the Office Building (Klong Toei), KF assessed the market value while using income approach to recheck the value assessed by cost approach. The asset value using income approach is significantly lower the value assesses by cost approach, therefore KF had an opinion that current usage of the assets is not the highest and best use.

15BA appraised value of both assets using cost approach and income approach which the value appraised by income approach is significantly lower than cost approach. Therefore, 15BA opined that current usage of both assets is not the highest and best use as the value appraised by income approach is lower than the market value of land which reflects that the ability to generate income of the assets is lower than the potential of land. Thus, current usage of the assets is not the highest and best use, so the appraiser did not include the value of buildings in the market value of both assets.

The Advisor shared the same opinion with the appraisers that cost approach is the appropriate approach to determine the fair value of assets since the assets are not built to generate income and are designed and constructed for the Company's print media business. The Advisor opined that discretion of the appraisers on market value of the assets is reasonable according to the principles and current economic circumstance.

As for the asset appraisal carried out by 15BA, though the appraised market value is significantly lower than the book value and the market value appraised by KF, after considering the appraiser's reason and principles on valuation, the Advisor had an opinion that the concept on market value suggested by 15BA represents economic value of the assets. Moreover, the Company's auction for asset disposition in 2020, which the minimum selling price of both assets was 1,472.85 million Baht, did not receive well attention from general investors and no one offered to buy the assets at equal or higher price than the minimum price. Therefore, it could be inferred that the minimum price of the previous auction was higher than expected return of the investment. The Advisor

then opined that the market price appraised by 15BA should be included in consideration to determine the fair value of assets which is the price agreed by well-informed seller and buyer.

Thus, the Advisor has an opinion that fair value of the assets to be disposed should range between the market value appraised by both appraisers or between 1,186.00 - 1,538.90.

As the price of asset disposition which is 1,226.21 million Baht equally to the minimum price of the disposed assets specified by the Company, the Advisor opined that the transaction price falls within the range of fair value, **therefore the transaction price of the disposition of assets and the connected transactions are reasonable.**

The Advisor noted that even though the entering into the disposition of assets will help the Company to have better financial liquidity and repay debt in time which will help the Company to be able to continue the business and have lower financial cost, the Company will have to record loss from asset disposition approximately 280.50 million Baht and may have to report negative shareholders' equity in the audited financial report for year ended 2021. In such case, the Company will be considered having a major ground for delisting according to the notification of the Stock Exchange of Thailand The Delisting of Securities B.E. 2 5 4 2 (1 9 9 9). Moreover, after entering into the transaction, the Company still have to improve existing performance of its business that continually has net loss.

In case that the Company does not enter into the transaction, the Company still has net loss from the existing business according to the business projection (details in Section 6: Financial Forecast of the Company). Moreover, if the book value of assets is higher than the expected value to receive from the assets, the Company may have to record an asset impairment which will be reported in annual financial statement, and may as well have a risk of negative shareholders' equity in the future. The Company may have to consider a plan to improve performance and raise more capital to ensure that the business survive in a long run.

After considering the advantages and disadvantages along with benefits the Company will receive from entering into the disposition of assets, **the Advisor opined that shareholders should approve the disposition of assets and the connected transactions.**

1.8.2 Acquisition of Assets

After considering the advantages and disadvantages of entering into the transactions, along with the advantages and disadvantages of not enter into the acquisition of assets, **the Advisor opined that the entering into the acquisition of assets is reasonable.**

To consider price appropriateness of the acquisition of assets, the Advisor has reviewed the rental rate of office space in the Office Building appraised by the appraisers. The Advisor opined that the rental rate is equal to the market rate, therefore **the transaction price of the acquisition of assets is appropriate.**

After considering benefits the Company will receive from entering into the acquisition of assets, **the Advisor opined that shareholders should approve the acquisition of assets.**

1.8.3 Receiving Financial Support from the Connected Person

Considering the advantages and disadvantages of entering into the transactions, advantages and disadvantages of not enter into the transaction, benefit the Company will receive from the financial support received from the connected person and the lack of liquidity of the Company, **the Advisor opined that the financial support is appropriate.**

Considering interest rate of the financial support which is comparable to the rate offered by financial institutes, **the Advisor opined that the rate of interest payment of the financial support is appropriate.**

After considering necessity and benefit the Company shall receive, **the Advisor opined that shareholders should approve the Company to receive the financial support which is a connected transaction.**

However, shareholders should consider reasonableness, criteria and conditions of the transaction, as well as the IFA's opinion which are were on the assumptions that gathered information, documents and drafts of document received by the Advisor, including interviews with the management and relevant parties were complete and accurate. The Advisor is of the opinion that the assumptions used in this report are reasonable in accordance with economic condition and existing information during the study period. Any future possible change may be the factors affecting the IFA's opinion. Hence, decision-making on whether to approve or disapprove entering into the transaction will mainly depend on shareholders' consideration.

Section 2: Practice and Information Used in the Preparation of IFA Report

The IFA considered and studied the transactions which are the acquisition and disposition of assets regarding the Notification on Asset Acquisition or Disposal, and the connected transactions regarding the Notification on Connected Transaction. The IFA received information from the Company, the management's interviews, public information, and relevant information including, but not limited to;

1. The resolutions of the Board of Directors and the information memorandum relevance to the transactions which were disclosed to SET.
2. Documents of the Company such as, affidavit, memorandum of association, and article of association etc.
3. Relevant agreement such as loan agreements etc.
4. Deeds relevant to the transaction
5. Asset appraisal reports of land and buildings relating to the transactions
6. Interviews with the executives of the Company and relevant persons
7. SET Statistics and Industry Outlook

The IFA's opinion based on the assumption that information and/or document in which the IFA receive as well as interview with the Company and management as well as relevant person were true and accurate. The Advisor has carefully considered and studied such information to comply with professional standard. Moreover, the Advisor considered that all contracts and business agreements were effective and legally enforceable and the conditions of such agreement will not be changed, revoked or canceled, and there is no circumstance or any condition which might significantly affect the transactions.

Therefore, in case that information and/or documents which the IFA received is untrue and/or inaccurate or the contracts and business agreements are not effective and/or not legally enforceable and/or the conditions of contracts and business agreements are changed, revoked or canceled, and/or there is any circumstance or condition that might cause significant effect to the transactions which may affect opinion of the IFA. The IFA, therefore, will not be able to provide an opinion on such effect to the Company and its shareholders.

The IFA's opinion was prepared based on the information received by the IFA including information on the industry, economic condition, and other factors occurred during the preparation, which may significantly change later and affected the IFA's opinion. The Advisor does not have an obligation to edit the report on the IFA Report.

The IFA Report was prepared for the Company's shareholders as a reference to consider the connected transaction according to the Notification on the Connected Transaction. Thus, a decision to approve or not to approve is up to shareholder's consideration. Nonetheless, shareholders should carefully study the information and document enclosed with the invitation to the shareholders meeting, to make an appropriate decision.

However, the IFA Report does not guarantee success of the transaction, including possible impacts, and the IFA will not be able to, either directly or indirectly, response for any impact cause from entering into the transaction.

Section 3: Characteristics and Details of the Transactions

3.1 Characteristics of the Transactions

According to the Board of Directors' meeting of Bangkok Post Public Company Limited ("the Company") No. 1/2020 on 25 February 2020. The meeting had a resolution to propose to the Annual General Meeting of shareholders 2020 held on 22 April 2020 to consider the disposition of assets of the Company to general public through a bidding process. The shareholders' meeting passed a resolution approving the disposition of assets; consisting of (1) Printing and Distribution Center (Bang Na) and (2) Office Building (Klong Toei), with the minimum bidding price of both assets totaling 1,472.85 million Baht or 90% of the appraised value of the assets. During the year, the Company had proceeded according to the resolution of the shareholders' meeting. However, only 3 investors submitted bids for some assets; land and buildings, and some machines. The proposed bidding price were as well significantly lower than the minimum price approved by shareholders. Land and buildings of the Printing and Distribution Center (Bangna) were proposed for only 258 million Baht, while no one submitted a bid for the Office Building (Klong Toei). Hence, the Company was unable to sell the assets.

Regarding previous operation and a drastic change in consumer behavior relating to print media consumption, print medias such as newspaper and magazines receive much less attention from consumers. The Company has been struggling to cope with the change and to get by however, in 2020 overall economy of Thailand, as well as the Company, was severely affected by COVID-19 epidemic. The Company experienced operating loss and low on working capital. Thus, during the year the Company and its subsidiaries had to receive additional financial support from Mr. Suthikiati Chirathivat who is the connected person of the Company. Therefore, on 30 September 2020 the Company and subsidiaries had borrowed from Mr. Suthikiati Chirathivat 265 million Baht in total, exceeding 250 million Baht which is the amount of financial support approved by the annual general meeting of shareholders 2020. Therefore, the Board of Directors' meeting No. 4/2020 held on 14 October 2020 has resolved to increase the amount of additional financial support received from Mr. Suthikiati Chirathivat from the amount not exceeding 250 million Baht to the amount not exceeding 400 million Baht.

The Company then reconsidered the disposition of both asset which the board of directors' meeting No. 7/2020 held on 2 December 2020 passed a resolution to arrange an auction to seek the buyer of both assets in order to gain cash to repay the debt and to use as the Company's working capital which will increase liquidity and lessen financial cost of the Company. The auction was opened for either general public or connected persons of the Company. The winning bidder of the Office Building (Klong Toei) must allow the Company to leaseback office space not over than 9,000 sq. m. with 180 parking space units at the rate of 400 Baht/ sq. m./ month for rent and service for a period of 3 years.

To carry out the auction, the Company placed advertisement for the auction in Bangkok Post newspaper during 24 - 30 December 2020. The important details specified in the term of references of the auction were as follows;

1. The auction envelopes were sold during 4 – 12 January 2021 at 100,000 Baht each. Bid submission date was 13 January 2021 between 10.00 am – 11.30 am, and bid envelopes were opened on 14 January 2021.

2. Minimum bidding price of the Printing and Distribution Center (Bangna) and the Office Building (Klong Toei) must not lower than 344.03 million Baht and 882.18 million Baht respectively; totaling 1,226.21 million Baht.
3. Proposed bidding price must be fixed for at least 60 days from the envelope submission date
4. Bidder must place collateral equivalent to 10% of the appraised value of the assets on the envelope submission date
5. The winning bidder of the Office Building (Klong Toei) must sign an agreement for the promise to sell the assets with a condition to leaseback the Office Building (Klong Toei) for office space not over than 9,000 sq. m. with 180 parking space units (parking building floor 1st – 4th) at the rate of 400 Baht/ sq. m./ month for rent and service for a period of 3 years.
6. The winning bidder must place collateral amounting to 20% of the proposed bidding price within 3 days after bidding result has been announced or by the date specified by the Company to sign the sale agreement.
7. Buyer and seller are equally responsible for transfer fee for land and buildings

In this regard, Romruen Land Co., Ltd (“Romruen Land”), who is the connected person of the Company, was the only bidder in this auction proposing 1,226.21 million Baht for both assets. The Board of Directors’ meeting No. 1/2021 held on 28 January 2021 then passed a resolution to enter into the transaction with Romruen Land and proposed the agenda to the Extraordinary General Meeting of shareholders No. 1/2021 for approval.

Details of the Transactions are as follows’

3.1.1 Disposition of Printing and Distribution Center (Bangna) and Office Building (Klong Toei)

The Company will enter into the disposition of assets with Romruen Land which is the winning bidder. The assets to be disposed comprise of;

- 1) Printing and Distribution Center (Bangna) located at 999 Moo 9 separate from Thepparat Road (highway number 34) at kilometer 19.5 Ban Chalong, Bang Pli, Samutprakan. The assets consist of land, buildings and 20 set of machinery.

The Company does not utilize Printing and Distribution Center (Bang Na) as the Company has ceased its newspaper production at the Printing and Production Center (Bang Na) and outsourced the process to another publisher since 1 September 2020 onward.

- 2) Office Building (Klong Toei) located at 136 Na Ranong Road Klong, Klong Toey, Klong Toey, Bangkok. The assets consist of 7 rai 64.0 Sq. wa of land and buildings.

The Company currently use the Office Building (Klong Toei) as head office.

The Company will sell the Printing and Distribution Center (Bangna) and the Office Building (Klong Toei) to Romruen Land at the price of 344.03 million Baht and 882.18 million Baht respectively, totaling 1,226.21 million Baht. The price is the minimum asset price which equals to 90% of average appraised value by the independent appraisers.

The disposition of the Printing and Distribution Center (Bangna) and the Office Building (Klong Toei) is considered as;

1. **Disposition of Assets** according to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated 31 August 2008 (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (as amended) ("the Notification on Asset Acquisition or Disposal"). The transaction size is equal to 1,533.22 million Baht or 73.41% based on the total value of consideration approach, by comparing the amount received with total assets of the Company according to the consolidated financial statements for the period ended 30 September 2020. The transaction is considered as Type I assets disposition which requires approval from the shareholders meeting with votes of not less than three-fourth of total number of the shareholders attending the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter. The Company did not have other acquisition and disposition of assets within 6 months prior to the date which the Board of Directors' meeting passed a resolution to entering into the transaction.

2. **Connected Transactions** according to the Notification of the Capital Market Supervisory Board No. TorChor 21/2551 Re: Rules on Connected Transaction, dated 31 August 2008 and the amendments thereto, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, B.E. 2546 dated 19 November 2003 (as amended) ("the Notification on Connected Transaction") as Romruen Land which is the winning bidder and the Company share the same directors and shareholders; Mr. Suthikiati Chirathivat and Mr. Thirakiati Chirathivat. Whereas Mr. Suthikiati Chirathivat is a major shareholder of Romruen Land holding 75% of the paid-up capital of Romruen Land. Mr. Suthikiati Chirathivat is also (1) a major shareholder of the Company holding 24.22% of issued and paid-up shares (2) Chairman of the Board and (3) Chairman of the Executive Committee.

The size of transaction is 1,533.22 million Baht therefore the Transaction is deemed as a connected transaction with transaction size over than 20 million Baht (since the Company reported negative net tangible assets according to the consolidated financial statement of the Company for 9-months period ended 30 September 2020, it is unable to calculate transaction size in percentage of net tangible assets). Therefore, the Company is responsible for disclosing the information on entering into the transaction to SET immediately, to appoint the independent financial advisor to provide their opinion on entering into the transaction, and to arrange a shareholders' meeting to approve the Transaction. The Transaction must receive approval from the shareholders meeting with votes of not less than three-fourth of total number of the shareholders attending the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter.

3.1.2 Leaseback of Office Building (Klong Toei)

According to the term of reference of the auction, after sales and ownership transfer of the Office Building (Klong Toei) to Romruen Land which is the winning bidder the, Company will rent-back office space in the Office Building (Klong Toei) for total area not over than 9,000 sq. m. with 180 parking space units (Parking building 1th – 4th floor) for a period of 3 years at the rate of 400 Baht/sq. m./ month for rent and service. Total charge for the 3-years rent is equal to 129.60 million Baht. The Company can extend the contract by noticing the counterparty

in advance at least 60 days prior to the end of contract. In this regard, the Company has considered that current usable area of the Office Building (Klong Toei), which consists of the office buildings service building, publishing building and parking building, is more than the Company needs. Therefore, the Board of Directors considered to reduce it to the minimum necessary.

The leaseback of Office Building (Klong Toei) is considered as;

1. **Acquisition of Assets** according to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated 31 August 2008 (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 (as amended) (“the Notification on Asset Acquisition or Disposal”). The transaction size is 129.60 million Baht or 6.21% based on the total value of consideration approach which is less than 15%. The transaction therefore is within authorization of the Board of Directors. The Company does not have to report and disclose the information to the Stock Exchange of Thailand. However, in order to comply with good corporate governance practice, the Board of Directors had a resolution to propose an agenda to the Extraordinary General Meeting of shareholders for approval. The Transaction must receive approval from the shareholders meeting with votes of not less than three-fourth of total number of the shareholders attending the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter.

2. **Connected Transactions** according to the Notification of the Capital Market Supervisory Board No. TorChor 21/2551 Re: Rules on Connected Transaction, dated 31 August 2008 and the amendments thereto, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, B.E. 2546 dated 19 November 2003 (as amended) (“the Notification on Connected Transaction”) as Romruen Land which is the winning bidder and the Company share the same directors and shareholders; Mr. Suthikiati Chirathivat and Mr. Thirakiati Chirathivat. Whereas Mr. Suthikiati Chirathivat is a major shareholder of Romruen Land holding 75% of the paid-up capital of Romruen Land. Mr. Suthikiati Chirathivat is also (1) a major shareholder of the Company holding 24.22% of issued and paid-up shares (2) Chairman of the Board and (3) Chairman of the Executive Committee.

The size of transaction is 129.60 million Baht therefore the Transaction is deemed as a connected transaction with transaction size over than 20 million Baht (since the Company reported negative net tangible assets according to the consolidated financial statement of the Company for 9-months period ended 30 September 2020, it is unable to calculate transaction size in percentage of net tangible assets). Therefore, the Company is responsible for disclosing the information on entering into the transaction to SET immediately, to appoint the independent financial advisor to provide their opinion on entering into the transaction, and to arrange a shareholders' meeting to approve the Transaction. The Transaction must receive approval from the shareholders meeting with votes of not less than three-fourth of total number of the shareholders attending the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter.

3.1.3 Receiving Financial Support from the Connected Person

As the Annual General Meeting of shareholders 2020 of Bangkok Post Public Company Limited (“the Company”) held on 22 April 2020 passed a resolution approving the Company to receive financial support from Mr. Suthikiati Chirathivat, who is the connected person of the Company, in the amount not over than 250 million Baht for working capital while the Company is proceeding the disposition of assets. However, due to the unsuccessful auction in 2020 and severe economic hardship due to COVID-19, the Company experienced operating loss and low on working capital. Therefore, the Company and subsidiaries urgently needed additional financial support for its working capital. As a result, on 30 September 2020, the Company and subsidiaries has borrowed Mr. Suthikiati Chirathivat 265 million Baht in total which exceeded the amount of loans approved the annual general meeting of shareholders 2020.

The Board of Directors’ meeting No. 4/2020 held on 14 October 2020 then passed a resolution approving the increase the amount of financial support received from Mr. Suthikiati Chirathivat from not over than 250 million Baht to not over than 400 million Baht. The financial support would be used as working capital while the Company is proceeding the disposition of assets to acquire cash for debt repayment and working capital. The loan is a call loan without collateral with a fixed interest of 4.875% per annum based on minimum loan rate (MLR) - % 1.00 of Bangkok Bank Public Company Limited on 1 April 2020. The rate has been decreased to 4.50% based on MLR - 1.375% from 1 December 2020 onward.

The financial support is deemed as a **Connected Transaction** according to the Notification of the Capital Market Supervisory Board No.TorChor 21/2551 Re: Rules on Connected Transaction, dated 31 August 2008 and the amendments thereto, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, B.E. 2546 dated 19 November 2003 (as amended) (“the Notification on Connected Transaction”) with maximum transaction not over than 18,000,000 Baht based on an assumption that the maximum amount of loans is not over than 400 million Baht at the rate of 4.50% with duration of 1 year since the transaction was Short-term loans for working capital. The connected transaction therefore is not over than 20 million Baht (since the Company reported negative net tangible assets according to the consolidated financial statement of the Company for 9-months period ended 30 September 2020, it is unable to calculate transaction size in percentage of net tangible assets).

The Company is only responsible for disclosing the information on entering into the transaction to SET. However, in order to comply with good corporate governance practice, the Board of Directors has passed a resolution to propose an agenda to the Extraordinary General Meeting of shareholders for approval, to appoint the independent financial advisor to provide their opinion on entering into the transaction, and to arrange a shareholders’ meeting to approve entering into the transaction. The Transaction must receive approval from the shareholders meeting with votes of not less than three-fourth of total number of the shareholders attending the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter.

In this regard, the Company has appointed Silom Advisory Co., Ltd (“IFA” or “the Advisor”) as the independent financial advisor to provide their opinion on entering into the transactions as information for shareholders for consideration.

3.2 Transaction Date

The Company will enter into the disposition of assets after receiving approval from the Extraordinary General Meeting of shareholders which will be held on 18 March 2021. The Company will sign an agreement for the promise to sell the assets with a condition to leaseback the office building with Romreun Land Co., Ltd within March 2021 and will transfer ownership of the assets to Romreun Land Co., Ltd within April 2021 after receiving approval from the Extraordinary General Meeting of Shareholders No. 1/2021, which is scheduled to be held on 18 March 2021.

As for the financial support provided from the connected person, the Company will borrow as needed.

3.3 Relevant Parties and Relationships

Seller : Bangkok Post Public Company Limited
Buyer : Romruean Land Co., Ltd ("Romruean Land ")
Relationship : The Company and Romruean Land share the same directors and shareholders as follows;

Connected Person	POST	Romruean Land
Mr. Suthikiati Chirathivat	Director Chairman Chairman of the Executive Committee Major shareholders 24.22%	Director Major shareholders % 75.00
Mr. Thirakiati Chirathivat	Director Shareholder 2.63%	Director Shareholder 5.00%

3.4 Transaction Size Calculation

3.4.1 Disposition of Assets

Transaction size of the disposition of assets regarding the Notification on Asset Acquisition or Disposal the Company were calculated using the consolidated financial statement for 9 - months period ended 30 September 2020. Details of the calculation of net tangible assets are as follows;

Accounting Item	Amount (million Baht)
Total assets	2,088.52
(Deduct) Intangible assets	34.20
(Deduct) Goodwill	32.17
(Deduct) Deferred tax assets	234.64
(Deduct) Total liabilities	2,050.25
(Deduct) Non-controlling interests	(9.50)
net tangible assets	(253.24)

Ref: Consolidated financial statement of the Company (reviewed) for 9-months period ended on 30 September 2020

Calculation of transaction size was done according to the Notification on Asset Acquisition or Disposal by referring to the information from the reviewed financial statements for the period ended 30 September 2020. Details of the transaction Size according to the Notification on Asset Acquisition or Disposal are as follows;

Approach	Calculation	Result
Book value of net tangible asset	$\frac{\text{share proportion} \times \text{NTA of investment in the Company} \times 100}{\text{NTA of the Company}}$	Cannot calculate as the Company has negative NTA
Net Operation Profit	$\frac{\text{share proportion} \times \text{Net profit of investment} \times 100}{\text{Net profit of the Company}}$	Cannot calculate as the transaction is acquisition/disposition of assets not a business or common share of company
Total value of consideration	$\frac{\text{Value of assets}^* \times 100}{\text{Total asset of the Company (Consolidated)}}$	1,533.22 / 2,088.52 = 73.41%
Equity Shares Issued	$\frac{\text{shares issued for payment of assets} \times 100}{\text{Paid-up shares of the Company}}$	Cannot calculate as the Company does not issue shares

Note: Book Value of the assets to be disposed reported in the consolidated financial statement for 9-months period ended 30 September 2020

According to the transaction size calculation, the Company did not have any disposition of assets during the last 6 months prior the date which the Board of Directors' meeting of the Company passed a resolution to enter into the transaction. Transaction size based on the total value of consideration approach shows the highest value equivalent to 73.41%. Thus, the transaction is considered as Type I assets disposition according to the Notification on Asset Acquisition or Disposal which requires approval from the shareholders meeting with votes of not less than three-fourth of total number of the shareholders attending the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter.

3.4.2 Acquisition of Assets

Calculation of transaction size of the leaseback of Office Building (Klong Toei) was done according to the Notification on Asset Acquisition or Disposal by referring to the information from the reviewed financial statements for the period ended 30 September 2020. Details of the transaction Size according to the Notification on Asset Acquisition or Disposal are as follows;

Approach	Calculation	Result
Book value of net tangible asset	$\frac{\text{share proportion} \times \text{NTA of investment in the Company} \times 100}{\text{NTA of the Company}}$	Cannot calculate as the Company has negative NTA
Net Operation Profit	$\frac{\text{share proportion} \times \text{Net profit of investment} \times 100}{\text{Net profit of the Company}}$	Cannot calculate as the transaction is acquisition/disposition of assets not business or common shares

Approach	Calculation	Result
Total value of consideration	$\frac{\text{Value of assets}^* \times 100}{\text{Total asset of the Company (Consolidated)}}$	129.60 / 2,088.52 = 6.21%
Equity Shares Issued	$\frac{\text{shares issued for payment of assets} \times 100}{\text{Paid-up shares of the Company}}$	Cannot calculate as the Company does not issue shares

According to the transaction size calculation, the Company did not have any acquisition of assets during the last 6 months prior the date which the Board of Directors' meeting of the Company passed a resolution to enter into the transaction. Transaction size based on the total value of consideration approach shows the highest value equivalent to 6.21% which is less than 15%. The transaction therefore is within authorization of the Board of Directors. The Company does not have to report and disclose the information to the Stock Exchange of Thailand. However, in order to comply with good corporate governance practice, the Board of Directors had a resolution to propose an agenda to the Extraordinary General Meeting of shareholders for approval. The Transaction must receive approval from the shareholders meeting with votes of not less than three-fourth of total number of the shareholders attending the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter.

3.4.3 Connected Transactions

Calculation of transaction size of the connected transactions was done according to the Notification on Asset Acquisition or Disposal by referring to the information from the reviewed financial statements for the period ended 30 September 2020. Details of the transaction Size according to the Notification on Asset Acquisition or Disposal are as follows;

1. Disposition of Printing and Distribution Center (Bangna) and Office Building (Klong Toei)

The Company will sell the Printing and Distribution Center (Bangna) and the Office Building (Klong Toei) to Romruen Land at the price of 344.03 million Baht and 882.18 million Baht respectively, totaling 1,226.21 million Baht.

The transactions are deemed as a connected transaction with transaction size over than 20 million Baht (since the Company reported negative net tangible assets according to the consolidated financial statement of the Company for 9-months period ended 30 September 2020, it is unable to calculate transaction size in percentage of net tangible assets). Therefore, the Company is responsible for disclosing the information on entering into the transaction to SET immediately, to appoint the independent financial advisor to provide their opinion on entering into the transaction, and to arrange a shareholders' meeting to approve the Transaction. The Transaction must receive approval from the shareholders meeting with votes of not less than three-fourth of total number of the shareholders attending the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter.

2. Leaseback of the Office Building (Klong Toei)

According to the term of reference of the auction, after sales and ownership transfer of the Office Building (Klong Toei) to Romruen Land which is the winning bidder the, Company will rent-back office space in the Office Building (Klong Toei) for total area not over than 9,000 sq. m. with 180 parking space units (Parking building 1the – 4the floor) for a period of 3 years at the rate of 400 Baht/sq. m./ month for rent and service. Total charge for the 3-years rent is equal to 129.60 million Baht.

The transactions are deemed as a connected transaction with transaction size over than 20 million Baht (since the Company reported negative net tangible assets according to the consolidated financial statement of the Company for 9 -months period ended 30 September 2020, it is unable to calculate transaction size in percentage of net tangible assets). Therefore, the Company is responsible for disclosing the information on entering into the transaction to SET immediately, to appoint the independent financial advisor to provide their opinion on entering into the transaction, and to arrange a shareholders' meeting to approve the Transaction. The Transaction must receive approval from the shareholders meeting with votes of not less than three-fourth of total number of the shareholders attending the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter.

3. Receiving Financial Support from the Connected Person

The Company and subsidiaries have received financial support received from the Connected Person; Mr. Suthikiati Chirathivat totaling 265 million Baht as of 30 September 2020. The Board of Directors' meeting No. 4/2020 held on 14 October 2020 has passed a resolution to approve the Company to receive additional financial support totaling not over than 400 million Baht. The loan is a call loan without collateral with a fixed interest of 4.875% per annum based on minimum loan rate (MLR) - % 1.00 of Bangkok Bank Public Company Limited on 1 April 2020. The rate has been decreased to 4.50% based on MLR - 1.375% from 1 December 2020 onward.

The transactions are deemed as a connected transaction; financial support, according to the Notification on Connected Transaction with maximum transaction not over than 18,000,000 Baht based on an assumption that the maximum amount of loans is not over than 400 million Baht at the rate of 4.50% with duration of 1 year since the transaction was short-term loans for working capital. The connected transaction therefore is not over than 20 million Baht (since the Company reported negative net tangible assets according to the consolidated financial statement of the Company for 9 -months period ended 30 September 2020, it is unable to calculate transaction size in percentage of net tangible assets). The Company is only responsible for disclosing the information on entering into the transaction to SET. However, in order to comply with good corporate governance practice, the Bord of Directors has passed a resolution to propose an agenda to the Extraordinary General Meeting of shareholders for approval, to appoint the independent financial advisor to provide their opinion on entering into the transaction, and to arrange a shareholders' meeting to approve entering into the transaction. The Transaction must receive approval from the shareholders meeting with votes of not less than three-fourth of total number of the shareholders attending the meeting and having voting rights, excluding the votes of shareholders having an interest in the matter.

3.5 Details of Assets

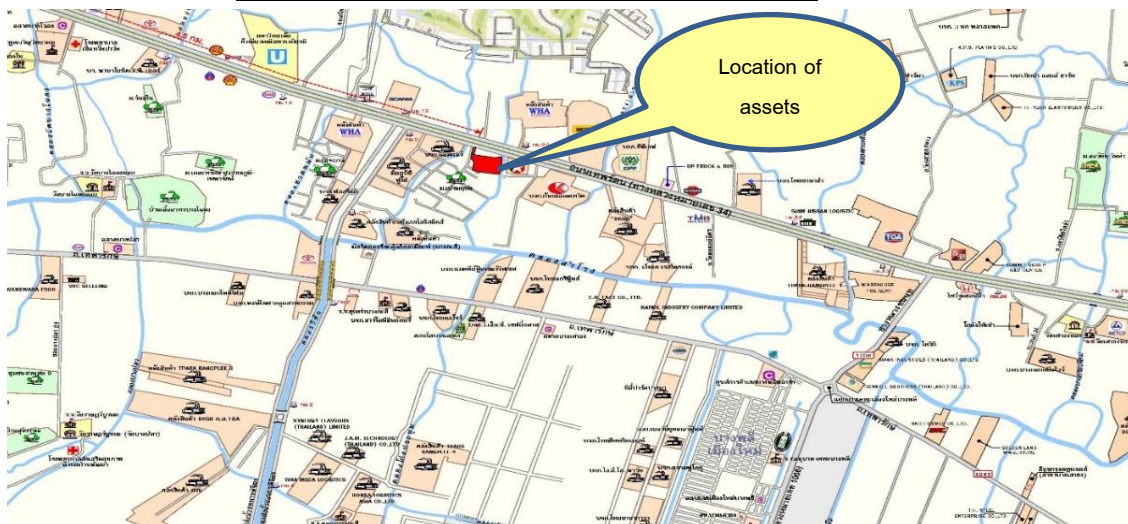
1. **Printing and Distribution Center (Bangna)** consists of land, buildings and machinery as follows;

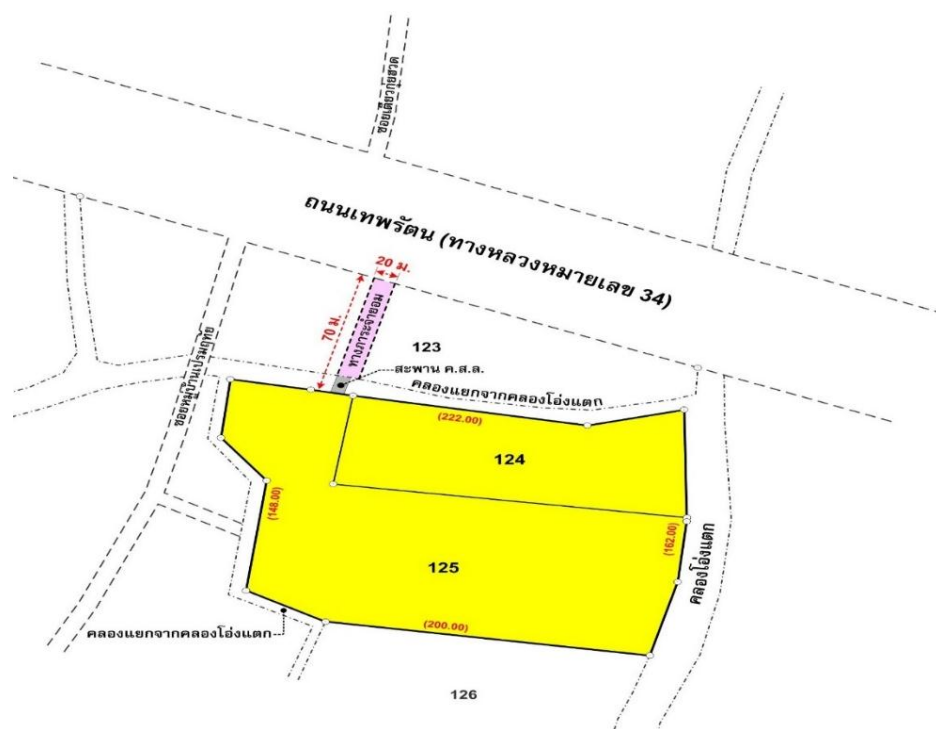
1.1 Land comprises of 2 connected plots of land, total area 19 rai 1 ngan 40.0 Sq. wa or 7,740.0 Sq. wa. The plots have polygonal shape and have been leveling up. Front side faces to the north is 220.00m wider adjacent to Ong Tak canal. East side of the plots is 162.00m wide adjacent to Ong Tak canal. The land has building address 999 Moo 9 separate from Thepparat Road (highway number 34) at kilometer of 19+700 (inbound) head south around 70 meter in Kwang Ban Chalong, Khet Bang Pli, Samutprakan. The location is 5km from Suvarnabhumi Airport and 75km from Laem Chabang Port. Bangkok Post Public Company Limited holds ownership of the land with a mortgage obligation with a financial institution. The land is currently a location for the Printing plant and Distribution Center of the Company. Details of the assets are as follows;

No.	Deed No.	Land No.	Survey page	Land Area		
				rai	nagn	Sq. wa
1	11714	125	1591	13	1	40.00
2	87094	124	11051	6	0	0.00
Total area				19	1	40.00

The Company has ceased to use the Printing and Distribution Center (Bangna). However, the plots of land are on mortgage with a financial institute which the Company has signed an agreement to postpone repayment on a condition that the Company will sell the assets by June 2021 and repay the loan.

Location of Printing and Distribution Center (Bangna)





1.2 Buildings located at 999 Moo 9 separate from Thepparat Road (highway number 34) at kilometer of 19+700 (inbound) head south around 70 meter in Kwang Ban Chalong, Khet Bang Pli, Samutprakan. The location is 5km from Suvarnabhumi Airport and 75km from Laem Chabang Port. The buildings comprise of 5 main buildings and other buildings with average usable life of 14 years. The buildings' maintenance condition is moderate, and is currently a location for the Printing plant and Distribution Center of the Company. Details of the assets are as follows;

No.	Details	Usable area (sq.m.)
1	Printing house and office	6,347.00
2	Warehouse and office	1,224.00
3	Distribution center	160.00
4	Chemical storage	30.00
5	Electrical substation building	7.00

Note: Other buildings includes guardhouse, parking space, access road, fences which are located on land plot deed No. 687. Knight Frank Chartered (Thailand) Co., Ltd did not appraise those assets as the land is owned by Bang Chalong Nai Temple. The buildings are built on servitude for access and utilities for the appraised assets.



Figure 1 Printing house and office



Figure 2 Warehouse and office



Figure 3 Distribution center



Figure 4 Chemical storage



Figure 5 buildings Electrical substation building

Ref: Appraisal Report by Knight Frank Chartered (Thailand) Co., Ltd

1.3 Printing machines and equipment for print media production. All machinery is not registered and cannot be used as collateral assets. The machinery; 7 machines in total, comprise of 5 machines for newspaper production totaling 11 sets, 2 machines for production supports totaling 9 sets. Most of machines have been used since 2005 with an average service life of 3-15 years; most are manufactured and imported from Germany, and some from United States of American, Japan, and Thailand. Since 31 August 2019, the Company has discontinued its print media production at Printing and Distribution Center (Bangna) and outsourced the process to another publisher since 1 September 2020 onward. Details of the assets are as follows;

No.	Details	No. of machines
Section 1	Machines for newspaper production	
1	Newspaper Press Printing Machine	1
2	Mail Room System (2007)	4
3	Mail Room System (2014)	1
4	Machine for Plate Maker	4
5	Stitching Machine	1
	Total Machines for newspaper production	11
Section 2	Machines for production support	
6	Machines for Lifting & Transportation	
	6.1 Overhead Travelling Crane 25 ton	1
	6.2 Overhead Travelling Crane 3.2 ton	1
	6.3 Stacker	1
	6.4 Cargo Lift	1
7	Air Compressor System	5
	Total Machines for production support	9
	Total	20

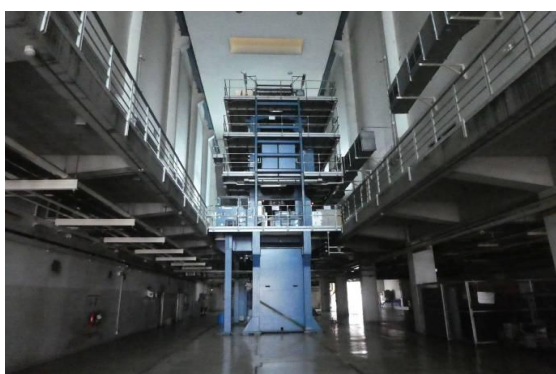


Figure 1 Newspaper Press Printing Machine



Figure 2 Mail Room System



Figure 3 Mail Room System



Figure 4 Machine for Plate Maker



Figure 5 Stitching Machine

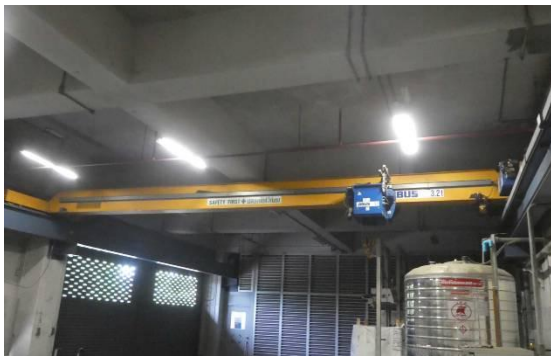


Figure 6 Machines for Lifting & Transportation



Figure 7 Air Compressor System

2. Office Building (Klong Toei) consists of land buildings as follows;

2.1 Land comprises of 2 connected plots of land, total area 7 rai 64.0 Sq. wa or 2,864.0 Sq. wa. The plots are similar to rectangular shape and have been leveling up to street level. The plots are 76m wide on Na Ranong Road side. The land is freehold and owned by Bangkok Post Public Company Limited. On 27 September 2017, the Company signed an agreement with a financial institute to promise that it will not sell the assets or place the assets as collateral without a written consent of the financial institute. On 25 December 2020, the Company signed an agreement to postpone repayment on a condition that the Company will sell the assets by June 2021 and repay the loan.

The plots of land are currently a location of the office buildings. Details of the assets are as follows;

No.	Deed No.	Land No.	Survey page	Land Area		
				rai	ngan	Sq. wa
1	5729	4203	466	6	0	64.00
2	6216	4204	548	1	0	00.00
Total area				7	0	64.00

Location of Office Building (Klong Toei)

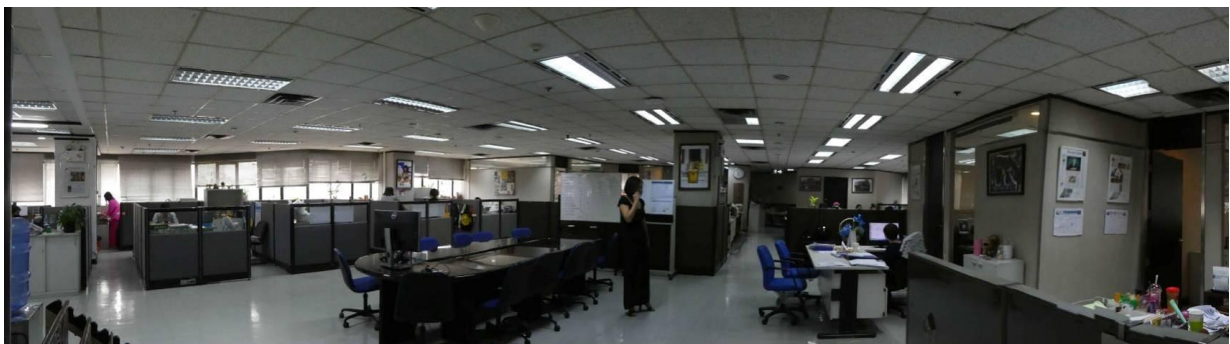


2.2 Office buildings located on 136 Na Ranong Road, Klong Toei, Bangkok. The buildings comprise of 4 main buildings and other buildings with average usable life of 27 years; total usable area of 35,483 sq.m. The buildings are utilized as offices, canteen, meeting rooms, fitness, studios, storage area and parking space. Maintenance condition of the buildings is moderate. Other buildings include guardhouse, access road, concrete ground, fences and wrought iron gate. The assets are freehold, however on 27 September 2017, the Company signed an agreement with a financial institute to promise that it will not sell the assets or place the assets as collateral without a written consent of the financial institute. Details of the assets are as follows;

No.	Details	Usable area (sq.m.)
1	Office building	9,000.00
2	Service building	3,075.00
3	Press Building	11,696.00
4	Parking Building	11,712.00
	Total	35,483



Office building





Overview of the Office Building

Ref: Appraisal Report by Knight Frank Chartered (Thailand) Co., Ltd

3.5.1 Assets to be Acquired

If the Company enters into the disposition of assets of the Office Building (Klong Toei), the Company will have to leaseback the Office Building (Klong Toei) from the winning bidder. Total usable area of the Office Building (Klong Toei) is 35,483 sq. m. including (1) Office building 9,000 sq. m. (2) Service building 3,075 sq. m. (3) Press building 11,696 sq. m. and (4) Parking building 11,712 sq. m. Total usable area of the assets is more than the Company needs, therefore the Company estimated office space to be rent will not over than 9,000 sq. m. for a period of 3 years at the rate of 400 Baht/sq. m./ month for rent and service.

3.5.2 Receiving Financial Support from the Connected Person

The annual general meeting of shareholders 2020 passed a resolution to approve the Company to receive the financial support from Mr. Suthikiati Chirathivat in the amount not over than 250 million Baht. However, due to economic slowdown from COVID-19, during the 9-months period of 2020 the Company had to borrow additional loan from the connected person for working capital. As a result, as of 30 September 2020 the Company and subsidiaries had borrowed from Mr. Suthikiati Chirathivat 265 million Baht in total. The Board of Directors' meeting No. 4/2020 held on 14 October 2020 therefore resolved to receive additional financial support from Mr. Suthikiati Chirathivat amounting to 135 million Baht; or 400 million Baht in total. The loan a call loan without collateral with a fixed interest of 4.875% per annum based on minimum loan rate (MLR) - 1.00% of Bangkok Bank Public Company Limited on 1 April 2020. The rate has been decreased to 4.50% based on MLR - 1.375% from 1 December 2020 onward.

Details of financial support received by the Company and subsidiaries are as follows;

Company	Transaction	Date	Amount (million Baht)	Interest rate* (%)
Bangkok Post Public Company Limited	1	1 April 2020	146	4.875
	2	5 May 2020	11	4.875
	3	28 May 2020	15	4.875
	4	30 June 2020	40	4.875
	5	30 July 2020	13	4.875
	6	28 August 2020	10	4.875
	7	24 September 2020	15	4.875
		Total	250	
Post International Media Co., Ltd	1	1 April 2020	15	4.875
		Grand total	265	

*Interest rate was 4.875% per annum (From MLR of Bangkok Bank Public Company Limited; which was 5.25%, deducted with 0.375%)

**Since 1 December 2020, the interest rate was reduced to 4.50% per annum (From MLR of Bangkok Bank Public Company Limited; which was 5.875%, deducted with 1.375%)

3.6 Total Value of Consideration and Conditions

The Company specified the minimum price for the auction to be equivalent to 90% of average appraised value by two SEC certified appraisers; Knight Frank Chartered (Thailand) Co., Ltd and 15 Business Advisory Co., Ltd. The minimum price was 1,226.21 million Baht. The Board of Directors considered that by using the latest average appraised value of the assets as a reference, not only the selling price would be updated but the discount price would also persuade potential investors to join the bidding process.

No	Details	Book Value (million Baht)	Appraised Value (million Baht)			Min. Price (million Baht)
			KF ¹	15BA ²	Average	
1	Printing and Distribution Center (Bangna)					
	Land	261.20	261.20	261.20		
	Buildings	96.41	83.70	-		
	Printing machines and equipment	11.27	92.60	66.00		
	Total	368.88	437.50	327.00	382.25	344.03
2	Office Building (Klong Toei)					
	Land	859.20	859.20	859.00		
	Office buildings	305.14	242.20	-		
	Total	1,164.34	1,101.40	859.00	980.20	882.18
	Grand total	1,533.22	1,538.90	1,186.00	1,362.45	1,226.21

Note: ¹Fair value appraised by KF on 4 and 5 August 2020

² Fair value appraised by 15BA on 31 October 2020

³ Minimum prices specified by the Company using 90% of the average appraised value of the assets

As for the rental rate, the Company considered appropriate rate appraised by the independent appraisers. The appraisers compared rental rate of nearby comparable office buildings with the assets and adjusted the rental rate to reflect difference factors such as location, usage life, usable area etc.

As for the financial support, the Company used MLR as of 31 December 2020, - 1.375%, of Bangkok Bank Public Company Limited.

Section 4: Reasonableness of the Transactions

4.1 Objectives and Necessity of the Transaction

4.1.1 Necessity of the Transaction

Bangkok Post Public Company Limited was founded on 17 June 2489 under the name Post Publishing Co., Ltd to publish the first English daily newspaper of Thailand named "Bangkok Post". The Company became a listed company in 1984. The Company operates the business with a vision to be the leader of the media industry in Thailand and nearby regions by delivering accurate, fast and consistent news up to date. The Company had published several media covering various genre such as business news and life style in Thai and English, such as Bangkok Post newspaper, Post Today newspaper, Student Weekly newspaper, ELLE magazines, Forbes, Science Illustrated magazines. The Company also published many international bestsellers books in Thai edition, as well as books written by journalists and columnists of the Company and renowned Thai authors. The Company invested in new printing technology to increase production speed and efficiency and reduce cost. The Company also expanded the business from print media to online media, including TV and radio program production business through the investment in subsidiaries.

However, technology advancement creates new communication channel including high-speed internet, smartphone, especially social media, causing consumer behavior to rapidly change leading to media disruption. Consumers spend less time with traditional media and pay more attention to online media. As a result, offline medias, especially print media, are greatly affected. Numbers of magazines and newspapers sold in many countries including Thailand has been in decline trend for the past 10 years. Many newspapers and magazines had been discontinued.

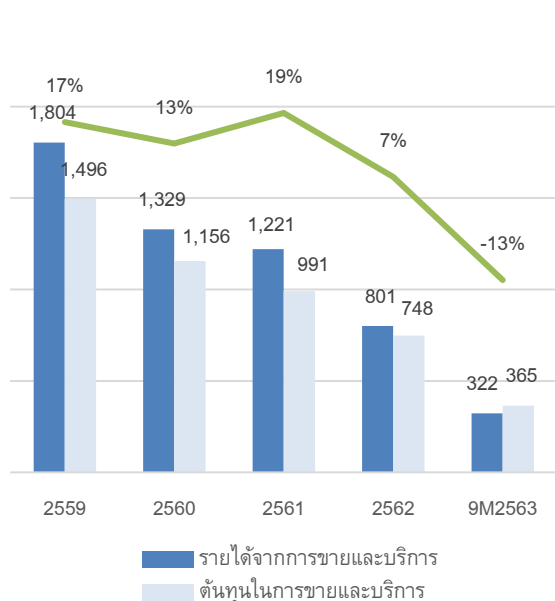
The Company is inevitably affected by the disruption and had to stop its production of many newspapers and magazines. Even though the Company has changed its business model to cope with changing competitive climate, by increasing channels for online media to reach new readers, and investment in TV program production business. The Company also discontinued newspapers and magazines which were unprofitable, and stopped the production of print media and outsource the process, to reduce cost and organization size. However, the Company's performance remains in decline trend. Since 2014, the Company continuously has net loss, leading to lack of liquidity. Thus, the Company had to borrow from financial institutes and the director for working capital.

To solve the problems, the Company have to dispose the assets due to the following necessities;

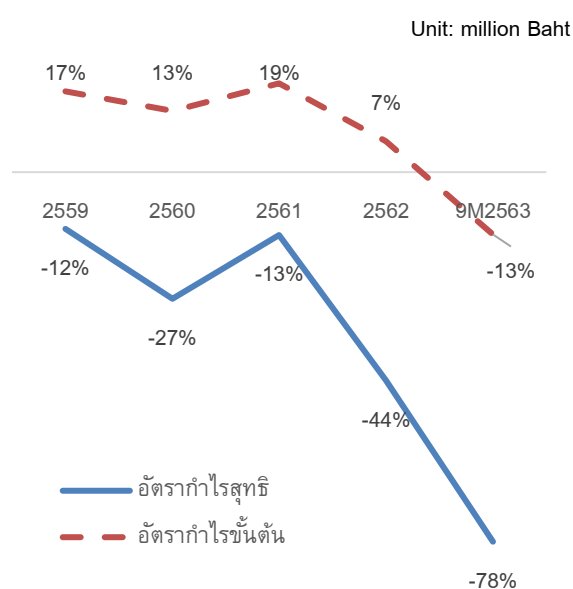
Operating performance

Revenue from sales and services are likely to continue to decline. In 2016 - 2019 revenue from sales and services decreased from 1,804 million Baht to 801 million Baht, representing an average decrease of 23% per year due to a decrease in revenue from sales of newspaper and magazines and revenue from advertisement. In 9M/2020 the Company had revenue from sales and services 322 million Baht, a 46% decrease from the same period in 2019.

The decline in operating income was partly due to the change in business structure in 2019, where the Company discontinued its printing and Selling newspapers and magazines that are not profitable, many substances issue and reduce expenses by stop its production at of Bangkok Post newspaper at Printing and Distribution Center (Bangna) in order to outsource the process. The Company also downsized the organization and reduce expenses. However, the Company still has fixed cost and expenses from employee compensation and provision for employee benefits, and other additional accounting expenses such as impairment of goodwill, and machines, including increasing interest expenses, from an increase in interest rates and increasing loans from the director. As a result, the Company's gross profit ratio and net profit ratio have been decreased significantly. In 9M/2020, the Company had a negative gross profit ratio of -13% and negative net profit ratio of -78%.



Revenue from operations and gross profit margin



Gross profit margin and net profit margin

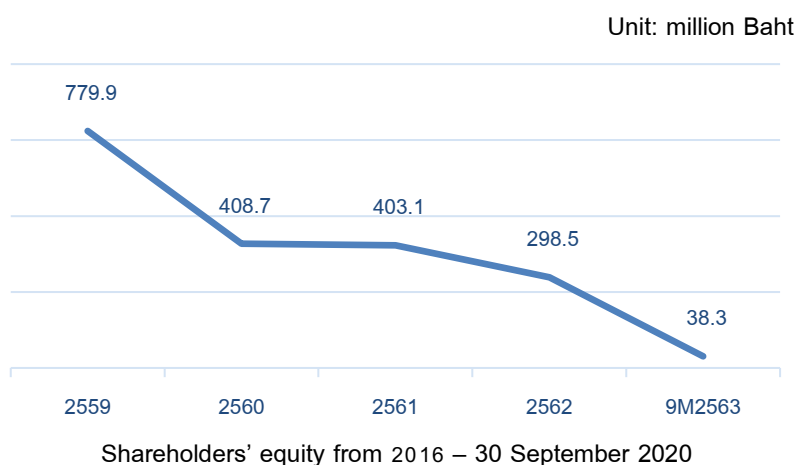
Liquidity

As a result of its net loss from operations, the Company suffered from lack of liquidity and lower debt servicing capability. As the debt-to-equity ratio has increased, the Company needs to borrow from its director for working capital. The amount of loans from the director at the end of 2019 and 30 September 2020 equal to 161 million Baht and 265 million Baht respectively.

Financial ratio	2016	2017	2018	2019	9 months 2020
Current ratio	0.56	0.49	0.45	0.25	0.08
Quick ratio	0.52	0.33	0.30	0.16	0.07
DE ratio	1.25	3.00	3.24	4.86	39.92

Shareholders' equity and qualifications to maintain the listing status

Currently, the Company has paid-up capital of 500 million Baht. However, due to the Company's increasing accumulated losses, the shareholders' equity has decreased continuously. On 15 May 2020, the Stock Exchange of Thailand has posted a C (Caution) symbol on the listed securities of the Company, to notice investors of events that may affect their financial position and business, as the Company's Shareholders' equity was equal to 202.28 million Baht, which is lower than 50% of the paid-up capital, according to reviewed financial statements for the three-month period ended 31 March 2020. The Company held a meeting to propose solutions and report its performance to investors. The Company planned to solve the problem by adjusting its strategies and business model, by increasing digital media channels and generating income from new and existing products. The disposition of assets including Printing and Distribution Center (Bangna) and Office Building (Klong Toei) is a part of the restructuring plan, to convert unuse assets into cash for loan repayment and reduce the Company's debt and interest burden



4.1.2 Objective of the Transaction

4.2 Advantages and Disadvantages of the Disposition of Assets

4.2.1 Advantages of Entering into the Transaction

1. The Company will receive cash from the disposition of assets to increase financial liquidity and ability to repay

As of 30 September 2020, the Company and subsidiaries had borrowed from financial institutes and the connected person as follows;

Loans taken by the Company and subsidiaries (Million Baht)	Financial Statement as of 30 September, 2020	
	Consolidated	separated
Bank overdrafts and short-term loans	983.23	933.63
Long-term loans due within one year	144.00	144.00
Short-term loans from connected person	265.00	250.00
Long-term loans from financial institutes	129.47	129.47
Total loans from financial institutes and connected person	1,521.70	1,457.10

As the Company experienced net operating loss, especially in 2020 which the Company's revenue from operation was heavily affected by COVID-19, the Company has been low on working capital and needed to acquire more fund. During January - September 2020, the Company and subsidiaries has borrowed from the connected person 104 million Baht in total, in addition to the loans taken in 2019 from the connected person amounting to 161 million Baht. As a result, as of 30 September 2020 the Company and subsidiaries had received financial support from the connected person 265 million Baht in total.

Increasing debt caused the Company's debt to equity ratio to increase from 4.86 at the end of 2019 to 39.92 as of 30 September 2020. On the other hand, the Company has become low on financial liquidity; on 30 September 2020 current ratio was reduced to 0.08, which affected the Company's operation and ability to repay debt of the Company. During the 2nd quarter of 2020, the Company negotiated with the financial institute for loan waiver to temporary stop repayment between June - December 2020. The Company received another loan waiver in December 2020, with a condition that the Company have to proceed the disposition of assets and to repay the debts starting from March 2021 onward. All loans from the financial institute must be repaid within 2022.

By selling the Printing and Distribution Center (Bangna) and the Office Building (Klong Toei) at 1,226.21 million Baht, excluding VAT, Fees, Revenue Stamp and other expenses, the Company will gain cash which will increase liquidity so it will be able to repay loans and gain more working capital. The Company expected to transfer ownership and receive payment for the assets within April 2021.

2. The Company can reduce expense from the assets and interest expense

The assets to be disposed are fixed assets which burdened the Company with maintenance cost and depreciation expense decreasing future value of the assets. By selling the assets, the Company will have less expenses.

Moreover, after the Company receives payment from the disposition of assets and repays its debt, it will have less interest expense. The Company currently has interest expense of 6.97 million Baht per month, according to the consolidated financial statement for 9-months period ended 30 September 2020.

3. The Company is still able to rent the Office Building (Klong Toei)

After entering into the transaction, though the Company will have lost ownership in the assets, it is still able to rent-back office space in the Office Building (Klong Toei) because the condition of the auction stipulating that the winning bidder must allow the Company to rent-back the Office Building (Klong Toei). The Company expected that total space to be rent will not over than 9,000 sq. m. with 180 parking space units at the rate of 400 Baht/ sq.m./month for a period of 3 years. Therefore, the Company does not have to relocate the head office and can avoid expenses relating to relocation.

4.2.2 Disadvantages of Entering into the Transaction

1. The Company will lose ownership in the assets

By entering into the disposition of assets, ownership in the assets will be transferred to the winning bidder. Thus, the Company will lose ownership in the assets and lose an opportunity to gain benefit from the assets in a long run, including a chance to benefit if the price of the assets rises in the future.

2. The offering price is lower than book value, and the Company will have to record a loss from selling the assets

By entering into the disposition of assets at the price of 1,226.21 million Baht which is the minimum selling price specified for the auction, equaling to 90% of the average appraised value determined by two independent appraisers; KF and 15BA. The offering price is also lower than book value of the assets reported in the financial statements on 30 September 2020, which book value of the Printing and Distribution Center (Bangna) and the Office Building (Klong Toei) equal to 1,533.22 million Baht. If the shareholders' meeting approves the Company to enter into the transaction, the Company expects to transfer ownership in the assets to the buyer and to receive payment within April 2021. With that the Company will have to record a loss from selling the assets approximately 280.50 million Baht in the statement of comprehensive income. The loss is calculated from a difference between the selling price and the book value of the assets on transaction date. Thus, the Company may have net loss in 2021.

According to the reviewed financial statements for 9-months ended on 30 September 2020, the Company's shareholders' equity reported in the Consolidated financial statement equals 38.27 million Baht. By recording a loss from selling the assets, the Company may have net loss in 2021, and reported negative shareholders' equity in the consolidated financial statement for a year ended 31 December 2021. The negative shareholders' equity is a major ground of possible delisting according to the notification of the Stock Exchange of Thailand The Delisting of Securities B.E. 2542 (1999).

3. Shareholders' equity may become negative and could be considered as a major ground for delisting

By entering into the disposition of assets at the price of 1,226.21 million Baht which is the minimum selling price specified for the auction, equaling to 90% of the average appraised value determined by two independent appraisers; KF and 15BA. The offering price is also lower than book value of the assets reported in the financial statements on 30 September 2020, which book value of the Printing and Distribution Center (Bangna) and the Office Building (Klong Toei) equal to 1,533.22 million Baht. If the shareholders' meeting approves the Company to enter into the transaction, the Company expects to transfer ownership in the assets to the buyer and to receive

payment within April 2021. With that the Company will have to record a loss from selling the assets approximately 280.50 million Baht in the statement of comprehensive income. The loss is calculated from a difference between the selling price and the book value of the assets on transaction date. Thus, the Company may have net loss in 2021.

As previously mentioned, the disposition of assets will cause the Company to record a loss from selling the assets approximately 280.50 million Baht, and the Company may have net loss for the year 2021. Moreover, according the financial statements on 30 September 2020, the Company's shareholders' equity was 38.27 million Baht. Therefore, the loss from asset sales may cause the Company to have net loss and shareholders' equity to become negative which is considered as a major ground for delisting according to the notification of the Stock Exchange of Thailand The Delisting of Securities B.E. 2542 (1999).

4. The Company is responsible for the expenses and tax relating to asset sales

The Company expects to transfer ownership in the assets to the buyer and to receive payment within April 2021. The disposition of assets will cause the Company to be responsible to transfer expenses totaling 34.02 million Baht approximately, as follows;

Expenses (The Company's portion)	Rate of fee *	Amount (million Baht)
Transfer fee	% 1.00 of Selling Price	15.12
Corporate Tax	% 1.00 of selling price	15.12
Revenue Stamp	% 0.25 of selling price	3.78
Total		34.02

Note: Calculated proportionally with the selling price or appraised value which ever value is higher.

4.2.3 Advantages of Not Entering into the Transaction

1 The Company maintains ownerships of the assets

If the Company does not enter into the disposition of assets, it will not lose ownership of the assets and will be able to gain benefit in a long run. The Company will also have a chance to benefit from increasing price of the assets in the future.

2 The Company will not have pay for the expenses and tax relating to asset sales

If the Company does not enter into the disposition of assets, it will not have to pay for the expenses and tax incurred from asset sales which are approximately 34.02 million Baht in total.

4.2.4 Disadvantages of Not Entering into the Transaction

1 The Company will have to seek for another source of fund causing more financial cost

If the Company does not enter into the disposition of assets, it will lose a chance to gain cash for debt repayment and for working capital. The Company will have to seek for another source of fund which will cause more financial cost.

2 Uncertainty in asset sale in the future

If the Company does not enter into the disposition of assets, there will be uncertainty if it wants to sell the assets in the future. The Company may not be able to sell the assets promptly to meet its need of cash for debt repayment or for its working capital. Moreover, the conditions of sale may be changed depending on circumstances.

4.2.5 Advantages of Entering into the Transaction with the connected person

Ease of negotiation

Negotiation on the rent-back agreement between the Company and Romruen Land which is the winning bidder and the connected person can possibly be done with ease and promptly, especially during economic slowdown due to COVID-19. As it is unlikely to persuade investors to submit a bid for the assets of the Company.

4.2.6 Disadvantages of Entering into the Transaction with the connected person

The Company will have to comply with the Notification on Connected Transaction

As the Company had arranged an envelope auction to sell both assets in 2020 according to the resolution the shareholders' meeting. The auction had been opened for general public except connected persons of the Company. However, the auction was unsuccessful as some bidders submitted the bids for some component of the assets and the offering prices were much lower than the price approved by the shareholders' meeting.

Therefore, to proceed the transaction, the Company arranged another envelop auction equally allowing both general public and connected persons to submit a bid. However, due to the economic circumstance, no investor, except Romruen Land, submitted a bid at the price stipulated by the Company. Because the connected person of the Company has submitted a bid, the Company is able to proceed the transaction to convert its assets into cash for debt repayment and its working capital.

However, by entering into the transaction with the connected person, the Company has to abide by the Notification on Connected Transaction. Thus, the Company had to disclose the information on entering into the transaction to SET, appointed the independent financial advisor to provide their opinion on entering into the transaction, and arranged a shareholders' meeting to approve the transaction. In this regard, the Company must receive approval from the shareholders' meeting with votes of not less than three-fourth of total votes of

shareholder who attending the meeting and having voting right; excluding the stakeholders who have conflict of interest with the transaction.

4.3 Advantages and Disadvantages of the Acquisition of Assets

4.3.1 Advantages of Entering into the Transaction

1 The Company can continue to use the office buildings

By rent-back the Office Building (Klong Toei), the Company can continue to use the building as its head office. The Company does not have to relocate its office or move all office equipment out, and its business operation will not be interrupted for at least 3 years.

2 The Company can avoid relocation expense

By rent-back the Office Building (Klong Toei), the Company will not have to move out from the building and does not have to pay for office relocation which can be significant amount.

4.3.2 Disadvantages of Entering into the Transaction

The Company will have to pay rental fee for the office buildings

By rent-back the Office Building (Klong Toei), the Company will have to pay for office space not over than 9,000 sq. m. at the rate of not over than 400 Baht/ sq.m. /month for rent and service for a period of 3 years; or 129.60 million Baht in total.

4.3.3 Advantages of Entering into the Transaction with the connected person

Ease of negotiation

Negotiation on the rent-back agreement between the Company and Romruen Land which is the winning bidder and the connected person can possibly be done with ease and promptly, in accordance to the conditions specified in the auction's terms of reference.

4.3.4 Disadvantages of Entering into the Transaction with the connected person

The Company will have to comply with the Notification on Connected Transaction

The rent-back of the Office Building (Klong Toei) is a condition specified in the auction which the winning bidder; either a third-party or the connected person, must agree to allow the Company to rent-back office space in the Office Building (Klong Toei) not over than 9,000 sq. m. at the rate of not over than 400 Baht/ sq.m. /month for rent and service (180 units of parking space included) for a period of 3 years.

However, by entering into the transaction with the connected person, the Company has to abide by the Notification on Connected Transaction. Thus, the Company had to disclose the information on entering into the transaction to SET, appointed the independent financial advisor to provide their opinion on entering into the transaction, and arranged a shareholders' meeting to approve the transaction. In this regard, the Company must

receive approval from the shareholders' meeting with votes of not less than three-fourth of total votes of shareholder who attending the meeting and having voting right; excluding the stakeholders who have conflict of interest with the transaction.

4.4 Advantages and Disadvantages of Receiving Financial Support from the Connected Person

4.4.1 Advantages of Entering into the Transaction

1 The Company will have more financial liquidity to continue its business

The Company is presently facing business problems and low on financial liquidity. By entering into the transaction, the Company will have working capital to pay for its business operation such as operating expenses.

2 The Company will be able to maintain credibility

The Company is presently facing business problems and low on financial liquidity. By entering into the transaction, the Company will have working capital to pay for interest to financial institutes by due date. Thus, the Company will be able to maintain its credibility.

4.4.2 Disadvantages of Entering into the Transaction

1 The loan received must be repaid on demand

The financial support received by the Company is a short-term loan which must be repaid on demand with interest. The Company therefore has a risk that, in case the Company has to repay the loan, it may not have enough cash for the repayment.

2 The Company will have to comply with the Notification on Connected Transaction

The Company has to abide by the Notification on Connected Transaction. Thus, the Company had to disclose the information on entering into the transaction to SET, appointed the independent financial advisor to provide their opinion on entering into the transaction, and arranged a shareholders' meeting to approve the transaction. In this regard, the Company must receive approval from the shareholders' meeting with votes of not less than three-fourth of total votes of shareholder who attending the meeting and having voting right; excluding the stakeholders who have conflict of interest with the transaction.

4.5 Risks of entering into the transaction

The risk of possible delisting

By entering into the transaction, the Company will have to record a loss from asset disposition approximately 280.50 million Baht. The loss may cause the Company to report net loss for 2021. According to the reviewed financial statements for 9-months ended on 30 September 2020, the Company's shareholders' equity recorded in the consolidated financial statement was only 38.27 million Baht. Therefore, if it enters into the transaction and record the loss from asset disposition, the Company may have net loss in 2021 and its shareholders' equity

recorded in the audited consolidated financial statement for year ended 31 December 2021 may become negative; which is a major ground of possible delisting according to the notification of the Stock Exchange of Thailand The Delisting of Securities B.E. 2542 (1999).

In such case, the Company's securities listed in the Stock Exchange of Thailand will be suspended (SP symbol), then SET will announce a major ground for possible delisting and post symbol "NC" (Non-Compliance) on its securities within 7 days. The Company's securities will be suspended for a month and after it has disclosed business rehabilitation guidelines, the suspension will be revoked for one month which the Company's securities will be able to trade with cash balance account. After one month, its securities will be suspended until the Company is able to rehabilitate its business, the grounds for delisting have been eliminated and the Company meets all listing qualifications to resume trade.

However, though the Company does not enter into the disposition of assets, the risk that its shareholders' equity will become negative is still intact, according to the previous operating performance along with business forecast, the Company will experience net loss from existing business which will increase the amount of retained loss. In order to survive with sustainability, the Company must have a suitable strategic plan for long-term business operation to cope with the changes in media business.

Section 5: Valuation

The Advisor has assessed the fair value of assets under 2 approaches; 1. Book Value Approach and 2. Adjusted Book Value Approach. Details of each fair value valuation approach are as follows;

5.1 Book value approach

The fair value under book value approach was assessed using book value of the assets as of 30 September 2020 which the book value of both assets was 1,533.22 million Baht.

However, the Book Value Approach only reflects the book value of assets at a specific time period, without considering the capability to generate cash flows of the assets and future development. Thus, the Advisor opined that book value approach is not appropriate for assessing the fair value of the assets to be disposed.

5.2 Adjusted book value approach

The fair value under adjusted book value was assessed by adjusting book value of the assets to be disposed to reflect fair value of the assets. This approach can represent current value of the assets more precisely than book value approach. The Advisor has adjusted the value of assets using the market value appraised by Knight Frank Chartered (Thailand) Co., Ltd ("KF") and 15 Business Advisory Co., Ltd ("15BA") which are the independent appraisers certified by Valuer Association of Thailand and SEC. The independent appraisers assessed the asset value using 2 approaches.

1. Cost Approach: The assets were separated into land, buildings and machines—only for Bangna assets. The appraisers used market approach to determine market value of land, depreciated replacement cost to determined value of buildings, and replacement cost as new for machines.
2. Income Approach: The appraisers assumed that both assets will be offered for rent, and developed cash flows projection to estimate cash flows generated throughout the ownership period and discounted the future value with appropriate rate of return to assess present value of the assets.

The independent appraisers suggested the market value under cost approach as appropriated which the details of appraised value are as follows;

No.	Details	Book Value (million Baht)	Appraised value (million Baht)	
			KF ¹	15BA ²
1	Printing and Distribution Center (Bangna)			
	Land	261.20	261.20	261.20
	Buildings	96.41	83.70	-
	Printing machines and equipment	11.27	92.60	66.00
	Total	368.88	437.50	327.00

No.	Details	Book Value (million Baht)	Appraised value (million Baht)	
			KF ¹	15BA ²
2	Office Building (Klong Toei)			
	Land	859.20	859.20	859.00
	Office buildings	305.14	242.20	-
	Total	1,164.34	1,101.40	859.00
	Grand total	1,533.22	1,538.90	1,186.00

Note: /¹ Knight Frank Chartered (Thailand) Co., Ltd

/² 15 Business Advisory Co., Ltd

Details of adjusted book value of the assets are as follows;

Appraisers	Approach	Book Value (MB)	Appraised value (MB)	Difference (MB)
KF	Cost approach	1,533.22	1,538.90	5.68
15BA	Cost approach	1,533.22	1,186.00	(347.22)

The fair value of assets according to the adjusted book approach should be between the appraised value by the appraisers or between 1,186.00 million Baht and 1,538.90 million Baht.

The Advisor have an opinion that the fair value assessed by adjusted book value approach representing the appraised value by the appraisers is appropriate. The Advisor shared the same opinion with the appraisers that cost approach is the appropriate approach to determine the fair value of assets since the assets are not built to generate income and are designed and constructed for the Company's print media business. Thus, the asset value under cost approach is higher than income approach, reflecting that the utilization of assets in not the highest and best use of assets.

5.3 Summary of the Appraisal Reports

The Company has appointed the independent appraisers to appraise value of the assets to be disposed. The Company appointed (1) Knight Frank Chartered (Thailand) Co., Ltd which is the independent appraiser certified by Valuer Association of Thailand and SEC. The independent appraiser has prepared the appraisal report with public objective dated 4 August 2020 and 5 August 2020 (2) 15 Business Advisory Co., Ltd which is the independent appraiser certified by Valuer Association of Thailand and SEC. The independent appraiser has prepared the appraisal report with public objective dated 31 October 2020.

5.3.1 Appraisal of Assets by Knight Frank Chartered (Thailand) Co., Ltd (“KF”)

1. Printing and Distribution Center (Bangna)

KF used cost approach and chose market comparison approach to determine market value of land, depreciated replacement cost to determined value of buildings, and market data comparison and/or cost approach for machines. KF did not use income approach on the assets as the objective of appraisal was to determine the market value for the existing use and in-situ without consideration on the highest and best use of the assets.

1.1 Land: KF used cost method by using sale comparison approach and sale adjustment grid to appraise the market value. KF has carried out a survey on nearby location and compare assets similar to the appraised assets. Under this method, similar assets should have similar value. The appraiser considered factors affecting asset value such as location, transportation, size and shape of land plot, environment, utilities etc., then used an adjustment grid sale analysis and weight quality score to assess value of the assets.

Details of assets

Details	Comparable Land Plot			Assets
	1	6	7	
Location	Adjacent to Soi Premruthai. 400 meters away from Thep Ratana Road	Connected to Sao Thong Chorakhe Yai road and Soi Bunmanee	Connected to a public benefit road branched from Chonlaharn, Phichit canal road	Connected to personal road. 70 meters away from Thep Ratana Road
Land area (rai-ngan-sq. wa)	9-0-0.0 rai	35-0-0.0 rai	17-0-0.0 rai	19-1-40.0 rai
Land area (rai)	9.0000	35.0000	17.0000	19.3500
Shape of the plot	Rectangle-like shape	Rectangle-like shape	Polygonal shape	Polygonal shape
Width (meter)	80.00	110.00	216.00	8.00
Level	-2.00	-1.00	-1.00	0.00
Zone	Purple	Purple	Purple	Purple
Appropriate use of property	Industrial	Industrial	Industrial	Industrial
Offering price (Baht/rai)	11,000,000	10,000,000	-	
Estimated price (Baht/rai)	10,500,000	9,500,000	-	
Settlement price (Baht/rai)	-	-	9,300,000	
Offering date / Settlement date	Aug 2020	Aug 2020	Sep 2018	
Adjust time value in buying-selling period (Baht/ Sq. Wa)	-	-	558,000	
Adjust filling cost (Baht/ Sq. Wa)	800,000	400,000	400,000	
Price after the adjustment (Baht/ Sq. Wa)	11,300,000	9,900,000	10,258,000	

Analysis on the Relevant Factors

Unit: Baht

considered factors	Comparable Land Plot					
	%	1	%	6	%	7
Location factors						
- location and environment	10%	1,130,000	25%	2,475,000	25%	2,564,500
Asset-related factors						
- Land area	0%		2%	198,000	0%	
- Shape of the plot	-2%	(226,000)	-2%	(198,000)	0%	
- Width	-3%	(339,000)	-2%	(198,000)	-7%	(718,060)
- Utility system	0%		0%		0%	
- road connection	15%	1,695,000	12%	1,188,000	15%	1,538,700
- Highest potential and usage	0%		0%		0%	
- Zoning / relevant regulations	0%		0%		0%	
Total	T	2,260,000	35%	3,465,000	33%	3,385,140
Price after the adjustment (Baht/ Sq. Wa)		13,560,000		13,365,000		13,643,140

Final Price Adjustment

Unit: Baht

Plot No.	Adjusted Price	Absolute Value	Proportion (1)	Inverse	Proportion (2)	Asset value
1	13,560,000	3,390,000	0.2719	3.6780	0.4001	5,425,148
6	13,365,000	4,257,000	0.3414	2.9289	0.3186	4,258,110
7	13,643,140	4,821,260	0.3867	2.5861	0.2813	3,838,003
Total	40,568,140	12,468,260	1.0000	9.1929	1.0000	13,521,261
or rounded (Baht/rai)						13,500,000

After the final price adjustment, Knight Frank Chartered (Thailand) Co., Ltd suggested that the appropriate market value of land was 261,200,000 Baht.

1.2 Buildings: Buildings consist of printing house and office, warehouse and office, distribution center, chemical storage, Electrical substation and other buildings.

KF assessed value of the buildings by determining the replacement cost as new (RCN) of the buildings. This method is to determine the cost of replacement assets having similar efficiency, usable area and capability to the appraised assets. KF compared construction cost per unit (Baht per sq. m.) of assets on the appraised date and deducted the cost with depreciation associate with condition and service life of the buildings. The value derived from the calculation is the depreciated replacement cost (DRC) of the buildings.

Lists and Valuation

Unit: Baht

No.	Type of buildings	Amount	Unit	Price/Unit (Baht)	Service life (year)	Replacement Cost (Baht)	Depre. (%)	DRC (Baht)
1	Printing house and office							
	- Area (Ground floor)	2,048.0	sq. m.	15,000	14	30,720,000	54.0%	14,131,200
	- Area (2 nd ground)	1,202.0	sq. m.	16,000	14	19,232,000	54.0%	8,846,720
	- Generator room, AHU and utility systems	1,040.0	sq. m.	15,000	14	15,600,000	54.0%	7,176,000
	- Area (Phase2)	1,440.0	sq. m.	32,000	14	46,080,000	54.0%	21,196,800
	- Pathway (2 nd -3 rd floor)	617.0	sq. m.	8,000	14	4,936,000	54.0%	2,270,560
	- Loading area (Ground floor)	256.0	sq. m.	12,000	14	3,072,000	54.0%	1,413,120
	- Area under shed (Loading area)	280.0	sq. m.	2,000	14	560,000	54.0%	257,600
	- pathway with drainage around the building	298.0	sq. m.	1,500	14	447,000	54.0%	205,620
	Building systems							
	- Electricity and communication	1.00	Unit	lump sum	14	32,000,000	77.0%	7,360,000
	- Air conditioning and ventilation	1.00	Unit	lump sum	14	23,000,000	77.0%	5,290,000
	- Fire and sanitation system	1.00	Unit	lump sum	14	11,000,000	77.0%	2,530,000
	Total					186,647,000		70,677,620
2	Warehouse and office							
	- Equipment storage	1,032.0	sq. m.	15,000	14	15,480,000	54.0%	7,120,800
	- Office and medical room	192.0	sq. m.	10,000	14	1,920,000	54.0%	883,200
	- Building access	90.0	sq. m.	5,500	14	495,000	54.0%	227,700
	- pathway with drainage around the building	225.0	sq. m.	1,500	14	337,500	54.0%	155,250
	Total					18,232,500		8,386,950
3	Distribution center	160.0	sq. m.	6,000	14	960,000	54.0%	441,600
4	Chemical storage	30.0	sq. m.	6,000	14	180,000	54.0%	82,800
5	Electrical substation	7.0	sq. m.	8,500	14	59,500	54.0%	27,370
	Total construction cost of main buildings					206,079,000		79,616,340
6	Other buildings							
	- pathway with drainage around the building	7,944.0	sq. m.	1,000	14	7,944,000	65.0%	2,780,400
	- Barbed wire fence and gate 2.0 m high	732.0	sq. m.	700	14	512,400	77.0%	117,852
	- Overpass bridge (Across the Ong Tak Canal)	100.0	sq. m.	25,000	14	2,500,000	54.0%	1,150,000
	Total construction cost of other buildings					10,956,400		4,048,252
	Total construction cost of main buildings and other buildings					217,035,400		83,664,592
	Or approximate value					217,000,000		83,700,000

After consideration, KF suggested that the appropriate market value of the buildings was 83,700,000 Baht.

1.3 Printing machines and equipment: KF assessed the market value for the existing use or the market value in continued use of the machines which includes installation cost required to make the machines usable for production. KF used comparative method and cost method altogether depending on situation.

List and valuation

Unit: Baht

No.	Details	No. of machines	Usable life time (yr)	Service life (yr)	Remaining (yr)	Salvage cost	Replacement cost	DRC	Market value for existing use
Section 1 Machines for newspaper production									
1	Newspaper Press Printing Machine	1	20	13	7	63,300,000	422,000,000	53,172,000	55,000,000
2	Mail Room System 2007	4	20	13	7	23,655,000	157,700,000	19,870,200	20,000,000
3	Mail Room System 2014	1	20	6	14	4,800,000	32,000,000	8,064,000	8,000,000
4	Machine for Plate Maker								
	4.1 Computer to Plate No.1	1	20	13	7	1,200,000	8,000,000	1,134,000	1,000,000
	4.2 Computer to Plate No.2	1	20	12	8	1,200,000	8,000,000	1,296,000	1,000,000
	4.3 Computer to Plate No.3	1	20	5	15	1,050,000	7,000,000	2,362,500	2,200,000
	4.4 Plate Puncher and Bender Machine	1	20	13	7	675,000	4,500,000	787,500	700,000
5	Stitching Machine	1	20	15	5	1,650,000	11,000,000	1,375,000	1,500,000
Section 2 Machines for production support									
6	Machines for Lifting Transportation								
	6.1 Overhead Travelling Crane 25 ton	1	20	13	7	800,000	4,000,000	1,400,000	1,400,000
	6.2 Overhead Travelling Crane 3.2 ton	1	20	13	7	100,000	500,000	175,000	175,000
	6.3 Stacker	1	-	-	-	-	-	-	110,000
	6.4 Cargo Lift	1	15	13	2	240,000	1,200,000	240,000	240,000
7	Air Compressor System		20	14	6	260,000	1,300,000	390,000	400,000
	7.1 Air Dryer	2							
	7.2 Air Tank	1							
	7.3 Air Compress Piping Line	1							
	7.4 Air Compressor	1	20	3	17	200,000	1,000,000	850,000	900,000
	Total machines	20					658,200,000	91,116,200	92,625,000
	or approximate value						658,000,000		92,600,000

After consideration, KF suggested that the appropriate market value of printing machines and equipment was 92,600,000 Baht

2. Office Building (Klong Toei)

To assess market value of the assets, KF adopted a cost approach by using market comparative approach for land and used depreciated replacement cost approach for Buildings, as the current usage of property is not the highest and best use and the assets were used internally. KF adopted income approach using the discounted cash flows method to review the market value.

2.1 Land: KF used cost method by using sale comparison approach and sale adjustment grid to appraise the market value. KF has carried out a survey on nearby location and compare assets similar to the appraised assets. Under this method, similar assets should have similar value. The appraiser considered factors affecting asset value such as location, transportation, size and shape of land plot, environment, utilities etc., then used an adjustment grid sale analysis and weight quality score to assess value of the assets.

Details and adjustment on comparable property

Details	Comparable property			Appraised Assets
	1	7	8	
Location	Next to Sukhumvit Soi 16, 700 meters away from BTS and MRT station (Asoke)	Next to the old Paknam railway road, 1,800 meters away from BTS station (Thonglor)	On Rama 4 Road, ,600 meters away from BTS station (Thonglor)	On Na Ranong road, 1,300 meters away from MRT station (Queen Sirikit National Convention Center)
Land area (rai-ngan-sq.wa)	2 -1 -26.5	3 -0 -16.0	7 -2 -52.0	7 -0 -64.0
Land area (rai)	926.50	1,216.00	3,052.00	2,864.00
Shape of the plot	Rectangle-like shape	Trapezoid shape	Rectangle shape	Rectangle-like shape
Width (meter)	40.00	121.00	80.00	76.00
Level	.00	.00	.00	.00
Zone	Red Por. 5-4	Brown Yor. 8-23	Brown Yor. 9-23	Brown Yor. 8-20
Floor to Area Ratio	FAR 10 : 1 - OSR 3%	FAR 7 : 1 - OSR 4.5%	FAR 7 : 1 - OSR 4.5%	FAR 6 : 1 - OSR 5%
Appropriate use of property	Commercial/ Residential	Commercial/ Residential	Commercial/ Residential	Commercial
Offering price (Baht/rai)	-	370,000	750,000	
Estimated price (Baht/rai)	-	260,000	600,000	
Settlement price (Baht/rai)	365,893	-	-	
Offering date / Settlement date	Oct 2017	Aug 2020	Aug 2020	
Adjust time value in buying-selling period (Baht/ Sq.Wa)	36,589	-	-	
Adjust filling cost (Baht/ Sq.Wa)	-	-	-	
Price after initial adjustment (Baht/ Sq.Wa)	402,482	260,000	600,000	

Analysis on the Relevant Factors

Unit: Baht

considered factors	Comparable Land Plot					
	%	1	%	7	%	8
Location factors						
- location and environment	-15%	(60,372)	15%	39,000	-30%	(180,000)
Asset-related factors						
- Land area	-5%	(20,124)	-5%	(13,000)	0%	
- Shape of the plot			3%	7,800	0%	
- Width			-5%	(13,000)	0%	
- Utility system			0%		0%	
- road connection			5%	13,000	-5%	(30,000)
- Highest potential and usage	5%	20,124	5%	13,000	-10%	(60,000)
- Zoning / relevant regulations	-10%	(39,516)	-5%	(13,000)	-5%	(30,000)
Total	-25%	(100,621)	13%	33,800	-50%	(300,000)
Price after the adjustment (Baht/ Sq.Wa)		301,862		293,800		300,000

Final Price Adjustment

Unit: Baht

Plot No.	Final Adj Price	Absolute Adj	Proportion (1)	Inverse	Proportion (2)	Weighted Price
1	301,862	140,869	0.2549	3.9233	0.3664	110,589
7	293,800	111,800	0.2023	4.9434	0.4616	135,622
8	300,000	300,000	0.5428	1.8422	0.1720	51,608
Total	895,662	552,669	1.0000	10.7089	1.0000	297,820
or approximate value (Baht/Sq. wa)						300,000

After consideration on the adjusted price, KF suggested that the appropriate market value of land was 859,200,000 Baht.

2.2 Buildings : Buildings consist of main buildings and other buildings. KF assessed value of the buildings by determining the replacement cost as new (RCN) of the buildings. This method is to determine the cost of replacement assets having similar efficiency, usable area and capability to the appraised assets. KF compared construction cost per unit (Baht per sq. m.) of assets on the appraised date and deducted the cost with depreciation associate with condition and service life of the buildings. The value derived from the calculation is the depreciated replacement cost (DRC) of the buildings.

No.	Details buildings	Area (sq.m.)	Appraised Value (Baht)	Service life (yr)	Replacement cost (Baht)	Depreciation (%)	DRC (Baht)
1	Office Building						
	- Usable area on G floor	910	24,000	27	21,840,000	61.0%	8,517,600
	- Usable area on 1 st -8 th floor	7,180	21,000	27	150,780,000	61.0%	58,804,200
	- Usable area on rooftop	910	6,500	27	5,915,000	61.0%	2,306,850
	Total	9,000			178,535,000		69,628,650
2	Services Building						
	- Usable area on G floor	615	18,000	27	11,070,000	64.0%	3,985,200
	- Usable area on 1 st -3 rd floor	1,845	21,000	27	38,745,000	64.0%	13,948,200
	- Usable area on rooftop	615	6,500	27	3,997,500	64.0%	1,439,100
	Total	3,075			53,812,500		19,372,500

No.	Details buildings	Area (sq.m.)	Appraised Value (Baht)	Service life (yr)	Replacement cost (Baht)	Depreciation (%)	DRC (Baht)
3	Press Building						
	- Usable area on underground floor	2,116	25,000	27	52,900,000	64.0%	19,044,000
	- Usable area on G-4 th floor	8,428	23,000	27	193,844,000	64.0%	69,783,840
	- Usable area on rooftop	1,152	6,500	27	7,488,000	64.0%	2,695,680
	Total	11,696			254,232,000		91,523,520
4	parking building (Parking Building)						
	- Usable area on 1-7	10,248	15,000	27	153,720,000	64.0%	55,339,200
	- Usable area on rooftop	1,464	6,500	27	9,516,000	64.0%	3,425,760
	Total	11,712			163,236,000		58,764,960
	Total cost of main buildings				649,815,500		239,289,630
5	Other buildings						
	- guardhouse	11	12,000	27	132,000	64.0%	47,520
	- Parking space, concrete road, driveway, landscape area	6,012	1,200	27	7,214,400	64.0%	2,597,184
	- fence and Wrought iron gate 2m high	523	1,500	27	784,500	64.0%	282,420
	Total cost of other buildings				8,130,900		2,927,124
	Total cost of main buildings and other buildings				657,946,400		242,216,754
	or rounded value				657,900,000		242,200,000

After consideration on the adjusted price, KF suggested that the appropriate market value of the buildings was 242,200,000.00 Baht.

Income Approach

KF evaluated the market rental rate of the Office Building (Klong Toei) by analyzing the rental rate for office space to assess market value of the Office Building (Klong Toei), and determined the appropriate rate for rent and service using market comparable data of assets in nearby area. The details can be summarized as follows;

Details	Appraised Asset	Peer 1	Peer 2	Peer 3
Building Name	Bangkok Post bld.	Ital Thai Tower	Bangkok Tower	42 Tower
Grade	C	B	C	C
Location	Na Ranong road	On New Petchburi Road	On New Petchburi Road	On Sukhumvit Soi 42 (Kluay Nam Thai)
BTS Station	2,800 m from Asoke station	2,700 m from Asoke station	3,300 m from Asoke station	500 m from Ekkamai station
MRT Station	1,250 m from Queen Sirikit National Convention Center station	1,100 m from New Petchburi Road station	1,700 m from New Petchburi Road station	3,800 m from Sukhumvit station
Floors	9	44	20	24
Net office space for rent (sq. m.)	6,500	57,800	18,000	25,000
Office space / floor (sq. m.)	600 - 1,700	1,750	1,000	950

Details	Appraised Asset	Peer 1	Peer 2	Peer 3
Rental rate (Baht/sq. m. /month) - (offering price)	-	500	450	550
Rent period	-	3 years	3 years	3 years
Common fee (Baht/sq. m.)	included	included	included	included
Floor to ceiling (meter)	2.40	2.60	2.50	2.50
Occupancy (%)	-	85%	80%	85%
Parking space (unit)	397 units	N/A	300 units	N/A
Air Conditioner	Chilled Water System	Chilled Water System	Package Water Cold System	Package Water Cold System
Passenger lift	- 3 passenger lifts - 1 parking lift	- 16 passenger lifts - 1 service lift	- 8 passenger lifts - 1 service lift	- 4 passenger lifts - 1 service lift
Electricity charge (Baht/unit)	-	5.50	6.00	6.00
Water supply (Baht/unit)	-	20.00	on invoice	Free
Off-hour air conditioner charge (Baht/sq. m. /hour)	-	2.5	1.5	N/A
Phone installation (Baht/line)	-	5,000 Baht	4,000 Baht	5,000 Baht

Rental rates depend on location, facilities, maintenance condition, decoration, rental space, and other conditions. Comparing the above information, KF suggested that appropriate rate for rent and service approximately 400 - 450 Baht /sq.m. /month, under the assumption that the buildings have been renovated. In order to maintain suitable condition.

Assumptions used in the valuation using income approach – with renovation

	Details	Rate
1	Estimated rate Rental rate for office space Parking fee; 397 units	400 - 450 Baht/ sq.m. /month 1,800 Baht/month
2	Estimated operating expenses Administrative expense Security expense Cleaning expense Marketing expense maintenance expense Insurance (All Risk) Property tax Reserved for renovation	8,500,000 Baht/month (increase 3% every year) 3,500,000 Baht/month (increase 3% every year) 2,000,000 Baht/month (increase 3% every year) 1.5% of operating income 3.0% of operating income 0.125% of coverage 0.30 - 0.70% from government assessed value (2020 - 2021) 1.20% from government assessed value (2022 onward) 4.0% of operating income
3	Occupancy rate	Year 1 : 25% Year 2 : 70% Year 3-12 : 85%
	Discount Rate	8.0%
4	Summary of cash flows projection : Income approach (Discount Cash Flow)	

Period	Cash flows generated from assets (Baht)	Renovation cost (Baht)	Selling expenses (Baht)	Net cash flows (Baht)
Year 1	9,299,113	-110,000,000		-100,700,887
Year 2	31,791,999			31,791,999
Year 3	38,358,486			38,358,486
Year 4	39,446,605			39,446,605
Year 5	41,717,736			41,717,736
Year 6	48,984,283			48,984,283
Year 7	50,359,800			50,359,800
Year 8	53,191,594			53,191,594
Year 9	53,913,162			53,913,162
Year 10	54,881,833			54,881,833
Year 11	57,970,890			57,970,890
Year 12	58,754,002		-25,876,747	895,435,505
Discount rate 8.00%				
Net Present Value of Cash Flow				543,686,000
or rounded value				544,000,000

Regarding the valuation under income approach, KF suggested that the appropriate market value of the land and the office building (Klong Toei) is 544,000,000 Baht.

Summary of Asset Appraisal

The valuations to appraise fair value of the assets to be disposed can be summarized as follows;

No.	Details	Appraised Value Market Approach (Baht)	Appraised Value Income Approach (Baht)
1	Printing and Distribution Center (Bangna)		
	Land	261,200,000	-
	Buildings	83,700,000	-
	Printing machines and equipment	92,600,000	-
	Total	437,500,000	-
2	Office Building (Klong Toei)		
	Land	859,200,000	-
	Office buildings	242,200,000	-
	Total	1,101,400,000	544,000,000
	Grand total	1,538,900,000	-

IFA's Opinion

The Advisor opined that determining value of the assets to be disposed with the cost approach of the appraisers is appropriate and reasonable as both assets are used for the Company's business. KF applied cost approach to appraise the value of the Printing and Distribution Center (Banga) as the assets are specifically built for the business. As for the Office Building (Klong Toei) KF used income approach to review the appraised value

under cost approach, which the value under income approach is lower than cost approach. KF suggested that, the utilization of land and buildings is still not the highest and best use according to the potential of the property.

3. Leaseback of Office Building (Klong Toei)

KF conducted a market survey for rental office space to compare the assets with nearby office buildings.

The details can be summarized as follows;

Details	Appraised Asset	Peer 1	Peer 2	Peer 3
Building Name	Bangkok Post bld.	Ital Thai Tower	Bangkok Tower	42 Tower
Grade	C	B	C	C
Location	Na Ranong road	On New Petchburi Road	On New Petchburi Road	On Sukhumvit Soi 42 (Kluay Nam Thai)
BTS Station	2,800 m from Asoke station	2,700 m from Asoke station	3,300 m from Asoke station	500 m from Ekkamai station
MRT Station	1,250 m from Queen Sirikit National Convention Center station	1,100 m from New Petchburi Road station	1,700 m from New Petchburi Road station	3,800 m from Sukhumvit station
Floors	9	44	20	24
Net office space for rent (sq. m.)	6,500	57,800	18,000	25,000
Office space / floor (sq. m.)	600 - 1,700	1,750	1,000	950
Rental rate (Baht/sq. m. /month) - (offering price)	-	500	450	550
Rent period	-	3 years	3 years	3 years
Common fee (Baht/sq. m.)	included	included	included	included
Floor to ceiling (meter)	2.40	2.60	2.50	2.50
Occupancy (%)	-	85%	80%	85%
Parking space (unit)	397 units	N/A	300 units	N/A
Air Conditioner	Chilled Water System	Chilled Water System	Package Water Cold System	Package Water Cold System
Passenger lift	- 3 passenger lifts - 1 parking lift	- 16 passenger lifts - 1 service lift	- 8 passenger lifts - 1 service lift	- 4 passenger lifts - 1 service lift
Electricity charge (Baht/unit)	-	5.50	6.00	6.00
Water supply (Baht/unit)	-	20.00	on invoice	Free
Off-hour air conditioner charge (Baht/sq. m. /hour)	-	2.5	1.5	N/A
Phone installation (Baht/line)	-	5,000 Baht	4,000 Baht	5,000 Baht

Rental rates depend on location, facilities, maintenance condition, decoration, rental space, and other conditions. Comparing the above information, KF suggested that appropriate rate for rent and service approximately 400 - 450 Baht /sq.m. /month, under the assumption that the buildings have been renovated. In order to maintain suitable condition.

IFA's Opinion

The Advisor opined that the rental rate determined by comparing market data of comparable office buildings nearby is appropriate as the Office Building (Klong Toei) is designed specifically for the Company's business. Rental space other factors can affect rental rate of the buildings and the buildings have to be renovated to maintain suitable condition.

5.3.2 Appraisal of Assets by 15 Business Advisory Co., Ltd ("15BA")

15 Business Advisory Co., Ltd has adopted asset appraisal approaches with the details as follows;

1. Market Approach

This approach compares previous settlement price of assets and/or current offering price of assets comparable to the appraised assets while putting several factors in concern for adjustment such as location, period of time, utilization, payment terms, and shape of the plot. For buildings, the appraiser used the replacement cost as new or the replacement cost of similar assets, deduct with accumulated depreciation to physical depreciation, depreciation from usage, and depreciation from obsolescence of the assets.

2. Income Approach

This approach considers capability to generate income of the assets. The appraiser may consider using direct capitalization or discounted cash flows method, assuming that the value of asset equals to the net present value of future cash flows generated from the asset. Residual approach considers possible property development that can be done on the property under given regulations, physical capability of the property, and financial feasibility. The appraiser then estimated income that could be generated from the property, deducted with direct and indirect cost of development, and discounted by rate of returns and interest payment. The net amount of income after expenses is the value of existing assets.

Appraised value of the assets has been assessed by adopting these approaches. 15BA appraised the assets based on their conditions, location, relevant legal regulations, characteristic of assets, and possible development. 15BA then used cost approach and income approach to determine market value of property and buildings, and used cost approach for machines and equipment.

1. Printing and Distribution Center (Bangna)

1.1 Land : 15 BA used cost approach by adopting market comparable approach to determine the value of property with the details as follows;

Comparison grid of property – Market comparable approach

List	Appraised Asset	Peer 1	Peer 2	Peer 3	Peer 4
Location	Connected to personal road, 70m away from Thep Ratana Road (TorLor. 34)	Connected to Thep Ratana Road (TorLor. 34), km 19-20	Connected to Thep Ratana Road (TorLor. 34), km 20-21	On the Soi Premruthai Village, 400 m from Thep Ratana Road (TorLor. 34)	Connected to Soi Wat Thep Mongkhon Nimit, 100 m away from Thep Rattana Road (TorLor.34)
Property size	19-1-40 rai	9-2-19 rai	20-0-00 rai	9-0-00 rai	13-1-24 rai
Period of time		October 2020	October 2020	October 2020	October 2020
Price (Baht/rai)		25,000,000	25,000,000	11,000,000	11,200,000
Adjustment factors					
External factors					
Ownership		0.0%	0.0%	0.0%	0.0%
		25,000,000	25,000,000	11,000,000	11,200,000
Payment term		0.0%	0.0%	0.0%	0.0%
		25,000,000	25,000,000	11,000,000	11,200,000
Condition of sales		-10.0%	-10.0%	-10.0%	-10.0%
		22,500,000	22,500,000	9,900,000	10,080,000
Market		0.0%	0.0%	0.0%	0.0%
		22,500,000	22,500,000	9,900,000	10,080,000
Internal factors					
Location		-25.0%	-25.0%	20.0%	20.0%
Property size		-15.0%	0.0%	-15.0%	-10.0%
Shape of the plot		0.0%	0.0%	0.0%	0.0%
Access road		0.0%	0.0%	10.0%	10.0%
Environment		0.0%	0.0%	0.0%	0.0%
Legal limitation		0.0%	0.0%	0.0%	0.0%
Physical condition		0.0%	0.0%	0.0%	0.0%
Total internal factors		-40.0%	-25.0%	15.0%	20.0%
Adjusted value (Baht/rai)		13,500,000	16,875,000	11,385,000	12,096,000
Adjustment		-50.0%	-35.0%	5.0%	10.0%
Weighted value		25.0%	25.0%	25.0%	25.0%
Market value (Baht/rai)	13,464,000	3,375,000	4,218,750	2,846,250	3,024,000
Rounded (Baht/rai)	13,500,000				

After the final price adjustment, 15BA suggested that the appropriate market value of land was 261,200,000 Baht.

1.2 Buildings : For the valuation of main buildings and other buildings, 15BA has adopted the replacement cost method to appraised the value with the details as follows;

15 BA applied the replacement cost method to estimate the replacement cost as new of the buildings, deducted with depreciation. The remaining value is the current value of the existing buildings.

Main buildings and other buildings

No.	Details	Area (sq. m.)	Replacement cost as new (RCN)		Service life (year)	Depreciation			Market Value (Baht)		
			Baht/sq.m	รวม (Baht)		Annual (%)	Total (%)	Total (Baht)			
Main buildings											
1	Printing house and office (Press Building)										
	- Usable area	6,800	28,000	190,400,000	14	3.0	42	79,968,000	110,432,000		
	- Open area under shed	530	2,000	1,060,000	14	3.0	42	445,200	614,800		
	Total		191,460,000		Total			111,046,800			
2	Warehouse and office (Storage Building)										
	- Usable area	1,500	12,000	18,000,000	14	3.0	42	7,560,000	10,440,000		
	- Open area under shed	200	1,500	300,000	14	3.0	42	126,000	174,000		
	Total		18,300,000		Total			10,614,000			
3	Distribution center										
	- Usable area	160	8,000	1,280,000	14	3.0	42	537,600	742,400		
	Total		1,280,000		Total			742,400			
4	Chemical storage										
	- Usable area	27	6,000	162,000	14	3.0	42	68,040	93,960		
	Total		162,000		Total			93,960			
5	Electrical substation										
	- Usable area	7	6,000	42,000	14	3.0	42	17,640	24,360		
	Total		42,000		Total			24,360			
	Total value of buildings			211,244,000		Total value of buildings			122,521,520		
Other buildings											
1	Internal roads and outdoor area	10,000	800	8,000,000	14	3.0	42	3,360,000	4,640,000		
2	Gate and fences										
	- Gate	10	3,000	30,000	14	3.0	42	12,600	17,400		
	- Fence	735	1,600	1,176,000	14	3.0	42	493,920	682,080		
3	Reinforced concrete bridge	100	25,000	2,500,000	14	3.0	42	1,050,000	1,450,000		
	Total Other buildings			11,706,000		Total Other buildings			6,789,480		
Total Replacement cost (RCN)				222,950,000		Market Value				129,311,000	
or rounded value				223,000,000		or rounded value				129,000,000	

After consideration, 15BA suggested that the appropriate market value of the buildings was 129,000,000 Baht

Income Approach

This approach determines the value of asset from income generated by the assets. The appraiser considered capability to generate income of the assets using direct capitalization method or the discounted cash flows method assuming that the value of asset equals the net present value of income expected to be generated

from the asset in the future. Since the appraised assets consist of 19-1-40 rai of property with buildings, and surplus land approximately 8 rai, 15BA then separated the assets into two sections 1) Value of the property with buildings was appraised using income approach 2) Value of the surplus land was appraised using market approach. The details are as follows;

Section 1: Property with main buildings and other buildings

The value determined by income approach can be summarized as follows;

Appraisal value under income approach (Direct Capitalization Method)		
Income	8,487	sq. m.
Rental area		
Rate of office space rental	100	(Baht/ sq.m. /month)
Potential Gross Revenue	10,184,400	Baht
Occupancy Rate	90%	
Effective Gross Income	9,165,960	Baht
Estimated Operating Expenses		
Administrative & General Expenses	-	Baht
Utilities Expenses	-	Baht
Sale & marketing expenses	274,979	Baht
Repair and maintenance expenses	-	Baht
Total Operating Expenses	274,979	Baht
Gross Operating Profit	8,890,981	Baht
Fixed Charges		
Insurance	-	Baht
Property Tax	-	Baht
Total Fixed Charges	-	Baht
CAPEX		
Reserve for Replacement	274,979	Baht
Net Profit	8,616,002	Baht
Cap. Rate	6.0%	
Current Value of Assets	143,600,040	Baht
Rounded	144,000,000	Baht

Section 2 Surplus Land approximately 8 rai

Value of the surplus land was determined by using market approach. 15BA appraised the value of land using market comparable approach previously described. The market value of property was 13,500,000 Baht per rai. Therefore, 15BA suggested that the appropriate value of the surplus land; 8 rai approximately, was 13,500,000 Baht per rai or 108,000,000 Baht in total.

Summary of the appraised value using income approach

Details	Asset value (Baht)
Section 1 Property with main buildings and other buildings	144,000,000
Section 2 Surplus Land approximately 8 rai	108,000,000
Total	252,000,000

Summary of the appraised value under two approaches

Valuation method	Asset value (Baht)
Cost approach	
- Land	261,000,000
- main buildings and other buildings	129,000,000
Total asset value under cost approach	390,000,000
Income Approach	
- Section 1 Property with main buildings and other buildings	144,000,000
- Section 2 Surplus Land approximately 8 rai	108,000,000
Total asset value under income approach	252,000,000

15BA considered that the value of assets under both approaches are significantly different. After considering pros and cons of each method, it can be explained that the cost approach is the estimation of the replacement value of the property, which appraised the property value by comparing market prices and estimating the depreciated replacement cost of the buildings. The income approach estimates the asset value from the potential income generated from the rental property, and determined the property value based on its ability to generate income, given current condition of the property. However, the asset values under both approaches are significantly different. The value under income approach is lower than the land value appraised by cost approach which is 261,000,000 Baht. This reflects that current usage of the buildings on the property; in its current condition, is not the highest and best use of the property regarding Article 2.1 of the Standards and Ethics of the Valuer Association of Thailand.

1.3 Printing machines and equipment : To consider the value of machines and equipment, 15BA used cost approach to determine the value with the following details;

Value of machines and equipment

No.	Details	Market value (Baht)
1	Printing machines	14,404,000
2	2.1 Stacking machine (offline)	16,971,525
	2.2 Stacking machine (online)	11,704,000
3	Stacking and packing machine (online)	16,971,525
4	4.1 Plate maker No. 1	362,000
	4.1.1 Plate supports	5,000
	4.2 Plate maker No. 2	362,000
	4.2.1 Plate supports	5,000
	4.3 Plate maker No. 3	1,230,800
	4.3.1 Plate supports	81,600
5	Plate punching and folding machine	236,000
6	Stitching Machine	560,000
7	7.1 Overhead Travelling Crane 25 ton	1,583,550
	7.2 Overhead Travelling Crane 3.2 ton	202,725

No.	Details	Market value (Baht)
8	Fork lift	241,113
9	Cargo Lift	168,300
10	10.1 Dry air compressor	251,250
	10.2 Compressed air storage	70,350
	10.3 Air compressor	455,600
Grand total		65,866,338
Rounded		66,000,000

After consideration, 15BA suggested that the appropriate market value of printing machines and equipment was 66,000,000 Baht.

Summary of asset appraisal

Details	Market value (Baht)
Land and buildings	261,000,000
Printing machines and equipment	66,000,000
Total	327,000,000

2. Office Building (Klong Toei)

2.1 Land : 15 BA used cost approach by adopting market comparable approach to determine the value of property with the details as follows;

Comparison grid – Market comparable approach

Details	Appraised Asset	Peer 1	Peer 2	Peer 3	Peer 4
Location	On Na Ranong road, 600 meters from the intersection on Na Ranong road, 1 km. from Queen Sirikit National Convention Center Station	Next to Soi Rama 3 Soi 81, 250 meters away from the intersection on Na Ranong road, 1 km. from Queen Sirikit National Convention Center Station	Connected to old Pak Nam railway road, adjacent to PTT oil depot, 2.2 km away from BTS Ekamai station	Connected to Nonsi road, 300 meters from Rama III Road, 3.2 km. from Queen Sirikit National Convention Center Station	Next to Soi Rama 3 Soi 73, 100 meters away from Rama 3 road, 3.1 km. from Queen Sirikit National Convention Center Station
Property size	7-0-64 rai	1-0-4 rai	10-3-95 rai	7-3-73 rai	1-2-37 rai
Period of time		October 2020	October 2020	October 2020	ประมาณปี 2019
Price (Baht/rai)		420,000	180,000	378,000	314,000
Adjustment factors					
Ownership		0.0%	0.0%	0.0%	0.0%
		420,000	180,000	378,000	314,000
Payment term		0.0%	0.0%	0.0%	0.0%
		420,000	180,000	378,000	314,000
Condition of sales		-5.0%	-5.0%	-5.0%	0.0%
		399,000	171,000	359,100	314,000
Market condition		0.0%	0.0%	0.0%	0.0%
		399,000	171,000	359,100	314,000
Location		-5.0%	50.0%	5.0%	5.0%
Property size		-20.0%	0.0%	0.0%	-20.0%

Details	Appraised Asset	Peer 1	Peer 2	Peer 3	Peer 4
Shape of the plot		0.0%	0.0%	5.0%	0.0%
Access road		-5.0%	0.0%	0.0%	5.0%
Environment		0.0%	0.0%	0.0%	0.0%
Legal limitation		0.0%	5.0%	-5.0%	-5.0%
Physical condition		0.0%	0.0%	0.0%	0.0%
Distant from BTS/MRT		0.0%	5.0%	10.0%	10.0%
Other factors		0.0%	0.0%	-20.0%	0.0%
Total internal factors		-30.0%	60.0%	-5.0%	-5.0%
Adjusted value (Baht/rai)		279,300	273,600	341,145	298,300
Adjustment		-35.0%	55.0%	-10.0%	-5.0%
Weighted value		25.0%	25.0%	25.0%	25.0%
Market value (Baht/rai)	298,086	69,825	68,400	85,286	74,575
Rounded (Baht/rai)	300,000				

After consideration, 15BA suggested that the appropriate market value of land was 859,000,000 Baht.

2.2 Buildings : For the valuation of main buildings and other buildings, 15BA has adopted the replacement cost method to appraised the value by estimated the replacement cost of the buildings deducted with depreciation. The depreciated replacement cost is considered as the value of the buildings with the details as follows;

Main buildings and other buildings

No.	Details	Area (sq. m.)	Replacement Cost as New (RCN)		Service life (yr)	Depreciation			Market Value (Baht)
			Baht/sq.m.	₹ (Baht)		Ann ual (%)	Total (%)	Total (Baht)	
Main buildings									
1	Office buildings								
	- Indoor usable area	9,500	22,000	209,000,000	27	2.0	54	112,860,000	96,140,000
			Total	209,000,000	Total			112,860,000	96,140,000
2	Services Building								
	- Office space	2,500	20,000	50,000,000	27	-	40	20,000,000	30,000,000
			Total	50,000,000	Total			20,000,000	30,000,000
3	Press Building								
	- Indoor usable area- Underground	2,150	25,000	53,750,000	27	-	30	16,125,000	37,625,000
	- Indoor usable area – 1-4 floor	7,500	20,000	150,000,000	27	-	30	45,000,000	105,000,000
			Total	203,750,000	Total			61,125,000	142,625,000
4	Parking Building								
	- Indoor usable area	10,250	12,000	123,000,000	27	2.0	54	66,420,000	56,580,000
			Total	123,000,000	Total			66,420,000	56,580,000
5	Guardhouse								
	- Indoor usable area	12	12,000	144,000	27	2.0	54	77,760	66,240
			Total	144,000	Total			77,760	66,240
Total value of buildings				585,894,000	Total value of buildings				325,411,240
Other buildings									

No.	Details	Area (sq. m.)	Replacement Cost as New (RCN)		Service life (yr)	Depreciation			Market Value (Baht)
			Baht/sq.m.	รวม (Baht)		Annual (%)	Total (%)	Total (Baht)	
1	Internal road and outdoor area	4,800	800	3,840,000	27	2.0	54	2,073,600	1,766,400
2	Parking Space 1	80	3,500	280,000	27	2.0	54	151,200	128,800
3	Parking Space 2	24	3,500	84,000	27	2.0	54	45,360	38,640
4	Fences and Gate								
	Type 1: Gate and wrought iron fence, total length 80 meters	80	3,000	240,000	27	2.0	54	129,600	110,400
	Type 2: Wire mesh fence on a brick-block fence totaling 378 meters	380	2,500	950,000	27	2.0	54	513,000	437,000
5	Wastewater treatment pond 1	128	7,000	896,000	27	2.0	54	483,840	412,160
6	Waste water treatment pond 2	180	7,000	1,260,000	27	2.0	54	680,400	579,600
Total Other buildings				7,550,000	Total Other buildings				3,473,000
Total Replacement cost (RCN)				593,444,000	Market Value				328,884,240
or rounded value				593,400,000	or rounded value				329,000,000

After consideration, 15BA suggested that the appropriate market value of the buildings was 329,000,000 Baht.

Summary of the appraised value of land and buildings - cost approach

Details	Appraised Value (Baht)
Land	859,000,000
Main buildings and Other buildings	329,000,000
Total	1,188,000,000

Income Approach

This approach determines the value of asset from income generated by the assets. The appraiser considered capability to generate income by determining the present value of the net cash flows received (Discounted Cash Flow). The appraiser estimated revenue received, deducted with operating expenses and fixed expenses to get the net revenue received from the assets throughout the period, and discounted it with the rate of return to determine the present value of the assets.

Assumptions used in the Projection

15BA developed a cash flow projection for a period of 10 years using the following assumptions;

Independent Financial Advisor's Opinion on the Acquisition and Disposition of Assets and the Connected Transaction

Assumptions for Income Approach	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Revenue											
Total usable area											
- Rentable Area (sq. m.)	15,078	15,078	15,078	15,078	15,078	15,078	15,078	15,078	15,078	15,078	15,078
- Rental rate Baht/sq. m. /month	400	412	424	437	450	464	478	492	507	522	538
- Potential Gross Revenue	72,374,400	74,545,632	76,782,001	79,085,461	81,458,025	83,901,766	86,418,819	89,011,383	91,681,725	94,432,176	97,265,142
- Occupancy Rate	60%	75%	85%	85%	85%	85%	85%	85%	85%	85%	85%
Effective Gross Income	43,424,640	55,909,224	65,264,701	67,222,642	69,239,321	71,316,501	73,455,996	75,659,676	77,929,466	80,267,350	82,675,370
Other Income	4,342,464	5,590,922	6,526,470	6,722,264	6,923,932	7,131,650	7,345,600	7,565,968	7,792,947	8,026,735	8,267,537
Total Gross Revenue	47,767,104	61,500,146	71,791,171	73,944,906	76,163,253	78,448,151	80,801,595	83,225,643	85,722,412	88,294,085	90,942,907
Operating Expenses											
Common area expenses	3,821,368	3,936,009	4,054,090	4,175,712	4,300,984	4,430,013	4,562,914	4,699,801	4,840,795	4,986,019	5,135,599
Management Fee	1,433,013	1,845,004	2,153,735	2,218,347	2,284,898	2,353,445	2,424,048	2,496,769	2,571,672	2,648,823	2,728,287
Sale & marketing expenses	1,433,013	1,845,004	2,153,735	2,218,347	2,284,898	2,353,445	2,424,048	2,496,769	2,571,672	2,648,823	2,728,287
Utilities Expenses	5,732,052	7,380,018	8,614,941	8,873,389	9,139,590	9,413,778	9,696,191	9,987,077	10,286,689	10,595,290	10,913,149
Repair and maintenance expenses	1,433,013	1,845,004	2,153,735	2,218,347	2,284,898	2,353,445	2,424,048	2,496,769	2,571,672	2,648,823	2,728,287
Other expense	955,342	1,230,003	1,435,823	1,478,898	1,523,265	1,568,963	1,616,032	1,664,513	1,714,448	1,765,882	1,818,858
Total Operating Expenses	14,807,802	18,081,043	20,566,059	21,183,041	21,818,532	22,473,088	23,147,281	23,841,699	24,556,950	25,293,658	26,052,468
Gross Operating Profit	32,959,302	37,828,181	44,698,642	46,039,601	47,420,789	48,843,413	50,308,715	51,817,977	53,372,516	54,973,691	56,622,902
Fixed Charges											
Property Tax	1,831,509	5,432,332	5,374,399	5,316,467	5,258,534	5,740,191	5,679,906	5,619,621	5,559,336	6,090,547	6,029,246
Insurance	238,836	246,001	253,381	260,982	268,811	276,876	285,182	293,738	302,550	311,626	320,975
Total Fixed Charges	2,070,345	5,678,333	5,627,780	5,577,449	5,527,345	6,017,067	5,965,088	5,913,358	5,861,885	6,402,173	6,350,221
Profit after operating expenses and fixed charges	30,888,957	32,149,848	39,070,862	40,462,153	41,893,444	42,826,346	44,343,627	45,904,618	47,510,631	48,571,518	50,272,681
CAPEX											
Reserve for Replacement	1,433,013	1,845,004	2,153,735	2,218,347	2,284,898	2,353,445	2,424,048	2,496,769	2,571,672	2,648,823	2,728,287
Net Profit	29,455,944	30,304,844	36,917,127	38,243,805	39,608,546	40,472,902	41,919,579	43,407,849	44,938,958	45,922,696	47,544,394
Terminal Value										792,406,568	
Net Operating Income	29,455,944	30,304,844	36,917,127	38,243,805	39,608,546	40,472,902	41,919,579	43,407,849	44,938,958	838,329,264	
Market Value	577,532,827 Baht, rounded to 578,000,000 Baht										

Summary of the appraised value under both approaches

Approach	Asset value (Baht)
Cost approach (Cost Approach)	
- Land	859,000,000
- buildings and Other buildings	329,000,000
Total value of assets under cost approach	1,188,000,000
Income Approach	578,000,000

15BA considered that the value of assets under both approaches are significantly different. After considering pros and cons of each method, it can be explained that the cost approach is the estimation of the replacement value of the property, which appraised the property value by comparing market prices and estimating the depreciated replacement cost of the buildings. The income approach estimates the asset value from the potential income generated from the rental property, and determined the property value based on its ability to generate income, given current condition of the property. However, the asset values under both approaches are significantly different. The value under income approach is lower than the land value appraised by cost approach which is 859,000,000 Baht. This reflects that current usage of the buildings on the property; in its current condition, is not the highest and best use of the property. Because FAR ratio of the property is 6:1, a building with total usable area of 68,736 sq. m. can be developed on the property. Whereas current usable area of the Office buildings is 31,412 sq. m. approximately which is more than 50 percent lower than capacity of the property.

Thus, 15BA suggested that the market value of the assets should equal to the market value of land which is 859,000,000 Baht, regarding the highest and best use specified in Article 2.1 of the Standards and Ethics of the Valuer Association of Thailand.

IFA's Opinion

The Advisor opined that determining value of the assets to be disposed with the cost approach of the appraisers is appropriate and reasonable as both assets are used for the Company's business. The Company currently does not earn income from the assets and does not have policy to rent or do other benefits. In addition, the utilization of land and buildings is still not the highest and best use according to the potential of the property.

15BA used discretion to consider not include the value of buildings located on both assets in the market value of the assets. The IFA has an opinion that the concept of 15BA is reasonable as the asset value under income approach is lower than cost approach, which can be implied that the utilization of land and buildings is still not the highest and best use according to the potential of the property. The IFA opined that 15BA's decision on appropriate market value of the assets should reflect the market price agreed by well-informed seller and buyer.

5.4 IFA's Opinion

According to the appraised value the assets to be disposed under different approaches, the fair value of the assets as of 30 September 2020 are summarized as follows;

Approach	Fair value (million Baht)
Book value approach	1,533.22
adjusted book value approach	1,186.00 - 1,538.90

The Advisor have an opinion that the fair value assessed by adjusted book value approach representing the appraised value by the appraisers is appropriate because the asset value under cost approach is higher than the value under income approach which implies that the utilization of assets is not the highest and best use since the assets were specifically developed for the Company's business and do not generate income. For the Printing and Distribution Center (Bangna), KF used cost approach to assess the market value on existing-use basis because the buildings and machines are specifically designed and constructed for the Company's print media business which make it difficult or inefficient to utilize the assets for other purpose. As for the Office Building (Klong Toei), KF assessed the market value while using income approach to recheck the value assessed by cost approach. The asset value using income approach is significantly lower the value assesses by cost approach, therefore KF had an opinion that current usage of the assets is not the highest and best use.

15BA appraised value of both assets using cost approach and income approach which the value appraised by income approach is significantly lower than cost approach. Therefore, 15BA opined that current usage of both assets is not the highest and best use as the value appraised by income approach is lower than the market value of land which reflects that the ability to generate income of the assets is lower than the potential of land. Thus, current usage of the assets is not the highest and best use, so the appraiser did not include the value of buildings in the market value of both assets.

The Advisor shared the same opinion with the appraisers that cost approach is the appropriate approach to determine the fair value of assets since the assets are not built to generate income and are designed and constructed for the Company's print media business. The Advisor opined that discretion of the appraisers on market value of the assets is reasonable according to the principles and current economic circumstance.

As for the asset appraisal carried out by 15BA, though the appraised market value is significantly lower than the book value and the market value appraised by KF, after considering the appraiser's reason and principles on valuation, the Advisor had an opinion that the concept on market value suggested by 15BA represents economic value of the assets. Moreover, the Company's auction for asset disposition in 2020, which the minimum selling price of both assets was 1,472.85 million Baht, did not receive well attention from general investors and no one offered to buy the assets at equal or higher price than the minimum price. Therefore, it could be inferred that the minimum price of the previous auction was higher than expected return of the investment. The Advisor then opined that the market price appraised by 15BA should be included in consideration to determine the fair value of assets which is the price agreed by well-informed seller and buyer.

Thus, the Advisor has an opinion that fair value of the assets to be disposed should range between the market value appraised by both appraisers or between 1,186.00 - 1,538.90.

As the price of asset disposition which is 1,226.21 million Baht equally to the minimum price of the disposed assets specified by the Company, the Advisor opined that the transaction price falls within the range of fair value, **therefore the transaction price of the disposition of assets and the connected transactions are reasonable.**

As for the acquisition of assets—the leaseback of Office Building (Klong Toei) at the rate of rent and service of 400 Baht/sq.m./month, the rate is equivalent to the market rate appraised by the appraisers. Therefore, **the Advisor opined that the transaction price of the acquisition of assets and the connected transaction is reasonable.**

Section 6: Financial Projection of the Company

6.1 Financial Projection of the Company after Entering into the Transaction

Bangkok Post Public Company Limited (“the Company”) was founded to operate Bangkok Post newspaper business which is the oldest English daily newspaper in Thailand. The Company was established on 1 August 1946 and reached its 73rd year of business in 2019. The Company’s print media business has grown continuously. The Company invests in businesses related to newspaper and print media including multimedia content for TV broadcasting and digital media, to increase media channels, activities and services in Thai and English languages. The Company aimed to expand media market focusing on domestic and foreign countries. The Company’s media products are as follows;

- (1) Newspaper: comprises of Student Weekly or S Weekly; an English weekly newspaper, Post Today; a Thai daily newspaper, M2F; a free daily newspaper.
- (2) Thai edition of popular foreign magazines: covering business, society, fashion, home decoration, life style and travel, such as ELLE, ELLE Men, ELLE Decoration, CLEO, Mary Claire, Martha Stewart Living, Science Illustrated, Forbes, Fast Bikes and Cycling Plus
- (3) Content provider: including event organizing and digital-platform marketing. The service mostly provided for government agency and private business. The Company also offer commercial print media outsourcing for government and private organizations.
- (4) Information service on digital platforms and applications in Thai and English. The services are available to Thai and foreign members, and include information service on social media, on various equipment such as desktop computers, tablets and mobile phones, to serve the needs of modern consumers.
- (5) Commercial print media. The Company offers printing services to government and private organizations.
- (6) Publishing Business by Post Books Publishing, publishes many international bestsellers books in Thai edition, as well as books written by journalists and columnists of the Company and renowned Thai authors. The published books are diverse, covering a wide range of interesting topics such as business history, culture, art and biographies of those who inspire the public.
- (7) Content provider and TV program production. POST produced television programs broadcasted on digital TV channels covering a variety of content including travel, food, entertainment and lifestyle, such as “Academy”, a reality show to promote business and SME entrepreneurs, “Dr. Oz Thailand” and “Young Millionaire”, which aired on 23 Workpoint channel “The Best Seller”, broadcast on MCOT Family 14 channel, etc.

Digital transformation gives birth to digital media and digital disruption on social media. As people increasingly use the internet, consumer behavior has changed along with a development in online technology. Either news, or information are now shared primarily on social media as the platforms are convenience, fast and easy to use. Consumers now become media publisher. Many social medias such as Facebook, Instagram and Youtube have become new media platforms using user statistical data for advertisement instead of the traditional media. Such changes cause huge impact on the traditional media like print media, especially newspaper and magazines. For the past few years, many newspaper and magazines were unable to resist the change because while the cost of print media has been increasing, advertising revenue on print media which are continuously

depleting. In the end, many publishers were forced to find a way to survive such as reducing the number of pages or printings, cost reduction, some even reduced its organization size. Publishers which could not bear the cost and operating loss had to discontinue publishing on print media and publish their content on online platform.

As digital media has showed unexpected rate of growth, print media businesses were inevitably received negative impact. Moreover, the economic slowdown caused advertising spending on print media to decrease continuously. As a result, the Company have been experiencing operating loss for many years. Even though the Company has been trying to improve its operation and efficiency of production to seek new business opportunity and reduce cost by providing content on digital media to reach for new generation readers and cope with digital transformation in media industry. The Company also discontinued its print media production including newspaper and magazines which were not profitable to minimize the cost, and ceased its printing production of Bangkok Post newspaper at the Printing and Distribution Center (Bangna) and outsourced the process. The change in operations of the Company is summarized as follows;

- 2013 Discontinue Martha Stewart Living magazine in December 2013
- 2016 Close the publication insourcing on 1 October 2016
- 2017 Discontinued the “Marie Claire” and “Cycling Plus” selling and production
- 2018 Discontinued the “S Weekly” (formerly Student Weekly) and Elle Decoration
- 2019 Discontinued the “Post Today” and “M2F” newspaper production in March 2019. Discontinued the “Cleo” and “Science Illustrated” selling and production in June 2019. Discontinued production of “Bangkok Post” newspaper at the Company printing plant (Bangna) and outsource its production to another supplier in 3rd quarter of 2019.
- 2020 Discontinued book and printing productions and

However, in 2020, the Company's performance was impacted by COVID-19 epidemic where customers in various business sectors such as tourism, airlines, hotels, were greatly affected and some businesses had to close down. As a result, most of the advertising customers were delay their spending on advertising in various media including print media, which had a significant impact on the Company's revenue from sales and services.

From that reason, the Company had net loss for several consecutive years and is now low on financial liquidity. The company, therefore, needs to solve the problem by acquiring short-term loans from financial institutes and related parties to compensate for the lack of liquidity. This will help the Company to continue its business as usual. Therefore, the company has adjusted its strategy and business model to cope with debt and liquidity problems. The transaction is a part of the Company's solution to the problems. The Advisor has forecasted the operating results of the Company based on the separated financial statement. The objective of the financial forecast is to consider how the Company' operational direction and solutions will be impacted from entering into the disposition of assets and the connected transaction. Only an impact on the Company's separated financial statement is considered; performance of the subsidiaries; including Post International Media Co., Ltd and Mushroom Group Co., Ltd, are excluded from the forecast.

6.2 Disposition Plan

Regarding the resolutions of the Board of Directors, the Advisor has estimated the Company's net profit from asset disposition based on the selling price and the schedule to enter into the transaction specified by the Board of Directors, as well as cash flows received from the disposition as follows;

	Asset Value (million Baht)							
	Office Building (Klong Toei)			Printing and Distribution Center (Bangna)				Total
	Land	Buildings	Total	Land	Buildings	Machines	Total	
Appraised Value 15BS	859.00	0.00	859.00	261.00	0.00	66.00	327.00	1,186.00
Appraised Value KF	859.20	242.20	1,101.40	261.20	83.70	92.60	437.50	1,538.90
Average Appraised Value ^{1/}	859.10	121.10	980.20	261.10	41.85	79.30	382.25	1,362.45
Selling Price ^{2/}	773.19	108.99	882.18	234.99	37.67	71.37	344.03	1,226.21
Deduct: Book Value ^{3/}	859.20	298.29	1,157.49	261.2	87.98	0.00	349.18	1,506.67
Profit (Loss) from Sales	(86.01)	(189.30)	(275.31)	(26.21)	(50.31)	71.37	(5.15)	(280.46)
Deduct: Fee ^{4/}	8.59	2.86	11.45	2.61	1.06		3.67	15.12
Deduct: Revenue Stamp ^{5/}	2.15	0.71	2.86	0.65	0.27		0.92	3.78
Deduct: Corporate Tax ^{6/}	8.59	2.86	11.45	2.61	1.06		3.67	15.12
Net profit	(105.34)	(195.73)	(301.07)	(32.08)	(52.70)	71.37	(13.42)	(314.49)
Net Cash Flow Received ^{7/}	753.86	102.56	856.42	229.12	35.27	71.37	335.76	1,192.18

Note:

1. Average appraised value is the average value of appraise value assessed by 15 Business Advisory Co., Ltd (15BA) and Knight Frank Chartered (Thailand) Co., Ltd (KF).
2. Selling Price equal to 90% of the average appraised value
3. Book Value on the transaction date. According to the Company, the disposition of assets is expected to proceed within April 2021.
4. Estimated asset transfer fee, using a rate of 2.0% of government assessed value or selling price, whichever value is higher. Buyer and seller shall equally pay for the fee.
5. Estimated revenue stamp, 0.5% of selling price that is higher than government assessed value. Buyer and seller shall equally pay for the fee.
6. Corporate Tax 1.0% of selling price (that is higher than government assessed value)
7. Net cash flow received is calculated from the amount of estimated cash received from the disposition.

According to the above estimation, in case that the Company sell the Office Building (Klong Toei) and the Printing and Distribution Center (Bangna) at 1,226.21million Baht. The Company will record a loss from asset sales totaling 280.46 million Baht. After deducting other expenses, the Company will have loss from asset sales totaling 314.49 million Baht. The Company will receive 1,192.18 million Baht of cash from the disposition of assets.

6.3 Business plan

With technology advancement and digital era, people can easily access to information using communication equipment especially mobile phones or tablets. As a result, consumption on print media has been gradually declined close to the point which newspaper and magazines become less important. The Company has adapted to the upcoming changes by increasing proportion of revenue from digital media reaching to more readers. On the other hand, print media such as Bangkok Post newspaper, the 70-years old print media and the only English daily newspaper in Thailand, had a customer base which are, organizations, businesses, middle-age persons in their 50s and older, who accept both traditional and new media. Thus, the major customers of the newspaper will eventually decrease, resulted in continuous decline in sales comparing to the past. The Company has adapted and ceased in-house newspaper production and outsourced the process instead. However, the Company still has key resource; its competent personnel who can create various content to serve customer demand. The Company only changes the channels to communicate with readers; from print media to digital media. The Company has been carried on business restructuring for the past few years, and expected to see more tangible outcome in 2020 onward. The Company earns revenue from the businesses as follows;

(1) Revenue related to print media

1.1 Revenue from newspaper: Revenue related to newspaper comprised of (1) Revenue from advertisement in Bangkok Post newspaper and (2) Revenue from sales of Bangkok Post newspaper. Bangkok Post newspaper is the oldest newspaper in Thailand reaching its 74th years of news and information publishing. Bangkok Post newspaper is constantly improving to serve the need of readers as the leader in English news in Thailand.

1.2 Revenue from magazines: The Company earns revenue from sales of foreign magazines published in Thai edition including; ELLE Thailand, a leading international fashion magazine, Forbes Thailand, a business and finance magazine targeting business persons, investors, entrepreneurs, and executives of leading companies in Thailand. The Company distributes the magazines for the publisher; Post International Media Co., Ltd.

1.3 Revenue from sales of pocket books and insource printing production. The Company has discontinued the business in 2020.

(2) Revenue from event organizing

Bangkok Post group has been organizing events and activities to reinforce awareness in brands and businesses of the Company, and built good relationship with target customers and readers to improve sales and revenue. The Company is an organizer and sponsor of several creative events various in sizes, and activities such as seminar, rally, sport event, charity, fashion, concert etc. in Bangkok, provincial areas and foreign countries.

(3) Revenue from digital media

Digital media has become a major channel of the Company to publish content to consumers or customers in different segments. The Company expects to generate revenue from this channel as follows;

3.1 Digital Advertising consists of 1) Advertising service on media websites owned by the Company and social medias such as Facebook, Instragram and Twitter. The advertising service is aimed to reach consumers in general. 2) Digital sales, a new advertising service which the Company is an advertising agency supporting customer's marketing campaign, such as advertorial content—news or articles specifically created for target customers such as video clip, annual report and advertisements on digital platforms and the Company's. Digital advertising is considered as a direct channel for advertising service.

3.2 Digital Post-Digital service, consists of 1) Bangkok Post online newspaper, and bundled packages of international newspaper such as Wall Street Journal and The New York Times. The service focuses on membership and subscription 2) Ad network. The Company becomes an advertising agency managing customer's advertising posts on digital media. The service generates income from advertisement on digital platforms like Google or Facebook. Advertising agencies can bid for advertising space on digital media owned by the Company. Therefore, ad network is another channel generating revenue from advertising for the Company.

(4) Revenue from data journalism

Data journalism is news reporting using technology or applications as a tool to digest and present big data and complex information, to determine in which direction the content should be presented. News reporting can be conducted in various ways; such as series of news report and investigative news, and in various formats; such as information girds, infographic or pictures, which makes the presentation interesting, easy to read and understand. Therefore, data journalism helps making news creditable and transparent because the contents are based on undeniable facts. The Company's data journalism service includes data visualization, resource hub, critical point of views, international forums, multimedia, including social media campaigns with digital optimization on several media channels of Bangkok Post such as websites, Facebook, Instagram, Twitter, Line and Youtube. The Company has built a new team to offer the service to customer since Q3/2020.

6.4 Financial Projection

The Advisor has prepared a financial projection for a period of 5 years from Q4/2020 to the end of 2027, to analyze the Company's operating performance and financial position. The Company is assumed generate revenue from the existing business as previously mentioned. Some revenue may increase or decrease, and there will be opportunities for new business. By disposing the assets, the Company's debt and financial cost will be significantly lessened as the cash received from the asset disposal will be repaid the Company's debt, especially short-term loans from financial institutes. Office rental expense will increase which will be explained later in details.

The assumptions used in the financial projection are based on the Advisor's study, documents received from the Company and public information. Most of the assumptions are relied on the Company's policy and executive interviews. Major financial assumptions are as follows;

1. Revenue

The Company generates revenue from multiple channels including revenue from sales; such as newspaper, magazines and books, revenue from services; such as print media advertising, event organizing and revenue from digital media. The assumptions of revenue consist of;

1.1. Revenue from sales

1.1.1. Revenue from sales of newspaper

Since the Company has discontinued its print media production and distribution of Post Today and M2F newspaper in March 2019, the Advisor estimates only revenue from sales of Bangkok Post newspaper. Average revenue is calculated from revenue earned from each customer segment. Average price and volume of sales differ from customer to customer. The Company's customer segments include individual customers and businesses such as hotels, airlines, hospitals, schools, and Bangkok Post members. In this financial projection, the Advisor estimates sales volume in 2020 to be 5.05 million which is annualized from the actual sales in 9M/2020. The amount is 38.36% decreased from 2019 due to COVID-19 epidemic since the beginning of 2020 causing the Company's customers; such as newspaper agents and businesses including airlines, hotels, hospitals, schools, to reduce their spending on newspapers. Many businesses have been facing with loss and lack of liquidity, and have to cut down expenses or temporary stop its business. Sales volume in 2021 is estimated to be 5.70 million which will increase to 6.50 million in 2022 – 2027 according to the Company's forecast adjusted by the Advisor. The reason is that Bangkok Post newspaper is the only English daily newspaper in the market and has a strong customer base. It is expected that after COVID-19 vaccination, the Company's customers will be back to business as usual, resulting an increase in sales of newspapers.

As for average revenue from sales of newspaper, the Advisor assumed the price of newspaper in 2020 to be equivalent to average actual price in 9M/2020 which is 16.25 Baht. Average price of newspaper in 2020 has increased because the business customers, such as airlines and hotels, were greatly affected by COVID-19 circumstance and had to cut down expense or temporary stop business operation. Thus, sales from this group of customers have dropped significantly. Whereas sales from other customers had higher average price but lower in volume. Therefore, average price of newspaper sold in 2020 has increased from last year. For 2021 onward, the Advisor assumed the price to be 15.90 Baht per unit which is an actual average price during 2019 – 2020.

(Unit: million Baht)

	2017A	2018A	2019A	2020F	2021F	2022F	2023F	2027F
Average price (Baht per unit)	16.09	15.95	15.50	16.25	15.90	15.90	15.90	15.90
Amount of newspaper sold (Million)	9.94	8.65	8.20	5.05	5.70	6.50	6.50	6.50
Growth	n.a.	-12.97%	-5.28%	-38.36%	12.81%	14.04%	0%	0%
Revenue from sales – Bangkok Post	160.05	138.05	127.06	82.12	90.63	103.36	103.36	103.36
Revenue from other newspapers*	57.37	40.98	8.53	-	-	-	-	-
Total revenue from sales of newspapers	217.42	179.02	135.59	82.12	90.63	103.36	103.36	103.36

Note: *Post Today and Student Weekly

1.1.2. Revenue from sales of magazines

The Company currently earns revenue from 3 magazines including ELLE, Forbes and ELLE men. In this financial projection, sales volume in 2020 equals to 30,193 which is annualized from actual sales volume in 9M/2020. The sales volume decreased by 41.09% from 2019 as print media as one of traditional medias is in competition with digital media and was affected by economic slowdown from COVID-19 circumstance. Sales volume in 2021 – 2027 is based on the actual data in 2019, with an assumption that by not taking into account of COVID-19, sales volume during 2020-2021 should decline 15.15% per annum. Therefore, sales volume should be 43,490 units in 2020 and 36,900 units in 2021. Sales volumes in 2022 – 207 declines by 7.58% per annum.

As for average sales of magazines, the Advisor assumed the selling price in 2020 to be equivalent to average actual price in 9M/2020. For 2021 onward, the price is assumed to be 86.96 Baht per unit which is the average actual price during 2018 – 2020.

(Unit: million Baht)

	2017A	2018A	2019A	2020F	2021F	2022F	2023F	2027F
Average price (Baht per unit)	93.33	88.06	88.99	83.83	86.96	86.96	86.96	86.96
Magazines sold (unit)	66,545	60,409	51,256	30,193	36,900	34,105	31,521	29,133
Growth (%)	n.a.	-9.22	-15.15	-41.09	22.21	-7.58	-7.58	-7.58
Revenue from remaining magazines	6.21	5.32	4.56	2.53	3.21	2.97	2.74	2.53
Revenue from other magazines* (million Baht)	19.98	9.82	2.63	-	-	-	-	-
Total revenue from magazines (million Baht)	26.19	15.14	7.19	2.53	3.21	2.97	2.74	2.53

Note: Other magazines includes ELLE Decoration, CLEO, and Science Illustrated

1.1.3. Revenue from sales of books

The Company has stopped book publishing since 2020.

1.2. Revenue from services

1.2.1. Revenue from newspaper advertising

Revenue from newspaper advertising is the revenue generated from advertisements in Bangkok Post newspaper. There are various types of advertising space for sale according to the size of the newspaper page, such as full-page, half-page, or quarter page. Customers can choose to publish the advertisement in full color or black and white. The Advisor estimated the revenue based on Industry Outlook of Thailand advertising. Details are as follows;

	2017A	2018A	2019A	2020F	2021F	2022F	2023F	2027F
Advertising industry (million Baht)	112,369	120,885	124,267	104,740	107,332	112,643	118,218	124,068
Growth rate (%)	n.a.	7.58	2.80	-14.98	2.47	4.95	4.95	4.95
Value of newspaper advertisement (million Baht)	7,706	6,100	4,634	3,594	3,191	3,012	2,928	2,887
Growth rate (%)	n.a.	-20.84	-24.03	-22.44	-11.22	-5.61	-2.80	-1.40

	2017A	2018A	2019A	2020F	2021F	2022F	2023F	2027F
% comparing to advertising industry	6.86	5.05	3.75	3.43	2.97	2.67	2.48	2.29
Revenue from advertising on BP newspaper (million Baht)	251.64	212.91	239.51	142.00	149.70	163.62	180.72	182.46
Growth rate (%)	n.a.	-15.39	12.50	-40.71	5.43	9.29	10.45	0.96
% comparing to value of newspaper advertisement (%)	3.27	3.49	5.17	4.00	4.75	5.50	6.25	6.40

Note : 1) Estimated from the total advertising amount for the period of Jan - Nov 2020 amounted to 96,012 million Baht (AGB Nielsen (Thailand) Co., Ltd.)

From the table, advertising spending has grown steadily, increasing 7.58% and 2.80% in 2018 and 2019 respectively. The value of the industry in 2019 equal to 1.24 billion Baht, with the average growth rate during 2017- 2019 equal to 4.95%. The amount of advertising spending in 2020 has dropped 14.98% compared to 2019 (estimated from the percentage of decline in advertising spending during Jan-Nov in 2020, compared to the same period in 2019), due to the impact of COVID-19 outbreak, many consumer brands has delayed their spending on advertising. For 2021, the advertising industry will grow in declining rate as the economic still slowdown due to the epidemic. Brand agencies are expected to be cautious on advertising spending. The Advisor estimate average growth rate of 2.59% in 2021. For 2022 - 2024, the Advisor assumed 4.95% per annum of growth based on the average growth of the industry before COVID-19 epidemic. According to previous crises such as political unrest, floods and other circumstance, it usually takes approximately one year for the industry to recover.

Amount of newspaper advertising has declined continuously, from 6.86% in 2017 to 3.75% in 2019, comparing to the value of the advertising industry, due to consumers has changed from traditional media to digital media. As for newspaper advertising in 2020, the Advisor assumed the value of newspaper advertisement to decline to 3.43% of industry value, which equal to average rate during 2018 – 2019. For 2021 – 2027, newspaper advertising still declines but the declining rate is halved annually from the average rate drop between 2018-2019.

Advertisement on the Bangkok Post newspaper (BP) in 2018 equal to 212.9 million Baht; a 15.4% decrease from the previous year, while the value of advertisement in 2019 increased to 239.51 million Baht, with a 12.5% growth annually. In 2018, due to the discontinuation of the competitor newspapers, some of the advertising customers moved to the Company's newspapers. Thus, advertisement value on BP newspaper in 2018 - 2019 equal to 3.5% and 5.2% of total newspaper advertising in the industry respectively. For 2020 -2027, newspaper advertising on BP is expected to equal to 4% - 6.25% of total newspaper advertising in the industry. As most of the existing customers are loyal customers who constantly publish their advertisement on BP. Moreover, as BP has become the only English daily newspaper in the market with target customers including businesses, foreign tourists, executives, and higher education persons. After COVID-19 crisis, the economy and businesses are expected to slowly recover. Thai economy is expected to recover by 3.5% - 4.5% in 2021 before returning to the pre-crisis levels within 2 years (From the seminar "Thai economic outlook in 2021" held on 25 December 2020 by the Faculty of Economics, Chulalongkorn University). International travel will be back too normal and number of foreign customers will increase. Many business including airlines and hotels will be back

to business. As a result, the Company's sales of newspapers will increase and businesses will spend more on newspaper advertising for public relation, publicity, including recruitment etc., Thus, the Company's newspaper advertising revenue will gradually increase from 142.0 million Baht in 2020 (average 11.8 million Baht per month) to 182.46 million Baht in the year 2027 (average 15.2 million Baht per month). However, the revenue will not be on the same level as 2019, which is the year that Bangkok Post has become the only English daily newspaper in the industry and the year before COVID-19 epidemic. The newspaper advertising revenue of the Company in 2019 was 239.51 million Baht (average 20.0 million Baht per month). The advisor estimated a commission of 1.23% on newspaper advertising revenue, based on the actual data in 2019.

1.2.2. Revenue from digital media

The revenue from digital media of the Company consists of revenue from digital advertising and revenue from digital post-digital. The details are as follows:

(Unit: million Baht)

	2017A	2018A	2019A	2020F	2021F	2022F	2023F	2027F
Digital Advertising	50.83	62.21	54.86	42.36	57.00	60.00	70.00	70.00
Digital Post-Digital	13.30	16.25	14.75	22.03	25.00	25.00	25.00	25.00
Total revenue from digital media	64.13	78.46	69.61	64.39	82.00	85.00	95.00	95.00
Revenue growth (%)	n.a.	22.35	-11.27	-7.51	27.36	3.66	11.76	0.00

Revenue from digital media is expected to grow continuously along with the growth of digital media, as people of all ages has been using social media for communication. In 2018, the value of the Company's revenue from digital media was 78.46 million Baht, 22.4% increase from the previous year. While the revenue in 2019 was 69.61 million Baht, 11.3% decline compared to 2018 due to the discontinuation of Post Today and M2F newspapers in March 2019. Some of the Company's advertising customers decided to postpone their advertising spending on the Company's media because the Company has fewer media channels for advertising.

In this financial projection, the IFA determines that digital media revenues in 2020 equal to 64.39 million Baht, based on annualized sales volume during 9M/2020. The IFA estimates the Company's revenue from digital media based on the Company's forecast. The revenue from digital advertising services in 2021 - 2024 will grown continuously from 57.0 million Baht in 2021 to 70.0 million Baht in 2024, as the Company has changed its strategy, which the Company used to earn only the revenue from digital media, to earn revenue from digital sales starting from the second half of 2020. Digital sales are the new advertising service which the Company is an advertising agency supporting customer's marketing campaign, such as advertorial content—news or articles specifically created for target customers such as video clip, annual report and advertisements on digital platforms and the Company's. Digital post-digital which the Company becomes an advertising agency managing customer's advertising posts on digital media, is a new service provided by the Company starting from 2020, including membership fees for the Bangkok Post online newspaper. The growth is due to increasing number of customers such as students and schools, along with changing behavior of consumers from traditional media to online and Bangkok Post news sold to international news agencies. The advisor estimated revenue from digital post-digital service during 2021 - 2024 will be approximately 25.0 million Baht per year.

1.2.3. Revenue from event organizing

The Company has been organizing events and activities to reinforce awareness in brands and businesses of the Company, and built good relationship with target customers and readers to improve sales and revenue. The Company is an organizer and sponsor of several creative events various in sizes, and activities such as seminar, rally, sport event, charity, fashion, concert etc. in Bangkok, provincial areas and foreign countries. Revenue from event organizing only comes from sponsors as there is no ticket sales. The Advisor estimates the revenue to be 3.0 million Baht per month from 2020 onwards, based on average revenue in 2019 which equal to approximately 3 - 5 million Baht per month. The Advisor estimated revenue from even organizing using conservatism concept because since the outbreak of COVID-19 in the beginning of 2020, the Company's events in Q2/2020 have been interrupted. Thus, the Advisor estimated only 7 events to be arranged in 2020. The number of events increases to 10 in 2021 and it is estimated that there the Company will be able to arrange an event once a month during 2022- 2027. The revenue in 2020 decreased by 22.28% compared to 2019 and gradually increased by 42.86% from 2020 and 20.0% from 2021, before stopping in 2027.

	2017A	2018A	2019A	2020F	2021F	2022F	2023F	2027F
Revenue from event organizing (million Baht)	131.81	143.60	27.02	21.00	30.00	36.00	36.00	36.00
Number of events per year	24	58	16	7	10	12	12	12
Revenue growth (%)	n.a.	8.94	-81.18	-22.28	42.86	20.00	0.00	0.00

1.2.4. Revenue from data journalism

Revenue from data journalism is generated from the new project which the Company has recruited personnel experienced in data journalism since Q3/2020. The Company forecasted the revenue based on backlog and customer agreements on process. The service targets on government agency which Bangkok Post is a renown newspaper publisher for creditability to present news and information creating society impact. The Company is able to publish news and information thoroughly to the target group including general public, government agencies, educational institutes, using multiple media channels of Bangkok Post such as websites, Facebook, Instragram, LINE and Youtube.

(Unit: million Baht)

	2021F	2022F	2023F	2027F
Revenue from Data Journalism	60.00	72.00	84.00	96.00
Revenue growth (%)	n.a.	20.00%	16.67%	14.29

1.2.5. Revenue from publication insourcing

The Company has stopped the production since 2020.

Projection of total revenue

(Unit: million Baht)

	2017A	2018A	2019A	2020F	2021F	2022F	2023F	2027F
1) Revenue from sales								
1.1 Revenue from sales newspaper	217.42	179.02	135.59	82.12	90.64	103.36	103.36	103.36
1.2 Revenue from sales magazines	26.19	15.14	7.19	2.53	3.21	2.97	2.74	2.53
1.3 Revenue from sales books	17.45	12.56	8.53	-	-	-	-	-
Total revenue from sales	261.06	206.72	151.30	84.65	93.84	106.32	106.10	105.89
2) Revenue from services								
2.1 Revenue from newspaper ad.	482.65	347.46	261.36	142.00	149.70	163.62	180.72	182.46
2.2 Revenue from digital media	64.13	78.46	69.61	64.39	82.00	85.00	95.00	95.00
2.3 Revenue from event organizing	131.81	143.60	27.02	21.00	30.00	36.00	36.00	36.00
2.4 Revenue from data journalism	-	-	-		60.00	72.00	84.00	84.00
2.5 Revenue from publication insourcing	4.90	1.06	11.28	1.53	-	-	-	-
Total revenue from services	683.49	570.57	369.27	228.91	321.70	356.62	395.72	409.46
Total revenue from sales and services	944.55	777.29	520.57	313.57	415.55	462.94	501.81	515.35

2. Cost of sales and services

The cost of sales and services consists of major cost of production and event organizing, and expenses of each departments, such as salary, overtime, freelance fee, utilities, car rental, and transportation, spare parts and maintenance expense, depreciation, and others. The Advisor determined the assumptions for the cost of sales and service that vary on revenue, based on data in 2019 which is a year that the Company had normal operation after business restructure; including discontinuation of newspaper print media production and distribution of Post Today and M2F. Thus, information in that year can be used as a base information for the projection. The assumptions on expenses are as follows;

Major production cost

- Printing expenses of print media such as newspaper equal to 11.34 Baht per unit according to the actual average printing expenses charged by the outsources until September 2020.
- Magazine expenses equal to 86.11%, which is equal to selling expense of magazines.
- Expenses book printing and printing insourcing: No estimates are made as the company is no longer operate the business.
- Expenses for event organizing equal to 60% of revenue from event organizing which is in accordance with the Company's policy and past performance. The revenue from event activities is 56.82% between 2018 - 2019, since in the first 9 months of 2020 the Company has organized only 3 events.
- Expenses for data journalism equal to 35% in accordance with the Company's policy.

Expenses of each department

Expenses of each department in 2020 are estimated from annualize expense during 9M/2020. The assumptions of the expenses during 2021 – 2027 are as follows;

- Salary and overtime: The Advisor assumed that the expense is stable in 2020 according to the Company budget. However, from 2021, the expense is assumed to increase by half of 10-years average CPI which is 0,59% per annum using conservative basis. Since the Company does not have a policy to increase salary until it is back to normal business operation and has net profit. Therefore, the rate is expected to increase but not to the same level as CPI.
- Freelance fee: The expenses occurred when the Company hires outsourcers for the production of various articles, including pictures and photos. The company has a policy to limit the expenses and use in-house resources. Therefore, from 2021 onwards, growth rate of the expense is assumed to be 1.0% per year.
- Utilities and communication expenses such as water supply, electricity, internet, housekeeping fee, garbage collection fee, security guards, etc. The Company's utility expenses has been decreasing as it reduced number of staffs and closed of the Printing and Distribution Center (Bangna). As a result, there is a significant reduction in office space used in business operations. As for 2021, the Company plans to dispose of Office Building (Klong Toei) and Printing and Distribution Center (Bangna) and will partially lease office space in the Office Building (Klong Toei). Therefore, utilities expense is expected to be 10% decline from 2020. For 2022 onwards, the expense is assumed to increase 1.0% annually.
- Maintenance expenses: For software, and IT equipment. For 2021 onward, the expense is assumed to increase 1.0% annually.
- Other expenses such as office equipment, IT equipment rental fee. For 2021 onward, the expense is assumed to increase 1.0% annually.
- Depreciation: The expense is assumed using straight-line basis (Details in 5. Depreciation and Amortization)

(Unit: million Baht)

	2017A	2018A	2019A	2020F	2021F	2022F	2023F	2027F
<u>Major production cost</u>								
Newspaper publication cost	207.99	111.94	79.06	57.28	64.62	73.69	73.69	73.69
Magazines publication cost	22.58	13.12	6.19	2.18	2.76	2.55	2.36	2.18
Book publication cost	17.35	9.22	8.37	-	-	-	-	-
Event organizing cost	55.86	52.68	20.80	12.60	18.00	21.60	21.60	21.60
Project cost	-	-	-	-	21.00	25.20	29.40	33.60
<u>Expenses of departments</u>								
Salary and overtime	317.60	287.61	252.73	168.26	126.96	138.21	139.02	139.84
Freelance fee	22.75	20.07	15.91	13.75	13.88	14.02	14.16	14.30
Utilities	41.75	38.59	25.10	15.99	14.39	14.54	14.68	14.83

	2017A	2018A	2019A	2020F	2021F	2022F	2023F	2027F
Maintenance	36.89	29.03	16.44	13.53	13.66	13.80	13.94	14.08
Other expenses	12.30	14.98	16.57	22.59	22.81	23.04	23.27	23.50
depreciation	88.21	79.04	67.79	56.18	11.89	5.48	3.86	2.91
Total cost of sales and services	823.29	656.28	508.96	362.33	309.98	332.13	335.98	340.52

3. Selling expenses

Selling expenses consist of advertising fee, salary an overtime, utilities and communication fee, vehicle and transportation fee, and other expenses. Selling expenses in 2020 is estimated from annualize expense during 9M/2020. The assumptions of the expenses during 2021 -2027 are as follows;

- Salary and overtime: The Advisor assumed that the expense is stable in 2020 according to the Company budget. However, from 2021, the expense is assumed to increase by half of 10-years average CPI which is 0,59% per annum using conservative basis. Since the Company does not have a policy to increase salary until it is back to normal business operation and has net profit. Therefore, the rate is expected to increase but not to the same level as CPI.
- Advertisement: The Company has a policy to limit the expense for book shops in accordance to the business operation. Therefore, from 2021 onwards the expense is assumed to increase 1.0% annually.
- Utilities and communication such as water supply, electricity, internet. The expense is expected to be 10% decline from 2020. For 2022 onwards, the expense is assumed to increase 1.0% annually.
- Vehicle and logistic expenses: for newspapers or magazines distribution. The expenses have been greatly decreased in 2020 as the Company has improved its distribution of newspapers and magazines having lower sales volume. Air transport has been canceled and the Company's newspapers and magazines are transported altogether with other newspapers. The expense is expected to be 10% decline from 2020. For 2022 onwards, the expense is assumed to increase 1.0% annually.
- Other expenses such as freelance fee, maintenance expense, office equipment, IT equipment rental fee. The expense is expected to be 10% decline from 2020. For 2022 onwards, the expense is assumed to increase 1.0% annually.
- Depreciation: The expense is assumed using straight-line basis (Details in 5. Depreciation and Amortization).

Unit: million Baht)

	2017A	2018A	2019A	2020F	2021F	2022F	2023F	2027F
Salary and overtime	45.12	40.40	55.33	37.75	28.71	31.26	31.44	31.62
Advertisement	27.77	6.35	12.79	2.45	2.47	2.50	2.52	2.55
Utilities and communication	19.03	18.40	15.65	11.67	10.50	10.60	10.71	10.82
Vehicle and transportation fee	42.42	25.46	11.21	5.36	5.42	5.47	5.53	5.58
Other expenses	8.10	2.75	1.41	1.92	1.94	1.96	1.98	2.00
Depreciation	2.24	1.52	1.08	1.44	0.31	0.14	0.10	0.07

Total selling expense	144.67	94.88	97.47	60.59	49.35	51.93	52.28	52.65
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4. Administrative expenses

Administrative expenses consist of salary and overtime, utilities, communication expense, other expenses and depreciation. Administrative expenses in 2020 is estimated from annualize expense during 9M/2020. The assumptions of the expenses during 2021 -2027 are as follows;

- Salary and overtime: The Advisor assumed that the expense is stable in 2020 according to the Company budget. However, from 2021, the expense is assumed to increase by half of 10-years average CPI which is 0,59% per annum using conservative basis. Since the Company does not have a policy to increase salary until it is back to normal business operation and has net profit. Therefore, the rate is expected to increase but not to the same level as CPI.
- Office space rental expense for the Office Building (Klong Toei). After the disposition of assets, the Company has to rent office spaces approximately 9,000 sq. m., which is a condition specified in the TOR of the auction. The Company will leaseback the office building for 3 years from January 2021 to December 2023, the period is extendable. The rental fee equal to 400 Baht/ sq.m./month for entire forecast period, based on the rental rate appraised by KF.
- Utilities and communication such as water supply, electricity, internet. The expense is expected to be 10% decline from 2020. For 2022 onwards, the expense is assumed to increase 1.0% annually.
- Other expenses such as building maintenance, office equipment, auditing fee. The expense is expected to be 10% decline from 2020. For 2022 onwards, the expense is assumed to increase 1.0% annually.
- Depreciation: The expense is assumed using straight-line basis (Details in 5. Depreciation and Amortization).

(Unit: million Baht)

	2017A	2018A	2019A	2020F	2021F	2022F	2023F	2027F
Rental office space	-	-	-	-	28.80	43.20	43.20	43.20
Salary and overtime	55.11	51.80	50.57	45.89	37.70	41.04	41.28	41.52
Utilities and communication	14.66	15.54	13.85	12.08	10.87	10.98	11.09	11.20
Other expenses	93.38	74.18	50.83	15.60	15.75	15.91	16.07	16.23
Depreciation	20.73	17.70	14.06	12.17	2.58	1.19	0.84	0.63
Total administrative expense	183.89	159.21	129.31	85.74	155.70	112.32	112.48	112.79

5. Depreciation and amortization

The expense is assumed using straight-line basis. As for buildings, the lifetime of assets used in calculation is 20 years. As for machines, the lifetime of assets used in calculation is between 5 - 15 years. For building interior and vehicle, the lifetime of assets used in calculation is 5 years. And 10 years for intangible assets.

6. Loan and interest

The Company has borrowed from financial institutes and major shareholders as follows;

Financial institute	Type of loans	Amount As of 30 September 2020	Interest rate per annual
A financial institute	Long-term	273,467,300	5.50%
4 financial institutes	Short-term and OD	931,084,440.71	Average 5.78%

Major shareholders	Type of loans	Amount As of 30 September 2020	Interest rate per annual
Mr. Suthikiati Chirathivat (Major shareholder holding 24.22% and the Company's Chairman)	Short-term	250,000,000	4.875%

The Company will repay the debt to financial institutes and the major shareholder after the disposition of assets, and will borrow as needed.

7. Corporate Tax and retained loss

Corporate tax rate equal to 20% throughout the forecast period. The Company has a taxable deficit from 2015 – 2018 that can be utilized from 2020 onwards, totaling 537.70 million Baht (excluding net loss incurred in 2020).

Financial projection and financial position

The Advisors prepared the financial projection and financial position of the Company. The projection has been separated into 2 scenarios for comparison.

- 1) The Company runs normal operation, without the asset disposal.
- 2) The Company disposes the Office Building (Klong Toei) and the Printing and Distribution Center (Bangna)

The Advisor estimated the Company's performance in both cases using similar assumptions. The only difference between these two scenarios is that the disposition of assets (Scenario 2) will cause the Company's tangible fixed assets to decrease significantly. As a result, depreciation expense, which is a major item in the financial statement, will be decreased. Moreover, as the Company receives cash from the disposition of assets, it is able to repay loans and reduce financial cost, which is a major item in the financial statement, will be also decreased. As the Company has improved its capability and business opportunity by focusing on digital media, revenue and profit is expected to grow, resulting in better performance result. The Company's net loss will decrease continuously compared to the scenario which there is no asset disposal (Scenario 1).

To prepare the projection, the IFA uses the latest actual information up to 30 September 2020. Therefore, the projection does not include the impact of possible impairment of assets which will be reported in annual financial statement, and may as well have a risk of negative shareholders' equity in the future. The Company may have to record the impairment and may have negative shareholders' equity which will be reported in annual financial statement.

However, according to the financial projection, in both scenarios, the Company will continue to has net loss in the future. As a result, the Company' s shareholders' equity will become negative. In case that the Company fail to improve its performance to meet all qualifications of SET, the Company will be considered having a major ground for delisting.

Scenario 1 : The Company runs normal operation, without the asset disposal

(Unit: million Baht)

	2017A	2018A	2019A	2020F	2021F	2022F	2023F	2027F
Revenue from sales and services	944.55	777.29	520.57	313.57	415.55	462.94	501.81	515.35
Cost of sales and services	(823.29)	(656.28)	(508.96)	(362.33)	(349.56)	(360.36)	(359.46)	(364.01)
Gross profit	121.26	121.01	11.61	(48.76)	65.99	102.58	142.36	151.34
Selling expenses	(144.67)	(94.88)	(97.47)	(60.59)	(50.36)	(52.66)	(52.88)	(53.25)
Administrative expenses	(183.89)	(159.21)	(129.31)	(85.74)	(135.48)	(75.24)	(74.36)	(74.67)
Loss on impairment of investment in subsidiaries	(73.11)	-	(191.33)	-	-	-	-	
Loss on impairment of Machines and equipment	-	-	(94.03)	-	-	-	-	
Doubtful receivable of loans to subsidiaries	(25.83)	-	-	-	-	-	-	
Profit (loss) from asset disposal	-	-	-	-	-	-	-	
Selling expenses of assets	-	-	-	-	-	-	-	
Loss from operation activities	(291.24)	(133.08)	(500.53)	(195.09)	(119.85)	(25.31)	15.11	23.42
Dividend received	15.00							
Other income	63.11	43.41	28.99	21.81	12.27	12.27	12.27	12.27
Loss before income tax	(228.13)	(89.67)	(471.54)	(173.28)	(107.58)	(13.04)	27.38	35.69
Financial cost	(54.79)	(66.23)	(74.38)	(82.72)	(88.09)	(92.78)	(95.24)	(97.02)
Loss before income tax	(282.92)	(155.9)	(545.92)	(256.00)	(195.68)	(105.83)	(67.86)	(61.33)
Tax expense (revenue)	(28.75)	(7.67)	166.62	-	-	-	-	-
Net loss	(311.67)	(163.57)	(379.29)	(256.00)	(195.68)	(105.83)	(67.86)	(61.33)

(Unit: million Baht)

	2017A	2018A	2019A	2020F	2021F	2022F	2023F	2027F
Assets	2,032.21	2,077.65	2,101.32	2,004.18	1,961.33	1,930.62	1,904.57	1,875.13
Liabilities	1,631.79	1,678.85	1,828.14	1,987.00	2,139.83	2,214.95	2,256.76	2,288.65
Shareholders' equity	400.42	398.79	273.17	17.17	(178.50)	(284.33)	(352.19)	(413.52)

(Unit: million Baht)

	2017A	2018A	2019A	2020F	2021F	2022F	2023F	2027F
Net cash flows used in operating activities				(186.01)	(155.10)	(72.19)	(42.32)	(30.78)
Net cash flows from (used in) investing activities				7.74	-	-	-	-
Net cash flows from financing activities				175.09	155.00	72.53	42.00	31.00
Net cash increase (decrease)				(3.19)	(0.10)	0.35	(0.32)	0.22
Cash on the beginning of period				4.64	1.45	1.35	1.70	1.38
Cash on the end of period				1.45	1.35	1.70	1.38	1.60

Scenario 2 : The Company disposes the Office Building (Klong Toei) and the Printing and Distribution Center (Bangna)

(Unit: million Baht)

	2017A	2018A	2019A	2020F	2021F	2022F	2023F	2027F
Revenue from sales and services	944.55	777.29	520.57	313.57	415.55	462.94	501.81	515.35
Cost of sales and services	(823.29)	(656.28)	(508.96)	(362.33)	(309.98)	(332.13)	(335.98)	(340.52)
Gross profit	121.26	121.01	11.61	(48.76)	105.57	130.81	165.84	174.82
Selling expenses	(144.67)	(94.88)	(97.47)	(60.59)	(49.35)	(51.93)	(52.28)	(52.65)
Administrative expenses	(183.89)	(159.21)	(129.31)	(85.74)	(155.70)	(112.32)	(112.48)	(112.79)
Loss on impairment of investment in subsidiaries	(73.11)	-	(191.33)	-	-	-	-	
Loss on impairment of Machines and equipment	-	-	(94.03)	-	-	-	-	
Doubtful receivable of loans to subsidiaries	(25.83)	-	-	-	-	-	-	
Profit (loss) from asset disposal	-	-	-	-	(280.46)	-	-	
Selling expenses of assets	-	-	-	-	(34.02)	-	-	
Loss from operation activities	(291.24)	(133.08)	(500.53)					
Dividend received	15.00	-	-	-	-	-	-	
Other income	63.11	43.41	28.99	21.81	12.27	12.27	12.27	12.27
Loss before income tax	(228.13)	(89.67)	(471.54)	(173.28)	(401.70)	(21.17)	13.35	21.66
Financial cost	(54.79)	(66.23)	(74.38)	(82.72)	(34.82)	(29.18)	(30.88)	(31.59)
Loss before income tax	(282.92)	(155.9)	(545.92)	(256.00)	(436.52)	(50.35)	(17.53)	(9.93)
Tax expense (revenue)	(28.75)	(7.67)	166.62	-	-	-	-	-
Net loss	(311.67)	(163.57)	(379.29)	(256.00)	(436.52)	(50.35)	(17.53)	(9.93)

(Unit: million Baht)

	2017A	2018A	2019A	2020F	2021F	2022F	2023F	2027F
Assets	2,032.21	2,077.65	2,101.32	2,004.18	317.38	321.85	325.06	325.02

Liabilities	1,631.79	1,678.85	1,828.14	1,987.00	673.08	727.90	748.64	758.53
Shareholders' equity	400.42	398.79	273.17	17.17	(355.70)	(406.05)	(423.58)	(433.51)

(Unit: million Baht)

	2017A	2018A	2019A	2020F	2021F	2022F	2023F	2027F
Net cash flows used in operating activities				(186.01)	(136.38)	(50.13)	(20.47)	(8.55)
Net cash flows from (used in) investing activities				7.74	1,192.18	-	-	-
Net cash flows from financing activities				175.09	(1,055.47)	50.00	20.00	9.00
Net cash increase (decrease)				(3.19)	0.34	(0.13)	(0.47)	0.45
Cash on the beginning of period				4.64	1.45	1.79	1.66	1.19
Cash on the end of period				1.45	1.79	1.66	1.19	1.64

The Advisor's analysis on both scenarios can be summarize as follows;

Statement of comprehensive income

the Company plans to change its strategy and business model to meet the needs of consumers and advertising customers by focusing on digital media channels, to replace revenue from print media, which tends to decline continuously. The Company will focus on product development and customer engagement to expand online customer base, while increase more channels especially social media. The Company also develops digital products as well as create new products under the brand of the Bangkok Post Group to increase revenue, such as organizing seminars, promotional activities, public relations for various organizations, etc. The Company's profitability ratio can be summarized as follows;

Scenario 1 : The Company runs normal operation, without the asset disposal

	2020F	2021F	2022F	2023F	2027F
Gross profit ratio	-15.55%	15.71%	21.89%	28.00%	28.89%
EBIT	-55.26%	-26.15%	-3.23%	4.90%	6.20%
Financial cost	26.38%	21.20%	20.06%	19.02%	18.90%
Net profit (loss) ratio	-81.64%	-47.35%	-23.29%	-14.13%	-12.70%

Scenario 2 : The Company disposes the Office Building (Klong Toei) and the Printing and Distribution Center (Bangna)

	2020F	2021F	2022F	2023F	2027F
Gross profit ratio	-15.55%	25.40%	28.26%	33.05%	33.92%
EBIT	-55.26%	-96.67%	-4.57%	2.66%	4.20%
Financial cost	26.38%	-8.38%	-6.30%	-6.15%	-6.13%
Net profit (loss) ratio	-81.64%	-105.05%	-10.88%	-3.49%	-1.93%

Net loss ratio in 2021 of both scenarios are greatly difference as in the 2nd scenario the Company will have loss from asset disposal totaling 280.46 million Baht. In 2021 – 2027 the Company will continue to have net loss and will be lack of liquidity and need additional source of fund. However, in the 2nd scenario, after the Company disposed the assets, it will receive cash from asset sales which the Company will repay its short-term and long-term loans from financial institutes and the director. Though the Company cannot repay all of its debt,

the Company's financial cost will be significantly decreased, which is a key factor to improve the Company's performance. Moreover, some of cash received from asset disposal will increase the Company's liquidity and can be used as working capital.

In case that the Company does not dispose the asset (scenario 1), it will short of liquidity severely due to net loss from operations. The Company will not be able to repay loans on time as indicated in the loan agreement, and will be low on working capital. In the 1st scenario, the Company will have to seek for another source of fund instead of loans from the directors. As result, the Company's financial cost will be increased to average 21% of revenue from sales and service. Thus, it will have more net loss compared to the 2nd scenario. If the Company is unable to acquire additional source of fund, either by borrowing from the director or by raising capital, it may not be able to continue the business.

Statement of financial position

In the 2nd scenario, after the asset disposal in 2021, the Company's major assets will be change from land, buildings, machine and equipment into current assets, which consist of account receivables, cash deposit, bank guarantee, cash and other current assets. Liabilities will decrease from debt repayment to financial institutes and the director. As for shareholders' equity, after asset disposal, the Company will have to record loss from asset sales in the retained earnings (loss) – unappropriated. Other components of shareholders' equity will be eliminated. As the Company will continue to has net loss, the Company's shareholders' equity will be negative from 2021 onwards.

In case that the Company does not dispose the asset (1st scenario), it still has negative shareholders' equity from 2021 onwards, as the Company will continue to has net loss.

Due to the Company's negative shareholders' equity, it will have to find a way to keep the shareholders' equity back to positive value. The Company may have to find business partners to increase its competency and business opportunities, and change its business model by focusing on digital media, to increase revenue and benefit, as well as reduce unnecessary expense and cost, to survive in a long run. Entering into the disposition of assets will temporarily solve the Company's debt and liquidity problems, to keep the Company in a position to be able to negotiate with third parties and creditors, and the Company's management still be able to take control of the Company.

The IFA has an opinion that the disposition of assets is crucial and necessary for the Company in order to solve urgent problems. The cash received from the transaction will make the Company to have enough liquidity to operate the business, and to repay loans from financial institutes and the director on time. However, the Company need strategic plans for the business to cope with change in media industry, in order to sustainably survive in a long run.

Section 7: Summary of the Opinion of the Independent Financial Advisor

7.1 Disposition of Printing and Distribution Center (Bangna) and Office Building (Klong Toei)

Regarding the entering into the disposition of assets and the connected transaction with Romreun Land Co., Ltd which is the connected person and the winning bidder at the price of 1,226.21 million Baht, the Advisor has considered relevant information, objective of the transaction, reasonableness, advantages and disadvantages, and appropriateness of price and conditions of the transaction along with other factors that may affect the Company. **The Advisor therefore opined that the entering into the transactions is reasonable.**

In order to consider appropriateness of the transaction price, the Advisor has reviewed the fair value appraised by the independent appraisers using book value method. Summary of the appraisal report on the assets to be Disposed is as follows;

No.	Details of assets	Book Value (million Baht)	Appraised Value (million Baht)	
			KF ¹	15BA ²
1	Printing and Distribution Center (Bangna)			
	Land	261.20	261.20	261.20
	Buildings	96.41	83.70	-
	Printing machines and equipment	11.27	92.60	66.00
	Total	368.88	437.50	327.00
2	Office Building (Klong Toei)			
	Land	859.20	859.20	859.00
	Office buildings	305.14	242.20	-
	Total	1,164.34	1,101.40	859.00
	Grand total	1,533.22	1,538.90	1,186.00

Note: ¹ Knight Frank Chartered (Thailand) Co., Ltd

² 15 Business Advisory Co., Ltd

The Advisor have an opinion that the fair value assessed by adjusted book value approach representing the appraised value by the appraisers is appropriate because the asset value under cost approach is higher than the value under income approach which implies that the utilization of assets is not the highest and best use since the assets were specifically developed for the Company's business and do not generate income. For the Printing and Distribution Center (Bangna), KF used cost approach to assess the market value on existing-use basis because the buildings and machines are specifically designed and constructed for the Company's print media business which make it difficult or inefficient to utilize the assets for other purpose. As for the Office Building (Klong Toei), KF assessed the market value while using income approach to recheck the value assessed by cost approach. The asset value using income approach is significantly lower the value assesses by cost approach, therefore KF had an opinion that current usage of the assets is not the highest and best use.

15BA appraised value of both assets using cost approach and income approach which the value appraised by income approach is significantly lower than cost approach. Therefore, 15BA opined that current usage of both assets is not the highest and best use as the value appraised by income approach is lower than the market value of land which reflects that the ability to generate income of the assets is lower than the potential

of land. Thus, current usage of the assets is not the highest and best use, so the appraiser did not include the value of buildings in the market value of both assets.

The Advisor shared the same opinion with the appraisers that cost approach is the appropriate approach to determine the fair value of assets since the assets are not built to generate income and are designed and constructed for the Company's print media business. The Advisor opined that discretion of the appraisers on market value of the assets is reasonable according to the principles and current economic circumstance.

As for the asset appraisal carried out by 15BA, though the appraised market value is significantly lower than the book value and the market value appraised by KF, after considering the appraiser's reason and principles on valuation, the Advisor had an opinion that the concept on market value suggested by 15BA represents economic value of the assets. Moreover, the Company's auction for asset disposition in 2020, which the minimum selling price of both assets was 1,472.85 million Baht, did not receive well attention from general investors and no one offered to buy the assets at equal or higher price than the minimum price. Therefore, it could be inferred that the minimum price of the previous auction was higher than expected return of the investment. The Advisor then opined that the market price appraised by 15BA should be included in consideration to determine the fair value of assets which is the price agreed by well-informed seller and buyer.

Thus, the Advisor has an opinion that fair value of the assets to be disposed should range between the market value appraised by both appraisers or between 1,186.00 - 1,538.90.

As the price of asset disposition which is 1,226.21 million Baht equally to the minimum price of the disposed assets specified by the Company, the Advisor opined that the transaction price falls within the range of fair value, **therefore the transaction price of the disposition of assets and the connected transactions are reasonable.**

The Advisor noted that even though the entering into the disposition of assets will help the Company to have better financial liquidity and repay debt in time which will help the Company to be able to continue the business and have lower financial cost, the Company will have to record loss from asset disposition approximately 280.50 million Baht and may have to report negative shareholders' equity in the audited financial report for year ended 2021. In such case, the Company will be considered having a major ground for delisting according to the notification of the Stock Exchange of Thailand The Delisting of Securities B.E. 2 5 4 2 (1 9 9 9). Moreover, after entering into the transaction, the Company still have to improve existing performance of its business that continually has net loss.

In case that the Company does not enter into the transaction, the Company still has net loss from the existing business according to the business projection (details in Section 6: Financial Forecast of the Company). Moreover, if the book value of assets is higher than the expected value to receive from the assets, the Company may have to record an asset impairment which will be reported in annual financial statement, and may as well have a risk of negative shareholders' equity in the future. The Company may have to consider a plan to improve performance and raise more capital to ensure that the business survive in a long run.

After considering the advantages and disadvantages along with benefits the Company will receive from entering into the disposition of assets, **the Advisor opined that shareholders should approve the disposition of assets and the connected transactions.**

7.2 Entering into the Acquisition of Assets

After considering the advantages and disadvantages of entering into the transactions, along with the advantages and disadvantages of not enter into the acquisition of assets, **the Advisor opined that the entering into the acquisition of assets is reasonable.**

To consider price appropriateness of the acquisition of assets, the Advisor has reviewed the rental rate of office space in the Office Building appraised by the appraisers. **The Advisor opined that the rental rate is equal to the market rate, therefore the transaction price of the acquisition of assets is appropriate.**

After considering benefits the Company will receive from entering into the acquisition of assets, **the Advisor opined that shareholders should approve the acquisition of assets.**

7.3 Receiving Financial Support from the Connected Peron

Considering the advantages and disadvantages of entering into the transactions, advantages and disadvantages of not enter into the transaction, benefit the Company will receive from the financial support received from the connected person and the lack of liquidity of the Company, **the Advisor opined that the financial support is appropriate.**

Considering interest rate of the financial support which is comparable to the rate offered by financial institutes, **the Advisor opined that the rate of interest payment of the financial support is appropriate.**

After considering necessity and benefit the Company shall receive, **the Advisor opined that shareholders should approve the Company to receive the financial support which is a connected transaction.**

However, shareholders should consider reasonableness, criteria and conditions of the transaction, as well as the IFA's opinion which are were on the assumptions that gathered information, documents and drafts of document received by the Advisor, including interviews with the management and relevant parties were complete and accurate. The Advisor is of the opinion that the assumptions used in this report are reasonable in accordance with economic condition and existing information during the study period. Any future possible change may be the factors affecting the IFA's opinion. Hence, decision-making on whether to approve or disapprove entering into the transaction will mainly depend on shareholders' consideration.

Silom Advisory Co., Ltd, as the independent financial advisor of the Company, hereby certify that the Advisor have considered and studied the information with the prudence and reasonableness according to professional conduct and have opined based on reasonableness and fair basis by accounting the interest of the Company's shareholders.

Yours sincerely,

Mr. Pitak Kitti akrasatien
(Mr. Pitak Kitti akrasatien)
Managing Director
Silom Advisory Co., Ltd

Ms. Sirinart Phuchaiwatananon
(Ms. Sirinart Phuchaiwatananon)
Operation Controller
Silom Advisory Co., Ltd

Attachment 1: Information of Bangkok Post Public Company Limited

1. Information Summary

1.1 General Information

Company name	: Bangkok Post Public Company Limited (“the Company ”)
Symbol	: POST
Type of Business	: Produce and disseminate information through newspaper, magazines, and online channel
Address	: Bangkok Post Building 136 Sunthon Kosa road, Khlong Toei, Khlong Toei Bangkok 10110
Registered Capital	: 505,000,000.00 Baht divided into 505,000,000 ordinary shares par value 1 Baht per share (as of 2 February 2021)
Paid-up Capital	: 500,000,000 Baht divided into 500,000,000 ordinary shares par value 1 Baht per share (as of 2 February 2021)

1.2 Business Overview

Bangkok Post Public Company Limited (“the Company”) is a manufacturer and publisher of the oldest English-language daily newspaper in Thailand--Bangkok Post newspaper-- through print media and online media. The Company also published English-language magazines covering lifestyle such as GURU and B Magazine, as well as Post Today which newspaper production has been discontinued and fully focused on online channel. The Company has established new brand of media “News Clear” to publish video clips presenting news update and social movements. Moreover, the Company; via the subsidiary--Post International Media Co., Ltd, is a publisher of leading foreign magazines in Thai version such as ELLE Thailand, ELLE Men Thailand, and Forbes Thailand. Not only had the distribution of Bangkok Post newspaper, the Company also distributed these magazines. The Company, with its joint venture—Bangkok Post-Bauer Media Co., Ltd—publishes CLEO Thailand in digital version. The Company also invested in Mushroom Group Co., Ltd which is a producer of television programs and online content broadcasted in Thailand and Asia.

2. Major shareholders

on 11 March 2020 major shareholders of the Company are as follows;

	shareholders	No. of shares	% of shares
1	Mr. Suthikiati Chirathivat	121,096,150	24.22
2	Bangkok Bank Plc. ²	43,463,480	8.69
3	Mr. Theeradej Chirathivat	42,012,755	8.40
4	Com-link Co., Ltd ¹	42,000,000	8.40
5	Mr. Vorachai Pijarnjit	36,350,960	7.27
6	Mr. Theerayut Chirathivat	21,245,255	4.25
7	Mrs. Sujitra Mongkolkiti	20,100,860	4.02

	shareholders	No. of shares	% of shares
8	Vacharaphol Co., Ltd ³	13,911,790	2.78
9	Mr. Aekarit Bunpiti	13,426,380	2.69
10	Mr. Thirakiati Chirathivat	13,139,755	2.63
Total of Top Ten Shareholders		366,747,385	73.35
Other shareholders		133,252,615	26.65
Total Shareholders		500,000,000	100.00

Ref: The Stock Exchange of Thailand

Note:

¹ Com-link Co., Ltd has sold all ordinary shares of the Company on 24 November 2020, according to Form 246-2

² Top 10 shareholders of Bangkok Bank Public Company Limited as of 12 June 2020

No.	shareholders	No. of shares	% of shares
1	Thai NVDR Co., Ltd	448,535,678	23.50
2	South East Asia Uk (Type C) Nominees Limited	98,649,920	5.17
3	Social Security Office	85,852,300	4.50
4	Uob Kay Hian (Hong Kong) Limited - Client Account	39,837,220	2.09
5	State Street Europe Limited	36,715,127	1.92
6	Bangkok Insurance Plc.	34,287,030	1.80
7	The Bank Of New York Mellon	32,663,005	1.71
8	Bny Mellon Nominees Limited	31,094,920	1.63
9	Morgan Stanley & Co. International Plc	25,988,223	1.36
10	State Street Bank and Trust Company	25,690,400	1.35
	Total	859,313,823	45.03

³ Shareholders of Vacharaphol Co., Ltd on 29 April 2020

No.	Shareholders	No. of shares	% of shares
1	Mrs. Yingluck Vacharaphol	1,806,337	45.16
2	Mr. Saravuth Vacharaphol	1,609,358	40.23
3	Mrs. Inthira Vacharaphol	534,062	13.35
4	Mrs. Numbhorn Vacharaphol Parutratana	25,071	0.63
5	Mrs. Petcharakorn Vacharaphol	25,071	0.63
6	Mr. Vachara Vacharaphol	100	0.00
7	Lady Praneetsil Vacharaphol	1	0.00
	Total	4,000,000	100.00

3. The Board of Directors

on 2 February 2021 the board of directors comprises of;

	Name - Surname		Position
1	Mr. Suthikiati	Chirathivat	Chairman and Chairman of the Executive Committee
2	Mr. Vorachai	Bhicharnchitr	Vice Chairman of the Executive Committee and Chairman of Nomination and Remuneration Committee
3	Mr. Chartsiri	Sophonpanich	Director
4	Mr. Ek-rit	Boonpiti	Director, Executive Committee and Risk Management Committee
5	Mr. Thirakiati	Chirathivat	Director, Executive Committee and Risk Management Committee
6	Dr. Siritaj	Rojanaphruk	Director
7	Dr. Ronnachit	Mahattanapruet	Director, Executive Committee
8	Prof. Dr. Pornchai	Chunhachinda	Independent director and Chairman of audit committee
9	Asst. Prof Wutisak	Lapcharoensap	Independent director, Audit committee and Nomination and Remuneration Committee
10	Mr. John	Thompson	Independent director and Audit committee
11	Mr. Russel Layto	Leighton Kekuawa	Independent director and Chairman of the Risk Management Committee
12	Mr. Charoon	Intachan	Independent director and Nomination and Remuneration Committee

Ref: POST

4. The Management

No	Name - Surname		Position
1	Mr. Wasin	Chotiravi	CFO and company secretary
2	Mr. Chiratad	Niwatphumin	Acting Chief Management Officer-Newspaper business
3	Mr. Sunrat	Bunyamanee	Editor of Bangkok Post newspaper
4	Mr. Wut	Nontharit	Editor of Post Today newspaper
5	Mr. Wittanu	Chumsuwan	Vice President- Human Resource Department
6	Ms. Sirima	Limwiriyalerd	Senior Vice President – Sales and Marketing Department

5. Financial statements

Statement of financial position

Statement of financial position	Consolidated financial statement on							
	31 December 2017 (Audited)		31 December 2018 (Audited)		31 December 2019 (Audited)		30 September 2020 (Reviewed)	
	million Baht	%	million Baht	%	million Baht	%	million Baht	%
Assets								
Current assets								
Cash and cash equivalence	12.09	0.54	8.78	0.38	5.66	0.25	1.92	0.09
Account receivables and other receivables	394.09	17.73	388.00	16.99	218.78	9.58	105.56	5.05
Inventory	69.88	3.14	69.86	3.06	13.07	0.57	-	-
Withholding tax	74.13	3.34	90.71	3.97	103.57	4.53	11.26	0.54
Other current assets	40.50	1.82	31.40	1.37	13.73	0.60	13.62	0.65
Total current assets	590.69	26.57	588.74	25.78	354.81	15.54	132.36	6.34
Non-current assets								
Investment in joint-ventures	16.81	0.76	10.12	0.44	7.48	0.33	8.03	0.38
Land buildings and equipment	1,339.85	60.28	1,450.42	63.50	1,609.65	70.48	1,567.19	75.04
Goodwill	94.85	4.27	94.85	4.15	32.17	1.41	32.17	1.54
Intangible assets	114.08	5.13	86.45	3.79	44.09	1.93	34.20	1.64
Deferred tax assets	59.32	2.67	50.40	2.21	230.46	10.09	234.64	11.23
Withholding tax	-	-	-	-	-	-	78.66	3.77
Other non-current assets	7.18	0.32	3.01	0.13	5.23	0.23	1.26	0.06
Total Non-current assets	1,632.09	73.43	1,695.24	74.22	1,929.08	84.46	1,956.16	93.66
Total assets	2,223.78	100.00	2,284.98	100.00	2,284.89	100.00	2,089.52	100.00

Statement of financial position	Consolidated financial statement on							
	31 December 2017 (Audited)		31 December 2018 (Audited)		31 December 2019 (Audited)		30 September 2020 (Reviewed)	
	million Baht	%	million Baht	%	million Baht	%	million Baht	%
Liabilities and Shareholders' equity								
Current liabilities								
Over draft and Short-term loans	843.92	37.97	936.18	40.99	981.78	42.99	983.23	47.08
Account payables and other payables	242.38	10.90	198.39	8.69	124.05	5.43	126.74	6.07
Short-term loans from non-controlling interests of the subsidiaries	-	-	5.88	0.26	5.88	0.26	5.88	0.28
Short-term loans from director	5.88	0.26	-	-	161.00	7.05	265.00	12.69
Long-term loans due within one year	12.50	0.56	64.00	2.80	99.00	4.33	144.00	6.89
Unearned subscription fee	51.60	2.32	46.25	2.03	30.89	1.35	25.31	1.21
Other current liabilities	56.58	2.55	56.20	2.46	29.40	1.29	18.81	0.90
Total current liabilities	1,212.87	54.57	1,306.90	57.22	1,432.01	62.70	1,568.96	75.12
Non-current liabilities								
Long-term loans from financial institutes	364.47	16.40	300.47	13.16	201.47	8.82	129.47	6.20
Deferred tax liabilities	151.66	6.82	188.62	8.26	252.42	11.05	246.38	11.80
Provision for long-term employee benefits	85.06	3.83	84.89	3.72	99.54	4.36	105.44	5.05
Total non-current liabilities	601.19	27.05	573.98	25.13	553.43	24.23	481.29	23.04
Total liabilities	1,814.06	81.61	1,880.87	82.35	1,985.43	86.93	2,050.25	98.17

Statement of financial position	Consolidated financial statement on							
	31 December 2017 (Audited)		31 December 2018 (Audited)		31 December 2019 (Audited)		30 September 2020 (Reviewed)	
	million Baht	%	million Baht	%	million Baht	%	million Baht	%
Shareholders' equity								
Share capital								
Registered Capital								
Ordinary shares 505,000,000 shares at par value of 1 Baht per share	505.00	22.72	505.00	22.11	505.00	22.11	505.00	24.18
Issued and paid-up								
Ordinary shares 500,000,000 shares at par value of 1 Baht per share	500.00	22.49	500.00	21.89	500.00	21.89	500.00	23.94
Retained earnings								
Appropriated - statutory reserve	50.50	2.27	50.50	2.21	50.50	2.21	50.50	2.42
Unappropriated	(771.89)	(34.73)	(935.32)	(40.95)	(1,249.28)	(54.70)	(1,488.23)	(71.26)
Other components of shareholders' equity	577.38	25.98	735.12	32.19	993.99	43.52	985.51	47.19
Shareholders' equity of the Company	355.99	16.02	350.30	15.34	295.21	12.93	47.77	2.29
Non-controlling interests of the subsidiaries	52.73	2.37	52.81	2.31	3.25	0.14	(9.50)	(0.46)
Total Shareholders' equity	408.72	18.39	403.11	17.65	298.46	13.07	38.27	1.83
Total Liabilities and Shareholders' equity	2,222.78	100.00	2,283.98	100.00	2,283.89	100.00	2,088.52	100.00

Statement of comprehensive income

Statement of comprehensive income	Consolidated financial statement for year ended						Consolidated financial statement for 9-months period ended			
	31 December 2017 (Audited)		31 December 2018 (Audited)		31 December 2019 (Audited)		30 September 2019 (Reviewed)		30 September 2020 (Reviewed)	
	million Baht	%	million Baht	%	million Baht	%	million Baht	%	million Baht	%
Revenue from sales	1,328.54	97.38	213.03	16.90	155.16	19.03	119.82	19.76	91.35	27.83
Revenue from services	-	-	1,007.62	79.92	645.68	79.19	473.54	77.98	231.00	70.38
Cost of sales and services	(1,156.32)	(84.75)	(991.26)	(78.62)	(748.41)	(91.79)	(584.49)	(96.25)	(364.88)	(111.18)
gross profit	172.22	12.62	229.39	18.19	52.43	6.43	8.86	1.46	(42.53)	(12.96)
Selling expenses	(199.87)	(14.65)	(144.61)	(11.47)	(136.87)	(16.79)	(97.01)	(15.97)	(73.54)	(22.41)
Administrative expenses	(226.51)	(16.60)	(213.34)	(16.92)	(197.85)	(24.27)	(138.25)	(22.77)	(90.99)	(27.72)
Loss on impairment of equipment and spare parts	-	-	-	-	(103.77)	(12.73)	(94.11)	(15.50)	-	-
Loss on impairment of Intangible assets	(3.09)	(0.23)	-	-	(23.66)	(2.90)	-	-	-	-
Loss on impairment of Goodwill	(62.03)	(4.55)	-	-	(62.68)	(7.69)	-	-	-	-
Loss from operation activities	(319.27)	(23.40)	(128.57)	(10.20)	(472.40)	(57.94)	(320.51)	(52.78)	(207.06)	(63.09)
Share of profit from investments in joint venture	2.76	0.20	(00.37)	(0.03)	(2.63)	(0.32)	(3.39)	(0.56)	0.55	0.17
Other income	35.77	2.62	40.21	3.19	14.54	1.78	13.91	2.29	5.85	1.78
Loss before financial cost and income tax	(280.75)	(20.58)	(88.73)	(7.04)	(460.49)	(56.48)	(309.99)	(51.05)	(200.66)	(61.14)
Financial cost	(56.13)	(4.11)	(69.66)	(5.53)	(78.63)	(9.64)	(57.14)	(9.41)	(62.69)	(19.10)
Loss before income tax	(336.88)	(24.69)	(158.39)	(12.56)	(539.12)	(66.12)	(367.12)	(60.46)	(263.35)	(80.24)
Tax income (expense)	(28.49)	(2.09)	(9.19)	(0.73)	179.90	22.06	9.45	1.56	6.69	2.04
Net loss	(365.37)	(26.78)	(167.58)	(13.29)	(359.21)	(44.05)	(357.68)	(58.90)	(256.66)	(78.20)

Cash flow statement

Cash flow statement	Consolidated financial statement (Audited) for year ended			Consolidated financial statement for 9-months period ended	
	31 Dec 2017	31 Dec 2018	31 Dec 2019	30 Sept 19 (Reviewed)	30 Sep 20 (Reviewed)
	million Baht	million Baht	million Baht	million Baht	million Baht
Net cash flows used in operating activities	(110.97)	(92.92)	(146.57)	(57.26)	(24.94)
Net cash flows from (used in) investing activities	(3.90)	9.85	0.84	(0.53)	1.04
Net cash flows from financing activities	57.39	79.76	142.61	54.60	20.16
Net decrease in cash and cash equivalents	(57.48)	(3.31)	(3.12)	(3.20)	(3.74)
Cash and cash equivalents at the beginning of the period	69.57	12.09	8.78	8.78	5.664
Cash and cash equivalents ending of the period	12.09	8.78	5.66	5.58	1.92

Financial ratio

Financial ratio	หน่วย	financial statements for year ended			financial statements for 9-months period ended	
		31 Dec 2017	31 Dec 2018	31 Dec 2019	30 Sep 19	30 Sep 20
Liquidity Ratio						
Current ratio	Times	0.49	0.45	0.25	0.31	0.08
Quick ratio	Times	0.33	0.30	0.16	0.20	0.07
Current ratio (Cash flow)	Times	(0.08)	(0.07)	(0.11)	(0.04)	(0.02)
Account receivables turnover	Times	3.05	3.15	2.64	2.97	2.71
Average collection period	Days	119.49	116.04	138.28	122.75	134.65
Inventory turnover	Times	18.62	14.19	18.05	18.63	26.27
Average inventory period	Days	19.6	25.73	20.22	13.89	19.59
Account payables turnover	Times	4.55	4.50	4.64	4.48	3.61
Average payment period	Days	80.16	81.15	78.63	81.48	100.99
Cash Cycle	Days	58.93	60.61	79.87	60.86	47.55
Profitability Ratio						
Gross profit (loss) margin	%	12.96	19.41	6.55	1.49	(13.19)
Operating profit (loss) margin	%	0.13	0.19	0.07	0.01	(0.13)
Net profit (loss) margin	%	(26.78)	(13.29)	(44.05)	(58.90)	(78.20)
Return on equity	%	(66.66)	(47.47)	(95.67)	(184.21)	(596.91)
Efficiency Ratio						
Return on assets	%	(11.70)	(3.94)	(20.16)	(14.07)	(17.21)
Return on fixed assets	%	(0.23)	(0.11)	(0.29)	(0.29)	(0.16)
Assets turnover	Times	0.57	0.56	0.36	0.45	0.26
Financial Policy Ratio						
Debt to equity ratio	Times	5.1	5.37	6.73	83.34	42.92
Dividend payout ratio	%	n/a	n/a	n/a	n/a	n/a

6. Overview on Company's operating result

In 2019, the Company had total comprehensive loss attributable to shareholders of the Company, increasing 84.1% from 167.7 million Baht in 2018 to 308.8 million Baht in 2019. The main cause of the loss was due to company restructuring. In Q1 / 2019, the Company discontinued its production of Post Today newspaper and shifted the publication to online channels. The Company also discontinued production and distribution of M2F newspaper in the 2nd quarter of 2019. The subsidiary also discontinued the production of some of foreign magazines (Thai edition), which were non-profitable such as Cleo Thailand and Science Illustrated magazine Thailand, in order to reduce expenses in accordance with the situation of the Company. In Q3 / 2019, the Company has ceased its print media production of Bangkok Post newspaper at the Printing and Distribution Center Bangna and outsourced the production to Siam Sport Syndicate Public Company Limited.

For 9-months period of 2020, the Company had total comprehensive loss attributable to shareholders of the Company 244.6 million Baht, mainly due to the economic circumstance affected by COVID-19. The circumstance resulted in revenue from sales newspaper and advertising revenues newspaper of the Company to decrease significantly as customers in business sector such as airlines and hotels were directly affected by the government measures to cope with the epidemic. Therefore there was a decrease in the sales of newspaper

Analysis on Company Performance

Revenue from Operations

In 2019, revenue from sales and services totaled 800.8 million Baht, representing a 34.4% decrease from 2018 which was 1,220.6 million Baht. The revenue from sales and service includes; revenue from sales of newspaper which dropped by 24.3% from 2018, newspaper advertisement dropped by 37.6% due to the discontinued of Post Today newspaper (print media) and the discontinuation on production and distribution of M2F newspaper. Revenue from sales of magazines also decreased by 52.5%. Revenue from TV content production dropped by 40.3% mainly due to the economic slowdown causing advertising budget in print media to decline, and a change in consumer behavior shifting from offline media to online platforms,

Cost of sales and services in 2019 was 748.4 million Baht, downed by 24.5% from 991.3 million Baht in 2018. Selling expenses was 136.9 million Baht, downed by 5.4% from 144.6 million Baht in 2018 due to an improvement in distribution cost management for newspaper and magazines in accordance with revenue from sales and services.

Administrative expenses were 197.9 million Baht, a 7.3 percent decrease from 213.3 million Baht in 2018, due to the Company's cost control measures. Financial expenses increased by 12.9% from 69.7 million Baht in 2018 to 78.6 million Baht due to an increase in interest rates and amount of loan borrowed from the directors to increase the Company's financial liquidity.

For 9-months period of 2020, the Company had revenue from sales and services of 322.4 million Baht, decreased by 271.0 million Baht or 45.67% drop from the last year. The Company's primary revenue; revenue from sales of newspaper and newspaper advertisement have been dropped drastically due to the economic

slowdown from the COVID-19 outbreak, whereas the cost of sales and services was 364.9 million Baht. As a result, the Company's experienced gross loss for the period as revenue from operations did not cover the cost of sales. The Company had an increase in finance costs to 62.7 million Baht due to increased amount of loan borrowed from the director.

Profitability

Since the Company has changed its business policy in 2019, the Company and its affiliates have discontinued print media production and distribution of some newspaper and magazines that were not profitable. The discontinuation caused a decline in sales of newspaper and magazines. As a result, in 2019 the Company's net loss to sales ratio increase from -13.2% in 2018, to -44.1%, while ROA reduced to -20.2%.

Moreover, the Company has discontinued print media production of Bangkok Post newspaper at the Printing and Distribution Center (Bangna) and outsourced the process to other publisher. The Company has recorded an impairment on machines and equipment totaling 103.8 million Baht. Therefore, the Company's net loss before income tax increased by 419.0%; 395.7 million Baht decreased from -88.7 million Baht in 2018 to -460.5 million Baht in 2019.

ROE in 2019 decreased from -41.6% in 2018, to -120.4% due to the increase in net loss, which was -114.3% or -191.6 million Baht drop from -167.6 million Baht in 2018, to -359.2 million Baht in 2019.

For 9-months period of 2020, the Company incurred a gross loss due to a sharp drop in operating income. The Net profit ratio of the Company was -78.20% while ROA and ROE was -17.2x and -596.91x respectively.

Account receivables and inventory

On 31 December 2019, account receivables of the Company amounted to 218.8 million Baht or -43.6% decreased from the end of 2018. Inventory decreased from 69.9 million Baht in 2018 to 13.1 million Baht in 2019 due to an impairment.

On 30 September 2020, account receivables of the Company amounted to 105.6 million Baht or 113.2 million Baht, or -51.8% dropped from the end of 2019 due to a sharp decline in sales. Thus, inventory decreased to 11.3 million Baht, which was 1.8 million Baht decreased from the end of 2018 or -13.87%.

Assets

On 31 December 2019, current assets decreased by 233.9 million Baht, from 588.7 million Baht in 2018 to 354.8 million Baht in 2019. Non-current assets increased by 233.8 million Baht, from 1,695.2 million Baht in 2018 to 1,929.1 million Baht in 2019.

On 30 September 2020, current assets of the Company were 132.4 million Baht, decreased by 118.9 million Baht from the end of 2019 or -47.3%, mainly due to a decrease in account receivables.

Financial structure and liquidity

In 2019 and 2020, the Company's primary source of financing was from borrowing. In 2019, the Company loan from financial institutes amounting to 1,282.3 million Baht; consisted of long-term loans 300.5 million Baht, over draft and short-term loans 981.8 million Baht. As the Company had net loss in 2019, cash flows used in operations activities was 146.57 million Baht. Therefore, the Company's current ratio and current ratio (cash flows basis) dropped to 0.25 and -0.11 respectively. The Company therefore need to borrow addition fund from the director totaling 161.0 million Baht, at an interest rate of 5.25% per annum. The loan was a call-loan without collateral.

The increased borrowing caused the Company's DE ratio in 2019 to increase to 6.65x. However, the debt-bearing interest-bearing ratio to shareholders' equity was 4.84x. During 2019, the Company received a relief on a criteria regarding DE ratio allowing the Company to have DE ratio higher than the rate specified in the loan agreement.

In 2018 and 2019 the Company did not have dividend payment.

for 9-months period years 2020 the Company borrowings from financial institutes total 1,521.7 million Baht divided into Over draft and short-term loans 983.2 million Baht Long-term loans due within 1 year increased to 144 million Baht and loans. Long-term from financial institutes remaining 129.5 million Baht from the continued net loss operation, the Company has a current ratio of 0.08 and the ratio of debt to shareholder. This increase to 39.92, with the Company and subsidiaries borrowing from director totaling 104 million Baht. Increased to 265 million Baht

For 9-months period of 2020, the Company had loan from financial institute totaling 1,521.7 million Baht; consists of overdraft and short-term loan 983.2 million Baht, long-term loan due within 1 year which increased by 144 million Baht, and long-term loan from financial institutes totaling 129.5 million Baht. As the Company has been continuously experiencing net loss, the Company's current ratio for the period was 0.08x and DE ratio increased to 39.92x. During the period, the Company and subsidiaries has borrowed additional fund from the director totaling 104 million Baht. Thus, by the end of period, the amount of loan borrowed from the director increased to 265 million Baht.

In Q2/2020, the Company received a relief on debt repayment which allowed the Company to postpone the repayment from June-December 2020. The Company received a relief again in December 2020 to postpone the debt repayment, on a condition that the Company will sell the assets by June 2021 and must completely repay the loan within 2022.

Attachment 2 : Information of Romruen Land Co., Ltd**1. Information Summary**

Company name	: Romruen Land Co., Ltd
Type of Business	: Property and building sales
Address	: 20/114 Moo 7, Mahasawat Subdistrict, Bang Kruai District, Nonthaburi 11130
Registered Capital	: 1,000,000 Baht (One million Baht) at par value 100 Baht per share
Paid-up Capital	: 250,000 Baht (Two hundred and fifty thousand Baht)

2. The Board of Directors

On 29 January 2021, the board of directors comprises of the following members;

	Name - Surname	Position
1	Mr. Suthikiati Chirathivat	Director
2	Mr. Thirakiati Chirathivat	Director
3	Mrs. Somkamol Chirathivat	Director
4	Mr. Patsarakorn Chirathivat	Director

Ref: BOL

3. Shareholder structure

On 29 January 2021, the company shareholders comprise of;

	Name - Surname	No. of shares	%
1	Mr. Suthikiati Chirathivat	7,500	75.00
2	Mr. Thirakiati Chirathivat	500	5.00
3	Mr. Theeradej Chirathivat	500	5.00
4	Mr. Thirayuth Chirathivat	500	5.00
5	Mr. Patsarakorn Chirathivat	500	5.00
6	Mrs. Somkamol Chirathivat	500	5.00
	Total	10,000	100.00

Ref: BOL

4. Financial statements

1.1 Statement of financial position

Statement of financial position	Audited financial statements year ended							
	31 Dec 2016		31 Dec 2017		31 Dec 2018		31 Dec 2019	
	million Baht	%	million Baht	%	million Baht	%	million Baht	%
Assets								
Cash and deposit in financial institutes	0.05	0.47	0.04	0.35	0.02	0.22	4.38	100.00
Inventory	11.06	99.53	11.06	99.65	11.06	99.78	-	0.00
Total current assets	11.12	100.00	11.10	100.00	11.09	100.00	4.38	100.00
Total assets	11.12	100.00	11.10	100.00	11.09	100.00	4.38	100.00
Liabilities and Shareholders' equity								
Liabilities								
Other current liabilities	0.06	0.57	0.01	0.07	0.01	0.07	0.63	14.40
total current liabilities	0.06	0.57	0.01	0.07	0.01	0.07	0.63	14.40
Long-term loans	11.59	104.24	11.64	104.86	11.64	104.86	-	0.00
Total non-current liabilities	11.59	104.24	11.64	104.86	11.64	104.86	-	0.00
Total liabilities	11.65	104.81	11.65	104.93	11.65	104.93	0.63	14.40
Shareholders' equity								
Registered Capital	1.00	9.00	1.00	9.01	1.00	9.01	1.00	22.84
Paid-up Capital – ordinary shares	0.25	2.25	0.25	2.25	0.25	2.25	0.25	5.71
Retained earnings (loss)	(0.78)	-7.06	(0.80)	-7.19	(0.80)	-7.19	3.50	79.89
Total shareholders' equity	(0.53)	(4.81)	(0.55)	(4.93)	(0.55)	(4.93)	3.75	85.60
Total Liabilities and Shareholders' equity	11.12	100.00	11.10	100.00	11.10	100.00	4.38	100.00

1.2 Statement of comprehensive income

Statement of comprehensive income	Consolidated financial statement for year ended							
	31 Dec 2016		31 Dec 2017		31 Dec 2018		31 Dec 2019	
	million Baht	%	million Baht	%	million Baht	%	million Baht	%
revenue from sales and services	-	-	-	-	-	-	18.36	100.00
Other revenue	0.00	100.00	0.00	100.00	0.00	100.00	-	0.00
Total revenue	0.00	100.00	0.00	100.00	0.00	100.00	18.36	100.00
Cost of sales and services	-	-	-	-	-	-	-	-
Gross profit (loss)	-	-	-	-	-	-	18.36	100.00
Operating expenses	0.01	9,536.45	0.01	16,648.10	0.01	28,547.61	13.21	71.92
Operating profit (loss)	(0.01)	(9,536.45)	(0.01)	(16,648.10)	(0.01)	(28,547.61)	5.15	28.08
Other expenses	-	-	-	-	-	-	0.03	0.16
EBITDA	(0.01)	(9,507.39)	(0.01)	(16,548.10)	(0.01)	(28,447.61)	5.13	27.92
EBIT	(0.01)	(9,507.39)	(0.01)	(16,548.10)	(0.01)	(28,447.61)	5.13	27.92
Corporate Tax	-	-	-	-	-	-	0.82	4.45
Net profit (loss)	(0.01)	(9,436.45)	(0.01)	(16,548.10)	(0.01)	(28,447.61)	4.31	23.48
Profit (loss) per share	-	-	-	-	-	-	-	-

Attachment 3: Industry Outlook

1. Thailand economic outlook

The COVID-19 outbreak caused Thai economy in 2020 to contract strongly from the previous year. Headline inflation showed a negative trend, with the board of directors Monetary Policy (MPC) expecting that Thai economy in 2020 to shrink by -5.3% due to a decrease in export which expected to shrink sharply to -16.4% and a decline in tourism affecting domestic spending to a negative growth of -1.5%. The causes were the lower consumption confidence and lower income causing consumers to avoid spending. The effects caused a chain reaction to private investment, which the MPC expected to decline by -4.3% due to the contraction of domestic and foreign demand, leaving public investment a sole driver of Thai economy this year. Though public investment has increased 5.8%, it would be not enough to expand Thai economy if COVID-19 epidemic remains widespread. It would take time for the circumstance to return to normal. The government, the Bank of Thailand and related agencies have provided direct support to those affected by the epidemic circumstance. Urgent action must be taken to alleviate liquidity problems and debt restructuring, especially for households and SMEs (Source: www.bot.or.th). The economic forecast carried out by private banks showed similar direction as the BOT. Private sector will be affected by the outbreak, but the government sector is likely to rise. However Thai economy is still expected to decline due to the following key factors:

(1) The global economy has slowed down as many countries are facing shrunken demand on production, especially China, and a sharp decline in world oil price in response to declining trend of demand. As a result, Thailand's export sector is directly affected and may report a decline -17.8%.

(2) Decrease in number of tourists due to lower purchasing power and a lockdown domestically and internationally. According to the number of foreign tourists traveled through 5 major airports (Suvarnabhumi, Don Mueang, Phuket, Chiang Mai and Hat Yai), during 1-28 March 2020, the number declined more than 78% and increased to nearly 100% afterward. However, it is expected that tourism will recover in the second half of 2020 but the number of tourists entering Thailand will be around 50% compared to 2019. The impact will have a broader impact within the country as Thai economy depends on tourism market as a key driver.

(3) Impact on consumption due to the decreasing purchasing power of consumers and uncertainty in the current situation causing lower household spending. However, there is increasing demand for some products and services such as healthcare and medical products and services, as well as food, online products and services, and internet services, as a result of the work-from-home scheme and social distancing. The trend was in line with government measures. Whereas some products and services were greatly affected from the circumstance; such as tourism products and services, recreation and transportation activities. Thus, overall private consumption trend will decline to -2.3%.

2. Thailand real estate market overview

COVID-19 outbreak has affected, directly and indirectly, the real estate business. The real estate market was previously forecast to grow 5%, but after the epidemic, the real estate market in 2020 was expected to decline to -15% in overall, with at least 20% variance (Source: Real Estate Information Center, Government Housing Bank) as a result of investment slowdown and lower purchasing power of consumers. As a result, the real estate sector is currently oversupplied. However, either the effect will be short-term or long-term depends on the type of property.

Hotel Business: Current circumstance directly affected hotel business. According to the forecast from the Tourism Authority of Thailand, the number of foreign tourists throughout the year is expected to drop to 30 million or -24% from 39.8 million in 2019 due to a decline in number of tourists. Average revenue per available room (RevPAR) of hotels is expected to drop by 55% - 65% in 2020. Average occupancy rate in 2020 will drop around 35% - 40%, while the average room rate will drop 20% - 25% (Source: SCB Economic Intelligence Center). The effect will cause hotels to suffer from operating losses and, for some hotels, may have to close down especially medium-sized hotels. However, if COVID-19 circumstance changes in a better direction, hotel business might not receive much negative effect and there may be a recovery in the second half of the year. However, the number of tourists will not recover to the same level of 2019. By the end of the year, the number of tourists is expected to reach 50% of the number of foreign tourists in 2019.

Office buildings: Office buildings market is less affected by the outbreak compared to other real estate businesses. However, office buildings rental rate has dropped to 10-years low due to a drop in office occupancy rates. Grade A Buildings still have roughly 96% occupancy rate which is considered high. Although the COVID-19 outbreak has prompted many companies to adopt the work-from-home scheme, the change did not affect the amount of rented office space as it is expected that the circumstance will affect in short-term. However, COVID-19 crisis could be a turning point for office building market as companies try to reduce costs and size of office space by encouraging more employees to work from home, especially for start-up businesses. As a result, the future demand in office buildings may decline.

Shopping centers and Retail stores: Due to the announcement of the Emergency Decree to enforce closure of shopping malls, and to request cooperation from public to refrain from traveling. As a result, the income of both shopping centers and tenant shops decreased. Landlords have supported tenants by reducing rental rates from 5% - 20%, and up to 60% in some locations. COVID-19 crisis could be a turning point for shopping centers and retail shops including restaurants as shop owners would have to change their strategy from store-front sales to online sales, to cope with changing demand of consumers spending more time at home. The change will cause lower demand on shop space as shop owners want to reduce costs and risks in the future. Moreover, due to lack of investment and liquidities, investors are delaying their investments in this sector, causing growth rate this sector tends to stall or slowdown in the future.

Residential property: The amount of completed residual real estate units in 2019 was about 68,000 units, with most of the increasing number in completed surplus units are low-rise houses totaling 38,000 units. Under construction units available for sales were approximately 98,000 units; approximately 47,000 units are condominium units, three-fourth of the units located in Bangkok and suburbs, and around 51,000 units are low-

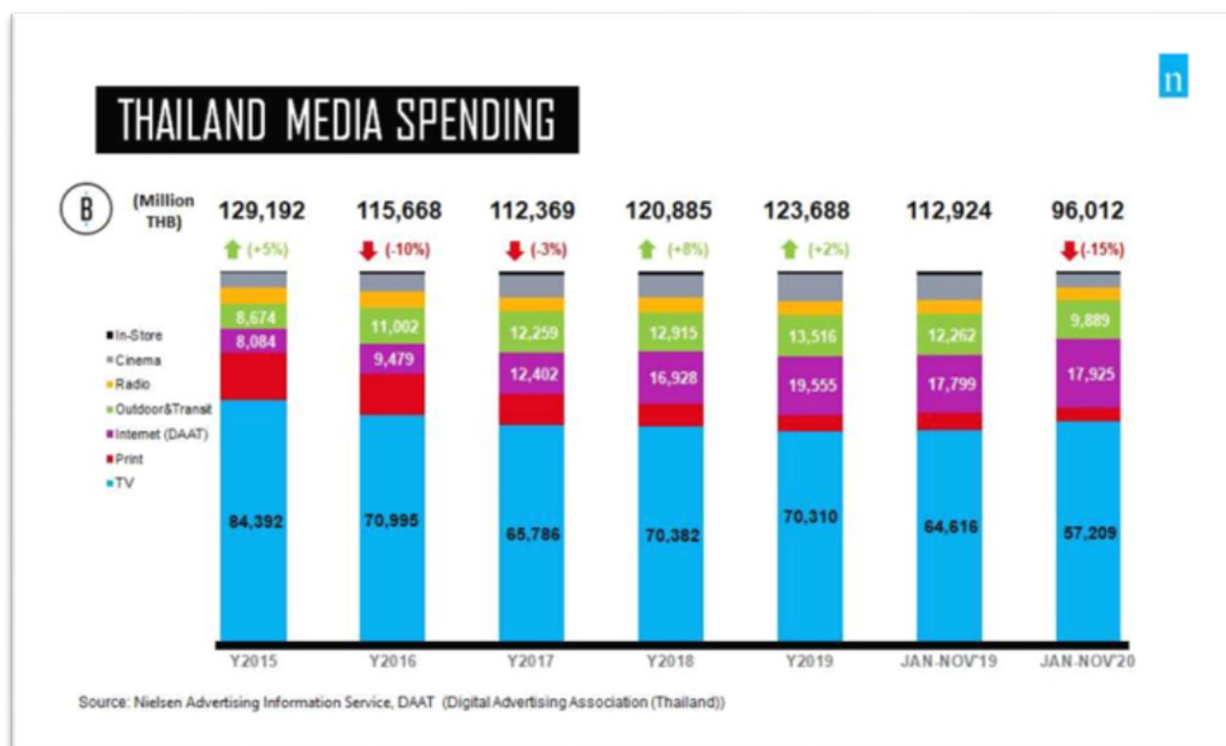
rise houses. These housing units are scheduled for completion by 2020-2021 and will keep the supply of residential property remaining in the market more than 150,000 units. According to early 2020 information, low-rise housing units grew by 2.8%, but ownership transfer have declined by -6.9% due to foreign ownership transfers. Moreover, there was a slowdown in the number of new buyers, and increase in waivers and delay loan repayment of those who have already purchased the property affected by COVID-19 circumstance. This may cause overall ownership transfer of units to drop by -11.1% to -16.7%, and the value of ownership transfer to drop by -13.8% to -17.1%, which is the lowest rate in the past 5 years and may cause oversupply problem in residential real estate market. However, the government has set a policy to use real estate sector as a key economic driver, which may benefit to the growth rate of residential real estate market.

Industrial property: The impact on the consumption during the COVID-19 epidemic resulted in an increase and decrease in production of industrial sector. Industries which showed an increase in production includes medical products, ready-made food and logistics, causing growth in warehouse rental business along with product distribution. However, the growth will be temporary to serve higher demand during COVID-19 outbreak. However, in overall, most industries have decreased their production following economic downturn. Resulting in a slowdown in expansion and relocation.

Ref: Knight Frank Chartered (Thailand) Co., Ltd

3. Overview of the advertising industry in Thailand

AGB Nielsen (Thailand) Co., Ltd. reported the value of advertising spending during January - November 2020 was 96,012 million Baht, declined by -15% compared to the same period last year. Overall advertising spending in November dropped by -11%.

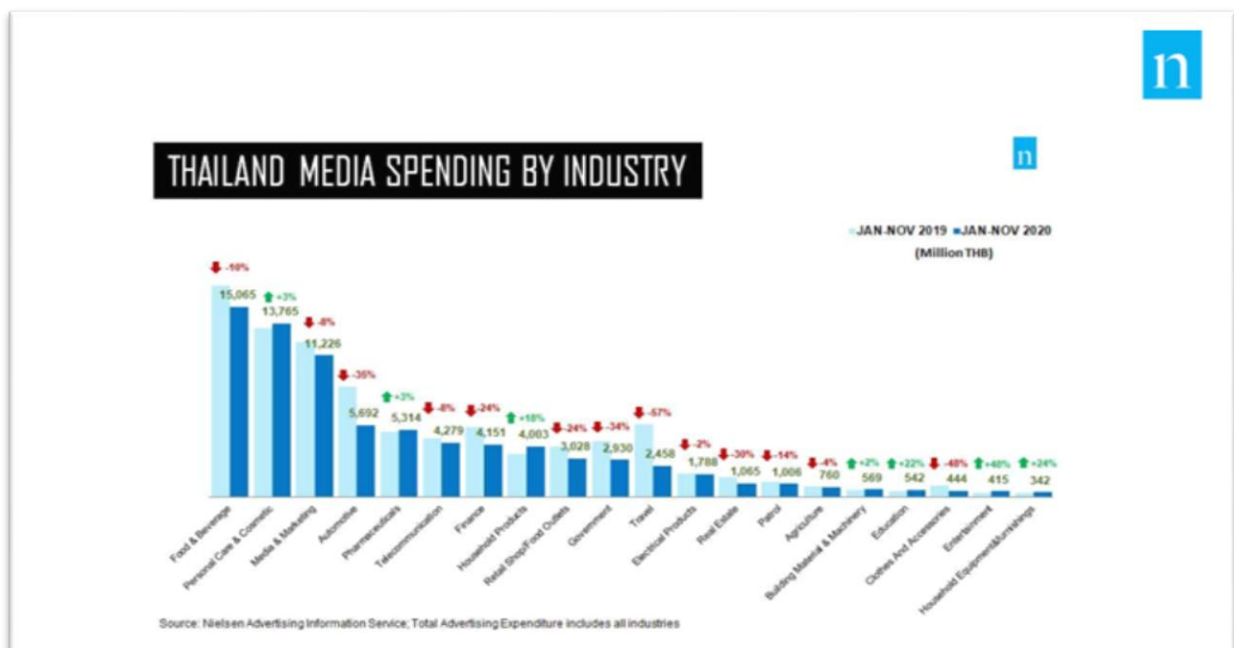


As of November 2020, advertising spending was 9,940 million Baht; comprised of 1) TV media 6,075 million Baht, decreased -6%, 2) Digital media 1,685 million Baht, decreased -4%, 3) Outdoor and mobile media 1,032. million Baht, decreased -16%, 5) Cinema media 413 million Baht, decreased -41%, 6) print media 351 million Baht, decreased -24%, 7) Radio media 308 million Baht, decreased -32%, 8) In-store media 75 million Baht, decreased by -7%.

THAILAND MEDIA SPENDING											
Media spending (Million THB)	Y2015	Y2016	Y2017	Y2018	Y2019	JAN-NOV 2019	JAN-NOV 2020	%Growth JAN-NOV	NOV 2019	NOV 2020	%Growth NOV
TV	84,392	70,995	65,786	70,382	70,310	64,616	57,209	↓ -11%	6,488	6,075	↓ -6%
Internet (DAAT)	8,084	9,479	12,402	16,928	19,555	17,799	17,925	↑ 1%	1,756	1,685	↓ -4%
Outdoor & Transit	8,674	11,002	12,259	12,915	13,516	12,262	9,889	↓ -19%	1,223	1,032	↓ -16%
Cinema	5,133	5,445	6,816	7,383	8,838	7,748	3,650	↓ -53%	696	413	↓ -41%
Print	16,590	12,782	9,684	7,416	5,689	5,218	3,462	↓ -34%	462	351	↓ -24%
Radio	5,675	5,263	4,476	4,802	4,741	4,313	3,280	↓ -24%	452	308	↓ -32%
In-Store	645	703	946	1,060	1,040	969	597	↓ -38%	81	75	↓ -7%
Total	129,192	115,668	112,369	120,885	123,688	112,924	96,012	↓ -15%	11,158	9,940	↓ -11%

Source: Nielsen Advertising Information Service, DAAT (Digital Advertising Association (Thailand))

For insight reports, the brands with highest advertising spending in November 2020 were 29 Shopping; spending 138.58 million Baht, while Coke spent 113.42 million Baht, Nescafe spent 113.40 million Baht, RS Mall spent 102.88 million Baht and Sunsilk spent 86.77 million Baht.



As for the overview of advertising spending during January - November 2020, the industries spending highest amount in advertising were personal care and cosmetic which spent 13,765 million Baht; 3% increase in advertising spending from the same period last year.

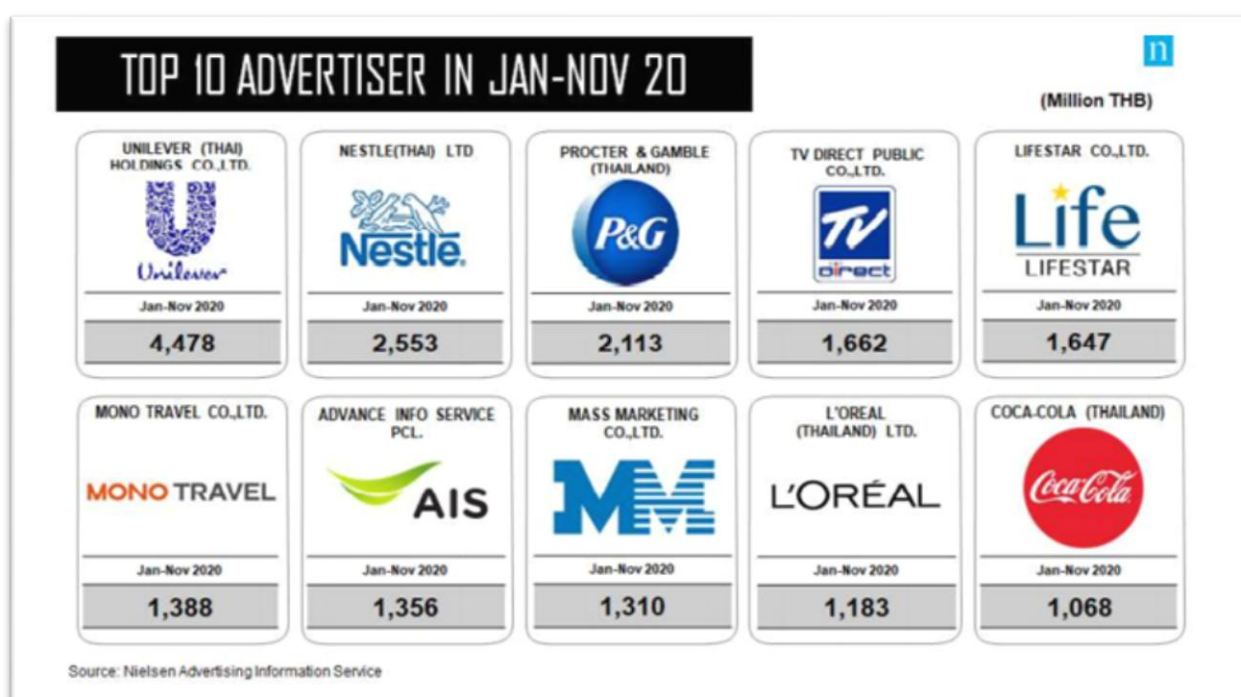
While advertising spending of major industries still declined from the same period last year, such as Food & Beverage spending 15,065 million Baht; decreased by -10%, Media & Marketing spending 11,226 million Baht, decreased by -8%, and automotive industry which spent 5,692 million Baht, declined by -35%.

The top 3 companies with highest advertising spending during January - November 2020 are:

No. 1 UNILEVER (THAI) HOLDINGS, 4,478 million Baht; 46% increase from the same period last year

No. 2 NESTLE (THAI), 2,553 million Baht, 41% increase from the same period last year

No. 3 PROCTER & GAMBLE (THAILAND), 2,113 million Baht, -9% decreased from the same period last year



4. Overview of the print media industry in Thailand

The digital transformation era led to the emergence of digital media, affecting traditional media such as print media, especially newspaper. According to the survey, many newspapers have gradually discontinued their print issues and turned to online media. Over the past few years, many newspapers have been discontinued and are now geared towards delivering content online instead. From the example as gathered as;

- December 2016: 'Baan Muang' newspaper discontinues its print media production. The last issue was published on 31 Dec 2016, only online channel remained.
- March 2018: 'Chiang Mai News' newspaper announces its discontinuation. The last issue was published on 5 March 2018, only online channel remained.
- March 2019: 'Post Today' newspaper [Bangkok Post Public Company Limited or POST media affiliate] announced through their website that they will discontinue print issues. The last issue was Issue 5,897; only online channel remained.

- March 2019: 'M2F' newspaper—a free newspaper-- [POST affiliate] also announced its discontinuation, only online channel remained.
- May 2019: 'Siam Sport' newspaper has merged newspaper and magazines published by Siam Sport into one issue named 'Siam Football, Muay Siam and Siam Dara'. Some content of Siam Football and Siam Boxing are published Online.
- June 2019: 'THE NATION' newspaper—one of the 2 most printed English newspaper in Thailand--released the last issue on 28 June 2019, only online channel remained.

Magazines have also been facing a tough situation, as there were 232 magazines in Thailand; 20% increase within 5 years. However, more than 29% of these magazines were discontinued within 5 years. In 2011, there were only 183 magazines in the market, and in 2017, 54 magazines out of 129, were discontinued.

According to the information between 2015-2017, it is estimated that at least 35 magazines were discontinued, such as Sup Sip, OOPS!, OHO, ZOO, FHM, Preaw, lemonade, candy, VIVA! FRIDAY, KC WEEKLY, C-KiDs!, VOLUME, IMAGE, COSMOPOLITAN, Bangkok Weekly, Nation Weekly, seventeen, Sakulthai, WHO, I LIKE, FLIMAX, Kwanruen, Di-chan, madame FIGARO, Khu-Sarng Khu-Som, Mary Claire, Men's Health, Women's Health, THE Hollywood REPORTER Thailand, billboard Thailand, HEALTH & CUISINE, Krua, Go Genius, WRITER etc.

In 2008, 'Starpics' magazine were released as 'monthly magazines' as the last issue; No. 888, published on April 2018. 'Student Weekly' English magazines released its final issue on 30 Sept 2018 (Online channel remained). 'Mains Fitness Thailand' magazine released the final issue in Dec 2018, and in 2019 'Lonely Planet Traveler Thailand' magazine released the last issue on Feb 2019.

Problems that arise in the print media industry are mainly due to the following factors:

- 1) Higher production costs consisting the cost of transportation and printing. Due to lower demand in magazine paper, paper mills producing papers for magazines in Thailand have ceased the production line to produce papers for other purposes such as packaging, and imported magazine papers from Japan and China. As a result, the cost of magazine paper has been increased.
- 2) Book stalls are closing down, especially the book stalls in other provinces causing higher logistic cost. The number of customers of these stalls also decreased. Some shop owners did not have successors and had to change their business. The decrease of book stalls causing a decrease in sale channels of newspaper.
- 3) Change in consumer behavior. There is a declining number of customers purchasing print media as consumers have turned to online platforms. Because of the content published in traditional media such as newspaper takes time and requires printing process, while online platform can deliver the content faster and real-time, which satisfies the needs of consumers who want real-time content.
- 4) Decrease in advertising spending on printing media, as businesses are spending more for online advertisement while major income of print media comes from advertisement. For the past 5 years, advertising spending on printing media such as newspaper and magazines has been drastically

decreased. As a result, many leading print media publishers in Thailand and international have closed down their business.



For the past 10 years, advertising income of Thai media business has changed significantly from a decrease in advertising budgets of various businesses, the growth of online media, and the change of consumer behavior. Media industry in Thailand has been affected and phenomenal change has incurred in the industry.

Newspaper used to be the second largest media after TV media, but for the past few years, advertising spending on the media has depleted. Advertising spending on newspaper in 2010 reached 15,000 million Baht with 6.01% growth, and reached the highest amount of 15,258 million Baht in 2013 with 0.49% growth. Since 2014, social medias began to gain influence in the advertising industry, resulting in a continuous slowdown in print media advertising budgets. Therefore, amount of newspaper ad dropped to 13,166 million Baht; -13.7% decrease, and has been declining steadily since then. In 2018, amount of spending on newspaper ads were 6,100 million Baht in total; decreased by 21%. As for 2019, the amount is expected to be at 4,575 million Baht; 25% decreased from previous information. After being the second rank in advertising industry for over than 20 years, according to the forecast, newspaper will fall to seventh in ranking after TV, Internet, outdoor, cinema, travel and radio.