

Tor Hor. 028/2024

26 November 2024

Subject Submission of the Amendment to Opinion of the Company on the Tender Offer (Form 250-2) of People's Garment Public Company Limited No.1

To Secretary, General of the Office of the Securities and Exchange Commission  
The President, The Stock Exchange of Thailand  
Shareholders of People's Garment Public Company Limited

Enclosure 1) A copy of the Amendment to Opinion of the Company on the Tender Offer (Form 250-2) of People's Garment Public Company Limited No.1  
2) A copy of the Amendment to Opinion of the Independent Financial Advisor on Tender Offer

People's Garment Public Company Limited (the "**Company**") submitted a copy of the Opinion of the Company on the Tender Offer (Form 250-2) and a copy of the Opinion of the Independent Financial Advisor on the Tender Offer of People's Garment Public Company Limited on 19 November 2024. The Company hereby would like to amend Form 250-2 in corresponding to Disclosure of Additional Information on the Tender Offer (Form 247-4 as amended) and to enhance clarity.

Therefore, the Company would like to submit the amendments and disclosures to the Office of Securities and Exchange Commission, The Stock Exchange of Thailand, and the Company's Shareholders for consideration, details of which are shown in the Enclosure.

Please be informed accordingly

Yours Sincerely,

People's Garment Public Company Limited



Mrs. Sunan Niyomnaitam

Director

Authorized Persons to Disclose Information

- TRANSLATION -

*The English Translation of the Amendment to Form 250-2 has been prepared solely for the convenience of foreign shareholders of People's Garment Plc. and should not be relied upon as the definitive and official document. The Thai language version of the Amendment to Form 250-2 is the definitive and official document and shall prevail in all aspects in the event of any inconsistency with this English Translation.*

Tor Hor. 027/2024

November 26, 2024

RE: Amendment to Opinion of the Business on the Tender Offer for Securities (Form 250-2) of People's Garment Plc. (First Amendment)

TO: Secretary General, the Securities and Exchange Commission  
Managing Director, the Stock Exchange of Thailand  
Shareholders of People's Garment Plc.

REF: Opinion of the Business on the Tender Offer for Securities (Form 250-2), dated November 15, 2024

People's Garment Plc. (the "**Business**") submitted the Opinion of the Business on the Tender Offer for Securities ("**Form 250-2**") to the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand, and the shareholders of the Business on November 19, 2024. The Business hereby would like to amend Form 250-2 (First Amendment) in order to clarify some topics on the Form 250-2. The additional information is summarized as follows:

1. Amend Sales income under Clause 1.7.2 (1) on Page 10

Existing information

*Sales income*

Sales income	For the year ended December 31			For the 9-month period ended September 30	
	2021	2022	2023	2023	2024
	Baht million	Baht million	Baht million	Baht million	Baht million
Domestic	449.33	564.87	527.64	400.34	390.75
<i>Increase (decrease) rate (percent)</i>		25.71	(6.59)		(2.40)
International	163.29	122.30	175.88	113.09	181.77
<i>Increase (decrease) rate (percent)</i>		(25.10)	43.81		60.73
<b>Total sales income</b>	612.62	687.17	703.52	513.43	572.52
<i>Increase (decrease) rate (percent)</i>		12.17	2.38		11.51

Amended to

*Sales income*

Sales income	For the year ended December 31			For the 9-month period ended September 30	
	2021	2022	2023	2023	2024
	Baht million	Baht million	Baht million	Baht million	Baht million
Domestic	449.33	564.87	527.64	400.34	390.75
<i>Increase (decrease) rate (percent)</i>	<u>(3.06)</u>	25.71	(6.59)	<u>(8.07)</u>	(2.40)
International	163.29	122.30	175.88	113.09	181.77
<i>Increase (decrease) rate (percent)</i>	<u>92.17</u>	(25.10)	43.81	<u>14.66</u>	60.73
<b>Total sales income</b>	<b>612.62</b>	<b>687.17</b>	<b>703.52</b>	<b>513.43</b>	<b>572.52</b>
<i>Increase (decrease) rate (percent)</i>	<u>11.69</u>	12.17	2.38	<u>(3.87)</u>	11.51

2. Amend Other income under Clause 1.7.2 (1) on Page 11

Existing Information

*Other income*

Other income	For the year ended December 31			For the 9-month period ended September 30	
	2021	2022	2023	2023	2024
	Baht million	Baht million	Baht million	Baht million	Baht million
Dividend income	12.63	25.69	32.82	25.98	24.97
Interest income	6.55	4.84	4.56	3.35	3.27
Gains on sales of investments with fair value measurement through the statements of income	9.50	10.26	3.77	6.64	2.06
Others	19.37	18.93	23.49	15.95	16.28
<b>Total other income</b>	<b>48.05</b>	<b>59.72</b>	<b>64.64</b>	<b>51.92</b>	<b>46.58</b>
<i>Increase (decrease) (percentage)</i>		24.29	8.24		(10.29)

Amended to

*Other income*

Other income	For the year ended December 31			For the 9-month period ended September 30	
	2021	2022	2023	2023	2024
	Baht million	Baht million	Baht million	Baht million	Baht million
Dividend income	12.63	25.69	32.82	25.98	24.97
Interest income	6.55	4.84	4.56	3.35	3.27
Gains on sales of investments with fair value measurement through the statements of income	9.50	10.26	3.77	6.64	2.06
Others	19.37	18.93	23.49	15.95	16.28
<b>Total other income</b>	<b>48.05</b>	<b>59.72</b>	<b>64.64</b>	<b>51.92</b>	<b>46.58</b>
<i>Increase (decrease) (percentage)</i>	<u>11.18</u>	24.29	8.24	<u>4.27</u>	(10.29)

3. Add Clause 3.7 after Clause 3.6 on Page 43

Additional information as follows:

3.7 Source of Funds for the Tender Offer

In the event of all of other existing shareholders express their intention to sell all the remaining 55,303,236 shares (Fifty-Five Million Three Hundred Three Thousand Two Hundred Thirty-Six shares) of the Business, at the Offer Price of THB 9.00 per share. The Offeror will be required to use an aggregate fund of THB 497,729,124 (Four Hundred Ninety-Seven Million Seven Hundred Twenty-Nine Thousand One Hundred Twenty-Four Baht) for the Tender Offer. The source of funds that will be used to finance the Tender Offer are comprising of:

- (1) Credit facility from Krung Thai Bank Public Company Limited in the amount of THB 600,000,000 (Six Hundred Million Baht), as of 17 October 2024, Krung Thai Bank Public Company Limited issued the confirmation letter to provide financial support to the Offeror for the purpose of the Tender Offer under the credit line of THB 600,000,000 (Six Hundred Million Baht) covering a period from 17 October 2024 until the final date of the Tender Offer.

In connection with the provision of this line of credit by the Krung Thai Bank Public Company Limited, the significant conditions are summarized as follows:

- 1) The Offeror shall not declare dividends in the form of cash if the offeror has not fully repaid the principal and/or interest of the loan that is due to the Krung Thai Bank Public Company Limited;

- 2) The Offeror agrees with the Krung Thai Bank Public Company Limited that this line of credit has conditions that are not inferior to the debentures (Pari Passu);
- 3) The Offeror agrees to maintain the Net Debt to Shareholders' Equity ratio at a level not exceeding 2.00 to 1.00;
- 4) In the event that the Offeror defaults on the principal and/or interest on this loan, the Offeror agrees to allow the Krung Thai Bank Public Company Limited to adjust the default interest rate to the highest rate as announced by the Bank of Thailand from the date of default until the debt is fully repaid, the Offeror agrees to calculate the default interest rate based on the principal amount in default, except in cases where the bank has exercised its right to require the Offeror to repay all outstanding debt.

Remark:

-"Net Debt" refers to the total amount of interest-bearing debt, net of cash and cash equivalents, and temporary investments.

-" Shareholders' Equity" refers to the total amount of shareholders' equity

Bangkok Bank Public Company Limited, as the Tender Offer Preparer, has verified the source of funds and financial conditions of the Offeror in light of the Tender Offer and opined that the Offeror has sufficient funds for conducting this Tender Offer.

#### 4. Amend Clause 4.3.2 (2) on Page 50

##### Existing information

If the Business's investment expansion plan is deemed as an acquisition and/or disposal of assets, the Business and the Offeror must act in accordance with the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B. E. 2547 (as amended).

##### Amended to

If the Business's investment expansion plan is deemed as an acquisition and/or disposal of assets, the Business and the Offeror must act in accordance with the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or

Disposition of Assets B. E. 2547 (as amended). Moreover, if this constitutes a connected transaction, the Business and the Offeror must also comply with the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions dated August 31, 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 dated November 19, 2003 (as amended).

**5. Amend Clause 4.3.2 (4) on Page 53**

**Existing information**

If the Business's investment expansion plan is deemed as an acquisition and/or disposal of assets, the Business and the Offeror must act in accordance with the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B. E. 2547.

**Amended to**

If the Business's investment expansion plan is deemed as an acquisition and/or disposal of assets, the Business and the Offeror must act in accordance with the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B. E. 2547. Moreover, if this constitutes a connected transaction, the Business and the Offeror must also comply with the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions dated August 31, 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 dated November 19, 2003 (as amended).

We hereby certify that all above information is true, complete and correct and there is neither any information that could lead to material misstatement nor any concealment of crucial information that should be explicitly disclosed.

**People's Garment Public Company Limited**

- *Mr. Viritpol Chaithavornsathien* -

(Mr. Viritpol Chaithavornsathien)

Authorized Director

- *Mrs. Sunan Niyomnaitham* -

(Mrs. Sunan Niyomnaitham)

Authorized Director

- TRANSLATION -

*The English Translation of the Independent Financial Advisor's Opinion has been prepared solely for the convenience of foreign shareholders of People's Garment Public Company Limited and should not be relied upon as the definitive and official document. The Thai language version of the Independent Financial Advisor's Opinion is the definitive and official document and shall prevail in all aspects in the event of any inconsistency with this English Translation.*

No. AP. 033 /2024

November 26, 2024

Subject: Amendment to the opinion of the Independent Financial Advisor on the tender offer for securities of People's Garment Plc.

To: Secretary-General of the Office of the Securities and Exchange Commission  
President of the Stock Exchange of Thailand  
Shareholders of People's Garment Plc.

Ref.: Opinion of the Independent Financial Advisor on the tender offer for securities of People's Garment Plc., dated November 15, 2024

Reference is made to People's Garment Plc. ("the Business")'s submission of the Opinion of the Business on the Tender Offer (Form 250-2), together with the Opinion of the Independent Financial Advisor on the Tender Offer for Securities of the Business prepared by Advisory Plus Co., Ltd. ("IFA"), as the shareholders' advisor to express opinion on the Tender Offer, to the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand, and the shareholders of the Business on November 19, 2024.

In this regard, we, as the IFA, would like to make some amendments to the Opinion of the Independent Financial Advisor on the Tender Offer for Securities of the Business to enhance clarity over our such opinion. Please note that the additional information is underlined and the deleted information is ~~erossed~~ out.





1. Amendment to Paragraph 2, Page 6

Original

Advisory Plus Co., Ltd., as the independent financial advisor (“IFA”) approved by the SEC and appointed by the Business to provide opinion to the minority shareholders regarding the Tender Offer, has studied information in the Tender Offer of the Offeror, information and documents obtained from the Business and the Tender Offer Preparer and/or publicly available information such as annual registration statement (Form 56-1), auditor’s report, financial statements, financial projection and related assumptions, property appraisal reports, other relevant information, information derived from interviews with the Business’s management, the Offeror and other concerned parties, and also from the assessment of industry situation and other relevant economic factors, as a basis for our analysis and rendering of opinion. The opinion given herein is based on the assumption that the information in the Tender Offer and all information and documents obtained from the Business and/or the Tender Offer Preparer and from interviews with the Business’s management and the Offeror are complete, true and correct. It is also based on the economic condition and information known at the time of conducting this study only. If there is any change or any incident that causes these factors to change significantly from the current status, it could materially affect the business operation and the financial projection. The IFA’s opinion is rendered without commitment in relation to a change, revision or confirmation of any impact that may arise in the future and the shareholders’ decision on such Tender Offer.

Amended

Advisory Plus Co., Ltd., as the independent financial advisor (“IFA”) approved by the SEC and appointed by the Business to provide opinion to the minority shareholders regarding the Tender Offer, has studied information in the Tender Offer of the Offeror, information and documents obtained from the Business and the Tender Offer Preparer and/or publicly available information such as annual registration statement (Form 56-1), auditor’s report, financial statements, financial projection and related assumptions, property appraisal reports, other relevant information, information derived from interviews with the Business’s management, the Offeror and other concerned parties, and also from the assessment of industry situation and other relevant economic factors, as a basis for our analysis and rendering of opinion. ~~The opinion given herein is based on the assumption that~~ We have reviewed the information in the Tender Offer and all information and documents obtained from the Business and/or the Tender Offer Preparer and from interviews with the Business’s management and the Offeror, which are complete, true, ~~and~~ correct, and reliable. ~~It~~ Our consideration is also based on the economic condition and information known at the time of conducting this study only. If there is any change or any incident that causes these factors to change significantly from the current status, it could materially affect the business operation and the financial projection. The IFA’s opinion is rendered without commitment in relation to a change, revision or confirmation of any impact that may arise in the future and the shareholders’ decision on such Tender Offer.



2. Amendment to “Executive Summary,” Subject “Source of funds,” Pages 10 - 11

Original

Source of funds

In the event that all other existing shareholders express their intention to sell all the remaining 55,303,236 shares of the Business at the offering price of Baht 9.00 per share, the Offeror will require an aggregate fund of Baht 497,729,124 (Baht four hundred ninety-seven million seven hundred twenty-nine thousand one hundred and twenty-four) for the Tender Offer. The source of funds that will be used to finance the Tender Offer is as follows: A credit facility from Krung Thai Bank Plc. (“KTB”) in the amount of Baht 600,000,000 (Baht six hundred million) pursuant to a confirmation letter issued by KTB, as of October 17, 2024, to provide financial support to the Offeror for the purpose of making payment for the Tender Offer under the credit line of Baht 600,000,000 (Baht six hundred million) covering a period from October 17, 2024 until the final date of the Tender Offer.

The provision of this credit line by KTB is subject to the following significant conditions:

- (1) The Offeror shall not declare dividends in the form of cash if the Offeror has not fully repaid the principal and/or interest on the loan that is due to KTB.
- (2) The Offeror agrees with KTB that this credit line has conditions that are not inferior to the debentures (pari passu).
- (3) The Offeror agrees to maintain the net debt to equity ratio at a level not exceeding 2.00 to 1.00.
- (4) In the event that the Offeror defaults on the principal and/or interest on this loan, the Offeror agrees to allow KTB to adjust the default interest rate to the highest rate as announced by the Bank of Thailand from the date of default until the debt is fully repaid. The Offeror also agrees to calculate the default interest rate based on the principal amount in default, except in case where KTB has exercised its right to require the Offeror to repay all outstanding debt.

Amended

Source of funds

In the event that all other existing shareholders express their intention to sell all the remaining 55,303,236 shares of the Business at the offering price of Baht 9.00 per share, the Offeror will require an aggregate fund of Baht 497,729,124 (Baht four hundred ninety-seven million seven hundred twenty-



nine thousand one hundred and twenty-four) for the Tender Offer. The source of funds that will be used to finance the Tender Offer is as follows: A credit facility from Krung Thai Bank Plc. (“KTB”) in the amount of Baht 600,000,000 (Baht six hundred million) pursuant to a confirmation letter issued by KTB, as of October 17, 2024, to provide financial support to the Offeror for the purpose of making payment for the Tender Offer under the credit line of Baht 600,000,000 (Baht six hundred million) covering a period from October 17, 2024 until the final date of the Tender Offer.

The provision of this credit line by KTB is subject to the following significant conditions:

- (1) The Offeror shall not declare dividends in the form of cash if the Offeror has not fully repaid the principal and/or interest on the loan that is due to KTB.
- (2) The Offeror agrees with KTB that this credit line has conditions that are not inferior to the debentures (pari passu).
- (3) The Offeror agrees to maintain the net debt to equity ratio at a level not exceeding 2.00 to 1.00.
- (4) In the event that the Offeror defaults on the principal and/or interest on this loan, the Offeror agrees to allow KTB to adjust the default interest rate to the highest rate as announced by the Bank of Thailand from the date of default until the debt is fully repaid. The Offeror also agrees to calculate the default interest rate based on the principal amount in default, except in case where KTB has exercised its right to require the Offeror to repay all outstanding debt.

Remark:

-“Net Debt” refers to interest-bearing debt deducted by cash and cash equivalents and current investments.

-“Equity” refers to total shareholders’ equity.

Bangkok Bank Plc., as the Tender Offer Preparer, has reviewed all details of the source of funds and financial status of the Offeror for the Tender Offer, and deemed that the Offeror’s source of funds is sufficient and does not affect its business operation.



3. Amendment to Item 1.2 Adjusted book value approach, (a) Surplus (discount) on revaluation of properties, Page 16

Original

Opinion of the IFA on property appraisal approaches

AA examined and considered various factors relating to the valuation such as appropriateness of use or development for further use, general market condition and limitations, specific features of the properties, and legal rights before selecting the appraisal methods that suit the nature of such properties, as follows:

- The use of market approach for land appraisal: We consider this appropriate because the properties were appraised at value that is as close as possible to a fair value through comparison with market prices of properties which have characteristics similar to the Business's properties. AA considered all details of the appraised properties and various factors that affect value of the appraised properties such as the location, area, level, and shape of the land, transportation, public utilities, land use restrictions and town planning, and sufficiency of market price data in nearby areas for comparison. The appraisal of property which is land by the market approach is in line with the general guidelines on land valuation. Therefore, we view that such appraisal method is appropriate.
- The use of cost approach for appraisal of buildings and component parts on the land and machinery: We consider this appropriate because AA appraised those properties on the basis of reconstruction of the appraised buildings, component parts on the land or machinery at a replacement cost, deducted by depreciation cost according to physical condition and useful life of the buildings, component parts on the land, and machinery, in order to obtain value that could reflect the value in present condition of such buildings, component parts on the land, and machinery. The valuation of reconstruction cost and replacement cost of machinery and the assumption on depreciation according to physical condition are in line with the guidelines set out by the Valuers Association of Thailand and the Thai Valuers Association. Therefore, we view that such appraisal method is appropriate.

Amended

Opinion of the IFA on property appraisal approaches

AA examined and considered various factors relating to the valuation such as appropriateness of use or development for further use, general market condition and limitations, specific features of the properties, and legal rights before selecting the appraisal methods that suit the nature of such properties, as follows:

- The use of market approach for land appraisal: We consider this appropriate because the properties were appraised at value that is as close as possible to a fair value through comparison with market prices of properties which have characteristics similar to the Business's



properties. In our opinion, the land lots selected for comparison are appropriate because they are similar to the appraised properties and located in nearby vicinities and the data collected were in the same period as the valuation of the properties. Moreover, AA considered all details of the appraised properties and adjusted various factors that affect value of the appraised properties such as the location, area, level, and shape of the land, transportation, public utilities, land use restrictions and town planning, according to the physical condition and nature of each selected property versus the appraised properties. This, together with consideration on and sufficiency of market price data in nearby areas for comparison, led the value derived after adjustment to reflect a value that is reasonable and suitable for the comparison. The appraisal of property which is land by the market approach is in line with the general guidelines on land valuation. Therefore, we view that such appraisal method is appropriate.

- The use of cost approach for appraisal of buildings and component parts on the land and machinery: We consider this appropriate because AA appraised those properties on the basis of reconstruction of the appraised buildings, component parts on the land or machinery at a replacement cost, deducted by depreciation cost according to physical condition and useful life of the buildings, component parts on the land, and machinery, in order to obtain value that could reflect the value in present condition of such buildings, component parts on the land, and machinery. The valuation of reconstruction cost and replacement cost of machinery and the assumption on depreciation according to physical condition are in line with the guidelines set out by the Valuers Association of Thailand and the Thai Valuers Association, which are suitable. Therefore, we view that such appraisal method is appropriate.

4. Amendment to Item 1.2 Adjusted book value approach, (d) Commitments and contingent liabilities,  
Page 21

Original

(d) *Commitments and contingent liabilities*

As of September 30, 2024, the Business had significant commitments including operating lease agreements, service and other agreements that cannot be terminated with a term of not over one year, bank guarantees such as letter of guarantee for usage of electricity, letter of guarantee for loan repayment to lenders, etc. However, since these commitments and contingent liabilities resulted from the usual course of business, we have not factored such item into the share valuation by the adjusted book value approach.

**Amended***(d) Commitments and contingent liabilities*

As of September 30, 2024, the Business had significant commitments of Baht 4.42 million, including operating lease agreements, service and other agreements that cannot be terminated with a term of not over one year, bank guarantees such as letter of guarantee for usage of electricity, letter of guarantee for loan repayment to lenders, etc. However, since these commitments and contingent liabilities resulted from the usual course of business and were already incorporated into the estimated selling and administrative expenses, we have not factored such item into the share valuation by the adjusted book value approach.

**5. Amendment to Item 1.3 Market comparable approach, Page 22****Original**

Details of the Peer Group are as follows:

	Ticker symbol	Company's name	Nature of business	Market cap (Baht million) *
<b>SET-listed companies</b>				
1.	CPH	Castle Peak Holdings Plc.	CPH engages in garment and real estate business. In 2023, its revenues from the garment business accounted for 99% of sales revenues.	584
3	NC	Newcity (Bangkok) Plc.	NC distributes clothing and cosmetics through wholesalers and retailers, and is an affiliate of Saha Group.	553
3	PAF	Pan Asia Footwear Plc.	PAF produces and distributes footwear, bags, and footwear parts, provides production services for moulds and injection moulding of plastic and natural rubber, and engages in organic agriculture business. In 2023, its revenues from distribution of footwear, bags, and footwear parts were more than 90% of revenues from sales and production services.	632
4	RSP	Rich Sport Plc.	RSP is an importer and distributor of fashion and lifestyle products under world-renowned brands in Thailand and Cambodia.	1,486

Source: [www.set.or.th](http://www.set.or.th)

Remark: \* As of October 16, 2024

**Amended**

Details of the Peer Group are as follows:

Ticker symbol	Company's name	Nature of business	Market cap (Baht million)*	Asset value (Baht million)	Registered and paid-up capital (Baht million)
<b>SET-listed companies</b>					
1.	CPH Castle Peak Holdings Plc.	CPH engages in garment and real estate business. In 2023, its revenues from the garment business accounted for 99% of sales revenues.	584	<u>795.65</u>	<u>400.00</u>
23	NC Newcity (Bangkok) Plc.	NC distributes clothing and cosmetics through wholesalers and retailers, and is an affiliate of Saha Group.	553	<u>1,634.22</u>	<u>149.51</u>
3	PAF <sup>1/</sup> Pan Asia Footwear Plc.	PAF produces and distributes footwear, bags, and footwear parts, provides production services for moulds and injection moulding of plastic and natural rubber, and engages in organic agriculture business. In 2023, its revenues from distribution of footwear, bags, and footwear parts were more than 90% of revenues from sales and production services.	632	<u>2,793.94</u>	<u>275.40</u>
4	RSP Rich Sport Plc.	RSP is an importer and distributor of fashion and lifestyle products under world-renowned brands in Thailand and Cambodia.	1,486	<u>2,322.80</u>	<u>743.00</u>
<b>The Business</b>					
5	PG People's Garment Plc.	PG produces and distributes garment, including men's wear, ladies' wear, swimwear, sportswear, men's underwear, and uniform under trademarks such as ARROW and ELLE, as well as house-brand products.	<u>864.00</u>	<u>1,801.52</u>	<u>96.00</u>

Source: [www.set.or.th](http://www.set.or.th)

Remark \* As of October 16, 2024

1/ We have selected the Peer Group from among companies primarily engaging in clothing-related businesses, whether those generating income from production and distribution of ready-to-wear garment, underwear, swimwear, sportswear, or footwear, since they all are categorized in the same Consumer Products Industry and Fashion Sector as the Business and are following a similar upward (downward) trend. We also take into account their relation in terms of the use of yarn and/or fabric as raw materials in garment manufacturing of any such entity.



6. Amendment to Item 1.5 Discounted cash flow approach, (a) Sales income, (1) Income from sales of garment, Pages 27 - 29

Original

(1) Income from sales of garment

The Business generates income primarily from production and distribution of garment that includes men's clothing, women's clothing, swimsuits, sportswear, men's underwear, and uniforms under ARROW and ELLE trademarks and its own house brands. The products are distributed in both domestic and international markets. During 2021-2023, income from sales of garment grew from Baht 585.58 million in 2021 by 14.11% to Baht 668.22 million in 2022 and by 0.43% to Baht 671.10 million in 2023, driven by a recovery following improvement in the COVID-19 situation and an increase in consumers' out-of-home spending. The growth of only Baht 2.88 million or 0.43% in sales of garment in 2023 was mainly ascribed to a shrinkage of Baht (49.82) million or (9.08)% in income from domestic sales as a result of a decrease in purchases by local distributors, the Business's major customers. On the contrary, income from international sales soared by Baht 52.70 million or 44.17% thanks to higher export volumes to the USA and Europe, spurred by consumers' confidence in the capability and product quality and the Business's development and offering of more diverse and trendy product categories. In late 2023, the Business received a greater amount of purchase orders from the new offering of slacks products to trading firms, its principal customers whose main orders normally were short pants.

For 2024, the Business expects that sales income will grow around 10.77% y-o-y to Baht 743.35 million. It further predicts a y-o-y surge of 26.14% in income from international sales, spurred partly by growth in sales to its major customers who have tapped into new Asian markets and received overwhelming response and partly by a steady increase in orders for slacks since late 2023. Consequently, its product mix shows a rise in sales of slacks, which are higher in prices than short pants, resulting in a y-o-y increase of about 11.93% in the average overseas selling price in 2024. Domestic sales are forecast to grow slightly, by 5.47% y-o-y, as the major customers will increase their order placement around late 2024 after delaying their purchases according to their procurement policy. However, the average domestic selling price has gone up, propelled by sales of best seller products in 2024 such as Polo shirts and pants, which are of a higher price than underwear whose sales proportion has diminished in 2024.

For 2025, the Business predicts that sales income will increase by roughly 6.12% y-o-y to Baht 788.87 million, still bolstered by an expected 11.18% y-o-y growth in international markets, which the Business believes will expand continuously or in tandem with its major customers' ongoing diversification to new markets. Meanwhile, prices cannot be revised up considerably due to pricing competition and the aim to enable customers to stay competitive during their new market expansion. The domestic market is projected to grow around 4% y-o-y as the local major customers are anticipated to resume their normal order placement





from 2026 until the end of the projection period. Overall, sales income is expected to increase by an average 4% per year, likely driven by approximately 2% per year growth in sales volume. The domestic market will still be focused on online distribution, which has a growth potential. The Business accordingly collaborates with and encourages its customers to boost their sales via offline, online, and all social media platforms that can quickly reach consumers, alongside development of new product models and raw materials in order to broaden customer base. For the international market that still has a growth potential, however, considering its robust growth in the previous two years due to new market expansion, it is anticipated to grow by about 2% per year, similar to the domestic market.

The average selling price is expected to rise by 2% per year since the Business views that the average price increase in 2024-2025 will come from the product mix that has already created a balanced portfolio, leading to a limited scope of price increase during the projection period with an aim to remain competitive amid fierce price competition from both local and international players in the current economic environment, further intensified by a vast quantity of pre-owned brand-name products entering the market.

Year	Historical			Projected				
	2021	2022	2023	2024	2025	2026	2027	2028
<u>Garment</u>								
Sales income (Baht million)	585.58	668.22	671.10	743.35	788.87	820.75	853.90	888.40
Change (%)		14.11	0.43	10.77	6.12	4.04	4.04	4.04
Sales volume (million pieces)	2.65	3.00	2.69	2.75	2.83	2.88	2.94	3.00
Change (%)		13.00	(10.25)	2.15	2.87	2.00	2.00	2.00
Selling price (Baht/piece)	220.71	222.89	249.42	270.46	279.02	284.60	290.29	296.09
Change (%)		0.99	11.90	8.43	3.16	2.00	2.00	2.00

#### Amended

##### (1) Income from sales of garment

The Business generates income primarily from production and distribution of garment that includes men's clothing, women's clothing, swimsuits, sportswear, men's underwear, and uniforms under ARROW and ELLE trademarks and its own house brands. The products are distributed in both domestic and international markets. During 2021-2023, income from sales of garment grew from Baht 585.58 million in 2021 by 14.11% to Baht 668.22 million in 2022 and by 0.43% to Baht 671.10 million in 2023, driven by a recovery following improvement in the COVID-19 situation and an increase in consumers' out-of-home spending. The growth of only Baht 2.88 million or 0.43% in sales of garment in 2023 was mainly ascribed to a shrinkage of Baht (49.82) million or (9.08)% in income from domestic sales as a result of a decrease in purchases by local distributors, the Business's major customers. On the contrary, income from international sales soared by Baht 52.70 million or 44.17% thanks to higher export volumes to the USA and Europe, spurred by consumers' confidence in the



capability and product quality and the Business's development and offering of more diverse and trendy product categories. In late 2023, the Business received a greater amount of purchase orders from the new offering of slacks products to trading firms, its principal customers whose main orders normally were short pants.

For 2024, the Business expects that sales income will grow around 10.77% y-o-y to Baht 743.35 million. The full-year 2024 projection is the sum of actual income from the nine-month financial statements ended September 30, 2024 and the forecast income for the last three months (October 1 – December 31, 2024) based on the purchase orders received by the Business. It further predicts a y-o-y surge of 26.14% in income from international sales, spurred partly by growth in sales to its major customers who have tapped into new Asian markets and received overwhelming response and partly by a steady increase in orders for slacks since late 2023. Consequently, its product mix shows a rise in sales of slacks, which are higher in prices than short pants, resulting in a y-o-y increase of about 11.93% in the average overseas selling price in 2024. Domestic sales are forecast to grow slightly, by 5.47% y-o-y, as the major customers will increase their order placement around late 2024 after delaying their purchases according to their procurement policy. However, the average domestic selling price has gone up, propelled by sales of best seller products in 2024 such as Polo shirts and pants, which are of a higher price than underwear whose sales proportion has diminished in 2024.

For 2025, the Business predicts that sales income will increase by roughly 6.12% y-o-y to Baht 788.87 million, still bolstered by an expected 11.18% y-o-y growth in international markets, which the Business believes will expand continuously, helped by its major customers, who are the distributors and have a cordial relationship with the Business, expanding into the large market with growth prospect in India, or grow in tandem with its major customers' ongoing diversification to new markets. Meanwhile, prices cannot be revised up considerably due to pricing competition and the aim to enable customers to stay competitive during their new market expansion. The domestic market is projected to grow around 4% y-o-y as the local major customers are anticipated to resume their normal order placement, after the previous two years (2023-2024) during which they have reduced their orders from the Business while restructuring their inventory management and then turning to increase their orders since Q4/2024.

From 2026 until the end of the projection period, overall, sales income is expected to increase by an average 4% per year (close to the average GDP growth in the past 25 years, 2000-2023, and the projection for 2024 (source: Office of the National Economic and Social Development Council (NESDC) and Bank of Thailand) of 4.37% per year), likely driven by approximately 2% per year growth in sales volume. The domestic market will still be focused on online distribution, which has a growth potential. The Business accordingly collaborates with and encourages its customers to boost their sales via offline, online, and all social media platforms that can quickly reach consumers, alongside development of new product models and raw materials in order to broaden customer base. For the international market that still has a growth potential,



however, considering its robust growth in the previous two years due to new market expansion, it is anticipated to grow by about 2% per year, similar to the domestic market.

The average selling price is expected to rise by 2% per year since the Business views that the average price increase in 2024-2025 will come from the product mix that has already created a balanced portfolio, leading to a limited scope of price increase during the projection period with an aim to remain competitive amid fierce price competition from both local and international players in the current economic environment, further intensified by a vast quantity of pre-owned brand-name products entering the market.

Year	Historical			Projected				
	2021	2022	2023	2024	2025	2026	2027	2028
<b>Garment-domestic</b>								
Sales income (Baht million)	<u>424.77</u>	<u>548.91</u>	<u>499.09</u>	<u>526.37</u>	<u>547.64</u>	<u>569.77</u>	<u>592.78</u>	<u>616.73</u>
Change (%)	(3.81)	29.23	(9.08)	5.47	4.04	4.04	4.04	4.04
Sales volume (million pieces)	<u>2.29</u>	<u>2.74</u>	<u>2.39</u>	<u>2.41</u>	<u>2.46</u>	<u>2.50</u>	<u>2.55</u>	<u>2.61</u>
Change (%)	(26.01)	19.42	(12.84)	0.81	2.00	2.00	2.00	2.00
Selling price (Baht/piece)	<u>185.16</u>	<u>200.37</u>	<u>209.03</u>	<u>218.68</u>	<u>223.05</u>	<u>227.51</u>	<u>232.06</u>	<u>236.70</u>
Change (%)	30.00	8.21	4.32	4.62	2.00	2.00	2.00	2.00
<b>Garment-international</b>								
Sales income (Baht million)	<u>160.82</u>	<u>119.31</u>	<u>172.01</u>	<u>216.98</u>	<u>241.23</u>	<u>250.98</u>	<u>261.12</u>	<u>271.67</u>
Change (%)	103.83	(25.81)	44.17	26.14	11.18	4.04	4.04	4.04
Sales volume (million pieces)	<u>0.36</u>	<u>0.26</u>	<u>0.30</u>	<u>0.34</u>	<u>0.37</u>	<u>0.38</u>	<u>0.39</u>	<u>0.39</u>
Change (%)	83.93	(28.01)	17.16	12.69	9.00	2.00	2.00	2.00
Selling price (Baht/piece)	<u>447.75</u>	<u>461.44</u>	<u>567.84</u>	<u>635.59</u>	<u>648.30</u>	<u>661.26</u>	<u>674.49</u>	<u>687.98</u>
Change (%)	10.82	3.06	23.06	11.93	2.00	2.00	2.00	2.00
<b>Garment-total</b>								
Sales income (Baht million)	<u>585.58</u>	<u>668.22</u>	<u>671.10</u>	<u>743.35</u>	<u>788.87</u>	<u>820.75</u>	<u>853.90</u>	<u>888.40</u>
Change (%)	12.50	14.11	0.43	10.77	6.12	4.04	4.04	4.04
Sales volume (million pieces)	<u>2.65</u>	<u>3.00</u>	<u>2.69</u>	<u>2.75</u>	<u>2.83</u>	<u>2.88</u>	<u>2.94</u>	<u>3.00</u>
Change (%)	(19.50)	13.00	(10.25)	2.15	2.87	2.00	2.00	2.00
Selling price (Baht/piece)	<u>220.71</u>	<u>222.89</u>	<u>249.42</u>	<u>270.46</u>	<u>279.02</u>	<u>284.60</u>	<u>290.29</u>	<u>296.09</u>
Change (%)	39.75	0.99	11.90	8.43	3.16	2.00	2.00	2.00



7. Amendment to Item 1.5 Discounted cash flow approach, (a) Sales income, (2) Income from sales of fabric and garment parts, Page 29

Original

The Business earned income from sales of fabric and garment parts such as collars, sleeves, etc. in the amount of Baht 27.03 million, Baht 18.95 million and Baht 32.42 million in 2021-2023 respectively. This income arises from sales of fabric and garment parts, produced by the Business and remaining from use in its own garment production, to other smaller garment producers and distributors, who have been its regular customers. However, due to the intense competition and the COVID-19 impacts on the clothing and textile industry, the orders from those customers plunged from the pre-pandemic level of Baht 60 million – Baht 90 million to only Baht 19 million – Baht 32 million in 2021-2023 and, for 2024, income from sales of fabric and garment parts will likely drop by about 14% from the preceding year. In this regard, the Business is seeking to acquire new customers to compensate for the decline in sales and further boost sales volume. In late 2024, it received purchase orders from potential customers who began placing their orders from late 2024 onward. The Business will recognize such income mainly in 2025 and expects to continuously receive the orders in 2025. It is therefore projected that sales income in 2025 will rise by 10% y-o-y.

From 2026 until the end of the projection period, income from sales of fabric and garment parts is forecast to increase by 4% per year. The Business views that the distribution of fabric and garment parts could bring in extra income in addition to its core business, but, due to the tough competition, will grow only to a certain level.

Amended

The Business earned income from sales of fabric and garment parts such as collars, sleeves, etc. in the amount of Baht 27.03 million, Baht 18.95 million and Baht 32.42 million in 2021-2023 respectively. This income arises from sales of fabric and garment parts, produced by the Business and remaining from use in its own garment production, to other smaller garment producers and distributors, who have been its regular customers. However, due to the intense competition and the COVID-19 impacts on the clothing and textile industry, the orders from those customers plunged from the pre-pandemic level of Baht 60 million – Baht 90 million to only Baht 19 million – Baht 32 million in 2021-2023. Income from sales of fabric and garment parts plummeted in 2022, versus 2021, following business closure by the COVID-19-stricken small customers, and then mounted in 2023 thanks to new customers and increased orders from some existing customers upon their recovery from the pandemic. and, For 2024, income from sales of fabric and garment parts will likely drop by about 14% from the preceding year, stemming from a shutdown of several dyeing factories and, hence, a declining demand for fabric. In this regard, the Business is seeking to acquire new customers to compensate for the decline in sales and further boost sales volume. In late 2024, it received purchase orders from potential customers who began placing their orders from late 2024 onward. The Business will recognize such income



mainly in 2025 and expects to continuously receive the orders in 2025. It is therefore projected that sales income in 2025 will rise by 10% y-o-y.

From 2026 until the end of the projection period, income from sales of fabric and garment parts is forecast to increase by 4% per year (close to the average GDP growth in the past 25 years, 2000-2023, and the projection for 2024 (source: Office of the National Economic and Social Development Council (NESDC) and Bank of Thailand) of 4.37% per year). The Business views that the distribution of fabric and garment parts could bring in extra income in addition to its core business and income from sales of fabric will not be lower than that in 2025, expecting its current customers who could ride out the COVID-19 crisis will remain as its client base and striving to acquire new customers. It is projected that the Business still has the potential to grow only to a certain level or at about the same rate as the average GDP growth in the past 25 years, but, due to the tough competition, will grow only to a certain level.

8. Addition of a remark to the Table in Item 1.5 Discounted cash flow approach, (b) Other income, Page 29 -30

Original

Other income, comprising income from medical services at Kabin Buri Plant occasionally provided to people in nearby areas, advisory fee income from accounting and payroll services provided to tenants at Lamphun Plant, income from public utility fees collected from tenants, and others, amounted to Baht 15.77 million, Baht 15.29 million and Baht 14.88 million in 2021-2023 respectively. Other income is forecast to be Baht 15.82 million in 2024, based on the actual data in the first nine months of 2024, and to increase by 2% per year (close to the average inflation rate in the past 25 years)<sup>1</sup> from 2025 until the end of the projection period.

Year	Historical			Projected				
	2021	2022	2023	2024	2025	2026	2027	2028
Other income (Baht million)	15.77	15.29	14.88	15.82	16.13	16.46	16.79	17.12
Change (%)	4.20	(3.05)	(2.69)	6.34	2.00	2.00	2.00	2.00

Amended

Other income, comprising income from medical services at Kabin Buri Plant occasionally provided to people in nearby areas, advisory fee income from accounting and payroll services provided to tenants at Lamphun Plant, income from public utility fees collected from tenants, and others, amounted to Baht 15.77 million, Baht 15.29 million and Baht 14.88 million in 2021-2023 respectively. Other income is forecast to be Baht 15.82 million in 2024, based on the actual data in the first nine months of 2024, and to increase by 2%



per year (close to the average inflation rate in the past 25 years)<sup>1</sup> from 2025 until the end of the projection period.<sup>1</sup>

Year	Historical			Projected				
	2021	2022	2023	2024	2025	2026	2027	2028
Other income (Baht million)	15.77	15.29	14.88	15.82	16.13	16.46	16.79	17.12
Change (%)	4.20	(3.05)	(2.69)	6.34	2.00	2.00	2.00	2.00

Remark: Other income in the above table is the income earned from the usual operation of the Business and is less than other income shown on its financial statements for 2021-2023 because we have excluded other income that is return from non-operating assets such as financial assets and investment properties in the form of dividend, interest income, gains on sales of investments, etc., which totaled Baht 32.28 million, Baht 44.43 million, and Baht 49.77 million in 2021-2023 respectively. We will later incorporate a net fair value of financial assets wholly into the valuation of the Business. Details are as stated in Clause 1.3 (i).

9. Amendment to Item 1.5 Discounted cash flow approach, (c) Cost of sales (excluding depreciation and amortization), Page 30

Original

Cost of sales (excluding depreciation and amortization) rose from Baht 502.30 million in 2021 to Baht 542.51 million in 2022 and Baht 547.14 million in 2023 in line with sales income growth in each year. The percentage of cost of sales (excluding depreciation and amortization) to sales income went down from 81.99% in 2021 to 78.95% in 2022 and 77.77% in 2023, thanks to the Business's endeavors in streamlining of work procedures to control cost of products and expenses to a competitive level.

In 2024, the Business expects the percentage of cost of sales to sales income to drop to 75.48%, helped mainly by raw material cost management and reduction by acquiring a new source of raw materials that are cheaper and meet customers' quality requirement. For 2025-2028, cost of sales (excluding depreciation and amortization) is forecast by the Business to be close to 2024 at 75.48% of sales income.

Amended

Cost of sales (excluding depreciation and amortization) rose from Baht 502.30 million in 2021 to Baht 542.51 million in 2022 and Baht 547.14 million in 2023 in line with sales income growth in each year. The percentage of cost of sales (excluding depreciation and amortization) to sales income went down from 81.99% in 2021 to 78.95% in 2022 and 77.77% in 2023, thanks to the Business's endeavors in streamlining of work procedures to control cost of products and expenses to a competitive level.

In 2024, the Business expects the percentage of cost of sales to sales income to drop to 75.48%, helped mainly by raw material cost management and reduction by acquiring a new source of raw materials such as import of yarn and fabric from China that are cheaper and meet customers' quality requirement. For



2025-2028, cost of sales (excluding depreciation and amortization) is forecast by the Business to be close to 2024 at 75.48% of sales income.

10. Amendment to Item 1.5 Discounted cash flow approach, (d) Selling and administrative expenses (excluding depreciation and amortization) under “Variable expenses,” Page 31

Original

- Variable expenses

These expenses vary with income from domestic and international sales, comprised of advertising expense, transport cost, and commissions which vary with income from international sales. From past records, the percentage of these expenses to sales has been somewhat steady.

Advertising and promotion expense and transport cost vary with total sales income. Advertising and promotion expense and transport and storage cost are expected for 2024 to account for 0.46% and 1.55% of total sales income respectively, based on the actual data in the first nine months of 2024, and are assumed to remain constant at 0.38% and 1.48% respectively throughout the projection period, which is close to the past three years' average of each of such variable expenses.

Commissions are paid to overseas distributors of the Business and vary with income from international sales. Commissions are projected for 2024 at 2.05% of income from international sales, based on the actual data in the first nine months of 2024, and to remain constant at 2.14% of income from international sales throughout the projection period, which is close to the average commissions in the past three years.

Amended

- Variable expenses

These expenses vary with income from domestic and international sales, comprised of advertising expense, transport cost, and commissions which vary with income from international sales. From past records, the percentage of these expenses to sales has been somewhat steady.

Advertising and promotion expense and transport cost vary with total sales income. Advertising and promotion expense in 2022 went up since the Business expected an improvement in the COVID-19 situation and accordingly collaborated with the major customers in advertisement and promotion campaigns to boost sales. In 2023, however, the major customers concentrated on their inventory management restructuring, leading to a decrease in their advertising and sales promotion cooperation with the Business. As for transport cost in 2022, the Business improved the efficiency in its production and delivery management and could thereby produce and deliver products to international customers on time. Therefore, from 2022 onward, it has not incurred any air freight, resulting from the acceleration of product delivery to meet the schedule and the decrease in expenses on raw material import and finished goods export in line with the drop in international



sales. For 2023, transport and storage cost increased on account of rising expenses on raw material import and finished goods export in line with growth in export income in that year.

Advertising and promotion expense and transport and storage cost are expected for 2024 to account for 0.46% and 1.55% of total sales income respectively, based on the actual data in the first nine months of 2024, and The full-year 2024 projection is the sum of actual advertising and promotion expense and transport and storage cost from the nine-month financial statements ended September 30, 2024 and the forecast for the last three months (October 1 – December 31, 2024). Advertising and promotion expense will increase in accordance with the Business's marketing plan to stimulate domestic sales, which dropped in the preceding year. Moreover, as the major customers resume their normal purchases, the Business has joined force with them in advertisement and promotion campaigns to boost sales in the final quarter of the year. Meanwhile, transport cost will rise according to the increased number of raw material and goods transport trips between plants in line with sales volume. Thus, advertising and promotion expense is are assumed to remain constant at 0.38% and transport cost at 1.48% of total sales income respectively throughout the projection period, which is close to the past three years' average of each of such variable expenses.

Commissions are paid to overseas distributors of the Business and vary with income from international sales. Commissions are projected for 2024 at 2.05% of income from international sales, based on the actual data in the first nine months of 2024, and The full-year 2024 projection is the sum of actual commissions from the nine-month financial statements ended September 30, 2024 and the forecast for the last three months (October 1 – December 31, 2024) based on the contracts made by the Business with its trade partners. Commissions are assumed to remain constant at 2.14% of income from international sales throughout the projection period, which is close to the average commissions in the past three years.

**11. Amendment to Item 1.5 Discounted cash flow approach, (d) Selling and administrative expenses (excluding depreciation and amortization) under "Fixed expenses," Pages 31 - 32**

**Original**

- Fixed expenses

Employee-related expenses, including salaries and welfare, are estimated by the Business to rise by 15.04% in 2024, resulting from an increase in employment and employee compensation in line with international sales growth in such year, and are assumed to increase by 5% per year from 2025 until the end of the projection period in accordance with the past pay increase rate.

Public utility fees are expected to decline in 2024 by (1.45)% from the previous year, based on the actual data in the first nine months of 2024, and to increase by 2% per year from 2025 until the end of the projection period (close to the average inflation rate in the past 25 years).





Computer and computer system expenses are projected to go up in 2024 by 9.24% from the previous year, due to increasing use of computers and Internet in the digital work environment, and to rise by 2% per year from 2025 until the end of the projection period (close to the average inflation rate in the past 25 years).

Other expenses such as maintenance cost, fuel cost, audit fee, etc. are forecast to increase by 2% per year from 2025 until the end of the projection period (close to the average inflation rate in the past 25 years).

#### Amended

- Fixed expenses

Employee-related expenses, including salaries and welfare, are estimated by the Business to rise by 15.04% in 2024, resulting from an increase in employment for international section to coordinate and communicate with foreign customers, which involves high compensation, in order to accommodate and employee compensation in line with international sales growth in such year, together with additional employment for other sections to replace those resigning during the COVID-19 situation. and Employee-related expenses are assumed to increase by 5% per year from 2025 until the end of the projection period in accordance with the past pay increase rate.

Public utility fees are expected to decline in 2024 by (1.45)% from the previous year, ~~based on the actual data in the first nine months of 2024, and~~ The full-year 2024 projection is the sum of actual public utility fees from the nine-month financial statements ended September 30, 2024 and the forecast for the last three months (October 1 – December 31, 2024) where public utility fees will go down in tandem with the investment in solar rooftop installation for energy cost saving around the end of 2024. For 2025, the Business plans to invest in chiller system installation, which will drive up its electricity usage. However, the Business expects that the energy saving from the use of solar rooftop system, to begin by late 2024, can compensate for such rising electricity cost incurred from the use of chiller system. Therefore, the increase in public utility fees, projected at 2%, is expected to arise from growth in electricity usage under the production increase plan in line with the sales projection, and such expenses are assumed to increase by 2% per year from 2025 until the end of the projection period (close to the average inflation rate in the past 25 years).

Computer and computer system expenses are projected to go up in 2024 by 9.24% from the previous year, due partly to increasing use of computers and Internet in the digital work environment, and partly to additional firewall installation to enhance cyber security in conformity with the standards and the Personal Data Protection Act (PDPA). Such expenses are assumed to rise by 2% per year from 2025 until the end of the projection period (close to the average inflation rate in the past 25 years).

Other expenses such as maintenance cost, fuel cost, audit fee, etc. are forecast to increase by 2% per year from 2025 until the end of the projection period (close to the average inflation rate in the past 25 years).



12. Amendment to Item 1.5 Discounted cash flow approach, (e) Capital expenditure, Page 32

Original

In 2024, the Business plans to invest around Baht 14.18 million in the solar rooftop project at its Lamphun Plant, aiming to cut down on electricity cost. In 2025, it will invest Baht 21 million in the improvement of Lamphun Plant building, installation of air-conditioning system and chillers, and purchase of two vehicles. From 2026 onward, it will spend about Baht 2 million a year on the regular repair and maintenance of buildings and equipment. As for intangible assets, the Business has invested Baht 0.73 million in computer software in 2024.

Amended

In 2024, the Business plans to invest around Baht 14.18 million in the solar rooftop project at its Lamphun Plant, aiming to cut down on electricity cost. In 2025, it will invest Baht 21 million in the improvement of Lamphun Plant building, installation of air-conditioning system and chillers, and purchase of two vehicles. ~~From 2026 onward, it will spend about Baht 2 million a year on the regular repair and maintenance of buildings and equipment. As for intangible assets, the Business has invested Baht 0.73 million in computer software in 2024.~~

Over the past 3 – 4 years, the Business has spent a huge sum on fixed asset improvement whereby its investment plan for modification or development of fixed assets will be achieved in 2025 after completion of the chiller system installation.

According to the projection by the IFA, the Business will have depreciation and amortization expenses of around Baht 22 – 23 million, consisting of Baht 5 million as depreciation of Fixtures and Office Appliances (Book Value as at September 30, 2024 at Baht 35.75 million). Since assets under such categories, have relatively short usable life of 5 – 10 years under accounting standards comparing to longer actual usable life of 10 – 20 years, the Business then estimates CAPEX of the assets under those categories at Baht 2 million per year throughout the projection period. The remaining amount is mainly depreciation of Buildings and Machineries and Equipment. Currently, improvements of such assets is made with replacements of consumable parts which have already been recognized as expenses in both cost of goods sold and selling and administration expenses. For such expenses are in equivalent amount of the corresponding depreciation; the Business does not estimate additional CAPEX for Buildings and Machineries and Equipment. (The practices also reflects in the Business having relatively low book value of Properties, Plants and Equipment at Baht 158.26 million comparing to the investment cost of such assets of Bath 766.23 million as at September 30, 2024.)



13. Amendment to Item 1.5 Discounted cash flow approach, (g) Working capital, Page 33

Original

Working capital is estimated based on historical data and assumed to remain constant throughout the projection period, as follows:

-	Trade and other current receivables	64	days
-	Inventories	237	days
-	Trade and other current payables	50	days
-	Estimated goods returned	4	days

Amended

Working capital is estimated based on three-year historical data and assumed to remain constant throughout the projection period, as follows:

-	Trade and other current receivables	64	days
-	Inventories	237	days
-	Trade and other current payables	50	days
-	Estimated goods returned	4	days

14. Amendment to Item 1.5 Discounted cash flow approach, Page 35

Original

Beta ( $\beta$ ) This is a variance of SET return compared with a variance of return on investment in the Business's shares. We use the beta of three companies<sup>2</sup> in the Peer Group, as described in Section 'Market Comparable Approach,' based on the weekly trading statistics from Bloomberg over the past three years from October 17, 2021 to October 16, 2024. The beta of these reference companies is adjusted to arrive at an unlevered beta, which is then adjusted by the estimated debt to equity ratio of the Business to obtain a re-levered beta, which is equal to 0.6949.

Amended

Beta ( $\beta$ )<sup>1</sup> This is a variance of SET return compared with a variance of return on investment in the Business's shares. We use the beta of three companies<sup>1</sup> in the Peer Group, as described in Section 'Market Comparable Approach,' based on the weekly trading statistics from Bloomberg over the past three years from October 17, 2021 to October 16, 2024. The beta of these reference companies is adjusted to arrive at an unlevered beta, which is then adjusted by the estimated debt to equity ratio of the Business to obtain a re-levered beta, which is equal to 0.6949.



1/ Considering the thin trading of the Business's shares, as evident from the total trading volume over the previous 12 months (October 17, 2023 – October 16, 2024) of 3,699,300 shares or equal to 17,126.39 shares per day, the use of the Business's beta, which is derived from comparison of weekly return on its shares with the SET's weekly rate of return, may not accurately reflect the Business's rate of return. Thus, we have calculated return on the Business's shares based on the beta of the three reference companies, instead of using the Business's beta. We have excluded the beta of the whole fashion sector from the calculation, viewing that this group consists of businesses that vary considerably in size and, hence, the use of the beta of the three reference companies, whose business size is comparable to that of the Business, is more suitable.

#### 15. Amendment to Item 1.5 Discounted cash flow approach, Page 36

##### Original

Unit: Baht million	Projection				
	Oct-Dec 2024	2025	2026	2027	2028
EBIT*(1-tax rate)	(0.20)	0.01	0.31	0.28	0.23
Add Depreciation and amortization	5.22	22.30	21.98	22.01	22.01
<i>Change in working capital:</i>					
Trade and other current receivables	25.27	(8.47)	(5.80)	(6.04)	(6.28)
Inventories	9.26	(23.27)	(16.20)	(16.86)	(17.54)
Trade and other current payables	(17.72)	5.00	3.42	3.56	3.70
Estimated goods returned	1.92	0.80	0.29	0.30	0.31
Capital expenditure	0.00	(21.00)	(2.00)	(2.00)	(2.00)
<b>Free cash flow to firm</b>	<b>23.75</b>	<b>(24.64)</b>	<b>1.99</b>	<b>1.25</b>	<b>0.44</b>
<b>Terminal value</b>					<b>5.36</b>
<b>Total cash flow</b>	<b>23.75</b>	<b>(24.64)</b>	<b>1.99</b>	<b>1.25</b>	<b>5.80</b>
Discount period	0.25	1.25	2.25	3.25	4.25
Discount rate	10.33%	10.33%	10.33%	10.33%	10.33%
Discount factor	0.98	0.88	0.80	0.73	0.66
<b>PV of cash flow</b>	<b>23.18</b>	<b>(21.79)</b>	<b>1.59</b>	<b>0.91</b>	<b>3.82</b>
<b>Value of garment production and distribution business</b>	<b>7.72</b>				
Less Financial liabilities <sup>1/</sup>	5.69				
Add Cash and cash equivalents <sup>1/</sup>	4.60				
Add Fair value of investment properties - net <sup>2/</sup>	14.47				
Add Value of sale of financial assets - net <sup>2/</sup>	856.44				
Add Value of other financial assets - net <sup>2/</sup>	3.49				
<b>Total value of shareholders' equity of the Business</b>	<b>881.03</b>				
Number of shares (million shares)	96.00				
<b>Share value (Baht/share)</b>	<b>9.18</b>				

Remark: 1/ Financial statements of the Business as of September 30, 2024

2/ As per the details in Item 1.5 (i)



**Amended**

Unit: Baht million	Historical				Projected				
	2021	2022	2023	Jan-Sep 2024	Oct-Dec 2024	2025	2026	2027	2028
Sales income	612.62	687.17	703.52	572.52	198.70	819.53	852.62	887.06	922.88
Cost of sales	502.30	542.51	547.14	432.14	149.98	618.59	643.57	669.56	696.60
Gross profit	110.32	144.66	156.38	140.38	48.72	200.94	209.06	217.50	226.28
Selling and administrative expenses	132.52	149.07	167.02	139.34	47.70	194.76	203.15	211.92	221.10
Depreciation and amortization	18.72	16.17	17.33	15.64	5.22	22.30	21.98	22.01	22.01
Other income	15.77	15.29	14.88	11.86	3.95	16.13	16.46	16.79	17.12
EBIT	(25.15)	(5.29)	(13.09)	(2.74)	(0.25)	0.01	0.38	0.36	0.29

Unit: Baht million	Projection				
	Oct-Dec 2024	2025	2026	2027	2028
EBIT*(1-tax rate)	(0.20)	0.01	0.31	0.28	0.23
Add Depreciation and amortization	5.22	22.30	21.98	22.01	22.01
<i>Change in working capital:</i>					
Trade and other current receivables	25.27	(8.47)	(5.80)	(6.04)	(6.28)
Inventories	9.26	(23.27)	(16.20)	(16.86)	(17.54)
Trade and other current payables	(17.72)	5.00	3.42	3.56	3.70
Estimated goods returned	1.92	0.80	0.29	0.30	0.31
Capital expenditure	0.00	(21.00)	(2.00)	(2.00)	(2.00)
Free cash flow to firm	23.75	(24.64)	1.99	1.25	0.44
Terminal value					5.36
Total cash flow	23.75	(24.64)	1.99	1.25	5.80
Discount period	0.25	1.25	2.25	3.25	4.25
Discount rate	10.33%	10.33%	10.33%	10.33%	10.33%
Discount factor	0.98	0.88	0.80	0.73	0.66
PV of cash flow	23.18	(21.79)	1.59	0.91	3.82
Value of garment production and distribution business	7.72				
Less Financial liabilities <sup>1/</sup>	5.69				
Add Cash and cash equivalents <sup>1/</sup>	4.60				
Add Fair value of investment properties - net <sup>2/</sup>	14.47				
Add Value of sale of financial assets - net <sup>2/</sup>	856.44				
Add Value of other financial assets - net <sup>2/</sup>	3.49				
Total value of shareholders' equity of the Business	881.03				
Number of shares (million shares)	96.00				
Share value (Baht/share)	9.18				

**16. Amendment to Item 1.5 Discounted cash flow approach, Pages 36 – 37****Original**

In addition, we have performed a sensitivity analysis on the valuation of the Business's shares to cover a range of impacts that are expected from changes to various factors as follows:

Change in sales income by +/- 2% from the base case

Change in sales income	-2.00%	-1.00%	0.00%	1.00%	2.00%
The Business's share value (Baht/share)	8.92	9.05	9.18	9.31	9.44

Change in percentage of cost of sales to total sales of between 74.98% and 75.98% of sales income

Change in percentage of cost of sales to total sales	74.98%	75.23%	75.48%	75.73%	75.98%
The Business's share value (Baht/share)	9.64	9.41	9.18	8.95	8.72

Change in terminal growth rate of between 0% and 4% per year

Terminal growth rate	0.00%	1.00%	2.00%	3.00%	4.00%
The Business's share value (Baht/share)	9.17	9.17	9.18	9.18	9.19

Change in Ke by +/- 2% from the base case

Change in Ke	-2.00%	-1.00%	0.00%	1.00%	2.00%
The Business's share value (Baht/share)	9.19	9.18	9.18	9.17	9.17

**Amended**

In addition, we have performed a sensitivity analysis on the valuation of the Business's shares to cover a range of impacts that are expected from changes to various factors as follows:

Change in sales income by +/- 2% from the base case (The change rate assumed will not affect the Business's performance up to the point where it may need a cost restructuring in order to respond to such effect, which will cause a change in the assumptions for this financial projection.)

**Base Case**

Change in sales income	-2.00%	-1.00%	0.00%	1.00%	2.00%
The Business's share value (Baht/share)	8.92	9.05	9.18	9.31	9.44

Change in percentage of cost of sales to total sales of between 74.98% and 75.98% of sales income by +/- 0.5% from the base case (The change rate assumed will not affect the Business's performance up to the point where it may need an income or expense restructuring in order to respond to such effect, which will cause a change in the assumptions for this financial projection.)

**Base Case**

Change in percentage of cost of sales to total sales	74.98%	75.23%	75.48%	75.73%	75.98%
The Business's share value (Baht/share)	9.64	9.41	9.18	8.95	8.72



Change in terminal growth rate ~~of between 0% and 4% per year~~ by +/- 2% per year (The highest change rate is assumed to be 4.00% per year, close to Thai GDP growth, and the lowest is 0% or zero terminal growth.)

Base Case					
Terminal growth rate	0.00%	1.00%	2.00%	3.00%	4.00%
The Business's share value (Baht/share)	9.17	9.17	9.18	9.18	9.19

Change in Ke by +/- 2% from the base case (The highest rate is assumed to be 12.33% per year, close to the SET's return in the past 25 years (which is 12.38% per year), or a 2% increase from the projection, and to be consistent with this, the lowest rate is set to decrease also by 2% from the base case.)

Base Case					
Change in Ke	-2.00%	-1.00%	-0.00%	1.00%	2.00%
Ke	8.33%	9.33%	10.33%	11.33%	12.33%
The Business's share value (Baht/share)	9.19	9.18	9.18	9.17	9.17

**17. Amendment to Item 3.2. Policy and plan for business operation, (b) Operational efficiency improvement and/or investment expansion, Page 45**

**Original**

In the case of any changes in the Business's investment expansion plan which differ from those specified in the Tender Offer, the Offeror and the Business will jointly consider and decide whether it is beneficial to the Business and in the best interests of the Business and the shareholders, and will ensure that an approval is duly obtained from the Board of Directors' meeting and/or the shareholders' meeting of the Business in accordance with the Business's policies so as to comply with the relevant rules, laws and regulations of the SEC and the SET, and that this is mainly conducted for the appropriateness and the best interests of the shareholders and the Business.

**Amended**

In the case of any changes in the Business's investment expansion plan which differ from those specified in the Tender Offer, the Offeror and the Business will jointly consider and decide whether it is beneficial to the Business and in the best interests of the Business and the shareholders, and will ensure that an approval is duly obtained from the Board of Directors' meeting and/or the shareholders' meeting of the Business in accordance with the Business's policies so as to comply with the relevant rules, laws and regulations of the SEC and the SET, and that this is mainly conducted for the appropriateness and the best interests of the shareholders and the Business.

If the Business's investment expansion plan is deemed an acquisition and/or disposal of assets, the Business and the Offeror must act in compliance with 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 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B. E. 2547 (as amended). If it constitutes a connected transaction, the Business and the Offeror must also comply with the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions dated August 31, 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 dated November 19, 2003 (as amended).

**18. Amendment to Item 3.2. Policy and plan for business operation, (d) Core asset acquisition and disposal plans of the Business or its subsidiaries, Page 47**

**Original**

In the case of any changes in the plan to allow the Business to acquire and/or dispose of core business assets which differ from those specified in the Tender Offer and may be deemed as an acquisition and/or disposal of assets, the Offeror will ensure that an approval is duly obtained from the Board of Directors' meeting and/or the shareholders' meeting of the Business in accordance with the Business's policies so as to comply with the relevant rules, laws and regulations effective at the time, as well as 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 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B. E. 2547 (as amended), taking into account the best interests of the Business and the shareholders. Moreover, if it is stipulated under the relevant laws that such act be subject to an approval from the shareholders' meeting of the Business, the shareholders may exercise their right to vote either for or against any such act.

**Amended**

In the case of any changes in the plan to allow the Business to acquire and/or dispose of core business assets which differ from those specified in the Tender Offer and may be deemed as an acquisition and/or disposal of assets, the Offeror will ensure that an approval is duly obtained from the Board of Directors' meeting and/or the shareholders' meeting of the Business in accordance with the Business's policies so as to comply with the relevant rules, laws and regulations effective at the time, as well as 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 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B. E. 2547 (as amended), if it constitutes a connected transaction, the Offeror must comply with the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re:





Rules on Connected Transactions dated August 31, 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 dated November 19, 2003 (as amended), taking into account the best interests of the Business and the shareholders. Moreover, if it is stipulated under the relevant laws that such act be subject to an approval from the shareholders' meeting of the Business, the shareholders may exercise their right to vote either for or against any such act.

We hereby certify that we have provided our opinion with due care based on professional practices and in the interests of the shareholders.

Yours sincerely,  
Advisory Plus Company Limited

..... - *Thawatchai Vorawandthanachai* - .....

(Mr. Thawatchai Vorawandthanachai)

Managing Director

.....- *Thanasak Boulowpetch* -.....

(Mr. Thanasak Boulowpetch)

Supervisor