

Opinion of the Company Regarding Tender Offer

September 23, 2008

To: Shareholders of Thai Agri Foods Public Company Limited

On September 2, 2008 Thai Agri Foods Public Company Limited (the "Company") received a copy of the tender offer statement from Mr. Sackchai Wongmalasith, Mr. Steven Chan, and Miss Voranun Thaveesangpanich (the "Tender Offerors"), in which details were as follows:

Type of Securities	No. of Ordinary Shares on the Tender Offer Scheme		Percentage of the Offered Securities		Tender Offer Price Per Unit (Baht)	Tender Offer Value (Baht)
	Share / Unit	Voting Right	of Total Paid-up Capital	of Total Voting Right		
Ordinary shares	4,500,437	4,500,437	10.61	10.61	130.00	585,056,810
Preferred shares						
Warrants						
Convertible Bonds						
Others (if any)						
			Total	10.61	Total	585,056,810

Remark:

1. The Tender Offerors shall make a tender offer for 8,396,385 shares of the Company with the par value of Baht 10 per share or 19.80% of the Company's total paid-up shares. However, the Tender Offerors received the confirmation letters from 4 individual shareholders (not including related persons in the same group under Section 258) of their intention not to sell shares in the amount of 3,895,948 shares or 9.19% of the Company's total paid-up shares. Therefore, the total number of this tender offer will be 4,500,437 shares or 10.61% of the Company's total paid-up shares.
2. The offer price is Baht 130.00 per share. The Offerees are subjected to a brokerage fee of 0.25% and Value Added Tax (VAT) at the rate of 7% of the brokerage fee. Therefore, the net price received by the Offerees will be 129.6523 Baht per share.

The tender offer period will be a total of 45 business days from September 4, 2008 to November 6, 2008 during 9.00 A.M. to 4.00 P.M.

Considering the tender offer details regarding to the shareholders' benefits, the Company would like to render opinion as follows:

1. The Company's Status regarding to the Past Operation and Future Expectation with Assumptions of Forecasts.

1.1 Company Overview

Thai Agri Foods Public Company Limited ("Company" or "TAF") was established under the name "Thai Agri Foods Company Limited" by Mr. Sackchai Wongmalasith on March 18, 1986 with the registered capital of Baht 10 million. The Company has listed on the Stock Exchange of Thailand ("SET") since September 13, 1991 and later became a public company limited on May 9, 1994. Currently, the Company has registered and paid-up capital of Baht 424 million. The main business of the Company is producing:

- 1) **Canned products:** canned juice and fruit, coconut milk, seasoning sauce, etc.
- 2) **Finished products:** frozen fruit and frozen prepared food such as spring roll, dumpling, fish cake, "Hargao" shrimp dumpling, etc.

In 2000, the Company has invested Baht 30 million for 3 million shares or 37.50% shareholding in Universal Rice Company Limited ("URC"). URC's main business is to refine and pack premium grade Thai Jasmine Rice for exporting. On April 24, 2006 URC increased its paid-up capital to Baht 240 million. However, the Company would like to maintain its shareholding amount at 3 million shares. Therefore, its shareholding has decreased to 12.5% of total new paid-up capital of URC.

On December 7, 2007, the Company has invested Baht 40 million in Thai Agri Power Company Limited ("TAP"), a power plant company in Samutprakarn. The Company is the major shareholders of TAP with nearly 100% shareholding of its total 4 million shares. TAP's business is to generate and distribute electricity and thermal energy. The Board of Directors of the Company will become the Board of Directors of TAP. Additionally, in order to build the office and factory buildings, TAP has rented 280 square wahs of land from the Company for Baht 400,000 rental fee per year. The contract will be renewed every 3 years. The office and factory buildings are expected to complete by the end of 2008.

In 2007, the Company has approved the plan to expand its business to Vietnam by partnering with Lucky Force International Limited, a marketing specialized company in Hong Kong. During setting up the new company, Mr. Somchai Ratanavan, a director of the Company, was a director and a major shareholder of the Company. The Company will invest Baht 44.8 million for 70% shareholding in a new company called Viet World Company Limited ("Viet World"). The main business of Viet World is to produce and sell foods and beverages in Vietnam and export to other countries. Viet World is registered and in the process of setting up the company, which is expected to complete by early 2009.

The Company's Group Structure



For the Company's products, approximately 60% of total sales are from exporting to more than 65 countries in 6 continents. While in the domestic market, the Company has introduced UHT coconut milk named "Aroy-D", which is one of the well-known brands among the local customers.

Revenue structure of the Company during 2005 – 2007 and for the first half of 2008 is as follows:

	The first half of 2008		2007		2006		2005	
	Baht million	%	Baht million	%	Baht million	%	Baht million	%
Canned products	1,380.54	86.32	2,778.01	88.30	2,892.75	78.79	2,421.04	72.77
Finished products	218.86	13.68	368.14	11.70	407.56	11.10	405.46	12.19
Rice	-	-	-	-	371.14	10.11	500.23	15.04
Total	1,599.40	100.00	3,146.15	100.00	3,671.45	100.00	3,326.73	100.00

Note: Since 2007 the company terminated rice trading business, therefore there is no revenue contributing from rice trading business.

Revenue structure of the Company according to proportional of export and domestic sales during 2005 – 2007 and the first half of 2008 is as follows:

	The first half of 2008		2007		2006		2005	
	Baht million	%	Baht million	%	Baht million	%	Baht million	%
Exporting	951.03	59.46	1,926.53	61.23	2,133.48	58.11	1,899.00	57.08
Domestic	648.37	40.54	1,219.62	38.77	1,537.97	41.89	1,427.73	42.92
Total	1,599.40	100.00	3,146.15	100.00	3,671.45	100.00	3,326.73	100.00

1.2 Shareholding Structure

List of the top 10 major shareholders as of July 9, 2008 is as follows:

Name	No. of shares	% of Total Paid-up Capital	% of Total Voting Right
1. Tang Freres International Limited**	8,480,000	20.00%	20.00%
2. Mr. Sackchai Wongmalasith*	5,651,864	13.33%	13.33%
3. Mr. Steven Chan *	4,570,008	10.78%	10.78%
4. Miss Voranun Thaveesangpanich	3,937,453	9.29%	9.29%
5. Miss Pornnapas Ratanavanh	2,369,240	5.59%	5.59%
6. Miss Nunnapas Ratanavanh	2,369,240	5.59%	5.59%
7. Miss Phoneprasit Ratanavanh	1,853,320	4.37%	4.37%
8. Miss Demi Chan	1,819,240	4.29%	4.29%
9. Mr. Deflin Chan	1,808,340	4.26%	4.26%
10. Mr. Phonepradit Ratanavanh*	1,805,440	4.26%	4.26%
Total	34,664,145	81.76%	81.76%

Source: Thailand Securities Depository Company Limited

Note: * The shareholders who also are the Board of Directors of the Company

** The company is registered in France which has Tang Freres Sarl as shareholder of the Company. The company has related transactions with the Company. It has total paid-up capital is Euro 6.12 million.

Shareholding Structure after the Tender Offer

In the event that all tendered shareholders accept the tender offer, the shareholding structure of the Company after the tender offer will be as follows:

Name	No. of shares	% of Total Paid-up Capital	% of Total Voting Right
1. Mr. Sackchai Wongmalasith*	18,659,762	44.01%	44.01%
2. Mr. Steven Chan*			
3. Miss Voranun Thaveesangpanich			
4. Tang Freres International Limited	8,480,000	20.00%	20.00%
5. Miss Pornnapas Ratanavanh	2,369,240	5.59%	5.59%
6. Miss Nunnapas Ratanavanh	2,369,240	5.59%	5.59%
7. Miss Demi Chan	1,819,240	4.29%	4.29%
8. Mr. Deflin Chan	1,808,340	4.26%	4.26%
9. Mr. Phonepradit Ratanavanh*	1,805,440	4.26%	4.26%
10. Mrs. Eng Ratanavan	1,769,730	4.17%	4.17%
11. Ms. Arunee Piriyanakarnkul	1,192,790	2.81%	2.81%
12. Mr. Somchai Ratanavan	943,918	2.23%	2.23%
13. Mrs. Phoneprasit Ratanavanh	753,320	1.78%	1.78%
14. Mr. Vudhiphol Suriyabhivadh*	428,980	1.01%	1.01%
Total	42,400,000	100.00%	100.00%

Note: * The shareholders who also are the Board of Directors of the Company

1.3 Board of Directors

(1) Name of the Board of Directors before the tender offer and as of July 9, 2008 are as follows:

Name	Position
1. Mr. Vudhiphol Suriyabhivadh	Chairman of the Board
2. Mr. Steven Chan	Director and Chief Executive Officer
3. Mr. Kittipong Leelayouva	Director and Managing Director
4. Mr. Prasert Areemit	Director
5. Mr. Sackchai Wongmalasith	Director
6. Miss Supinna Itthiritikul	Director
7. Mr. Somchay Ratanavanh	Director
8. Mr. Phonepradit Ratanavanh	Director
9. Mr. Nopporn Picha	Independent Director
10. Mrs. Vipanee Suvanij	Independent Director

Name of the Audit Committee	Position
1. Mr. Vudhiphol Suriyabhivadh	Chairman of the Audit Committee
2. Mr. Nopporn Picha	Audit Committee
3. Mrs. Vipanee Suvanij	Audit Committee

(2) Name of the Board of Directors expected to be after the Tender Offer

Upon the completion of the Tender Offer, the Tender Offerors have no intention to alter the Board of Directors structure. Nevertheless, any alteration, the Company's Board of Directors will proceed according to the Company's Articles of Association and/or related regulations.

1.4 Operating Results and Financial Status

The summary of the Company's financial statement for 2005 to the first half of 2008

(Unit: Baht million)

	The first half of 2008 (Consolidation)	The first half of 2007 (Company)	2007 (Company)	2006 (Company)	2005 (Company)
Financial Status					
Total Assets	1,793.04	1,659.19	1,642.41	1,524.92	1,594.02
Account Receivable	665.57	711.89	573.54	575.56	594.35
Inventory	540.49	477.91	513.00	455.29	380.16
Fixed Assets	478.65	380.56	402.93	395.55	414.19
Total Liabilities	522.16	377.64	341.61	201.20	368.52
Short-term Loan	275.48	85.50	127.21	4.11	170.66
Account Payable	175.52	215.24	137.91	126.41	114.33
Registered Capital	424.00	424.00	424.00	424.00	424.00
Paid-up Capital	424.00	424.00	424.00	424.00	424.00
Shareholders' Equity	1,270.88	1,281.55	1,300.80	1,323.73	1,255.50
Book Value per Share (Baht)	29.97	30.23	30.68	31.22	29.61
Operating Results					
Sales	1,599.40	1,514.21	3,146.15	3,671.45	3,326.73
Other Income	39.44	24.79	50.70	46.68	62.17
Total Revenues	1,638.84	1,539.00	3,196.85	3,718.13	3,388.90
Cost of Goods Sold	1,297.90	1,176.60	2,433.82	2,927.17	2,685.19
Selling and Administrative Expenses	139.57	135.52	280.40	256.29	240.04
Net Profit	182.08	212.22	443.48	479.82	408.82
Earning per Share (Baht)	4.29	5.01	10.46	11.32	9.64
Financial Ratio					
Gross Profit Margin (%)	18.85	22.30	22.64	20.27	19.28
Net Profit Margin (%)	11.11	13.79	13.87	12.90	12.06
Debt to Equity Ratio (time)	0.41	0.29	0.26	0.15	0.29
Return on Asset (%)	10.15*	12.79*	27.00	31.47	25.65
Return on Equity (%)	14.33*	16.56*	34.09	36.25	32.56

Note: * Calculated from net profit for the first half of 2007 and 2008.

Operating Results

Sales

During 2005 – 2007, the Company's sales accounted for Baht 3,326.73 million, Baht 3,671.45 million, and Baht 3,146.15 million respectively. The Company's sales of 2007 decreased from 2006 by 14.31% due to the appreciation of Thai Baht. For the first half of 2008, the Company's sales was Baht 1,599.40 million increasing from the same period of the previous year by Baht 85.19 million or 5.63% as the Company pushed up its sales volume to cover the increasing cost of production and the lower gross profit margin.

Cost of Goods Sold

The Company's cost of goods sold during 2005 – 2007 were Baht 2,685.19 million, Baht 2,927.17 million, and Baht 2,433.82 million respectively. Those figures accounted for 80.72%, 79.73%, and 77.36% of total sales. During 2005 – 2007, the Company's cost of goods sold decreased gradually due to the decrease of agricultural prices, which caused the Company's gross profit margin to increase comparing to the previous year. For the first half of 2008, the Company's cost of goods sold was Baht 1,297.90 million or 81.15% of total sales. The figure increased from the same period of the previous year by Baht 121.30 million or 10.31%

because of the increasing costs of production such as direct labor, transportation, and raw materials. This is due to the increasing oil price and inflation.

Selling and Administrative Expenses

During 2005 – 2007, selling and administrative expenses amounted to Baht 240.04 million, Baht 256.29 million, and Baht 280.40 million respectively. These figures accounted for 7.22%, 6.98%, and 8.91% of total sales respectively. The increase of the Company's selling and administrative expenses was from the marketing expansion plan to promote its products to the department stores in many provinces. For the first half of 2008, the Company had selling and administrative expense of Baht 139.57 million or 8.73% of total sales. The figure increased from the same period of the previous year by only Baht 4.05 million since there was no other significant activity beside a normal operation.

Net Profit

During 2005 – 2007, the Company's net profit were Baht 408.82 million, Baht 479.82 million, and Baht 443.48 million respectively. Consequently, net profit margins were 12.06%, 12.90%, and 13.87% respectively. The Company's net profit margins were increase during 2005 – 2007, due to the increase of total sales while cost of goods sold decreased. For the first half of 2008, the Company's net profit was Baht 182.08 million or 11.11% of total sales decreasing from the same period of the previous year by Baht 30.14 million or 14.20%. This is due to the increasing cost of production such as raw material cost, direct labor cost, and energy cost.

Financial Status

Assets

As of the end of 2005 - 2007 and the second quarter of 2008, the Company's total assets accounted for Baht 1,594.02 million, Baht 1,524.92 million, Baht 1,642.41 million, and Baht 1,793.04 million respectively, representing an increase (decrease) of (4.33%), 7.70%, and 9.17% respectively. During 2005 – 2007, the increase and decrease of total assets for the period were considered normal due to the Company had no significant investment or disposition of assets. In 2008, the Company bought additional machines in the amount of Baht 58.43 million in order to invest in Thai Agri Power Company Limited which generates and distributes electricity and thermal energy to the Company.

Liabilities

As of the end of 2005 - 2007 and the second quarter of 2008, the Company's liabilities accounted for Baht 368.52 million, Baht 201.20 million, Baht 341.61 million, and Baht 522.16 million respectively. Additionally, most of the Company's liabilities were current liabilities. In 2007, current liabilities increased by Baht 142.41 million or 72.22%. The increase of current liabilities was contributed to the increase of short-term loans of Baht 123.10 million as the Company focused more on product development and production process improvement. While at end of the second quarter of 2008, total liabilities of the Company increased from the previous year by Baht 180.55 million or 52.85% since the Company acquired additional short-term loans of Baht 148.27 million in order to pay dividend of Baht 212.00 million.

Shareholders' Equity

As of the end of 2005 - 2007 and the second quarter of 2008, the Company's shareholders' equity accounted for Baht 1,255.50 million, Baht 1,323.73 million, Baht 1,300.80 million, and Baht 1,270.88 million respectively, representing an increase (decrease) of 5.43%, (1.73%), and (2.30%) respectively. These figures were quite stable due to the stability of the Company's net profit and the Company's dividend payout policy of no less than 50% of net profit of each year. During 2005 - 2007, the Company paid dividend in the amount of Baht 381.60 million, Baht 381.60 million, and Baht 466.40 million respectively. In 2007, the Company had significantly increased the dividend amount because the upcoming expiration

of tax privilege from BOI in May 2010. Therefore, the dividend payout to the shareholders after May 2010 will be subjected to 10% withholding tax. In May 2008, the Company had already paid dividend in the amount of Baht 212.00 million.

Debts to Equity Ratios

Consequently, the Company's debts to equity ratios (D/E ratio) during 2005 - 2007 and the second quarter of 2008 were 0.29 times, 0.15 times, 0.26 times and 0.41 times respectively. These figures showed the strong capital structure of the Company to support good business perspective. In 2008, the Company's D/E ratio increased from the previous year as the Company acquired additional short-term loan from financial institution to pay the dividend in May.

Future Prospect

After delisting from the SET, the Company is expected to continue its normal operation as a producer and a distributor of 2 main products which are canned products and finished products. The future growth of the Company is expected to be in line with the growth of the food business and the economy. Nevertheless, under the increasing competition and economic recession, the Company has foreseen the necessity of changes in business operation. Therefore, the Company has expanded its production base in other countries to increase the Company's competitiveness and invested in the power plant company to reduce its energy cost and increase the production efficiency. The Company believed that these policies and strategies would bring the Company's business to reach its goal and could strongly face to the challenge under any uncertainty.

The major targeted customers of the Company are still the foreign market with high purchasing power such as the United States, European Union, Japan and Australia. The Company shall maintain the existing customers, while focusing more on the markets where the Company's brands have not yet reached the sales targets. In addition, the Company shall create and maintain the positive image of its products to enhance the customers' trust and royalty. For the sales channel, the Company has directly exported to foreign importers, who have long-term relationships with the Company. Another efficient sales channel of the Company is the export brokers. In fact, the Company has stopped producing the products which has the fierce competition and low profit margin. Simultaneously, the Company focuses more on production and sales of products under the Company's own brand.

2. The Opinion regarding to the Correctness of the Company's Information on the Tender Offer Statement

The Company's Board of Directors views that all the Company's information on the Tender Offer Statement (Form 247 - 4) is correct under the circumstance and time period according to the assumptions used by the Tender Offerors and Tender Offerors' Financial Advisor.

3. Relationship or Agreements between the Tender Offerors and the Company's Directors in person, in the Company's Directorship, or in Representatives of the Tender Offerors which includes the Shareholding of the Company's Directors in Tender Offerors' Legal Entity and Agreement or Future Agreement in Various Aspects.

3.1 Relationship Between Directors and Tender Offerors

Three directors which are Mr. Sackchai Wongmalasith, Mr. Steven Chan, and Mr. Phonepradit Ratanavan have relationships with the Tender Offerors as follows:

1. Mr. Sackchai Wongmalasith

Position	Company	Relationship with the Tender Offerors
Authorized Director and Major Shareholder	Thai Agri Foods Public Company Limited	Father of Mr. Steven Chan and Mr. Phonepradit Ratanavan
Director	Thai Agri Power Company Limited*	
Director	Chokpattana Real Estate Company Limited**	

2. Mr. Steven Chan

Position	Company	Relationship with the Tender Offerors
Authorized Director, Chief Executive Officer, and Major Shareholder	Thai Agri Foods Public Company Limited	Son of Mr. Sackchai Wongmalasith
Director	Thai Agri Power Company Limited*	
Director	Chokpattana Real Estate Company Limited**	

3. Mr. Phonepradit Ratanavan

Position	Company	Relationship with the Tender Offerors
Director	Thai Agri Foods Public Company Limited	Son of Mr. Sackchai Wongmalasith and husband of Ms. Voranun Thaveesangpanich

Remark: * The Company's subsidiary

** The company has connected transaction which is providing office rental to the Company

3.2 The Director's Shareholding in the Tender Offerors

-None

3.3 Related Transaction

At present, the Tender Offerors are the major shareholders of the Company. As of July 9, 2008, Mr. Sackchai Wongmalasith, Mr. Steven Chan, and Miss Voranun Thaveesangpanich hold total ordinary shares of 14,159,325 shares (5,651,864 shares, 4,570,008 shares and 3,937,453 shares respectively). Mr. Sackchai Wongmalasith is an authorized director of the Company, while Mr. Steven Chan is an authorized director and Chief Executive Officer of the Company. In addition, Mr. Sackchai Wongmalasith and Mr. Steven Chan are also directors of Thai Agri Power Company Limited which is a subsidiary of the Company and Chokpattana Real Estate Company Limited which is a related company. Chokpattana Real Estate Company Limited has connected transaction which is providing office rental to the Company.

3.4 Agreement with the Tender Offerors

-None

3.5 Structure of the Board of Directors after tender offer

The Tender Offerors indicated in the tender offer statement that after the completion of the tender offer, the Tender Offerors have no intention to alter the Board of Directors structure. Nevertheless, any alteration, the Company's Board of Directors will proceed according to the Company's Articles of Association and/or related regulations.

4. Directors' Opinion to the Shareholders

The Company arranged the Board of Director's Meeting No. 8/2008 on September 18, 2008 to consider the Tender Offer. Total 7 directors who have no conflict of interest attended this agenda. The details are as follows:

- | | |
|--------------------------------|--|
| 1. Mr. Vudhiphol Suriyabhivadh | Chairman of the Board and
Chairman of the Audit Committee |
| 2. Mr. Kittipong Leelayouva | Director and Managing Director |
| 3. Mr. Prasert Areemit | Director |
| 4. Miss Supinna Itthiritikul | Director |
| 5. Mr. Somchay Ratanavanh | Director |
| 6. Mr. Nopporn Picha | Independent Director and Audit Committee |
| 7. Mrs. Vipanee Suvanij | Independent Director and Audit Committee |

4.1 Reasonable Reasons to Accept/Reject the Tender Offer

After the consideration of the tender offer statement and the opinion of the Independent financial advisor ("IFA"), the Board of Director's meeting deemed that the offer price of Baht 130.00 per share is reasonable since the offer price is in an appropriated price range calculated by IFA (details stated in the IFA's opinion 5.2.1) which is in the range of Baht 123.44 – 138.23 per share.

Moreover, the Company's shares are considered to have low trading liquidity for a long period of time. Thus, by accepting the tender offer, the shareholders will have an opportunity to sell the Company's shares at the appropriate price.

This tender offer is the last process of the Company to delist its shares from the SET. After delisting, the shareholders would have been affected as there will be neither secondary market nor reference market price. Consequently, the Company's shares will lack of liquidity in trading and thus limited opportunity for the shareholders to receive capital gains. In addition, the shareholders who are natural persons will not be exempted from capital gain tax. Moreover, as the Company is not required to comply with the SET notification regarding guidelines on information disclosure of a listed company, the shareholders will have limited access to the information from the Company.

Therefore, the Company's directors unanimously agreed that this tender offer is appropriate and shareholders should accept the offer. However, the final decision is at the discretionary of the shareholders. The shareholders should consider all related information especially benefits and impacts stated in this document and the attachment in order to make a decision to accept or to reject the offer.

4.2 Opinion and Reasons of the Company's Individual Directors and Number of Shares that Each Directors hold (In Case that the Opinion of the Company in 4.1 is not Unanimous)

-None

4.3 Benefits or Impacts from the Plan and Policy which was Reported in the Tender Offer Statement Including the Possibility of Such Plan and Policy

The Board of Directors viewed that over the period of 12 months following the completion of the Tender Offer, the Company will not be affected by the future plan and policy of the Tender Offerors. The Tender Offerors have been stated in the tender offer statement that the Tender Offerors have no intention to materially or significantly change the business objectives, the core business, policies, organizational structure, personnel, and capital structure. The Company's business will be operated normally without any acquisition of core assets, expansion of production capacity, divestment of major assets or changing of the dividend

payout policy. However, if there are any significant changes from this statement, the Tender Offerors will solicit from the shareholders' meeting before taking the action.

Moreover, the Tender Offerors have no intention to sell or transfer significant portion of the Company shares within 12 months from the completion of the tender offer to the outside parties. However, the Offerors may transfer shares to other major shareholders of the Company, individuals in the same group, related person of the Tender Offerors under the Section 258 Securities and Exchange Act B.E. 2535 (1992) or related persons within the group as for appropriateness of group holding structure.

4.4 Additional Opinions of the Directors

(A) Benefits the shareholders will get and be impacted in case that the shareholders decline the tender offer

- The shareholders will remain the shareholder of the Company who are entitled to every rights according to the Company's article of associations and the Public Company Act B.E. 2535 (1992) such as rights to receive the dividends as if the Company maintains its dividend payout policy.
- The shareholders will be affected from the delisting of the Company's shares from the SET. However, the shareholders are still able to sell their shares in case that there are some buyers interested in. However, the shareholders will have no secondary market and no reference market price.
- The shareholders who are natural persons will not get tax exempted from capital gain.
- The Tender Offerors are able to control the majority of the shareholders' meeting as the Tender Offerors and person of the Tender Offerors under the Section 258 hold more than 75% of total paid-up shares of the Company.

(B) The appropriateness of tender offer price

The Board of Directors who have no conflict of interest considered that the offer price of Baht 130.00 per share is reasonable since it is in the appropriate price range calculated by the IFA which is between Baht 123.44 – 138.23 per share. However, the offer price is lower than the highest price calculated in accordance to the Securities and Exchange Commission ("SEC") Notification No. Kor Jor. 53/2545 regarding to rules, conditions and procedures for holding of securities for business takeover. The details are as follows:

(1) The highest price at which the Tender Offerors or the persons under Section 258 of the Tender Offerors acquired the ordinary shares or the preferred shares during the 90 days period before the filing of the tender offer to the SEC.	- N/A -
(2) The weighted average price of the shares during the five business days before the date of the resolution of the Board of Directors for the proposal of the share delisting to the shareholders' meeting.	Baht 120.50 per share
(3) The Company's net asset value calculated based on the adjusted book value which reflects the latest market prices of the assets and liabilities of the Company	Baht 45.07 per share
(4) The fair value of the Company calculated by the Discounted Dividend Model and the Discounted Cash Flow approach, worked out by the IFA.	Baht 123.44 – 138.23 per share

4.5 Others (if any)

-None

The Company certifies that the information above is correct and complete and there is no information contained herein that may lead other persons' misunderstanding in material respects and no concealment is made for any material information which should be disclosed.

(Mr. Kittipong Leelayouva)
Managing Director
Thai Agri Foods Public Company Limited

5. Opinion of the Shareholders' Financial Advisory whose Name is in the Approval List of Securities and Exchange Commission ("SEC")

As Thai Agri Foods Public Company Limited (the "Company" or "TAF") has received the tender offer to purchase all securities of the Company from Mr. Sackchai Wongmalasith, Mr. Steven Chan, and Miss Voranun Thaveesangpanich ("Tender Offerors") as stated in the tender offer statement (Form 274-7) dated September 2, 2008.

The Company has appointed Capital Advantage Company Limited ("IFA"), the SEC certified Financial Advisor, as the Independent Financial Advisor to provide the independent opinion on the tender offer to the shareholders.

In order to provide the opinion, IFA thoroughly considers the reasonableness and appropriateness on the tender offer by relying on the information as stated in the tender offer statement dated September 2, 2008 (Form 247-7), the interview with the Company's management, as well as the publicly disclosed information such as Form 56-1, financial statements, information from the SET, etc.

However, IFA provides the opinion based mainly on the truth and completeness of those information and documents at present. Therefore, any changes of such information may significantly affect the Company's business operation, future forecast as well as the shareholder's decision.

After studying all information and documents of the Company together with all other relevant information, IFA would like to summarize our opinion as follows:

5.1 The appropriateness of the Offering Price Compares to Price Calculated by Various Approaches with Assumptions and Consideration of the Company's Financial Status and Its Performance

Tender offeror offers to take up all the shares at the tender offer price of Baht 130.00 per share. IFA has carried out share valuation through various approaches in comparison with the tender offer price as follows:

1. Book Value Approach

The Book Value approach reveals a value of the company at a certain period of time. The share valuation is calculated from the Company's book value shown in financial statement as of June 30, 2008, which was reviewed by the auditor approved by the SEC. The Company's book value can be calculated as follows:

	(Unit: Baht million)
Paid-up Capital	424.00
Shares Premium	227.20
Retained Earning	619.68
Total Shareholders' Equity	1,270.88
Total Paid-up Shares (Million Shares)	42.4
Book Value per Share (Baht)	29.97

Note: Par value is Baht 10.00 per share

By using this approach, the book value of the Company is **Baht 29.97 per share.**

2. Adjusted Book Value Approach

By this method, the share value is derived from the total assets, deducted by total liabilities including commitments and contingent liabilities as shown in the financial statements as of June 30, 2008, and adjusted by the items occurred after the end of accounting period or the items that may reflect the actual value of the company such as asset revaluation or impairment, reversal of allowance for doubtful account or bad debt, business licenses, goodwill, patent, brand value, losses carried forward, etc., to reflect current market value and then divided by total number of issued shares.

In determining the adjusted book value of the Company, IFA used the Company's book value from the financial statement as of June 30, 2008, and made the adjustments. According to the revaluation of the Company fixed assets on June 10, 2008 by 15 Business Advisory Limited, the SEC-approved property appraiser. The appraised assets are fixed assets of the Company located in Samutprakarn and Lumpoon. Details are as follows:

- a. Land with building structures in Samutprakarn
 - 51 rais 35 square wahs land
 - Office building, parking building, and canteen
 - 9 factory buildings
 - Warehouse and other buildings
- b. 16 rai 380 square wahs land with 18 factory buildings in Lumpoon
- c. 80 square wahs land with a 4-storey residential building in Samutprakarn
- d. 1 rai land and two 5-storey apartment buildings in Samutprakarn
- e. 200 square wahs land and a 3-storey apartment building in Samutprakarn
- f. Machineries used in finished food production and other properties in Samutprakarn
- g. Machineries used in canned fruit production and other properties in Lumpoon

The adjustments to the Company's book value as of June 30, 2008 are as follows:

(Unit: Baht million)

Fixed assets	Book value (BV) as of June 30, 2008	Appraisal value	Appraisal value higher than BV
Appraised Fixed Assets			
Land	49.14	395.30	346.16
Buildings and Improvements	119.63	275.10	155.48
Machines	149.33	251.29	101.95
Equipments and other Fixed Assets	25.84	29.25	3.41
Vehicles	6.80	39.92	33.12
Total	350.74	990.85	640.11
Nonappraised Fixed Assets			
Buidlings under Construction	23.93		
Machines under Installation	45.55		
New Machines for Thai Agri Power Company Limited	58.43		
Total	478.65		640.11

Besides the appraisal on fixed assets, the Company has not done an appraisal on intangible assets such as goodwill, patent, and brand value. Nonetheless, after the due diligence of the Company's information from from June 30, 2008 to August 29, 2008, the Company has no doubtful debts or repayment from doubtful debts or losses carried forward which can reduce income tax.

According to the Company's financial statement as of June 30, 2008, the adjusted book value is as follows:

(Unit: Baht million)

Total Shareholders' Equity	1,270.88
Surplus (Impairment) from Asset Revaluation	640.11
Shareholders' Equity after Adjustment	1,910.99
Total Paid-up Shares (Million Shares)	42.40
Adjusted Book Value per Share (Baht)	45.07

By using this approach, the Company's share value is **Baht 45.07 per share**.

The Book Value approach and the Adjusted Book Value approach focus on the recent financial status of the Company, without taking into account any future potential growth of the business.

3. Market Value Approach

The share price by this method is computed based on the 30-day, 60-day, 90-day, 120-day, 180-day, and 360-day moving average ("MA") of the Company's weighted average market share price traded on the SET. The historical average market prices until June 23, 2008, the date before the Board of Director's meeting to approve the share delisting of the Company can be concluded as follows:

Period	Weighted average price (Baht per share)
30-Day MA Price	124.75
60-Day MA Price	125.06
90-Day MA Price	124.45
120-Day MA Price	123.11
180-Day MA Price	120.76
360-Day MA Price	109.03

Source: SETSMART

By applying this approach, the Company's share value will be in the range of **Baht 109.03 – 125.06 per share**. However, considering the average trading volume of the Company's shares for the past 1 year is only at 132 shares per day or 0.00% of total outstanding paid-up shares of the Company, which is obviously seen that the Company's shares were illiquid.

4. Price to Book Value Ratio Approach : P/BV ratio

By this method, the share price is determined by multiplying the Company's book value of Baht 29.97 per share on the latest financial statements as of June 30, 2008, which was reviewed by the auditor approved by the SEC, with the 30-day, 60-day, 90-day, 120-day, 180-day, and 360-day MA of P/BV ratios of the listed companies in the Food and Beverage sector ended on August 29, 2008. The companies in the Food and Beverage sector run the same business as the Company which is producing and distributing beverages and canned products such as vegetable and fruit juices, vegetables, fruits, and other finished products. The MA of P/BV of comparable listed companies is calculated from the MA of market share price of comparable companies for the considered periods divided by the book value of each company according to the financial statement as of June 30, 2008.

IFA decided not to choose the listed companies in the Agribusiness sector for the comparison because more than 80% of the Company's revenues since 2006 – Q2/2008 have been from foods and beverages canned products. This reflects that the Company's business is different from other companies in the Agribusiness sector which usually transform or distribute agriculture products to use in other industries as the main operation. Therefore, IFA viewed that the Company's shares are more appropriate in comparing to those of listed companies in Food and Beverage sector which manufacturer fruit and vegetable juices and canned fruits. The selected companies are listed as follows:

Food and Drinks Public Company Limited	F&D
Malee Sampran Public Company Limited	MALEE
Siam Food Products Public Company Limited	SFP
The Siam Agro Industry Pineapple and Others Public Company Limited	SAICO
Tipco Foods (Thailand) Public Company Limited	TIPCO

IFA did not choose the other listed companies in the Food and Beverage sector due to their business are also different from the business of the Company. Therefore they are not appropriate for the comparison.

From the P/BV ratios of the selected companies in Food and Beverage sector as shown above, the conclusions are as follows:

Period	Average P/BV Ratio of the Selected Companies	Share value (Baht)
30-Day MA Price	1.02	30.67
60-Day MA Price	1.11	33.28
90-Day MA Price	1.16	34.92
120-Day MA Price	1.19	35.72
180-Day MA Price	1.27	37.99
360-Day MA Price	1.49	44.71

Source: SETSMART

The average P/BV calculated from the average P/BV of F&D, SFP, SAICO, and TIPCO only since the average P/BV of MALEE is negative due to negative book value. Thus, by applying this P/BV ratio approach, the share value of the Company should therefore be in the range of **Baht 30.67 – 44.71 per share**.

5. Price to Earning Ratio Approach : P/E ratio

This approach multiplies the Company's earning per share for the latest 4 quarters of Baht 9.75 per share with the 30-day, 60-day, 90-day, 120-day, 180-day and 360-day MA of P/E ratios of the selected listed companies in the Food and Beverage sector ended on August 29, 2008 as previously shown in a table in Section 4. Those selected companies in the Food and Beverage sector run the same business as the Company which is producing and distributing beverages and canned products such as vegetable and fruit juices, vegetables, fruits, and other finished foods. The MA of P/E of comparable companies is calculated from the MA of share price of the comparable companies for the considered periods divided by net profit of the latest 4 quarters ended June 30, 2008.

From the P/E ratios of the selected companies in Food and Beverage sector, the conclusions are as follows:

Period	Average P/BV Ratio of the Selected Companies	Share Value (Baht)
30-Day MA Price	6.99	68.17
60-Day MA Price	7.66	74.68
90-Day MA Price	8.23	80.25
120-Day MA Price	8.60	83.87
180-Day MA Price	9.24	90.06
360-Day MA Price	10.88	106.10

Source: SETSMART

The average P/E ratio as shown in the table above is derived from SFP, SAICO, and TIPCO only. The average P/E of F&D is equal to 32 times which is 373% higher the average P/BV of other selected listed companies. The average P/E of MALEE is also negative as it had net loss for the latest 12-month period. Thus, the average P/E of F&D and MALEE are excluded from the calculation since it may affect the share value of the Company. By applying this P/E ratio approach, the share value of the Company should therefore be in the range of **Baht 68.17 – 106.10 per share**.

The estimated share value from the P/BV and P/E approaches may have some limitations or inappropriate in some cases due to it is quite difficult to find the comparable listed companies with same characteristics or in some conditions the numbers of appropriate companies are relatively small. As a result, the ratios of comparable selected companies may not be appropriate for comparison. Additionally, the P/E and P/BV ratios of the comparable companies are based on historical values. Therefore, share value is derived from these two approaches do not represent the future potential of the company.

6. Discounted Cash Flow Approach

Share valuation under this approach is based on the cash flow generating capability of the Company and its subsidiaries. The present value of the Company is estimated by discounting projected free cash flow to the firm by the appropriate rate of return (cost of capital) of the Company. IFA derived the weighted average cost of capital ("WACC") to be used as the discount rate for the company's financial projection for the next five years (2008 - 2012) of the Company under the assumptions that the business operates on a going concern basis without any significant change and under the current economic conditions and circumstances.

IFA conducted the financial projection based on information and assumptions provided by the Company as well as the interview with management and related officers of the Company. This is to determine the fair value and compares with the tender offer price. If there are any changes in the economic condition as well as the internal and external factors that will materially affect the assumptions used herein, the fair value derived the financial projection may also change accordingly.

According to the financial statement and the Form 56-1, the Company has 2 subsidiaries as follows:

- **Thai Agri Power Company Limited ("TAP")**
TAP is a power plant company with Baht 40 million registered and paid-up capital. The Company holds 100% shareholding in TAP.
- **Viet World Company Limited ("Viet World")**
The Company has planned to invest 70% of Baht 64 million Viet World's registered capital in 2008 - 2009. This company will be established in Vietnam to run the same business as the Company.

Due to the size of 2 subsidiaries are quite small comparing to the Company, IFA will evaluate the fair value of the Company from the consolidated financial statements of the Company and 2 subsidiaries. Important assumptions used in the financial projection of the Company are as follows:

Assumptions of the Company

- Sales volume (Carton: CTN)

Total sales of the Company derived from 7 product groups; canned juice, coconut milk, seasoning sauce, frozen fruit, canned fruit and spaghetti, frozen prepared foods, and trading products. From total sales volumes of the Company, 60% of all are for export and the remaining are for domestic. Based on the actual sales volume growth of the Company in 2007 (4.2% from 2006), the Company forecasted sales volume of 2008 to increase around 4.5% from last year. This figure is also aligned with the forecasted yearly sales volume calculated by comparing with the first quarter of 2008, which is accounted for approximately 23% of total yearly sales volume (based on historical data of 2006 - 2007). The sales volume growth is expected to be 4.5% during 2009 - 2012. The forecasted sales volume growths of 2008 - 2012 are as follows:

	2006	2007	2008	2009	2010	2011	2012
Growth of Sales Volume	16.4%	4.2%	4.5%	4.5%	4.5%	4.5%	4.5%

- Selling price

The Company will not frequently increase the selling prices since it may affect the sales volumes of the Company. The Company has the policy not to decrease its selling prices once they increased. Thus, the Company will carefully make decision based on production costs including raw materials, packaging, labor, and energy.

In 2008, the Company planned to increase the selling price by 3.5% averagely from 2007, which is closed to the average increase of the Company's selling price from 2006 - Q1/2008, due to the increase of raw material and packaging prices. During 2009 - 2012, the selling prices are expected to increase around 2% p.a. which is closed to average increase of 2007 and the forecasted growth of the Company in 2008.

The conclusion of average selling price per CTN (USD and Baht) is as follows:

	2006	2007	2008	2009	2010	2011	2012
Growth of Selling Price per Unit (USD / CTN)	7.4%	0.3%	3.5%	2.0%	2.0%	2.0%	2.0%
Growth of Selling Price per Unit (Baht/ CTN)	-0.6%	-8.4%	-3.8%	2.0%	2.0%	2.0%	2.0%

Note: The average selling price per unit of Q1/2008 in USD and Baht increased (decreased) by 2.6% and (4.7%) respectively from 2007.

▪ Exchange rate

From the historical data, the Company was capable to efficiently manage exchange rate risk. Therefore it had net loss from the exchange rate in 2006 – 2007 of only Baht 8.42 and 5.19 respectively, while the exchange rate was changed by 7.4% and 8.8% respectively. For the financial projection, the Company expected the exchange rate to be at USD/Baht 32 which is aligned with exchange rate on forward contracts of USD/Baht 32.07 for Q1/2008. It is also aligned with the average exchange rate from January 1 – March 23, 2008 of USD/Baht 32.28 (source: Bank of Thailand). Thus, IFA assumed the Company has no profits (losses) arisen from exchange rate during projection period.

▪ Other income

The Company estimated other income using the average figure from the 2005 – 2007 which is approximately 1.6% of total sales. In addition, the estimation will be applied over the projection period. Other income of the Company is comprised of income from sales of “by products” such as wastes from vegetables and fruits, export tax refund, etc. The summary is as follows:

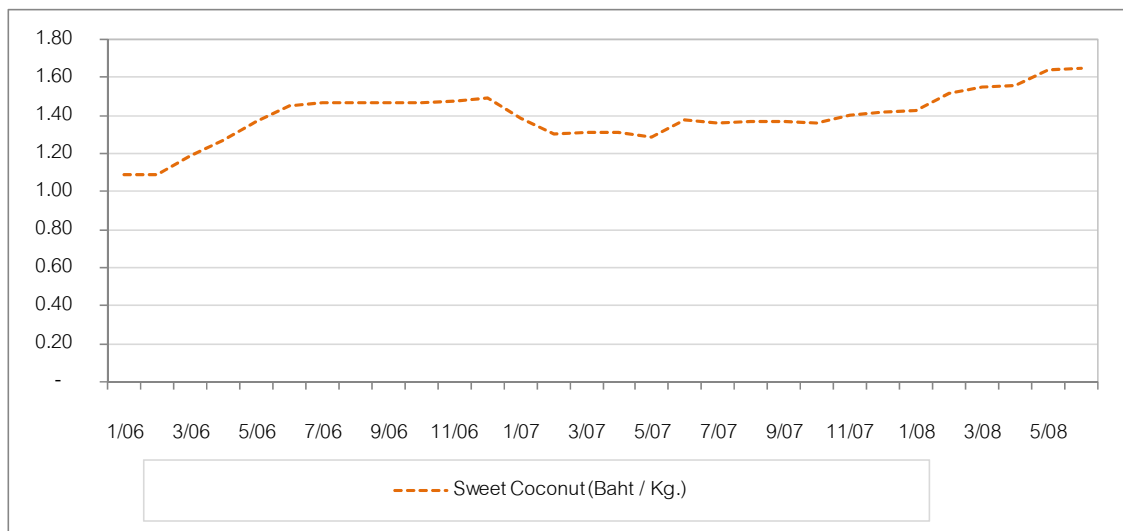
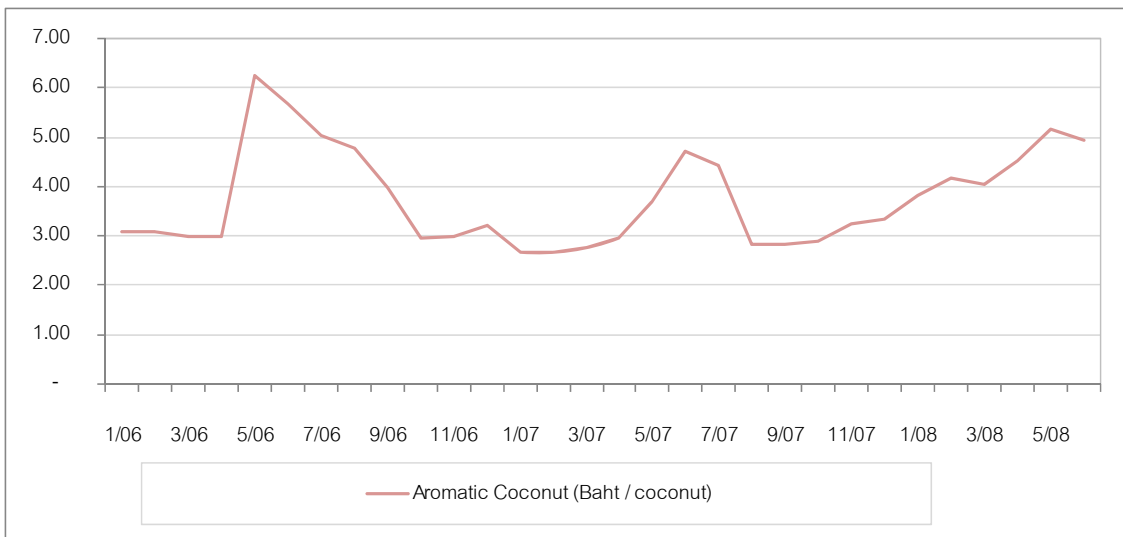
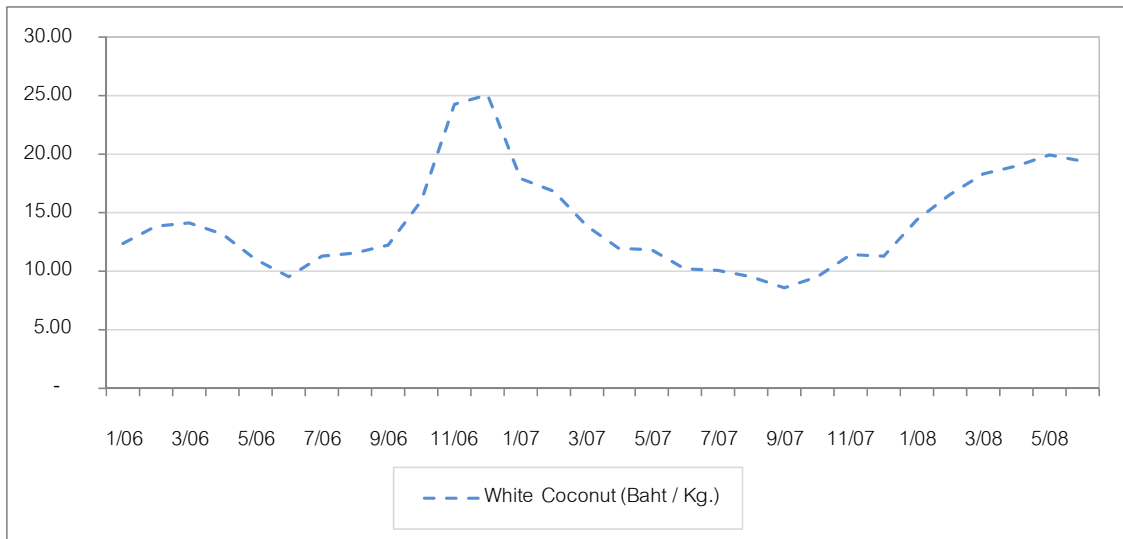
	2006	2007	2008	2009	2010	2011	2012
% of Total Sales	1.3%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%
Growth of Other Income	-24.9%	8.6%	0.8%	5.6%	5.6%	5.7%	5.7%

▪ Raw material cost

According to the average figure of 2005 – 2007, raw material cost accounted for 28% – 30% of total cost of goods sold, which is derived from multiplying raw material cost per unit (CTN) of each product group with its sales volumes (CTN). The change of cost of goods sold is aligned with the raw material prices. While 55% - 60% of total raw material expenses are coconut. From the historical date, the prices of coconut have been changed by season following the demand and supply. In 2007, the coconut prices significantly decreased. However, they have started to increase in 2008. Therefore, in the projection, raw material cost per unit is expected to increase by 0.8% from 2007 and remains constant for the projection period.

	2006	2007	2008	2009	2010	2011	2012
Growth of Raw Material Cost	4.1%	-14.9%	0.8%	0.0%	0.0%	0.0%	0.0%

Graphs show the historical prices of coconut from January 2006 – June 2008



Source: TAF

- Packaging cost

According to the average figure of 2005 – 2007, packaging cost accounted for 49% – 57% of total cost of goods sold, which is derived from packaging cost per unit (Baht/CNT) such as metal cans, paper boxes, and other plastic packages. Metal cans which are imported are contributed 70% of total packaging cost which is imported from abroad. From the historical information of 2006 and 2007, the average import prices for packaging in USD increased by 2.4% and 1.3% from the previous year respectively. In 2008, the Company is expected the packing cost to increase 1.3%, which is equal to the increasing rate of previous year, since the metal and plastic prices are increased. For the rest of projection period, the packaging cost remains constant.

	2006	2007	2008	2009	2010	2011	2012
Growth of Average Packaging Cost per Unit (USD/CTN)	2.4%	1.3%	1.3%	0.0%	0.0%	0.0%	0.0%
Growth of Average Packaging Cost per Unit (Baht/CTN)	-5.1%	-7.5%	-5.8%	0.0%	0.0%	0.0%	0.0%

- Other cost of goods sold

According to the average figure of 2005 – 2007, other cost of goods sold including direct labor, electricity and oil, factory overhead and depreciation. It accounted for 20% of total cost of goods sold. However, due to direct labor and energy cost especially oil prices have been increased, the other cost of goods sold in 2008 is expected to be as high as 2007. Besides, from 2009, the Company will purchase electricity and steam from TAP which will reduce the cost of electricity (Peak) and cost of energy (oil expenses for producing hot water) of the Company by approximately Baht 5 – 6 million per year. (0.8% of total other production cost). The summary is as follows:

	2006	2007	2008	2009	2010	2011	2012
Growth of Other Cost of Goods Sold per Unit (Baht/CTN)	-6.5%	-1.8%	-1.0%	0.5%	0.7%	0.8%	-1.0%

- Gross profit margin

The Company expected gross profit margin of 2008 to decrease due to increasing cost of production arisen from increasing price of agricultural raw materials, oil and labor cost, comparing to the high gross profit margin of 2007. In Q1/2008, the gross profit is equal to 19.8%. However, the gross profit margin of 2009 is expected to increase to the normal level at around 20 - 21% and continue to increase during the projection period as a result of the Company's policy to focus more on high profit margin products.

	2005	2006	2007	2008	2009	2010	2011	2012
Gross Profit Margin	19.3%	20.3%	22.6%	19.8%	20.5%	21.3%	22.0%	23.1%

- Selling and administrative expenses

From 2005 - 2007, the average selling and administrative expenses including salary and bonus, promotion, transportation, facilities, utilities, depreciation, and other fees accounted for 7 - 9 % of total sales, while in Q1/2008 it accounted for 8.9% of total sales. During the projection period, the growth of the selling and administrative expenses is expected to be at the same rate as the previous year and Q1/2008 due to increasing sales volume and the increasing inflation rate, which has affected on the sales commissions and salary (which contributed to 70% of total selling and administrative expenses).

	2005	2006	2007	2008	2009	2010	2011	2012
Selling and Administrative Expenses (Baht million)	255.96	263.55	289.58	290.84	304.34	317.86	332.31	345.49
% of Total Sales	7.7%	7.2%	9.2%	9.1%	9.0%	8.9%	8.8%	8.7%

- Capital expenditure

The Company expected to have additional investment in the machines and equipments during the projection period. Such investments will be used for new product developments, maintenance and operational efficiency improvement. The capital expenditures in the projection period are for fixed assets except lands and buildings. The summary is as follows:

	2005	2006	2007	2008	2009	2010	2011	2012
Capital Expenditure (Baht million)	41.66	54.13	71.33	42.57	47.57	47.57	47.57	47.57

- Current assets and current liabilities turnover

Determined by using the historical data of the Company in 2005 - 2007 for the projection period.

- Trade accounts receivable approximately averaged 66 days
- Inventories approximately averaged 5 days
- Trade accounts payable approximately averaged 20 days

- Corporate income tax

The Company's corporate income tax is 30% of net profit after adding back the adjustment items under the Revenue Code.

- Board of Investment privileges

The Company was granted with promotional privileges from the Board of Investment (BoI) on 2 production lines. The promotional privileges include corporate income tax exemption on these two businesses for 8 years, which are as follows:

- 1) Vegetable and fruits juice in sealed package - expired in May 2010
- 2) Seasoning sauce - expired in January 2012

- Loans and interest expense

The Company has no long-term loan. However, in 2008 the Company has Baht 2 million of long-term leases, which will be fully repaid by 2008. For the short-term loan, the projected average interest rate on short-term loans from financial institutions is approximately MLR-0.75%, which is around 6.13% p.a. in 2008 and 6.75% during 2009 – 2012.

- Dividend payout policy

Minimum of 50% of net profit annually

Assumptions of Viet World

- Sales volume

The main products of Viet World are coconut milk, coconut juice and other products from coconut. The business of Viet World is expected to operate by 2009. Its sales growth is expected to be 100% and 25% in 2010 and 2011 respectively due to the beginning phase of the operation. Afterward, the

growth rate is 5% p.a. (equal to average growth of the Company) and remains constant for the rest of projection period.

- Selling price

The projected selling prices are aligned with the Company's policy. Nonetheless, the average selling price of Viet World will be lower than the Company's selling price approximately USD 1 per CTN during the first two years of its operation and adjusts to the same level as the Company's selling price afterward.

	2010	2011	2012
Growth of Average Selling Price per Unit (USD / CTN)	2.2%	11.6%	2.0%

- Cost of goods sold and selling and administrative expense

Costs of goods sold of Viet World during 2009 – 2012 are projected to be 95%, 94%, 90% and 87% of total sales respectively. Raw material and packaging cost is accounting for 80% of total cost of goods sold and the selling and administrative expense is accounting for 8% of total cost of goods sold for the projection period. The Company forecasted that average raw material cost per unit of Viet World will be higher than that of the Company due to smaller sales volume (no economy of scale). Total sales of Viet World are expected to be approximately 12% of total sales of the Company.

- Loans and interest expense

The Company projected that Viet World will require Baht 40 million long-term loan in 2009, which will be repaid by Baht 10 million p.a. from 2009. The average interest rate is projected to be equal to MLR or 7.5% p.a.

- Corporate income tax

The Company has planned to register for the tax privilege from Vietnam government. The details of tax privilege are as follows:

Period	Tax rate (% of earning before tax)
First 3 years from the starting date of operation	0%
Next 7 years	7.50%
Next 2 years	15.00%

Assumptions of TAP

- Sales

The main products of TAP are electricity and steam, which are planned to start the operation in 2009. Approximately 100% of TAP's electricity will be sold to TAF. The production capacity of TAP is expected to be 65% of total 25.92 million kilowatt hour (KWh) per year, which is projected to increase 2% p.a. However, the selling price is forecasted to be at Baht 3 per KWh, the same rate as the electricity price charged by the Metropolitan Electricity Authority (MEA).

	2009	2010	2011	2012
Capacity per year (kWh)	16,848,000	17,184,960	17,528,659	17,879,232
Selling price per unit (Baht / kWh)	3.00	3.06	3.12	3.18

- Other income

The electricity production generates steam and hot water, which will be sold to TAF. Total other income from by products are projected to be Baht 6 million p.a. or approximately 11.5% of total sales.

- Cost of goods sold and selling and administrative expense

Cost of goods sold of TAP is projected to be 80% of total sales for the projection period. While the selling and administrative expense is projected to be 2.5% of total sales for the projection period.

- Gross profit margin

Comparing to the information collected from engineering department and other power plants, the Company is expected Viet World to have gross profit margin as follows:

	2009	2010	2011	2012
Gross Profit Margin	22.8%	24.3%	25.8%	27.4%

- Loans and interest expense

The Company projected that TAP will require Baht 50 million long-term loan in 2009, which will be repaid by Baht 10 million p.a. from 2009. The average interest rate of TAP is projected be equal to the Company's rate or 6.75% p.a.

- Corporate income tax

The Company's corporate income tax is 30% of net profit after adding back the adjustment items under the Revenue Code.

General assumptions

- Cash flow growth after the projection period (terminal value)

During 2008 – 2012, the Company forecasted sales to increase in order to cover the increasing cost of production. However, after 2012, the Company has no plan to boost sales. Therefore, based on the conservative basis, cash flow is projected at no growth after 2012.

- Discount rate

The discount rate applied to the calculation of the present value of cash flow is the Weighted Average Cost of Capital ("WACC"), which calculated from the capital structure of the Company and its subsidiaries. The IFA derived WACC by using the average beta of the Company. The detail of the discount rate estimation is as follows:

$$\text{WACC} = K_e * E / (D + E) + K_d * (1 - T) * D / (D + E)$$

K_e = Average cost of equity or the required rate of return for shareholders (R_e)

K_d = Average cost of debt or average borrowing rate

T = Corporate income tax

E = Shareholders' equity

D = Interest-bearing debt

Average cost of equity or the required rate of return for equity shareholders can be estimated by using the Capital Asset Pricing Model ("CAPM")

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

Risk Free Rate (R_f) = 5.42% p.a. based on 29-year government bond yield (information as of August 29, 2008), which is currently the longest government bond, therefore, aligned with the assumptions that the company's operation is on a going concern basis.

Beta Coefficient (β) = 0.25 based on volatility of the daily return on the SET to the closing price of shares of the Company (information from SETSMART over the past 1

year counted until June 23, 2008). The chosen period is the most liquidity which is best reflected the real required rate of return for shareholders to the Company's share. (Beta of the Company for the previous 2-year, 3-year, and 5-year period from Bloomberg is 0.29, 0.46, and 0.43 respectively).

Market Return (R_m) = 19.39% p.a. based on the average returns of the SET index and the average dividend yield over the past 25 years from 1983 to 2007 which is best reflected the expected return of the SET. IFA did not consider the figures of the SET index during 1975 – 1982 since the SET had just been established, which had a small number of listed companies, and the market was illiquid. Thus, the figures may not reflect the real return of the market.

Thus, the required rate of return for shareholders (R_e) will be 8.91% p.a.

From information above, WACC can be calculated based on $D/(D+E)$ of the Company. The summary is as follows:

Year	2008	2009	2010	2011	2012
D/(D+E)	0.13	0.18	0.15	0.12	0.08

WACC of the Company during the projection period is as follows:

Year	2008	2009	2010	2011	2012
WACC (%)	8.51%	8.48%	8.54%	8.51%	8.66%

Based on the above information and assumptions, the Company's share value calculated by the Discounted Cash Flow approach will be approximately **Baht 138.23 per share**.

(Unit: Baht Million)

Year	2008	2009	2010	2011	2012
Free Cash Flow to the Firm	325.09	379.33	448.11	485.43	520.19
PV of Free Cash Flow to the Firm (2008 – 2012)	312.09	335.69	365.37	364.74	359.96
PV of Terminal Value	4,154.63				
Total PV of Free Cash Flow to the Firm	5,892.48				
Plus: Cash on Hand	95.52				
Less: Interest Bearing Debt	(127.21)				
Total PV of Free Cash Flow to the Firm – Net	5,860.78				
Paid-up Shares (million shares)	42.4				
Share Value as at June 30, 2008 (Baht per share)	138.23				

However, IFA found that the government bond yields have significantly decreased for the past 1 – 2 months due to the volatility in the capital market and the bond market. Consequently, the expected rate of return for shareholders and WACC are relatively low (comparing to the cost of debt). However, if there are changes in the current circumstances, WACC may change accordingly because WACC is derived from various variables such as cost of debt, required rate of return for shareholders, market return of the SET, government bond yield, Beta, future D/E ratio, etc.

If using the risk free rate of 6.54% p.a. which is based on 29-year government bond yield as at June 23, 2008, the date before the Board of Director's meeting to approve the share delisting of the Company, to determine the expected rate of return for shareholders, the expected rate of return for shareholders will be 9.75% p.a. and WACC will be as follows:

Year	2008	2009	2010	2011	2012
WACC (% p.a.)	9.23%	9.17%	9.25%	9.25%	9.44%

(Unit: Baht Million)

Year	2008	2009	2010	2011	2012
Free Cash Flow to the Firm	325.09	379.33	448.11	485.43	520.19
PV of Free Cash Flow to the Firm (2008 – 2012)	311.05	332.44	359.48	356.45	349.35
PV of Terminal Value	3,700.66				
Total PV of Free Cash Flow to the Firm	5,409.43				
Plus: Cash on Hand	95.52				
Less: Interest Bearing Debt	(127.21)				
Total PV of Free Cash Flow to the Firm – Net	5,377.73				
Paid-up Shares (million shares)	42.4				
Share Value as at June 30, 2008 (Baht per share)	126.83				

Therefore, the Company's share value will be approximately **Baht 126.83 per share**.

In fact, IFA's assumptions used to determine the fair value of the Company's shares under the Discounted Cash Flow approach has been verified by the Company and is based under the current economic condition and circumstances. If there are any changes in the economic condition and circumstances that will materially affect the assumptions and variables used herein, the future operating results of the Company might not be as projected and the share price of the Company may also change accordingly.

7. Dividend Discount Model: DDM

Share valuation under this approach is based on the net present value of future cash flow from the dividend payout to shareholders from the Company. The historical data showed that the Company's dividend paid amount was quite stable. The discount rate for this approach is equal to the required rate of return for shareholders, which was explained in the Discounted Cash Flow approach.

The summary of the historical dividend payout of the Company during 1998 – 2007 is as follows:

Year	Dividend payout per share (Baht)
2007	11.00
2006	9.00
2005	9.00
2004	9.00
2003	10.00
2002	9.00
2001	10.00
2000	No dividend payout
1999	1.00
1998	No dividend payout

Source: SETSMART

In 1998 and 2000, the Company had no dividend payout, while in 1999, the dividend payout was only Baht 1 per share. Comparing with the average dividend amount during 2001 – 2007, which was approximately Baht 9.57 per share, it is obviously seen that the dividend payout during 1998 – 2000 were too low. Therefore, IFA considered the dividend payout during 2001 – 2007 as the basis to determine the dividend growth. The Company's share value can be calculated as follows:

Share value from DDM = $D_0 (1+g) / (K_e - g)$

Dividend (D_0) = Baht 11.00 per share, which is the latest dividend amount for the year 2007.

Dividend Growth (g) = Based on the historical dividend amount during 2001 – 2007, which was in the range of Baht 9 – 11 per share as shown in the table above. In 2007, the dividend amount was increased to Baht 11 per

share due to the Company would like to use the benefits of tax privilege from BOI, which will be expired in 2010. Regarding to the privilege, the Company's shareholders are exempt from income tax on dividends. Thus after 2010 the dividend amount is expected to be around Baht 9 – 11 per share. So the dividend growth should therefore be 0% p.a. ($g = 0.00\%$ p.a.).

Cost of Equity (K_e)	=	By using the CAPM, the average cost of equity or the required rate of return for shareholders (R_e) is equal to 8.91% p.a. (the detail of calculation is shown in the Discounted Cash Flow approach).
Risk Free Rate (R_f)	=	5.42% p.a. based on 29-year government bond yield (information as of August 29, 2008), which is currently the longest government bond, therefore, aligned with the assumptions that the company's operation is on a going concern basis.
Beta Coefficient (β)	=	0.25 based on volatility of the daily return on the SET to the closing price of shares of the Company (information from SETSMART over the past 1 year counted until June 23, 2008). The chosen period is the most liquidity which is best reflected the real required rate of return for shareholders to the Company's share. (Beta of the Company for the previous 2-year, 3-year, and 5-year period from Bloomberg is 0.29, 0.46, and 0.43 respectively).
Market Return (R_m)	=	19.39% p.a. based on the average returns of the SET index and the average dividend yield over the past 25 years from 1983 to 2007 which is best reflected the expected return of the SET. IFA did not considered the figures of the SET index during 1975 – 1982 since the SET had just been established, which had a small number of listed companies and the market was illiquid. Thus, the figures may not reflect the real return of the market.

Based on the above information and assumptions, the Company's share value calculated by the Dividend Discount Model will be approximately **Baht 123.44 per share**. However, if using the risk free rate of 6.54% p.a. which is based on 29-year government bond yield as at June 23, 2008, the date before the Board of Director's meeting to approve the share delisting of the Company, to determine the expected rate of return for shareholders, the expected rate of return for shareholders will be 9.75% p.a. and the share value by DDM will be to Baht 112.80 per share.

The table below compares the Company's share value calculated by the above methods with the tender offer price:

(Unit: Baht per share)

Valuation Approach	Valuation Price	Offer Price	Higher (Lower) than the Offer Price	Higher (Lower) than the Offer Price (%)
Book Value	29.97	130.00	(100.03)	(76.95)
Adjusted Book Value	45.07	130.00	(84.93)	(65.33)
Market Value	109.03 – 125.06	130.00	(20.97) – (4.94)	(16.13) – (3.80)
Price to Book Value Ratio	30.67 – 44.71	130.00	(99.33) – (85.29)	(76.41) – (65.61)
Price to Earning Ratio	68.17 – 106.10	130.00	(61.83) – (23.90)	(47.56) – (18.38)
Discounted Cash Flow	138.23*	130.00	8.23	6.33
Dividend Discount Model	123.44**	130.00	(6.56)	(5.05)

Note: * Share value calculated from WACC of 8.48% - 8.66% p.a.

** Share value calculated from Ke of 8.91% p.a.

The above table shows that share values derived from all valuation approaches are in a range of Baht 29.97 – 138.23 per share.

However, if using the risk free rate of 6.54% p.a. which is based on 29-year government bond yield as at June 23, 2008, the date before the Board of Director's meeting to approve the share delisting of the Company, to determine the expected rate of return for shareholders, the expected rate of return for shareholders will be 9.75% p.a. And the summary of the Company's share value calculated by the above methods with the tender offer price is as follows:

Valuation Approach	Valuation Price	Offer Price	Higher (Lower) than the Offer Price	Higher (Lower) than the Offer Price (%)
Book Value	29.97	130.00	(100.03)	(76.95)
Adjusted Book Value	45.07	130.00	(84.93)	(65.33)
Market Value	109.03 – 125.06	130.00	(20.97) – (4.94)	(16.13) – (3.80)
Price to Book Value Ratio	30.67 – 44.71	130.00	(99.33) – (85.29)	(76.41) – (65.61)
Price to Earning Ratio	68.17 – 106.10	130.00	(61.83) – (23.90)	(47.56) – (18.38)
Discounted Cash Flow	126.83*	130.00	(3.17)	(2.44)
Dividend Discount Model	112.80**	130.00	(17.20)	(13.23)

Note: * Share value calculated from WACC of 9.17% - 9.44% p.a.

** Share value calculated from Ke of 9.75% p.a.

The Book Value approach is the method that reflects the operating result and status of the Company at any given period of time, but without taking into account its real asset value and future profitability, as well as the overall economic and industry outlook. The Adjusted Book Value approach reflects the market value of the Company's assets better than the Book Value approach. However, it does not reflect the future growth potential of the business, future profitability and cash flow generating capacity.

The Price to Book Value Ratio and Price to Earning Ratio approaches estimate the value of the Company's share from the current market acceptance and investor's perception. However, this method may have some limitations since the comparable listed companies in the same sectors of the Company have different businesses from the Company, the number of the comparable listed companies with similar business and characteristics is too small, and some selected companies had net loss. If the number of comparable listed companies is increased in the future, the share value derived by this method will be more accurate. Furthermore, the selected industrial average being valued to the Company is based on the historical data. Consequently, the shares valuation by these approaches will do reflect only the investor's perception but not representing the long-term growth potential of the Company.

The Market Value approach is also inappropriate since the Company's shares over the past one year were illiquid in trading, with the number of shares traded on the SET of only 132 shares per day or 0.00% of the total paid-up shares.

After consideration of both pros and cons of each share valuation approach, IFA therefore conclude that the share values derived by the Dividend Discount Model and the Discounted Cash Flow approach would be reasonable. The Dividend Discount Model is the method that considers the cash flow from future dividend payout to the shareholders, which also takes into account the future growth prospects of the Company. The Discounted Cash Flow approach is the method which takes into account the future growth prospects of the Company. The share valuation by this approach is determined based on the Company's projected free cash flow under the assumptions of current economic condition and circumstances. If there are any changes in the business plan, policy and economic condition that will materially affect the assumptions and variables used herein, the future operating results of the Company might not be as projected and the share price of the Company may also change accordingly.

In conclusion, the fair value of the Company's shares will be in the range of **Baht 123.44 – 138.23 per share**, which is lower than the tender offer price by Baht 6.42 per share and higher than the tender offer price by Baht 8.32 per share respectively.

However, if using the risk free rate of 6.54% p.a. which is based on 29-year government bond yield as at June 23, 2008, the date before the Board of Director's meeting to approve the share delisting of the Company, to determine the expected rate of return for shareholders, the expected rate of return for shareholders will be 9.75% p.a. In this case, the fair value of the Company's shares will be in the range of **Baht 112.80 – 126.83 per share**, which is lower than the tender offer price by Baht 17.20 per share and Baht 3.17 per share respectively.

5.2 Reasons to Accept the Tender Offer

5.2.1 Balancing of Power and Control of the Company

Tender Offerors are the major shareholders of the Company. As at July 9, 2008, the total shareholding of Tender Offerors, persons in the same group, or persons of the Tender Offerors under the Section 258 is 80.20% of total paid-up shares, which is more than 75% of total paid-up shares of the Company. Such portion allows the Tender Offerors to have power to control and to influence on any Company's decisions which require the approval from the shareholders' meeting. Therefore, the other shareholders will face the risk that they may not be able to gather the voting rights to check and balance any issue proposed by the major shareholders.

5.2.2 The Company's Listing Status in the Future

This tender offer has an objective to delist the Company's securities from the SET. Such delisting was approved by the Company's extraordinary shareholder's meeting No. 1/2008 dated July 29, 2008 and by the SET on August 20, 2008 with the condition that the Company shall make the tender offer as per the SEC's regulation before the SET shall specify the delisting date. The impact on the shareholders from the delisting shall be summarized as follows:

1) No secondary market for share trading

After the Company has been delisted, there will be neither secondary market nor reference market price for its share trading. Consequently, the Company's shares will be illiquid and shareholders may not able to sell shares at the appropriate price.

2) Change in the return on investment

After the Company has been delisted, the major return on investment for the shareholders will be in form of dividends. The chance of having return on capital gain is limited because there will be no secondary market or reference price for the Company's shares.

3) Tax Privilege

The shareholders who are individuals will not be exempted from capital gain tax. In addition, the fact that Thailand Securities Depository Co., Ltd. ("TSD") will no longer be the Company's registrar, the transfer of the Company's shares for both individual and juristic person will be subject to a duty stamp of 0.1% of the maximum amount between the amount paid for the shares and the face value of the securities.

4) Less accessibility to the Company's information

After the Company has been delisted, the Company is not required to comply with the SET notification regarding guidelines on information disclosure of a listed company. In case other shareholders which are not the Tender Offerors and its related parties have total shareholding of not over 5% of all paid-up shares of the Company, or the Company has less than one hundred shareholders after the tender offer, the Company is not required to prepare and submit the information on its financial status and operating results as required by the SEC. The managements and the auditor of the Company will no longer have the duty to prepare and disclose report on securities holding.

Still, the Company has the public company status and the shareholders continue receiving the information required to be disclosed under the Public Companies Act B.E. 2535 (1992) comprising information disclosed at the Company's shareholders' meeting, the annual report to be sent to the shareholders on a yearly basis, etc. The shareholders may also request copies of key documents such as certificate of corporation, list of shareholders and financial statements of the Company from the Ministry of Commerce.

5) The inability to check and approve the future connected transactions

After the delisting, the Company will no longer be obligated to comply with the rules and regulations of the SET; therefore, the future connected transactions between the Company and the related parties will no longer be required to comply with the rules and procedures of the listed company with regard to the connected transaction stated by the SET. As a result, the shareholders will no longer be able to check and approve such transactions in the future.

5.3 Reasons to Deny the Tender Offer

5.3.1 The Tender Offer Price is lower than the Highest Price Calculated in Accordance to No. (4) of the SEC Notification No. Kor Jor. 53/2545 regarding Rules, Conditions and Procedures for Holding of Securities for Business Takeover

IFA views that if consider the appropriateness of tender offer price in accordance to Section 58 concerning the tender offer for delisting of the SEC Notification No. Kor Jor. 35/2545 regarding rules, conditions and procedures for holding of securities for business takeover, the tender offer price at Baht 130.00 per share is lower than the highest price calculated in accordance to No. (4). The details are as follows:

(1) The highest price at which the Tender Offerors or the persons under Section 258 of the Tender Offerors acquired the ordinary shares or the preferred shares during the 90 days period before the filing of the tender offer to the SEC.	- N/A -
(2) The weighted average price of the shares during the five business days before the date of the resolution of the Board of Directors for the proposal of the share delisting to the shareholders' meeting.	Baht 120.50 per share
(3) The Company's net asset value calculated based on the adjusted book value which reflects the latest market prices of the assets and liabilities of the Company	Baht 45.07 per share
(4) The fair value of the Company calculated by the Discounted Dividend Model and the Discounted Cash Flow approach, worked out by the IFA.	Baht 123.44 – 138.23 per share

However, the tender offer price is in the appropriate price range determined by the IFA which is between Baht 123.44 – 138.23 per share. In fact, IFA found that the government bond yields have significantly decreased for the past 1 - 2 months due to the volatility in the capital market and bond market. Consequently, the expected rate of return for shareholders and WACC are relatively low (comparing to the cost of debt). If using the 29-year government bond yield as at June 23, 2008, the date before the Board of Directors' meeting to consider the delisting of the Company, as the risk free rate, the appropriate share price will be Baht 112.80 – 126.83 per share comparing to the offer price at Baht 130.00 per share. The share price of Baht 126.83 per share is the highest calculated in accordance to criteria No. (4). However, there are changes in the current circumstances, WACC may change accordingly because WACC is derived from various variables such as cost of debt, required rate of return for shareholders, market return of the SET, government bond yield, Beta, future D/E ratio, etc.

5.3.2 The Company has Regular Dividend Payout

Historically, the Company had a decent performance and had regular dividend payout in accordance to the Company's dividend policy to payout not less than 50% of net profit annually. When comparing dividend yield of the Company with dividend yield of the SET, the dividend yield of the Company is higher than dividend yield of the SET.

If shareholders deny the tender offer and continue to hold the Company's shares, the shareholders will have right to receive dividend as stated in the Company's dividend payout policy. During 2003 – 2007, the Company's average dividend payout rate was 97.64% of net profit. However, the shareholders should consider all impacts as if the Company has been delisted from the SET and the possibility that the Company may change the dividend payout policy in the future.

Year	Dividend per Share (Baht per share)	Net Profit per Share (Baht per Share)	Dividend Payout per Net Profit (%)	Dividend Yield (%)	The Average Dividend Yield of Companies listed on the SET (%)
2007	11.00	10.46	105.12	9.32	3.31
2006	9.00	11.32	79.53	9.68	4.24
2005	9.00	9.64	93.34	11.25	3.38
2004	9.00	8.91	100.99	10.00	2.75
2003	10.00	9.16	109.22	11.11	1.88

Remark: Dividend yield = dividend per shares of each year / closed share price on the last trading day of the year

5.4 Benefits or Impacts from the Plans and Policies indicated in the Tender Offer Statement and Viability of such Plan and Policies

5.4.1 The Plan to Sell Shares of the Company

The Tender Offerors have no intention to sell or transfer any significant amount of the Company's shares within the 12-month period from the end of the Tender Offer Period. However, the Tender Offerors may transfer shares to other major shareholders of the Company, individuals in the same group, person under Section 258 of the Tender Offerors or related persons within the group as for appropriateness of group holding structure.

5.4.2 The Plan and Policy

The Tender Offerors stated in the Tender Offer statement that over the period of 12 months following the completion of the Tender Offer, the Tender Offerors have no intention to materially or significantly change the business objectives, the core business, policies, organizational structure, personnel, and capital structure acquisition of core assets, expansion of production capacity, divestment of major assets or dividend payment policy. However, if there are any significant changes from the foremention statement, the Tender Offerors will solicit from the shareholder's meeting before taking the action.

IFA viewed that under the current circumstances, the plan and policy stated by the Tender Offerors is viable and appropriate as the Tender Offerors have been major shareholders of the Company. Moreover, Mr. Sackchai Wongmalasith is the director and the founder of the Company while Mr. Steven Chan is a Chief Executive Officer of The Company. Both of them are also authorized directors of the Company. As a result, they have been part of the Company in determining plan and policy of the Company.

Thus, IFA viewed that after tender offer, the Company will be able to comply with the policy and plan stated in the Tender Offer statement.

5.4.3 Connected Transaction

IFA viewed that after the completion of the Tender Offer, it is possible that within 12 months, the Tender Offerors will have policies to continuously have the connected transactions due to normal course of business between the Offerors or related person under section 258. The details of the historical connected transaction are as follows:

Related Company	Type of Business	Relationship	Type of Transaction	Transaction Size (Baht)	
				June 30, 2008	December 31, 2007
Tang Freres Sarl.	Trading	Common shareholders of Tang Freres International	Trade account receivable	25,182,593	19,394,376
			Sell	61,994,573	-
Universal Rice Co., Ltd.	Produce and export rice	Common shareholders	Trade account receivable	-	5,915
			Trade account payable	-	-
			Purchase	185,169	-
Tritact Co., Ltd.	Packing	Common shareholders and directors	Trade account receivable	270,912	164,257
			Trade account payable	21,959,702	13,152,853
			Purchase	302,206,787	-
Chokpattana Real Estate Co.,Ltd.	Rental and services	Common shareholders and directors	Security deposit for office	171,100	171,100
			Rental and Services	528,384	-

5.5 Benefits to and Impacts on the Shareholders in Case of their Rejection of the Tender Offer (Only in Case that the Tender Offer is prepared for Securities Delisting Pursuant to the SET regulations)

5.5.1 Benefits of the Shareholders in case of Rejection of the Tender Offer

The shareholders who reject this tender offer shall still be shareholders of the Company in which they are entitled to their rights in accordance with the Articles of Association of the Company and the Public Limited Companies Act B.E. 2535 (1992) including the right to attend the shareholder's meeting, to access into the Company's information and to receive dividend. Presently, the Company has a policy to pay out not less than 50% of the net profit annually. In addition, the shareholders can sell the Company's shares to anyone who is interested and wants to the shares where the shareholders shall be subjected to a capital gain tax (if any).

5.5.2 Impacts on the Shareholders in case of Rejection of the Tender Offer

The impacts on the shareholders after delisting of the Company's shares from the SET as mentioned in section 5.2.3

5.6 Other Significant Information for Consideration

The Tender Offerors are related to the Company. The details are as follows:

- Mr. Sackchai Wongmalasith is the founder, major shareholder, and authorized director of the Company. Moreover, he is a father of Mr. Steven Chan and Mr. Phonepradit Ratanavan.
- Mr. Steven Chan is a major shareholder, Chief Executive Officer, and authorized director of the Company.
- Miss Voranun Thaveesangpanich is a major shareholder and wife of Mr. Phonepradit Ratanavan.

Summary of the Opinion of the Independent Financial Advisor

The objective of this tender offer is to delist the Company's securities from the SET. Such delisting has already been approved by the Company's extraordinary shareholders' meeting and by the SET. Additionally, after the Company has been delisted, the minority shareholders that retain their holding will be affected by no secondary market or reference market price for the share trading, limited opportunity for the shareholders to receive capital gains from investment, no tax privileges, and less access to information on the Company.

In consideration of appropriateness of tender offer price in accordance to Section 58 concerning the tender offer for delisting of the SEC Notification No. Kor Jor. 35/2545 regarding rules, conditions and procedures for holding of securities for business takeover, the tender offer price at Baht 130.00 per share is not appropriate since it is lower than the highest price calculated in accordance to criteria No. (4). However, the offer price of Baht 130.00 per share is in an appropriated price range calculated by the IFA which is between Baht 123.44 – 138.23 per share. Additionally, for the past 1 – 2 months, the government bond yields have significantly decreased due to the volatility in the capital market and bond market. Consequently, the expected rate of return for shareholders and WACC are relatively low (comparing to the cost of debt). In fact, if there are changes in the current circumstances, WACC may change accordingly because WACC is derived from various variables such as cost of debt, required rate of return for shareholders, market return of the SET, government bond yield, Beta, future D/E ratio, etc.

Therefore, if using the 29-year government bond yield as at June 23, 2008 which is a date before the Board of Directors' meeting to consider the delisting of the Company as the risk free rate, the appropriated share price will be in the range of Baht 112.80 – 126.83 per share.

Even though the tender offer price at Baht 130.00 per share is lower than the highest price calculated in accordance to criteria No. (4) of the SEC Notification No. Kor Jor. 35/2545 regarding rules, conditions and procedures for holding of securities for business takeover, but it is still in an appropriated price range determined by the IFA which is between Baht 123.44 – 138.23 per share. The appropriated price range (Baht 123.44 – 138.23) has significantly increased from an appropriated price range which was determined 1 – 2 month ago (Baht 112.80 – 126.83 per share) due to the volatility of capital market and bond market despite no significant change in fundamental and operating performance of the Company. Therefore, if comparing the impacts shareholders would receive after the Company has been delisted, shareholders shall accept the tender offer. However, the final decision shall be at own discretionary of the shareholders.

IFA hereby certifies that the opinions have prudently been provided in compliance with the professional standards and principles, with due regard to the shareholders' benefits.

Yours sincerely,
Capital Advantage Company Limited

Patchara Netsuwan

(Mr. Patchara Netsuwan)
Managing Director