

28 June 2023

Subject: Amendment to the Tender Offer for the Securities of Oishi Group Public Company Limited (Form 247-4)

To: Secretary-General, The Office of The Securities and Exchange Commission (the "SEC")
Board of Directors and Securities Holders of Oishi Group Public Company Limited

Reference: The Tender Offer for the Securities of Oishi Group Public Company Limited (form 247-4) dated 13 June 2023

As Thai Beverage Public Company Limited (the "**Tender Offeror**") has submitted the Tender Offer for the Securities of Oishi Group Public Company Limited (the "**Business**") (Form 247-4) to the Office of Securities and Exchange Commission, the Business, the directors and shareholders of the Business on 13 June 2023 with Kiatnakin Phatra Securities Public Company Limited as the Tender Offer Preparer ("**Tender Offer Preparer**").

The Tender Offeror would like to submit the Amendment to the Tender Offer for the Securities of the Business as attached herewith.

Yours Sincerely,

Thai Beverage Public Company Limited

- Ueychai Tantha-Obhas -

(Mr. Ueychai Tantha-Obhas)

Authorized Director

- Sithichai Chaikriangkrai -

(Mr. Sithichai Chaikriangkrai)

Authorized Director

Tender Offeror

Kiatnakin Phatra Securities Public Company Limited as the Tender Offer Preparer would like to submit the Amendment to the Tender Offer of the Business as attached herewith.

Yours Sincerely,

Kiatnakin Phatra Securities Public Company Limited

- Trairak Tengtrirat -

(Mr. Trairak Tengtrirat)

Authorized Director

- Supachoke Supabundit -

(Mr. Supachoke Supabundit)

Authorized Director

Tender Offer Preparer

**Amendment to the Tender Offer for the Securities of
Oishi Group Public Company Limited**

Additional information is underlined and the deleted information is strikethrough.

1. Section 2 No. 5.2 Source of Funds Used by the Tender Offeror for the Tender Offer

■ Original

In the event that all shareholders express their intention to sell all of their shares of the Business pursuant to the Tender Offer, the Tender Offeror shall make a Tender Offer totaling of 76,279,602 shares representing 20.34% of the total issued and paid-up shares of the Business, at the Tender Offer price of 59.00 THB per share. The capital required for this Tender Offer is equivalent to THB 4,500,496,518.

The Tender Offeror will make such payment in cash for the securities of all shareholders accepting this Tender Offer. In this regard, the Tender Offeror has source of fund for this Tender Offer from credit facility from Siam Commercial Bank PCL (the "Bank") under the Tender Offeror's existing credit facility with the Bank. Whereby the amount that the Tender Offeror can drawdown from the facility is sufficient for the Tender Offer of not exceeding THB 4,500,496,518. In this regard, the provision of financial support is subject to those terms and conditions as proposed by the Bank, and policy, rules and regulations of the Bank.

When considering letter of financial support confirmation issued by the Bank to Tender Offeror as a source of funds for the Tender Offer for all remaining securities of the Business, the Tender Offer Preparer is of the opinion that the Tender Offeror has sufficient source of fund for this Tender Offer and that there is no significant term and condition that shall materially affect the Tender Offer's ability to withdraw such credit facility for the Tender Offeree for all remaining securities of the Business from the Bank. Whereby the financial support confirmation will be effective on the issue date of aforementioned financial support confirmation, until the date of settlement of the Tender Offer for all securities of the Business. The details are appeared on Attachment 6 Confirmation Letter on Source of Fund Available to the Tender Offeror.

■ Revision

In the event that all shareholders express their intention to sell all of their shares of the Business pursuant to the Tender Offer, the Tender Offeror shall make a Tender Offer totaling of 76,279,602 shares representing 20.34% of the total issued and paid-up shares of the Business, at the Tender Offer price of 59.00 THB per share. The capital required for this Tender Offer is equivalent to THB 4,500,496,518.

The Tender Offeror will make such payment in cash for the securities of all shareholders accepting this Tender Offer. In this regard, the Tender Offeror has source of fund for this Tender Offer from credit facility from Siam Commercial Bank PCL (the "Bank") under the Tender Offeror's existing credit facility with the Bank. Whereby the amount that the Tender Offeror can drawdown from the facility is sufficient for the Tender Offer of not

exceeding THB 4,500,496,518. In this regard, the provision of financial support is subject to those terms and conditions as proposed by the Bank, and policy, rules and regulations of the Bank.

In this case, the source of funds used by the Tender Offeror to repay the credit facility from the Bank will come from cash flow generated by the operations, working capital of the Tender Offeror, and/or dividends received from the normal business operations of the Business etc. The Tender Offer will repay within 1 year from the date of funds disbursement.

When considering letter of financial support confirmation issued by the Bank to Tender Offeror as a source of funds for the Tender Offer for all remaining securities of the Business, the Tender Offer Preparer is of the opinion that the Tender Offeror has sufficient source of fund for this Tender Offer and that there is no significant term and condition that shall materially affect the Tender Offer's ability to withdraw such credit facility for the Tender Offeree for all remaining securities of the Business from the Bank. Whereby the financial support confirmation will be effective on the issue date of aforementioned financial support confirmation, until the date of settlement of the Tender Offer for all securities of the Business. The details are appeared on Attachment 6 Confirmation Letter on Source of Fund Available to the Tender Offeror.

2. Section 4 No. 8.1.5 Discounted Cash Flow Approach

■ Original

Terminal Value

For the calculation of the terminal value of the Business, the Financial Advisor assumes that the Business will continue to operate indefinitely after 2028F which is the final year of the projection. The method of calculating the terminal value is as follows:

The Business' terminal value = $\frac{\text{Estimated cash flow of the Business in 2028F} \times (1 + g)}{(WACC - g)}$

Estimated cash flow of the Business in 2028F is Estimated cash flow from operations of the Business in 2028F

g is The growth rate of cash flow from operations of the Business after 2028F which is equal to 1.0 – 3.0% reference from long term inflation rate from Bank of Thailand

WACC is Discount rate of the cash flow equals to 10.1 – 11.1% for non-alcoholic beverages business and 9.8 – 10.8% for food business

Assumptions for Projecting the Business' Cash FlowNon-alcoholic Beverages Business

(1) Revenue

Non-alcoholic beverages business manufactures and distributes non-alcoholic beverages both domestically and internationally. The revenue by segments of non-alcoholic beverages business are domestic revenue, export revenue and other revenue. The actual revenue for 2019 – 2022 and revenue projection for 2023F – 2028F are as follows:

| Unit: THB million | Historical | | | | Projection | | | | | |
|----------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Domestic revenue | 4,826.6 | 4,526.0 | 5,037.4 | 5,949.1 | 6,309.0 | 6,563.3 | 6,761.5 | 6,965.7 | 7,176.0 | 7,392.8 |
| Export revenue | 1,404.2 | 1,139.1 | 953.8 | 1,120.1 | 1,321.7 | 1,416.0 | 1,500.9 | 1,591.0 | 1,686.4 | 1,737.0 |
| Other revenue | 260.3 | 358.4 | 282.3 | 334.0 | 310.6 | 298.5 | 320.5 | 326.9 | 333.4 | 340.1 |
| Total revenue | 6,491.0 | 6,023.5 | 6,273.5 | 7,403.2 | 7,941.3 | 8,277.7 | 8,582.9 | 8,883.5 | 9,195.9 | 9,469.9 |

(A) Domestic Revenue

- In 2023F – 2025F, the domestic revenue growth rate is projected to be in line with the forecast market growth rate of ready-to-drink green tea in Thailand (based on Euromonitor) from new strategies e.g. new product introduction that better correspond to the customers' demand, distribution channel expansion and target customer expansion etc. The projected domestic revenue growth rate for the period is slightly higher than the market's, which correspond to the Business' actual historical performance during 2019 – 2022 that was higher than the market's; and
- In 2026F – 2028F, the domestic revenue growth rate is projected to remain constant at 3.0% p.a., which is equivalent to 2025F

| Unit: THB million | Historical | | | | Projection | | | | | |
|-------------------------------------|------------|---------|---------|---------|------------|---------|---------|---------|---------|---------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Domestic revenue | 4,826.6 | 4,526.0 | 5,037.4 | 5,949.1 | 6,309.0 | 6,563.3 | 6,761.5 | 6,965.7 | 7,176.0 | 7,392.8 |
| Domestic revenue growth rate (%) | 9.3 | (6.2) | 11.3 | 18.1 | 6.1 | 4.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Thailand's ready-to-drink green tea | 1.2 | (10.5) | 2.3 | 4.5 | 5.1 | 3.9 | 2.4 | n.a. | n.a. | n.a. |

| Unit: THB million | Historical | | | | Projection | | | | | |
|---------------------------------------|------------|------|------|------|------------|-------|-------|-------|-------|-------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| market growth rate (%) ⁽¹⁾ | | | | | | | | | | |

Remark: (1) Based on Euromonitor

(B) Export Revenue

- Export revenue has been significantly impacted during 2020 – 2022 by various restrictions on exporting products to foreign countries during COVID-19
- The export revenue is expected to recover to pre-COVID-19 level (or equivalent to 2019) in 2024F, based on the assumption that various measurements and restrictions related to export during COVID-19 will be relaxed, which is correspond with management's perspective
- In 2025F – 2027F, the export revenue growth rate is projected to be 6.0% per year, and is projected to decline to 3.0% in 2028F which is correspond with management's perspective

| Unit: THB million | Historical | | | | Projection | | | | | |
|--------------------------------|------------|---------|--------|---------|------------|---------|---------|---------|---------|---------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Export revenue | 1,404.2 | 1,139.1 | 953.8 | 1,120.1 | 1,321.7 | 1,416.0 | 1,500.9 | 1,591.0 | 1,686.4 | 1,737.0 |
| Export revenue growth rate (%) | 14.9 | (18.9) | (16.3) | 17.4 | 18.0 | 7.1 | 6.0 | 6.0 | 6.0 | 3.0 |

(C) Other Revenue

- Other revenue is including revenue from production of dairy beverages and drinking water, as well as revenue from sales of concentrates etc.
- In 2023F – 2025F, the other revenue growth rate is projected to be (7.0)%, (3.9)% and 7.4%, respectively. It is expected to decline due to the termination of certain manufacturing contracts in 2023F and 2024F, offsetting with anticipated new contracts, and expected to rebound close to 2022 level in 2025F, based on management's projection; and
- In 2026F – 2028F, the other revenue growth rate is projected to remain constant at 2.0% p.a., based on estimated long term inflation rate from Bank of Thailand

| Unit: THB million | Historical | | | | Projection | | | | | |
|-------------------------------|------------|-------|--------|-------|------------|-------|-------|-------|-------|-------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Other revenue | 260.3 | 358.4 | 282.3 | 334.0 | 310.6 | 298.5 | 320.5 | 326.9 | 333.4 | 340.1 |
| Other revenue growth rate (%) | (25.1) | 37.7 | (21.2) | 18.3 | (7.0) | (3.9) | 7.4 | 2.0 | 2.0 | 2.0 |

(2) Cost of goods sold, rendering service and distribution

Majority of cost of goods sold, rendering service and distribution consist of raw material cost, employee cost (production department) and other cost. The Financial Advisor assumes key assumptions as follows:

| Unit: THB million | Historical | | | | Projection | | | | | |
|--|------------|---------|---------|---------|------------|---------|---------|---------|---------|---------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Cost of goods sold, rendering service and distribution (excluding depreciation and amortization) | 4,423.7 | 3,944.6 | 4,258.4 | 5,055.3 | 5,672.4 | 5,840.2 | 6,015.3 | 6,219.1 | 6,430.5 | 6,616.9 |
| Gross profit margin (excluding depreciation and amortization) (%) | 31.8 | 34.5 | 32.1 | 31.7 | 28.6 | 29.4 | 29.9 | 30.0 | 30.1 | 30.1 |

Raw Material Cost

- In 2023F – 2024F, the proportion of raw material cost to total revenue is expected to return to pre-COVID-19 level (or equivalent to 2019) in 2023F, and decrease to 40.5% based on management's projection due to the expected increase supply of raw materials after COVID-19 and;
- In 2025F – 2028F, such proportion is projected to gradually decrease due to an expected more efficient cost management.

Employee Cost (Production Department)

- In 2023F, the employee cost (production department) growth rate is expected to increase from 2022 by 9.7% based on management's projection due to an increasing production activities after COVID-19 and;
- In 2024F – 2028F, the employee cost (production department) growth rate is projected to be correspond to the historical average salary adjustment rate of the Business. It is assumed that the number of employee (production department) and production capacity remain constant throughout the projected period.

Other Cost

- Other cost such as excise tax and electricity cost etc.
- In 2023F, the proportion of other cost to total revenue is expected to slightly increase from 2022 to 26.0% based on management's projection due to an increasing sugar tax rate and electricity cost and;

- In 2024F – 2025F, such proportion is projected to gradually decrease based on management's projection due to the higher growth rate of total revenue .

(3) Administrative Expense

Majority of administrative expense consists of marketing expense, employee expense (head office), rental expense, and other expense. The Financial Advisor assumes key assumptions as follows:

| Unit: THB million | Historical | | | | Projection | | | | | |
|--|------------|-------|-------|-------|------------|-------|-------|-------|-------|-------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Administrative expense (excluding depreciation and amortization) | 783.3 | 726.2 | 609.7 | 723.9 | 738.7 | 756.9 | 741.9 | 764.4 | 787.6 | 808.4 |
| Administrative expense to total revenue (excluding depreciation and amortization) (%) | 12.1 | 12.1 | 9.7 | 9.8 | 9.3 | 9.1 | 8.6 | 8.6 | 8.6 | 8.5 |

Marketing Expense

- In 2023F, the proportion of marketing expense to total revenue is expected to decreased from 2022 to 5.0% based on management's projection due to a shift in marketing strategy with a greater emphasis on online media channels and;
- In 2024F – 2028F, marketing expense budget is projected to be in line with historical, which is correspond with management's perspective.

Employee Expense (Head Office)

- In 2023F – 2028F, the employee expense (head office) growth rate is projected based on management's projection and correspond to the historical average salary adjustment rate of the Business. It is assumed that the number of employee (head office) remains constant throughout the projected period.

Other Expense

- Other expense such as rental expense, transportation expense, and other expense etc.
- In 2023F, the proportion of other expense to total revenue is expected to slightly increase from 2022 to 1.9% due to the higher utility rates, based on management's projection; and
- In 2024F – 2025F, such proportion is projected to gradually slight decrease from the higher growth rate of total revenue and remain constant in 2026F – 2028F.

(4) Other Assumptions

(A) Tax Expense Assumptions

- 20.0% of the earnings before tax of the Business throughout the projection period, which is equivalent to the current corporate income tax rate.

(B) Working Capital Assumptions

- The estimated working capital is based on financial information of non-alcoholic beverages business prepared by the Business for the fiscal year 2022 throughout the projected period. The details are as follows:

| Working Capital | Unit | Working Capital Duration |
|-------------------------|------|--------------------------|
| Account receivable days | Days | 37.8 |
| Account payable days | Days | 28.3 |
| Inventories days | Days | 33.2 |

(C) Capital Expenditure Assumptions

- The estimated investment in fixed assets and intangible assets of non-alcoholic beverages business is projected to be 4.0% of total revenue throughout the projected period, which is correspond with management's perspective.

| Unit: THB million | Projection | | | | | |
|--|------------|-------|-------|-------|-------|-------|
| | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Capital Expenditure | 317.7 | 331.1 | 343.3 | 355.3 | 367.8 | 378.8 |
| Proportion of Capital Expenditure to Total Revenue (%) | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |

(D) Depreciation and Amortization

- The depreciation and amortization of the non-alcoholic beverages business mainly consists of the depreciation of machinery used in production and building improvement. The assumption for the depreciation period of land, building, and equipment for the non-alcoholic beverages business is 15 years, based on the accounting policy specified in the consolidated financial statements of the Business.

Food Business

(1) Revenue

The revenue by segments of food business are restaurant revenue and packaged food revenue. The actual revenue for 2019 – 2022 and revenue projection for 2023F – 2028F are as follows:

| Unit: THB million | Historical | | | | Projection | | | | | |
|-----------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Restaurant revenue | 6,686.8 | 4,542.0 | 3,098.3 | 4,748.7 | 5,722.5 | 6,340.9 | 6,962.3 | 7,494.5 | 7,958.4 | 8,345.4 |
| Packaged food revenue | 445.2 | 460.6 | 469.8 | 655.6 | 701.4 | 750.5 | 803.1 | 819.1 | 835.5 | 852.2 |
| Total revenue | 7,132.0 | 5,002.6 | 3,568.1 | 5,404.3 | 6,423.9 | 7,091.5 | 7,765.4 | 8,313.6 | 8,793.9 | 9,197.6 |

(A) Restaurant revenue

No. of store

- In 2023F – 2025F, no. of net new stores is projected based on the Business' budget plan which mainly from Shabushi 11 – 12 stores p.a., Oishi Biztoro 10 stores p.a. and other brands 5 – 8 stores p.a.
- In 2026F – 2027F, no. of net new stores is projected to be 10 stores p.a. for Shabushi and 8 stores p.a. for Oishi Biztoro and no additional net new stores for other brands, based on management's projection
- In 2028F, no. of net new stores is projected to be 5 stores p.a. for Shabushi and 4 stores p.a. for Oishi Biztoro and no additional net new stores for other brands

| Unit: THB million | Historical | | | | Projection | | | | | |
|-----------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Shabushi stores | 151 | 159 | 158 | 161 | 172 | 184 | 196 | 206 | 216 | 221 |
| Oishi Biztoro stores | 0 | 0 | 0 | 8 | 18 | 28 | 38 | 46 | 54 | 58 |
| Other brand stores ⁽¹⁾ | 115 | 111 | 97 | 95 | 98 | 101 | 104 | 104 | 104 | 104 |
| Total stores | 266 | 270 | 255 | 264 | 288 | 313 | 338 | 356 | 374 | 383 |

Remark: (1) Other brands include Oishi Grand, Oishi Eaterium, Oishi Buffet, Nikuya, Oishi Ramen, Kakashi, Hou Yuu, Sakae and Shabu by Oishi

Target sales per store and same store sale growth (SSSG)

- In 2023F, target sales per store is expected to be approximately 84.0% of pre-COVID-19 level (or equivalent to 2019) for Shabushi, in line with other similar store format's sales per store for Oishi Biztoro and approximately 75.0% of pre-COVID-19 level (or equivalent to 2019) for other brands, which is correspond with management's perspective.
- In 2024F – 2028F, same store sale growth rate (SSSG) is projected to remain constant which is correspond with management's perspective.

(B) Packaged food revenue

- In 2023F – 2025F, packaged food revenue growth rate is projected to be in line with the forecast market growth rate of staple food in Thailand (based on Euromonitor); and
- In 2026F – 2028F, packaged food revenue growth rate is projected to remain constant at 2.0% p.a., based on estimated long term inflation rate from Bank of Thailand.

| Unit: THB million | Historical | | | | Projection | | | | | |
|---|------------|-------|-------|-------|------------|-------|-------|-------|-------|-------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Packaged food revenue | 445.2 | 460.6 | 469.8 | 655.6 | 701.4 | 750.5 | 803.1 | 819.1 | 835.5 | 852.2 |
| Packaged food revenue growth rate (%) | 3.5 | 3.5 | 2.0 | 39.5 | 7.0 | 7.0 | 7.0 | 2.0 | 2.0 | 2.0 |
| Thailand's staple food growth rate (%) ⁽¹⁾ | 5.1 | 7.9 | 5.1 | 10.1 | 7.7 | 7.9 | 7.2 | n.a. | n.a. | n.a. |

Remark: (1) Based on Euromonitor

(2) Cost of goods sold, rendering service and distribution

Majority of cost of goods sold, rendering service and distribution consist of raw material cost, employee cost (kitchen staff and production department) and other cost. The Financial Advisor assumes key assumptions as follows:

| Unit: THB million | Historical | | | | Projection | | | | | |
|--|------------|---------|---------|---------|------------|---------|---------|---------|---------|---------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Cost of goods sold, rendering service and distribution (excluding depreciation and amortization) | 3,788.6 | 2,794.8 | 2,067.1 | 3,039.4 | 3,635.5 | 3,986.9 | 4,341.0 | 4,629.8 | 4,881.6 | 5,091.4 |
| Gross profit margin (excluding depreciation and amortization) (%) | 46.9 | 44.1 | 42.1 | 43.8 | 43.4 | 43.8 | 44.1 | 44.3 | 44.5 | 44.6 |

Raw Material Cost

- In 2023F, the proportion of raw material cost to total revenue is expected to increase to 45.5% due to the expected increase supply of meat raw materials, which is correspond with Global's raw material price situation and management's perspective; and
- In 2024F – 2028F, such proportion is projected to gradually decrease due to a more efficient cost management.

Employee Cost (Kitchen Staff and Production Department)

Majority of employee cost includes employee cost for kitchen staff and employee cost for production department

Employee cost for kitchen staff

- In 2023F – 2028F, the employee cost (kitchen staff) growth rate is projected to increase in line with the increase no. of employee due to net new store opening plan and average staff's salary increase correspond to the historical average salary adjustment rate of the Business.

Employee cost for production department

- In 2023F – 2028F, the employee cost (production department) growth rate is projected to increase correspond to the historical average salary adjustment rate of the Business. It is assumed that the number of employee (production department) and production capacity remain constant throughout the projected period.

Other Cost

- In 2023F – 2028F, the proportion of other cost to total revenue is projected to remain constant at 3.3%, based on management's projection.

(3) Administrative Expense

Majority of administrative expense consists of marketing expense, employee expense (store staff and head office), rental expense, and other expense. The Financial Advisor assumes key assumptions as follows:

| Unit: THB million | Historical | | | | Projection | | | | | |
|---|------------|---------|---------|---------|------------|---------|---------|---------|---------|---------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Administrative expense (excluding depreciation and amortization) | 2,558.0 | 2,077.1 | 1,702.4 | 2,066.6 | 2,381.5 | 2,627.5 | 2,870.5 | 3,089.0 | 3,303.5 | 3,488.1 |
| Administrative expense to total revenue (excluding depreciation and amortization) (%) ⁽¹⁾ | 35.9 | 41.5 | 47.7 | 38.2 | 37.1 | 37.1 | 37.0 | 37.2 | 37.6 | 37.9 |

Remark: (1) Before adjust the impact of lease accounting standard update, TFRS 16, on financial reporting

Marketing Expense

- In 2023F – 2025F, the proportion of marketing expense to total revenue is projected to be 2.2%, 2.6% and 2.6% respectively, based on management's projection due to the marketing budget adjustment to promote consumer awareness; and
- In 2026F – 2028F, such proportion is projected to gradually decrease from the higher growth rate of total revenue.

Employee Expense

Majority of employee expense includes employee expense for store staff and employee expense for head office

Employee expense for store staff

- In 2023F – 2028F, the employee expense (store staff) growth rate is projected to increase in line with the increased no. of employee due to net new store opening plan and average staff's average salary increase correspond to the historical average salary adjustment rate of the Business.

Employee expense for head office

- In 2023F – 2028F, the employee cost (head office) growth rate is projected to be correspond to the historical average salary adjustment rate of the Business. It is assumed that the number of employee (head office) remain constant throughout the projected period.

Rental Expense

Majority of rental expense includes store rental expense and head office rental expense

Store rental expense

- In 2023F – 2028F, the store rental expense growth rate is projected to increase in line with the increased rental area due to net new store opening plan and rental rate increase correspond to the average rental growth rate according to lease agreement of the Business.

Head office rental expense

- In 2023F – 2028F, the head office rental growth rate is projected to increase correspond to average rental growth rate according to lease agreement of the Business. It is assumed that the office rental area remains constant throughout the projected period.

Other Expense

Other expense such as utility expense, transportation expense, and other expense etc.

- In 2023F – 2028F, the proportion of other expense to total revenue is projected to gradually decrease from the higher growth rate of total revenue.

- Revision

Terminal Value

For the calculation of the terminal value of the Business, the Financial Advisor assumes that the Business will continue to operate indefinitely after 2028F which is the final year of the projection. The method of calculating the terminal value is as follows:

The Business' terminal value =
$$\frac{\text{Estimated cash flow of the Business in 2028F} \times (1 + g)}{(WACC - g)}$$

Estimated cash flow of the Business in 2028F is Estimated cash flow from operations of the Business in 2028F

g is The growth rate of cash flow from operations of the Business after 2028F which is equal to 1.0 – 3.0% (reference from long term inflation rate from Bank of Thailand) [which the aforementioned growth rate is an assumption that there will be no significant business expansion after the year 2028F](#)

WACC is Discount rate of the cash flow equals to 10.1 – 11.1% for non-alcoholic beverages business and 9.8 – 10.8% for food business

Assumptions for Projecting the Business' Cash Flow

Non-alcoholic Beverages Business

(4) Revenue

Non-alcoholic beverages business manufactures and distributes non-alcoholic beverages both domestically and internationally. The revenue by segments of non-alcoholic beverages business are domestic revenue, export revenue and other revenue. The actual revenue for 2019 – 2022 and revenue projection for 2023F – 2028F are as follows:

| Unit: THB million | Historical | | | | Projection | | | | | |
|----------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Domestic revenue | 4,826.6 | 4,526.0 | 5,037.4 | 5,949.1 | 6,309.0 | 6,563.3 | 6,761.5 | 6,965.7 | 7,176.0 | 7,392.8 |
| Export revenue | 1,404.2 | 1,139.1 | 953.8 | 1,120.1 | 1,321.7 | 1,416.0 | 1,500.9 | 1,591.0 | 1,686.4 | 1,737.0 |
| Other revenue | 260.3 | 358.4 | 282.3 | 334.0 | 310.6 | 298.5 | 320.5 | 326.9 | 333.4 | 340.1 |
| Total revenue | 6,491.0 | 6,023.5 | 6,273.5 | 7,403.2 | 7,941.3 | 8,277.7 | 8,582.9 | 8,883.5 | 9,195.9 | 9,469.9 |

(A) Domestic Revenue

- In 2023F – 2025F, the domestic revenue growth rate is projected to be in line with the forecast market growth rate of ready-to-drink green tea in Thailand (based on Euromonitor) from new strategies e.g. new product introduction that better correspond to the customers' demand, distribution channel expansion and target customer expansion etc. The projected domestic revenue growth rate for the period is slightly higher than the

market's, which correspond to the Business' actual historical performance during 2019 – 2022 that was higher than the market's; and

- In 2026F – 2028F, the domestic revenue growth rate is projected to remain constant at 3.0% p.a., which is equivalent to 2025F

| Unit: THB million | Historical | | | | Projection | | | | | |
|---|------------|---------|---------|---------|------------|---------|---------|---------|---------|---------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Domestic revenue | 4,826.6 | 4,526.0 | 5,037.4 | 5,949.1 | 6,309.0 | 6,563.3 | 6,761.5 | 6,965.7 | 7,176.0 | 7,392.8 |
| Domestic revenue growth rate (%) | 9.3 | (6.2) | 11.3 | 18.1 | 6.1 | 4.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Thailand's ready-to-drink green tea market growth rate (%) ⁽¹⁾ | 1.2 | (10.5) | 2.3 | 4.5 | 5.1 | 3.9 | 2.4 | n.a. | n.a. | n.a. |

Remark: (1) Based on Euromonitor

(B) Export Revenue

- Export revenue has been significantly impacted during 2020 – 2022 by various restrictions on exporting products to foreign countries during COVID-19
- The export revenue is expected to recover to pre-COVID-19 level (or equivalent to 2019) in 2024F, based on the assumption that various measurements and restrictions related to export during COVID-19 will be relaxed, which is correspond with management's perspective
- In 2025F – 2027F, the export revenue growth rate is projected to be 6.0% per year, and is projected to decline to 3.0% in 2028F, [which is in line with the forecast market growth rate of ready-to-drink green tea in the Business' main export country \(based on Euromonitor\)](#) which is correspond with management's perspective [that the Business can achieve growth in the same direction as the industry.](#)

| Unit: THB million | Historical | | | | Projection | | | | | |
|--------------------------------|------------|---------|--------|---------|------------|---------|---------|---------|---------|---------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Export revenue | 1,404.2 | 1,139.1 | 953.8 | 1,120.1 | 1,321.7 | 1,416.0 | 1,500.9 | 1,591.0 | 1,686.4 | 1,737.0 |
| Export revenue growth rate (%) | 14.9 | (18.9) | (16.3) | 17.4 | 18.0 | 7.1 | 6.0 | 6.0 | 6.0 | 3.0 |

(C) Other Revenue

- Other revenue is including revenue from production of dairy beverages and drinking water, as well as revenue from sales of concentrates etc.
- In 2023F – 2025F, the other revenue growth rate is projected to be (7.0)%, (3.9)% and 7.4%, respectively. It is expected to decline due to the termination of certain manufacturing contracts in 2023F and 2024F, offsetting with anticipated new contracts, and expected to rebound close to 2022 level in 2025F, based on management's projection; ~~and~~ [that anticipates in accordance with economic conditions and business competition in the future; and](#)
- In 2026F – 2028F, the other revenue growth rate is projected to remain constant at 2.0% p.a., [correspond with economic conditions which is](#) based on estimated long term inflation rate from Bank of Thailand

| Unit: THB million | Historical | | | | Projection | | | | | |
|-------------------------------|------------|-------|--------|-------|------------|-------|-------|-------|-------|-------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Other revenue | 260.3 | 358.4 | 282.3 | 334.0 | 310.6 | 298.5 | 320.5 | 326.9 | 333.4 | 340.1 |
| Other revenue growth rate (%) | (25.1) | 37.7 | (21.2) | 18.3 | (7.0) | (3.9) | 7.4 | 2.0 | 2.0 | 2.0 |

(5) Cost of goods sold, rendering service and distribution

Majority of cost of goods sold, rendering service and distribution consist of raw material cost, employee cost (production department) and other cost. The Financial Advisor assumes key assumptions as follows:

| Unit: THB million | Historical | | | | Projection | | | | | |
|--|------------|---------|---------|---------|------------|---------|---------|---------|---------|---------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Cost of goods sold, rendering service and distribution (excluding depreciation and amortization) | 4,423.7 | 3,944.6 | 4,258.4 | 5,055.3 | 5,672.4 | 5,840.2 | 6,015.3 | 6,219.1 | 6,430.5 | 6,616.9 |
| Gross profit margin (excluding depreciation and amortization) (%) | 31.8 | 34.5 | 32.1 | 31.7 | 28.6 | 29.4 | 29.9 | 30.0 | 30.1 | 30.1 |

Raw Material Cost

- In 2023F – 2024F, the proportion of raw material cost to total revenue is expected to return to pre-COVID-19 level (or equivalent to 2019) in 2023F, and decrease to 40.5% based on management's projection due to the expected increase supply of raw materials after COVID-19 and;

- In 2025F – 2028F, such proportion is projected to gradually decrease due to an expected more efficient cost management: [such as the ability to negotiate better purchasing price from increased volume or to reduce waste in production processes etc. and correspond to the historical proportion of raw material cost to total revenue](#)

Employee Cost (Production Department)

- In 2023F, the employee cost (production department) growth rate is expected to increase from 2022 by 9.7% based on management’s projection due to an increasing [number of employee to accommodate the increased](#) production activities after COVID-19 and;
- In 2024F – 2028F, the employee cost (production department) growth rate is projected to be correspond to the historical average salary adjustment rate of the Business. It is assumed that the number of employee (production department) and production capacity remain constant throughout the projected period.

Other Cost

- Other cost such as excise tax and electricity cost etc.
- In 2023F, the proportion of other cost to total revenue is expected to slightly increase from 2022 to 26.0% based on management’s projection due to an increasing sugar tax rate and electricity cost and;
- In 2024F – ~~2025F~~2028F, such proportion is projected to gradually decrease ~~based on management’s projection~~ due to the higher growth rate of total revenue [and correspond to the historical proportion of other cost to total revenue](#)

(6) Administrative Expense

Majority of administrative expense consists of marketing expense, employee expense (head office), rental expense, and other expense. The Financial Advisor assumes key assumptions as follows:

| Unit: THB million | Historical | | | | Projection | | | | | |
|--|------------|-------|-------|-------|------------|-------|-------|-------|-------|-------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Administrative expense (excluding depreciation and amortization) | 783.3 | 726.2 | 609.7 | 723.9 | 738.7 | 756.9 | 741.9 | 764.4 | 787.6 | 808.4 |
| Administrative expense to total revenue (excluding depreciation and amortization) (%) | 12.1 | 12.1 | 9.7 | 9.8 | 9.3 | 9.1 | 8.6 | 8.6 | 8.6 | 8.5 |

Marketing Expense

- In 2023F – ~~2024F~~, the proportion of marketing expense to total revenue is expected to decreased from 2022 to 5.0% based on management's projection due to a shift in marketing strategy with a greater emphasis on online media channels and;
- In ~~2024F~~~~2025F~~ – 2028F, marketing expense budget is projected to be in line with historical, which is correspond with management's perspective which still continue to emphasize marketing through online channels.

Employee Expense (Head Office)

- In 2023F – 2028F, the employee expense (head office) growth rate is projected based on management's projection and correspond to the historical average salary adjustment rate of the Business. It is assumed that the number of employee (head office) remains constant throughout the projected period.

Other Expense

- Other expense consists of fixed costs and variable costs such as rental expense, transportation expense, and ~~other~~utilities expense etc.
- In 2023F, the proportion of other expense to total revenue is expected to slightly increase from 2022 to 1.9% due to the higher utility rates, based on management's projection; and
- In 2024F – ~~2025F~~~~2028F~~, such proportion is projected to gradually ~~slight~~ decrease ~~from~~due to the higher growth rate of total revenue and ~~remain constant in 2026F – 2028F.~~correspond to the historical proportion of other expense to total revenue

(7) Other Assumptions

(A) Tax Expense Assumptions

- 20.0% of the earnings before tax of the Business throughout the projection period, which is equivalent to the current corporate income tax rate.

(B) Working Capital Assumptions

- The estimated working capital is based on financial information of non-alcoholic beverages business prepared by the Business for the fiscal year 2022 throughout the projected period. The details are as follows:

| Working Capital | Unit | Working Capital Duration |
|-------------------------|------|--------------------------|
| Account receivable days | Days | 37.8 |
| Account payable days | Days | 28.3 |
| Inventories days | Days | 33.2 |

(C) Capital Expenditure Assumptions

- The estimated investment in fixed assets and intangible assets of non-alcoholic beverages business is projected to be 4.0% of total revenue throughout the projected period, which is correspond with management's perspective [and average historical investment in fixed assets and intangible assets](#).

| Unit: THB million | Projection | | | | | |
|--|------------|-------|-------|-------|-------|-------|
| | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Capital Expenditure | 317.7 | 331.1 | 343.3 | 355.3 | 367.8 | 378.8 |
| Proportion of Capital Expenditure to Total Revenue (%) | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |

(D) Depreciation and Amortization

- The depreciation and amortization of the non-alcoholic beverages business mainly consists of the depreciation of machinery used in production and building improvement. The assumption for the depreciation period of land, building, and equipment for the non-alcoholic beverages business is 15 years, based on the accounting policy specified in the consolidated financial statements of the Business.

Food Business

(8) Revenue

The revenue by segments of food business are restaurant revenue and packaged food revenue. The actual revenue for 2019 – 2022 and revenue projection for 2023F – 2028F are as follows:

| Unit: THB million | Historical | | | | Projection | | | | | |
|-----------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Restaurant revenue | 6,686.8 | 4,542.0 | 3,098.3 | 4,748.7 | 5,722.5 | 6,340.9 | 6,962.3 | 7,494.5 | 7,958.4 | 8,345.4 |
| Packaged food revenue | 445.2 | 460.6 | 469.8 | 655.6 | 701.4 | 750.5 | 803.1 | 819.1 | 835.5 | 852.2 |
| Total revenue | 7,132.0 | 5,002.6 | 3,568.1 | 5,404.3 | 6,423.9 | 7,091.5 | 7,765.4 | 8,313.6 | 8,793.9 | 9,197.6 |

(A) Restaurant revenue

No. of store

- In 2023F – 2025F, no. of net new stores is projected based on the Business' budget plan which mainly from Shabushi 11 – 12 stores p.a., Oishi Biztoro 10 stores p.a. and other brands 5 – 8 stores p.a.
- In 2026F – 2027F, no. of net new stores is projected to be 10 stores p.a. for Shabushi and 8 stores p.a. for Oishi Biztoro and no additional net new stores for other brands, based on management's projection
- In 2028F, no. of net new stores is projected to be 5 stores p.a. for Shabushi and 4 stores p.a. for Oishi Biztoro and no additional net new stores for other brands

| Unit: THB million | Historical | | | | Projection | | | | | |
|-----------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Shabushi stores | 151 | 159 | 158 | 161 | 172 | 184 | 196 | 206 | 216 | 221 |
| Oishi Biztoro stores | 0 | 0 | 0 | 8 | 18 | 28 | 38 | 46 | 54 | 58 |
| Other brand stores ⁽¹⁾ | 115 | 111 | 97 | 95 | 98 | 101 | 104 | 104 | 104 | 104 |
| Total stores | 266 | 270 | 255 | 264 | 288 | 313 | 338 | 356 | 374 | 383 |

Remark: (1) Other brands include Oishi Grand, Oishi Eaterium, Oishi Buffet, Nikuya, Oishi Ramen, Kakashi, Hou Yuu, Sakae and Shabu by Oishi

Target sales per store and same store sale growth (SSSG)

- In 2023F, target sales per store is expected to grow from 2022 from store reopening and increasing customers following the COVID-19 situation. However, according to management's perspective, the target sales per store is expected to be lower than pre-COVID-19 level (or equivalent to 2019) due to several factors such as changes in consumer behavior and increased industry competition etc. The target sales per store is expected to be approximately 84.0% and 75.0% of pre-COVID-19 level (or equivalent to 2019) for Shabushi; and other brands respectively. The target sales per store for Oishi Biztoro is in line with other similar store format's sales per store ~~for Oishi Biztoro and approximately 75.0% of pre-COVID-19 level (or equivalent to 2019) for other brands; which is correspond with management's perspective.~~
- In 2024F – 2028F, same store sale growth rate (SSSG) is projected to remain constant at 1.5% p.a., which is correspond with management's perspective.

(B) Packaged food revenue

- In 2023F – 2025F, packaged food revenue growth rate is projected to be ~~in-line with~~ correspond to the forecast market growth rate of staple food in Thailand (based on Euromonitor); ~~and~~

- In 2026F – 2028F, packaged food revenue growth rate is projected to remain constant at 2.0% p.a., [correspond with economic conditions which is](#) based on estimated long term inflation rate from Bank of Thailand:

| Unit: THB million | Historical | | | | Projection | | | | | |
|---|------------|-------|-------|-------|------------|-------|-------|-------|-------|-------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Packaged food revenue | 445.2 | 460.6 | 469.8 | 655.6 | 701.4 | 750.5 | 803.1 | 819.1 | 835.5 | 852.2 |
| Packaged food revenue growth rate (%) | 3.5 | 3.5 | 2.0 | 39.5 | 7.0 | 7.0 | 7.0 | 2.0 | 2.0 | 2.0 |
| Thailand's staple food growth rate (%) ⁽¹⁾ | 5.1 | 7.9 | 5.1 | 10.1 | 7.7 | 7.9 | 7.2 | n.a. | n.a. | n.a. |

Remark: (1) Based on Euromonitor

(9) Cost of goods sold, rendering service and distribution

Majority of cost of goods sold, rendering service and distribution consist of raw material cost, employee cost (kitchen staff and production department) and other cost. The Financial Advisor assumes key assumptions as follows:

| Unit: THB million | Historical | | | | Projection | | | | | |
|--|------------|---------|---------|---------|------------|---------|---------|---------|---------|---------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Cost of goods sold, rendering service and distribution (excluding depreciation and amortization) | 3,788.6 | 2,794.8 | 2,067.1 | 3,039.4 | 3,635.5 | 3,986.9 | 4,341.0 | 4,629.8 | 4,881.6 | 5,091.4 |
| Gross profit margin (excluding depreciation and amortization) (%) | 46.9 | 44.1 | 42.1 | 43.8 | 43.4 | 43.8 | 44.1 | 44.3 | 44.5 | 44.6 |

Raw Material Cost

- In 2023F, the proportion of raw material cost to total revenue is expected to increase to 45.5% due to the expected increase supply of meat raw materials, which is correspond with Global's raw material price situation and management's perspective; and
- In 2024F – 2028F, such proportion is projected to gradually decrease due to a more efficient cost management: [such as the ability to negotiate better purchasing price with increased volume or to reduce waste in production processes etc. and correspond to the historical proportion of raw material cost to total revenue](#)

Employee Cost (Kitchen Staff and Production Department)

Majority of employee cost includes employee cost for kitchen staff and employee cost for production department

Employee cost for kitchen staff

- In 2023F – 2028F, the employee cost (kitchen staff) growth rate is projected to increase in line with the increase no. of employee due to net new store opening plan and average staff's salary increase correspond to the historical average salary adjustment rate of the Business.

Employee cost for production department

- In 2023F – 2028F, the employee cost (production department) growth rate is projected to increase correspond to the historical average salary adjustment rate of the Business. It is assumed that the number of employee (production department) and production capacity remain constant throughout the projected period.

Other Cost (e.g. mainly consists of utilities expense)

- In 2023F – 2028F, the proportion of other cost to total revenue is projected to remain constant at 3.3%, based on management's projection: correspond to the historical proportion of other cost to total revenue

(10) Administrative Expense

Majority of administrative expense consists of marketing expense, employee expense (store staff and head office), rental expense, and other expense. The Financial Advisor assumes key assumptions as follows:

| Unit: THB million | Historical | | | | Projection | | | | | |
|---|------------|---------|---------|---------|------------|---------|---------|---------|---------|---------|
| | 2019 | 2020 | 2021 | 2022 | 2023F | 2024F | 2025F | 2026F | 2027F | 2028F |
| Administrative expense (excluding depreciation and amortization) | 2,558.0 | 2,077.1 | 1,702.4 | 2,066.6 | 2,381.5 | 2,627.5 | 2,870.5 | 3,089.0 | 3,303.5 | 3,488.1 |
| Administrative expense to total revenue (excluding depreciation and amortization) (%) ⁽¹⁾ | 35.9 | 41.5 | 47.7 | 38.2 | 37.1 | 37.1 | 37.0 | 37.2 | 37.6 | 37.9 |

Remark: (1) Before adjust the impact of lease accounting standard update, TFRS 16, on financial reporting

Marketing Expense

- In 2023F – 2025F, the proportion of marketing expense to total revenue is projected to be 2.2%, 2.6% and 2.6% respectively, based on management's projection due to the marketing budget adjustment to promote consumer awareness; and
- In 2026F – 2028F, such proportion is projected to gradually decrease ~~from~~ and correspond to the ~~higher growth rate~~ historical proportion of marketing expense to total revenue:

Employee Expense

Majority of employee expense includes employee expense for store staff and employee expense for head office

Employee expense for store staff

- In 2023F – 2028F, the employee expense (store staff) growth rate is projected to increase in line with the increased no. of employee due to net new store opening plan and average staff's average salary increase correspond to the historical average salary adjustment rate of the Business.

Employee expense for head office

- In 2023F – 2028F, the employee cost (head office) growth rate is projected to be correspond to the historical average salary adjustment rate of the Business. It is assumed that the number of employee (head office) remain constant throughout the projected period.

Rental Expense

Majority of rental expense includes store rental expense and head office rental expense

Store rental expense

- In 2023F – 2028F, the store rental expense growth rate is projected to increase in line with the increased rental area due to net new store opening plan and rental rate increase correspond to the average rental growth rate according to lease agreement of the Business.

Head office rental expense

- In 2023F – 2028F, the head office rental growth rate is projected to increase correspond to average rental growth rate according to lease agreement of the Business. It is assumed that the office rental area remains constant throughout the projected period.

Other Expense

Other expense such as utility expense, transportation expense, and other expense etc.

- In 2023F – 2028F, ~~the~~ such proportion is projected to gradually decrease and correspond to the historical proportion of other expense to total revenue ~~is projected to gradually decrease from the higher growth rate of total revenue.~~