



MFEC/CSOT/016/2020

August 14th, 2020

Subject: Submitting The Opinion Report of the Company on Tender Offer (Form 250-2) and The Opinion Report of the Advisor of Shareholders on the Tender Offer of MFEC Public Company Limited

To: Directors and Mangers
The Stock Exchange of Thailand

Attachment: 1. The Opinion Report of the Company on Tender Offer (Form 250-2) of MFEC Public Company Limited
2. The Opinion Report of the Advisor of Shareholders on the Tender Offer

As MFEC Public Company Limited ('the Business') received a copy of the Tender Offer for securities (Form 247-4) from TIS Inc. ('Tender Offeror') on July 21st. Since the Company has a duty to have the Opinion Report of the Company on Tender Offer (Form 250-2) in accordance with the Notification of the Capital Market Supervisory Board No. Tor Jor. 40/2009 Re: List Form and Period for Preparing Opinions on the Tender Offer.

The Company's Board of Directors Meeting No. 6/2020 on July 31st, 2020 excluding interested directors has considered the tender offer as well as the opinion of the shareholders' advisor on the Tender Offer. Therefore, we would like to submit the Opinion Report of the Company on Tender Offer (Form 250-2) as detailed in Attachment 1.

In addition, the said Opinion Report of the Company on Tender Offer (Form 250-2) is the only part of the information for consideration by the shareholders. In this regard, the shareholders should consider the Form 247-4 and the Opinion Report of the Advisor of Shareholders on the Tender Offer according to the Attachment 2 and other information related to support the decision of the shareholders. The final decision is at the shareholders' discretion.

Please be informed accordingly,

Sincerely Yours,

MFEC Public Company Limited

-Siriwat Vongjarukorn-

- Thanakorn Charlee-

(Signature).....

(Mr. Siriwat Vongjarukorn)

(Mr. Thanakorn Charlee)

(Translation)

The Opinion Report of the Company on the Tender Offer
(Form 250-2)

of



MFEC Public Company Limited

The Offeror

TIS Inc.



Advisor of Shareholders



CAPITAL LINK
ADVISORY LIMITED

Capital Link Advisory Limited

31 July 2020

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(Translation)

This English translation has been prepared solely for the convenience of the foreign shareholders of MFEC Public Company Limited and should not be relied upon as the definitive and official report regarding the opinion of the Company on the Tender Offer for Securities. The Thai language version of the Opinion Report of the Company on the Tender Offer Securities is the definitive and official document of the Company and shall prevail in all respects in the event of any inconsistency with this English translation.

Opinion of the Company on the Tender Offer for Securities

31 July 2020

To The Shareholders of MFEC Public Company Limited

On 21 July 2020, MFEC Public Company Limited (“the Company”) received a copy of the Tender Offer for the Company’s securities (Form 247-4) from TIS Inc. (the “Offeror”) with the following details:

Type of Securities	Number of securities to be purchased		Number of securities to be purchased as % of		Tender Offer price per share*	Total Tender Offer value
	Shares/Units	Voting rights	Total paid-up shares of the Company	Total voting rights of the Company		
Ordinary shares	106,390,307	106,390,307	24.10	24.10	5.00	531,951,535
Preferred shares	-	-	-	-	-	-
Warrants	-	-	-	-	-	-
Convertible debentures	-	-	-	-	-	-
Other securities (if any)	-	-	-	-	-	-
			Total	24.10	Total	531,951,535

Remark: *Shareholders who accept the Tender Offer (each an “Offeree”), are subject to payment of a brokerage fee of 0.20 per cent of the Offer Price plus value added tax of 7 per cent of the brokerage fee. Therefore, the net price to be received by Offeree will be 4.9893 per share.

The Tender Offer Period will last a total of 45 business days from 23 July 2020 to 28 September 2020 inclusive, during the office hours of the Tender Offer Agent from 09:00 hr. to 16:00 hr. The Offerees can submit

the Tender Offer Acceptance Documents at Capital Nomura Securities Public Company Limited (hereinafter referred to as the "Tender Offer Agent") and the Offeror will make a payment to the Offerees within three business days after the expiry of the Tender Offer Period, which will be on 1 October 2020. The Offeree is able to forfeit the right to revoke its acceptance of the Tender Offer at the office of the Tender Offer Agent on any business days between 23 July 2020 to 24 August 2020 inclusive during the hours of 09:00 hr to 16:00 hr, totaling 20 business days.

Such Tender Offer Price is not the final offer and the Offeror may change the Offer Price, but Tender Offer Period is the Final Period, which will not be extended, except the cases as described below:

1. The Offeror may reduce the Tender Offer Price or extend the Tender Offer Period in the case of any event or action that occurs during the Tender Offer Period which causes severe damage to the status or to the assets of the Company; or
2. The Offeror may change the Tender Offer or extend the Tender Offer Period to compete with another offeror who has submitted a tender offer for securities of the Company during the Tender Offer Period.

The Offeror may cancel the Tender Offer upon the occurrence of one or more of the following events:

1. Any event or action occurring after the submission of the Tender Offer to the Office of the Securities and Exchange Commission (hereinafter referred to as the "SEC") but within the Tender Offer Period which causes or may cause severe damage to the status or to the assets of the Company, where such event or action has not resulted from the Offeror actions or actions for which the Offeror is responsible; or
2. Any action conducted by the Company after the submission of the Tender Offer to the SEC but within the Tender Offer Period which causes or may cause a significant decrease in the value of the Company's shares; or
3. Any frustrating action as defined in the Notification of the Capital Markets Supervisory Board, Re: Actions or exempt of actions that may affect the result of the Tender Offer.

The Company has already considered the proposal in the Tender Offer Form by concerning the interest of the securities holders and then proposes the opinions for consideration as follows:

1. The status of the Company in relation to its past performance and its future expectation including the assumptions applied

1.1 History and major development of the Company in the past 3 years

Year	Events
2017	<ul style="list-style-type: none"> - Investment in Fanster Media Company Limited providing information services from famous people through mobile/tablet applications, advertisement, PR and marketing services. The Company had shareholding proportion at 30 per cent of registered capital at 40 million Baht with par value of 5 Baht. - Investment in Data Cafe Company Limited providing consulting services, researching, and analyzing of all types of business for the purpose of market expansion and business extension, training and accrediting for people in IT and other technology-or-computer-related fields. The Company had shareholding proportion at 59 per cent of registered capital at 20 million Baht with par value of 20 Baht. - Investment in Digital Savvy Company Limited providing services in ticketing system for tickets or tickets for all plays and organizing events. The Company had shareholding proportion at 36 per cent of registered capital at 30 million Baht with par value of 100 Baht.
2018	<ul style="list-style-type: none"> - Increased the registered capital of Fanster Media Company Limited of 2.16 million shares with value of 5 Baht per share equivalent to 10.80 million Baht. The Company had shareholding proportion at 34 per cent of registered capital at 67 million Baht. - Investment in M.I.S. Outsourcing Company Limited which the Company had shareholding proportion at 75 per cent of registered capital at 5 million Baht with par value of 10 Baht with an aim to manage as the subsidiary. - Sold common shares of its subsidiary, ParIn FinTech Company Limited to J Venture Company Limited. After the transaction, the Company had shareholding proportion at 72 per cent of registered capital at 37 million Baht.

Year	Events
	<ul style="list-style-type: none"> - The Company sold 2 companies of Soft Square Group: Soft Square 1999 Company Limited and Khon Kaen Softech Company Limited. For 4 Companies of Soft Square Group were merged. They were 1) Soft Plus Technology Company Limited 2) Soft Professional Company Limited 3) K Soft Consulting Company Limited and Sam Mok Software Company Limited which the Company had shareholding proportion at 100 per cent of registered capital at 18 million Baht. The merger aimed to strengthen business, raise opportunity, increase income, reduce business risks, build up business advantages and enhance financial efficiency. In this regard, Soft Plus Technology Company Limited changed the registered name of the new company on behalf of MSyne Innovations Company Limited in January 2019. - Purchase ordinary shares from a minority shareholder of Advance Intelligence Modernity Company Limited causing the Company increased shareholding proportion to 98 per cent of registered capital at 10 million Baht for the benefit of controlling to set the direction and process for future business operations.
2019	<ul style="list-style-type: none"> - The Company repurchase shares from employees who holding shares in Digital Savvy Company Limited in order to maintain the combined shareholding of the Company and with the employees of the Company in the proportion of 49 per cent of the registered capital, causing the Company to invest in 39.18 per cent of the registered capital. The resolution of capital increase to increase liquidity in business operation allowing company to operate in accordance with the business plan with the Company shareholding proportion at 42 per cent of the registered capital at 40 million Baht. - Investment in Undefined Company Limited which have an expertise in doing business, consulting, and providing cloud development service. The Company held the shareholding proportion of 40 per cent with the registered capital at 10 million Baht. In this regard, the Extraordinary General Meeting of Shareholders No. 1/2019 on 26 December 2019 has passed a resolution to approve the dissolution of the business because the business plan is not consistent with the future economic trends.

Year	Events
	<ul style="list-style-type: none"> - Reduced the registered capital of Data Cafe Company Limited to make the company to have a suitable level of the registered capital for the management and business operations of the organization. The Company held a reduced investment in the proportion of 60 per cent of the registered capital at 8 million Baht from 20 million Baht. - Reduced the registered capital of Motif Technology Public Company Limited to be at an appropriate level for the management and business operations. In this regard, the Company had reduced the remaining investment in the proportion of 99.99 per cent of the registered capital at 40 million Baht from 80 million Baht. - The Company and Msyne Innovations Company Limited jointly establish Power M joint venture business to operate the project to a customer with a project term approximately 5 years. To determine investment and share of income of each company as follows: the Company's proportion is 18.52 per cent and Msyne Innovations Company Limited has a proportion of 81.47 per cent. After the process, the joint venture business Power M will hold the status of a subsidiary of the Company.
2020	<ul style="list-style-type: none"> - The Extraordinary General Meeting of Shareholders No. 2/2019 on 14 January 2020, Advance Intelligence Modernity Company limited has resolved the liquidate which has registered to terminate the juristic person To the Department of Business Development Ministry of Commerce on 22 January 2020, currently is in the process of liquidation.

1.2 Business overview

MFEC Public Company Limited and subsidiaries are the consulting, developing, and setting computer system and information technology networks that serves both government sector and private organizations. The Company focuses on large enterprise clients which is the leader in each industry whether the telecommunication, financial institution, government agencies, state enterprise, energy manufacturing and others who need information technology system service. The scope of work is from consulting to solve problems or to meet customers' needs, developing

computer system and setting information technology networks whether hardware, software, peripheral equipment and various network devices, as well as installation service, testing, training and maintenance service.

While the subsidiaries of the Company will focus on small and medium enterprises and fast-growing startups.

At present, the Company has products and services under 4 main business groups consist of;

1) Hybrid Infrastructure Services

1.1) Cloud Solution Services

The Company is an all-in-one Cloud service provider who provides consultation, configuration, implementation, maintenance, and after-sale services in relation to Cloud technologies. The Company offers numerous designed Cloud Solutions to client's organizations to solve all kinds of business challenges. The Company's Cloud Solution Services team has multi-talented Cloud specialists on every type and platform of Cloud technologies. The product under this Cloud Solution Services are Virtual Route Planning platform by using the map of Thailand to help clients collect and analyze receivers' behavior for their logistic planning.

1.2) Information Security

Information Security focuses on technical examination and prevention by using information technology on a full complete scale. Additionally, the Company has reinforced the security system to ensure a safer way to gain access to an organization's data.

1.3) System Infrastructure

System Infrastructure offers the services to respond the fast-changing businesses' needs, and also help reduce IT development costs. In addition, it increases the capability of infrastructure extension in terms of scalability, flexibility, and efficiency. System Infrastructure team not only provides consulting and designing services related to infrastructure system, data backup and recovery services, and end-user management service, but also help manage the organization's data center.

1.4) Network

The scope of services provided by the Company are consulting, designing, planning, and installing networks. Additionally, the Company also provides training and after-sale service with 24 hours a day support. Furthermore, the Company is the Cisco Advanced Architecture Specialization in 5 main areas, consisting of Enterprise Networks, Security, Collaboration, Data Center and Service Provider.

1.5) IT Operation Managed Services

IT Operation Managed Services offer the support services, including outsource and managing services by providing engineering team on customer's sites and off-site service with supporting team, and IT infrastructure installation and maintenance to customers in Bangkok and other provinces in Thailand. In addition, the Company also provides services in relation to Microsoft Products such as Windows Server, Office 365, Microsoft EMS (AIP / RMS / Intune) and SharePoint.

2) Enterprise Solution

2.1) Digital Information Services

Digital Information Services help client gain access to data analytics technology for business optimization. The Company has an established Digital Information Service team that has experience and expertise to provide data analytics solution. The services provided by Digital Information Service team are separated in 4 main areas.

- Database Solutions Services

Database Solution Services provide consultation on database solution in On-Premise or Cloud platform for application development in RDBMS and NoSQL format.

- Big Data Solution Services

The Company provides Big Data analysis services in analyzing enterprise data and provides data insights to increase competency of business.

- Analytics and Business Intelligent

The Company is equipped with data scientist team to provide services related to data analytics including data mining, machine learning, sentiment analytic, social listening insight and predictive analytic.

- Application Infrastructure Services

The Company provides Middleware solution for On-Premise or Cloud platform to develop system for Web application, Message Services, Integration Services or Service Oriented Architecture.

2.2) Business Service Management

The Company has an experienced team to advice, develop, and support its extended large enterprise customer based in various industry, including Banking, Telecommunication, Insurance, Enterprise and Government. Main solutions of Business Service Management consist of Monitoring, IT Service Management, IT Automation and Robotic, and Customer Engagement.

2.3) Business Solution

The Company's Business Solution team provides professional service, focusing on technology to provide high-level business solution in Financial Solution, Digital Process Automation, Enterprise Content Management, and Customer Relationship Management (CRM).

2.4) Internet of Things

The Company offers services related to Internet of Things (IoT) technology for industrial manufacturer, which utilizes technology to control machinery and equipment. IoT technology enables manufacturer to transfer the information from machinery to data center, which simultaneously transmitting valuable data to mobile phone, computer and monitor. The continued integrated operation of various systems, including Sensor Hardware Platform and Mobile Application, allows the manufacturer to take immediate action on real-time data.

3) Digital Delivery

The Company provides application development services by assigning professional personnel to cover all aspects of SDLC (Software Development Life

Cycle) ranging from strategy assessment, user experience design, solution design, solution delivery to support and maintenance service. By committing to deliver professional services, the Company ensures that clients will satisfy with the offered services, including website development, mobile solution, Blockchain, E-commerce, API Gateway, and Bio Metric Identification.

4) Transformation

4.1) Research and Development

Research and Development is the key factor in deriving a new innovation and in improving existing products and services. The Research and Development team is keen on monitoring and studying new technology, as well as developing new knowledge and skills, to enhance and maintain the competitiveness of the Company.

4.2) M-Lab

M-Lab was established by the Company to develop new application and to understand new technology. M-Lab offers an advantage for the Company to better equipped for rapid change in technology from disruptive technology era. M-Lab's developmental frameworks separated into 2 main formats

- Chatbot

The Company has its own internally developed chatbot platform framework. Such framework understanding enables M-Lab team to serve client in building robust enterprise platform and user interface for further development.

- Application Development

The Company's technology stack allows the Company to extend its capability to develop application. The extended capability in application development leads to increasing accuracy and agility to develop, perform testing and deliver the project.

4.3) Venture Lab

Venture Lab is a center of knowledge for innovation which supports research and development assignment, as well as conducts business planning for customers using a comprehensive process system. The role of Venture Lab consists of

understanding the pain point of the business, solving and testing the problem, creating a commercial business model, and building Go-To-Market strategies.

MFEC Public Company Limited currently has 9 subsidiaries 1 joint venture and 4 associated company, which can be divided in term of product line as follows

Company	Main Products / Services	Type of Customer
1. Advance Intelligence Modernity Company Limited* (The Company holds 95 per cent of shares)	<ul style="list-style-type: none"> - Mobile Products - Software as a Service - E-Commerce - Digital Content 	<ul style="list-style-type: none"> - Telecommunication - Insurance - Retail - Financial Institutions - Consumers
2. PralN FinTech Company Limited (Former: Modernform Integration Services Company Limited) (The Company holds 72 per cent of shares)	<ul style="list-style-type: none"> - Payment Gateway - Financial Technology - Consulting service and computer system development 	<ul style="list-style-type: none"> - E-Commerce - Business groups with demand for Alternative Payment Channel - Middle market - Insurance - Manufacturing/ petrochemical - Service and Transportation - Retail - Consumers
3. M.I.S. Outsourcing Company Limited (The Company holds 75 per cent of shares)	<ul style="list-style-type: none"> - Audit, warranty management, and maintenance of IT infrastructure - IT project management and equipment management - Outsourcing IT outsiders - Professional services and system integration for Cloud and office work - IT professional services and system integration involving IT infrastructure – hardware & software 	<ul style="list-style-type: none"> - Tourism - Financial Institutions - Transportation - Manufacturing - Retail - Food - State agencies/ State enterprises
4. Business Application Company Limited (The Company holds 100 per cent of shares)	<ul style="list-style-type: none"> - Business Analytics 	<ul style="list-style-type: none"> - State agencies/ private enterprises in all industries

Company	Main Products / Services	Type of Customer
5. Motif Technology Company Limited (The Company holds 100 per cent of shares)	<ul style="list-style-type: none"> - Computer System Consulting and Developing Service - Software Developing Agent Management (iAM) - Agent Compensation (iCOM) - Agent Leader (iAL) - Smart Quotation (iSQ) - eApplication (eAPP) - iClaim - Legal Tracking system (iLegal) - iCollection - Appraisal Collateral (iAppraisal) 	<ul style="list-style-type: none"> - Financial Institutions - Insurance/ Life insurance
6. MSyne Innovations Company Limited (Former: SoftPlus Techonology Company Limited) (The Company holds 100 per cent of shares)	<ul style="list-style-type: none"> - Sell products mainly related to Data, Big Data, Data Lake, and Data Governance - Selling services (Professional Services) installing Big data systems for various organizations - Selling Big Data Maintenance Services to various organizations 	<ul style="list-style-type: none"> - Healthcare - Energy - Financial Institution - Telecommunication
7. Hong Son Company Limited (Former: Hong Son Software Company Limited) (The Company holds 100 per cent of shares)	<ul style="list-style-type: none"> - Advisory service for work process - Customized Software - System maintenance & support 	<ul style="list-style-type: none"> - Energy - Financial Institution - Auction
8. Playtorium Solutions Company Limited (The Company holds 100 per cent of shares)	<ul style="list-style-type: none"> - IT professional services and system integration in new technology groups and startups - Recruitment service 	<ul style="list-style-type: none"> - Financial Institutions - Insurance/ life insurance - Telecom - SMEs/ startups
9. Data Café Company Limited (The Company holds 59 per cent of shares)	<ul style="list-style-type: none"> - Business advisory and analytics - Accreditation for IT people 	<ul style="list-style-type: none"> - Telecommunication - Financial Institution - Enterprises - Energy
10. Joint Venture Business Power M (Determine investment and revenue sharing with MSyne Innovations)	<ul style="list-style-type: none"> - Computer system design and development services - System maintenance & support 	<ul style="list-style-type: none"> - Government / State Enterprise

Company	Main Products / Services	Type of Customer
Company Limited at 81 per cent and the Company at 19 per cent)		
11. Angstorm Solutions Company Limited (The Company holds 40 per cent of shares)	- Securities Trading System	- Capital Securities Businesses
12. PromptNow Company Limited (The Company holds 20 per cent of shares)	- Mobile Financial Service - Gamification System - Managed Service	- Financial Institution - Telecommunication
13. Fanster Media Company Limited (The Company holds 34 per cent of shares)	- Data service through the application on mobile phone and tablet - Advertising, public relation and marketing service	- Media - Retail
14. Digital Savvy Company Limited (The Company holds 34 per cent of shares)	- Platform system service for event organizer - Ticketing service system	- Media - Sport

Remark: *On 14 January 2020, the Extraordinary Shareholders' meeting of Advance Intelligence Modernity Company Limited No. 2/2019 has a resolution to dissolve the company.

1.3 Income structure of the Company

During Year 2017 – 3 months period (Jan – Mar) 2020, income structure was classified by type of products and services in the following table:

Unit: million Baht

Income	2017	%	2018	%	2019	%	Q1/2020	%
IT professional service/	649.45	21.53	953.51	28.11	735.75	19.73	175.29	19.02
System integration	1,441.33	47.78	1,357.37	40.02	1,471.44	39.46	320.54	34.78
Maintenance service	871.12	28.88	1,028.60	30.33	1,480.89	39.71	367.95	39.93
Other income	54.64	1.81	52.07	1.54	41.23	1.10	57.76	6.27
Total	3,016.54	100.00	3,391.55	100.00	3,729.31	100.00	921.54	100.00

1.4 Shareholder structure

1.4.1 List of top 10 shareholders of the Company as of 5 May 2020 before the Tender Offer with reference to the latest registration book of shareholders.

No.	Name	No. of Share (Shares)	Percentage in comparison with total issued shares and total voting rights of the Company (%)
1.	TIS Inc.	109,921,999	24.90
2.	Mr. Siriwat Vongjarukorn	16,495,559	3.74
3.	Mr. Sirisak Thirawattanangkul	12,926,013	2.93
4.	Mr. Prasert Foongvanich	10,966,013	2.48
5.	Modernform Group Public Company Limited	8,200,000	1.86
6.	Mr. Naiyapong Kongboonma	7,962,500	1.80
7.	Mr. Ramade Silapapom	7,675,353	1.74
8.	Mr. Jalthong Patamapongs	7,127,100	1.61
9.	Mrs. Wilai Klongwithi	6,895,951	1.56
10.	Mr. Sitthichai Wongpattaraworakul	6,203,900	1.41
Total number of shares of major shareholders		194,374,388	44.03
	Other shareholders	247,079,165	55.97
	Total	441,453,553	100.00

Remark: No. 1 shareholder is the Offeror

1.4.2 Expected list of Shareholder after the Tender Offer

No.	Name	No. of Shares	Percentage in comparison with total issued shares and total voting rights of the Company (%)
1.	TIS Inc.	216,312,306	49.00
2.	Other shareholders	225,141,247	51.00
	Total	441,453,553	100.00

1.5 List of the Board of Directors as of 31 July 20201.5.1 The Board of Director prior to making the Tender Offer

No.	Name	Position
1.	Mr. Sirisak Tirawattanangkul	Chairman
2.	Mr. Kiyotaka Nakamura	Vice Chairman / Director of Nomination and Remuneration Committee
3.	Mr. Siriwat Vongjarukorn	Director / Chief Executive Officer / Director of Nomination and Remuneration Committee
4.	Mr. Thanakorn Charlee	Director / Executive Director / Director of Risk Management and Corporate Governance Committee
5.	Mr. Anan Leetrakul	Independent Director / Chairman of Nomination and Remuneration Committee
6.	Mr. Suchart Thammapitagkul	Independent Director / Chairman of Audit Committee
7.	Prof. Dr. Uthai Tanlamai	Independent Director / Director of Audit Committee / Chairman of Risk Management and Corporate Governance Committee
8.	Ass. Prof. Dr. Kamales Santivejkul	Independent Director / Director of Audit Committee / Director of Risk Management and Corporate Governance Committee / Director of Nomination and Remuneration Committee
9.	Dr. Charn Tharawas	Independent Director / Director of Nomination and Remuneration Committee / Director of Risk Management and Corporate Governance Committee

1.5.2 The Board of Directors after making the Tender Offer

The Offeror plans to nominate its additional representatives to hold director position on the Board of Directors, proportionally to its shareholding percentage in the Company after the completion of the Partial Tender Offer. Such nomination by the Offeror will be conducted by means of replacing those who retired upon the rotation and will be performed in compliance with the

Company's Articles of Association and the relevant provisions prescribed under the Public Limited Companies Act, B.E. 2535, the Securities and Exchange Act, B.E. 2535, and other relevant regulations

1.6 Management team

1.6.1 As of 31 July 2020, the management team consists of

No.	Name	Position
1.	Mr. Siriwat Vongjarukorn	Chief Executive Officer
2.	Mr. Thanakorn Charlee	Chief Operating Officer
3.	Mr. Kitti Wintima	Chief Operating Officer – Telco Business Unit
4.	Mr. Arm Siwadi	Chief Transformation Officer
5.	Mr. Pitch Manakijpairoj	Chief Financial Officer

1.7 Financial position and operating performance

1.7.1 The Statements of Financial Position

Unit: million Baht

Statements of Financial Position (Consolidated)	As of 31 December (Audited)			As of 31 March (Reviewed and unaudited)
	2017	2018	2019	2020
Assets				
Current Assets				
Cash and cash equivalents	188.10	326.00	185.20	451.37
Short-term investments	147.80	69.52	24.33	-
Trade and other accounts receivable	853.53	1,229.62	1,570.95	858.40
Current portion of receivable under financial lease agreements	2.72	2.33	-	-
Amounts due from related parties	24.41	25.79	7.63	8.10
Unbilled receivables	634.60	566.52	469.17	683.13

Unit: million Baht

Statements of Financial Position (Consolidated)	As of 31 December (Audited)			As of 31 March (Reviewed and unaudited)
	2017	2018	2019	2020
Short-term loans to related company	-	-	0.50	5.00
Costs of work in process	678.87	601.65	829.84	864.63
Other current assets	-	-	-	68.24
Total Current Assets	37.58	30.07	27.19	35.72
Non-Current Assets				
Pledged deposits at financial institutions	3.30	3.30	1.26	1.26
Other non-current financial assets	-	-	-	10.55
Long-term loans to related company	-	-	5.30	5.30
Other long-term investment	-	-	10.40	-
Investments in associated company	114.22	75.12	122.39	123.08
Receivable under financial lease agreements	7.88	5.55	-	-
Property, plant and equipment - Net	110.19	74.68	84.91	83.90
Right-of-use assets	-	-	-	123.97
Goodwill	500.81	257.97	257.97	257.97
Other intangible assets	33.60	18.42	22.52	22.21
Deferred tax assets	22.52	32.57	37.99	41.82
Other non-current assets	9.89	11.15	12.50	5.86
Total Non-Current Assets	802.41	478.78	555.25	675.92
Total Assets	3,370.00	3,330.28	3,670.06	3,650.51
Liabilities and Shareholders' Equity				
Current Liabilities				
Bank overdrafts and short-term loans from financial institutions	-	-	13.67	20.59
Trade and other payables	632.40	635.51	538.73	428.84
Amounts due to related parties	0.37	3.61	5.37	5.85
Accrued expenses	133.08	156.15	187.22	86.61

Unit: million Baht

Statements of Financial Position (Consolidated)	As of 31 December (Audited)			As of 31 March (Reviewed and unaudited)
	2017	2018	2019	2020
Current portion of lease liabilities	-	-	-	20.45
Current portion of liabilities under financial arrangement agreements	0.78	-	32.19	32.19
Income tax payable	0.56	0.75	1.35	1.87
Deferred income	309.00	429.07	528.41	543.76
Unbilled payables	162.45	198.83	212.09	232.88
Other current liabilities	73.02	75.18	117.68	84.06
Total Current Liabilities	1,311.66	1,499.11	1,636.71	1,457.08
Non-Current Liabilities				
Lease liabilities - Net of current portion	-	-	-	98.21
Liabilities under financial arrangement agreements	0.65	-	46.67	45.19
Deferred tax liabilities	1.65	-	-	-
Employee benefit obligations	68.75	99.32	129.52	133.20
Total Non-Current Liabilities	71.05	99.32	176.20	276.59
Total Liabilities	1,382.70	1,598.43	1,812.90	1,733.67
Shareholders' Equity				
Share capital				
Authorised share capital	441.45	441.45	441.45	441.45
Issued and fully paid share capital	441.45	441.45	441.45	441.45
Premium on ordinary shares	986.74	986.74	986.74	986.74
Difference from change in ownership interests in subsidiaries	-	8.88	9.15	9.16
Retained earnings				
Appropriated				
Legal reserve	44.15	44.15	44.15	44.15
Unappropriated	502.23	226.43	350.56	410.28

Unit: million Baht

Statements of Financial Position (Consolidated)	As of 31 December (Audited)			As of 31 March (Reviewed and unaudited)
	2017	2018	2019	2020
Other components of shareholders' equity				
Unrealized gain from available-for-sale investments	0.76	0.43	0.25	-
Total shareholder's equity of the parent company	1,975.34	1,708.09	1,832.31	1,891.78
Non-controlling interests	11.96	23.76	24.85	25.06
Total Shareholders' Equity	1,987.30	1,731.85	1,857.16	1,916.84
Total Liabilities and Shareholders' Equity	3,370.00	3,330.28	3,670.06	3,650.51

1.7.2 The Statement of Comprehensive Income

Unit: million Baht

Statements of Comprehensive Income (Consolidated)	For the year ended, 31 December (Audited)			For the 3 months period ended, 31 March (Reviewed and unaudited)
	2017	2018	2019	2020
Sales and services income	2,961.90	3,339.49	3,688.09	863.79
Other income	54.63	52.06	41.23	57.75
Total Revenue	3,016.54	3,391.55	3,729.31	921.54
Cost of sales and services	2,335.56	2,725.01	2,893.63	669.26
Selling expenses	90.25	97.30	111.74	24.17
Administrative expenses	315.10	367.44	372.72	130.56
Loss from impairment of assets	-	202.38	-	-
Loss from sales of investment in subsidiary	-	60.90	-	-
Management benefit expenses	78.43	75.25	68.40	20.92
Finance Cost	2.80	2.22	3.99	3.82
Total Expenses	2,822.14	3,530.51	3,450.47	848.72

Unit: million Baht

Statements of Comprehensive Income (Consolidated)	For the year ended, 31 December (Audited)			For the 3 months period ended, 31 March (Reviewed and unaudited)
	2017	2018	2019	2020
Share of profit (loss) of associates	(3.37)	(7.74)	2.40	0.69
Profit (loss) before income tax expense	191.02	(146.71)	281.23	73.51
Income tax expense	34.89	18.38	53.10	15.31
Profit (loss) for the year/period	156.13	(165.09)	228.13	58.21
Other comprehensive income				
Actuarial gains (loss) on defined employee benefit plan – Net of tax	-	1.53	(13.22)	-
Gain (loss) on remeasuring available for sale investment – Net of tax	(1.36)	(0.33)	(0.18)	-
Total comprehensive income (expense) for the year/period	154.77	(163.89)	214.73	58.21
Profit (loss) attributable to				
Owner of the parent company	153.99	(166.15)	225.42	58.00
Non-controlling interests	2.13	1.06	2.72	0.21
	156.13	(165.09)	228.13	58.21
Total comprehensive income (expense) attributable to				
Owner of the parent company	152.64	(165.76)	212.23	58.00
Non-controlling interests	2.13	1.88	2.50	0.21
	154.77	(163.89)	214.73	58.21

1.7.3 The Statements of Cash Flows

Unit: million Baht

Statements of Cash Flows (Consolidated)	As of 31 December (Audited)			As of 31 March (Reviewed and unaudited)
	2017	2018	2019	2020
Net cash provided by (used in) operating activities	(384.10)	138.59	(108.73)	308.09
Net cash provided by (used in) investing activities	491.61	95.06	(32.35)	(34.07)
Net cash provided by (used in) financing activities	(162.40)	(95.75)	0.27	(7.77)
Net increase (decrease) in cash and cash equivalents	(54.88)	137.91	(140.81)	266.24
Opening balance of cash and cash equivalents	242.98	188.10	326.00	156.09
Closing balance of cash and cash equivalents	188.10	326.00	185.20	422.33

1.7.4 Financial Ratios

Financial Ratio	2017	2018	2019	3M 2020
Liquidity Ratio				
Current ratio (times)	1.96	1.90	1.90	2.04
Quick ratio (times)	1.44	1.50	1.40	1.45
Account receivable turnover (times)	1.89	2.03	1.92	1.93
Average collection period (days)	190	177	187	187
Inventory turnover (times)	3.94	4.26	4.04	3.16
Days sales of inventory (days)	91	85	89	114
Account payable turnover (times)	3.58	3.34	3.63	3.76
Payment days (days)	101	108	99	96
Cash Cycle (days)	180	154	177	205
Profitability Ratio				
Gross profit margin (%)	21.15%	18.40%	21.54%	22.52%
Operating profit margin (%)	6.54%	(4.03)%	7.58%	8.32%
Net profit margin (%)	5.13%	(4.83)%	5.76%	6.32%
Return on equity (%)	7.79%	(9.46)%	11.56%	3.04%

Financial Ratio	2017	2018	2019	3M 2020
Financial Policy Ratio				
Debt to asset ratio (times)	0.41	0.48	0.49	0.47
Debt to equity ratio (times)	0.70	0.92	0.98	0.90

Note: *Adjustment to annually for the purpose of comparison. All items that are related to the Income Statement and Cash Flow Statement used in the calculation of the financial ratios in order to make comparison of the ratio to those from the year 2017 to 2019

1.7.5 Summary of financial position and performance results

Analysis of Financial Position and Performance Results for the 3 months period ended 31 March 2020

Assets

As of 31 March 2020, the Company and its subsidiaries had total assets of 3,650.51 million Baht decreased by 19.55 million Baht or 0.53 per cent. Total assets can be divided into current assets of 2,974.59 million Baht and non-current assets of 675.92 million Baht, accounting for 81.48 per cent and 18.52 per cent respectively.

Total Current Assets: As of 31 March 2020, the Company and its subsidiaries had total current assets of 2,974.59 million Baht or decreased by 4.50 per cent from as of 31 December 2019. It was attributable to the increased in cash and cash equivalents by 143.72 per cent, account receivables and other receivables decreased by 45.36 per cent and decreased in temporary investments by 100 per cent from the sale of investment.

Total Non-Current Assets: As of 31 March 2020, the Company and its subsidiaries had total non-current assets of 675.92 million Baht or increased by 21.73 per cent from as of 31 December 2019. It was attributable to decreased in other long-term investment by 100 per cent and increased in right-of-use assets by 100 per cent from the impact of financial reporting standard no. 16 regarding lease agreements.

Liabilities and Shareholder's equity

Total liabilities: As of 31 March 2020, the Company and its subsidiaries had total liabilities of 1,733.67 million Baht or decreased by 4.73 per cent from as of 31 December 2019, which mainly from decreased in account payable and other payable by 20.40 ,

accrued expenses decreased by 53.74 per cent. And increasing received income by 23.15 per cent from the impact of financial reporting standard no. 16 regarding lease agreements.

Shareholder's equities: as of 31 March 2020, the Company and its subsidiaries had shareholder's equities of 3,650.51 million Baht or decreased by 0.53 per cent from as of 31 December 2019. It was the Company had profit from operating result.

Revenue from products and services

Revenue from products and services for the 3 months period ended 31 March 2020 total of 863.79 million Baht increased by 165.76 million Baht or 23.75 per cent when compared to the same period of last year. The Company's revenue from IT professional service increased by 31.95 million Baht, revenue from system integration increased by 72.89 million Baht and revenue from maintenance service increased by 60.91 million Baht when compared to the same period of last year.

Other revenues

The Company and its subsidiaries had other revenues total of 57.75 million Baht increased by 47.17 million Baht or 445.91 when compared to the same period of last year from gain on derivative at fair value.

Cost of sales and services

The Company and its subsidiaries had cost of sales and services in the 3 months period ended 31 March 2020 total of 669.26 million Baht increased by 106.39 million Baht or 18.90 per cent when compared to the same period of last year due to the recognition of cost of work which increases with an increased of revenue from sales and services.

Expenses

For the 3 months period ended 31 March 2020, the Company and its subsidiaries had total selling and administrative expenses of 175.64 million Baht increased by 64.38

million Baht or 57.86 per cent when compared to the same period of last year due to increased in reserve for government sector's project fines in the amount of 15.15 million Baht and bonus reserves based on employee measurement criteria of 37.87 million Baht.

Financial cost

For the 3 months ended 31 March 2020, the Company and its subsidiaries had financial costs total of 3.82 million Baht increased by 3.07 million baht or 408.39 per cent when compared to the same period of the last year. From increased in loans from financial institution and the impact of financial reporting standard no. 16 regarding lease agreements.

Net profit (loss)

The Company and its subsidiaries had gross profit margin of 22.52 per cent increasing from the same period of last year which gross margin of 19.364 per cent. Due to increased in revenue from sales and services and the Company and its subsidiaries able to control costs more efficiently. The Operating results of the Company and its subsidiaries total of 58.20 million Baht increased by 125.07 per cent from the same period of last year due to increased from revenue from sales and services and gain on derivative at fair value.

Analysis of Financial Position and Performance Results as of Year 2019

Assets

As of 31 December 2019, the Company and its subsidiaries had total assets of 3,670.066 million Baht increased by 339.78 million Baht or 10.20 per cent from the year 2018. Total assets can be divided into current assets of 3,114.81 million Baht and non-current assets of 555.25 million Baht, accounting for 84.87 per cent and 15.13 per cent, respectively.

Total Current Assets: As of 31 December 2019, the Company and its subsidiaries had total current assets of 3,114.81 million Baht or increased by 9.23 per cent from as of 31 December 2018. It was attributable to the decreasing in cash equivalents and temporary investments in the amount by 65 per cent due to the Company investing in the low risk funds

which has higher return than deposit rate. Account receivables and other receivables increased by 27.76 per cent from an increasing in revenue from products and services. And unbilled income decreased by 17.18 per cent in accordance with the completion of the work that is not yet due for payment from customers.

Total Non-Current Assets: As of 31 December 2019, the Company and its subsidiaries had total non-current assets of 555.25 million Baht or increased by 15.97 per cent from as of 31 December 2018. It was attributable to the increasing other long-term investment by 100 per cent and investments in associated company by 62.92 per cent due to the Company invested in 2 associated companies.

Liabilities and Shareholder's equity

Total liabilities: As of 31 December 2019, the Company and its subsidiaries had total liabilities of 1,812.90 million Baht or increased by 13.42 per cent from as of 31 December 2018, which mainly from increased in accrued expenses by 19.89 per cent. And increasing received income by 23.15 per cent from increased revenue from products and services which is in accordance with the conditions of receiving money before the service period for customers.

Shareholder's equities: as of 31 December 2019, the Company and its subsidiaries had shareholder's equities of 1,857.16 million Baht or increased by 7.24 per cent from as of 31 December 2018. It was the Company has profit from operating result.

Revenue from products and services

Revenue from products and services for the year ended 2019 total of 3,688.09 million Baht increased by 348.60 million Baht or 10.44 per cent when compared to the same period in year 2018. The Company had revenue from IT professional service total of 735.75 million Baht decreased by 21.72 million Baht or 22.80 per cent. Revenue from system integration total of 1,471.44 million Baht increased by 114.07 million Baht or 8.43 and revenue from maintenance service total of 1,480.89 million Baht increased by 452.29 million Baht or 43.97 per cent when compared to the same period of last year. Most of revenue came from system

integration and maintenance service as a result of changes in information technology which drive the consumer's behavior to change which resulting in an increase service.

Other revenues

The Company and its subsidiaries had other revenues total of 41.23 million Baht decreased 10.83 million Baht or 20.81 when compared to the same period of last year which are marketing promotion revenue from seller that the amount of orders met the target, interest income, gain from disposal of assets, gain on foreign exchange rate and other miscellaneous income.

Cost of sales and services

The Company and its subsidiaries had cost of sales and services in year 2019 total of 2,893.63 million Baht increased by 168.61 million Baht or 6.19 per cent from year 2018 due to high competition in the development and system development business and the economic downturn. As a result, an investment in technology is not expand in line with the market supply.

Expense

In the year 2019, the Company and its subsidiaries had total selling and administrative expenses of 552.86 million baht decreased by 250.41 million Baht or 31.17 per cent from the year 2018 due to decreased in loss from impairment of assets and losses on sales of investments in subsidiaries. Selling expenses were 111.74 million Baht increased by 14.44 million Baht or 14.84 per cent and administrative expenses were 372.72 million Baht increased by 5.28 or 1.44 per cent from the year 2018.

Financial cost

In the year 2019, The Company and its subsidiaries had financial costs total of 3.99 million Baht increased by 1.76 million baht or 79.27 per cent when compared to the same period of the last year. From the management of the work delivery and delayed of receiving

of payment from the customers. Therefore, the Company use revolving loans from financial institutions

Net profit (loss)

The Company and its subsidiaries had gross profit margin of 21.54 per cent increasing from the same period of last year which gross margin of 18.04 per cent. Due to increased in revenue from sales and services and the Company and its subsidiaries able to control costs more efficiently

The Operating results of the Company and its subsidiaries total of 228.13 increased by 238.19 per cent from the same period of last year due to decreased of loss from impairment of assets and loss from sales of investment in subsidiaries.

1.8 Operating performance projection

Information data from Gartner Inc. has disclosed expected value of spending for information technology around the world in year 2020, which is expected to be worth 3,456,344 billion US dollars decreased by 8 per cent from year 2019. The spending for information technology in Thailand in Year 2018 - 2019 with a value of 709,205 million Baht and 715,861 million Baht increased by 6,656 million Baht or 0.94 per cent.

In January 2020, before the situation of the Coronavirus Disease 2019 outbreak, Gartner Inc. has revealed forecast spending growth for information technology in Thailand for the year 2020 - 2021 at 2.40 per cent and 2.73 per cent respectively. Later, in May 2020, after the situation of the Coronavirus Disease 2019 outbreak, Gartner Inc. has reduced forecast spending for information technology in Thailand in the year 2020 to 648,961 million Baht from 715,861 million Baht in year 2019 which decreased by 9.35 per cent

There are 2 groups of the Company's main customers which are directly and indirectly affected are 1) telecommunication business and 2) financial institution. The impact of telecommunication business due to the intense competition in the telecommunication industry.

According to the report of telecommunication market conditions in year 2017 - 2019 by the Office of The National Broadcasting and Telecommunications Commission of the Broadcasting

Commission Television. An average monthly income per number for prepaid system in year 2017 - 2019 is 153 153 and 149 Baht per month respectively and average postpaid system in year 2017 - 2019 is 539 528 and 509 Baht per month respectively which average monthly income per customer number tends to decline and affect the cash flow of mobile network service providers.

Meanwhile, the financial institution has affected by the implementation of the moratorium on loans and interest which causes the expected cash flow from debt repayment. Thus, it has an effect of increasing in allowance for doubtful accounts to support uncertain situations in the future. According to, the trend of non-performing loan which is expected to increase after gradual suspension of the moratorium on loans and interest during June - August 2020. It is expected that debtors, especially consumer and small and medium business entrepreneurs will not be able to repay as usual. Moreover, the policy rate reduction of the Bank of Thailand that announced a policy rate cut down to 0.50 per cent in May 2020 from 1.25 per cent in January 2020, including the household debt to GDP in Thailand increased to 80 per cent in the first quarter of 2020 which likely to increase in the future.

From the situation of the Coronavirus Disease 2019 outbreak and the economic recession causing information technology executives had to prioritize the spending in information technology and service. However, the nature of the service provided by the Company business is a pre-contract and the service period is around 6 months to 1 year. The revenue from service of the Company will start to affect in the 3rd - 4th quarter of year 2020 onwards, as the customers start to adjust their investment plans.

The Offeror has no intention to make any material change to business objectives, business plan, disposal of core assets and dividend policy of the Company within the period of 12 months after the completion of the Tender Offer.

2. Opinion on the correctness of the Company's information as specified in the Tender Offer Form

The Board of Directors of the Company considered the information in relation to the Company as specified in the Tender Offer Form of the Company by the Offeror (Form 247-4) dated 21 July 2020 opined that the information is correct and completed.

3. Any relationship or agreement between the Company's director(s) and the Offeror, whether on his/their own behalf or in capacity as the Company's director(s) or as the Offeror's representative(s), including the shareholding by the Company's director(s) in the Offeror's juristic entity and any contract or agreement made or to be made between them in various matters

3.1 Any relationship or agreement between the Company's director(s) and the Offeror

As of 31 July 2020, the Offeror and the Company have common directors and common management team members as follows:

Name	Position in the Offeror	Position in the Company
Mr. Kiyotaka Nakamura	Managing Executive Officer	Vice Chairman of the Board of Directors

3.2 Shareholding by the Company's directors in the Offeror, persons in the same group as the Offeror and related persons under Section 258 of the Tender Offeror

- None -

3.3 Agreements or other important agreements between each other

- None -

4. **Opinion of the Board of Directors of the Company to the securities holders**

The meeting of the Board of Directors No. 6/2020 on 31 July 2020 considered the Tender Offer Form of the Offeror and 8 directors attended this agenda from the total directors of 9 people as follows:

No.	Name	Position
1	Mr. Sirisak Tirawattanangkul	Chairman
2	Mr. Siriwat Vongjarukorn	Director / Chief Executive Officer
3	Mr. Thanakorn Charlee	Director / Executive Director
4	Mr. Anan Leetrakul	Independent Director
5	Mr. Suchart Thammapiatagkul	Independent Director / Chairman of Audit Committee

No.	Name	Position
6	Prof. Dr. Uthai Tanlamai	Independent Director / Director of Audit Committee
7	Ass. Prof. Dr. Kamales Santivejkul	Independent Director / Director of Audit Committee
8	Dr. Charn Tharawas	Independent Director

Mr. Kiyotaka Nakamura Vice Chairman of the Board of Directors which hold the position as Managing Executive Officer of the Offeror. He is the director who has the conflict of interest. Hence, he did not attend the meeting to vote for the opinion of the Company in relation to the Tender Offer.

4.1 Reasons to accept and/or reject the Tender Offer

The Board of Directors of the Company excluding the director who having the conflicts of interest considered the Tender Offer Form of the Offerors and the Opinion of the Advisor of Shareholders and agreed with the Advisor of Shareholders. Therefore, the Board of Directors opines that the securities holders of the Company should consider in the following issues:

Tender Offer Price

The Board of Directors has an opinion in accordance with the Advisor of Shareholders that the tender offer price of the Company at 5.00 Baht per share is lower than the fair value of the Company's ordinary shares at 6.32 Baht per share, which is evaluated by the Advisor using the Discounted Cash Flow Approach.

Even though the tender offer price is lower than the fair value of the Company's ordinary shares, when compared with the weighted average market price of the Company's shares traded on the SET during the 3 months (May – July 2020), which is at 4.63 Baht per share, the weighted average market price is lower than the tender offer price of 5.00 Baht per share. Therefore, the Advisor of Shareholders opines that the shareholders should consider in 2 cases as follows:

(a) In the case that the market price is higher than the tender offer price

The shareholders should reject the Tender Offer. In this regard, the shareholders who wish to sell their ordinary shares can do so via the SET instead of accepting the Tender Offer as the shares can be sold at a better price than accepting the Tender Offer. Nevertheless, the

shareholders should consider the liquidity risk from trading the Company's shares and the market price of the Company's shares which may decrease if a large number of the shares are sold.

(b) In the case that the market price is lower than the tender offer price

The shareholders should accept the Tender Offer, because the tender offer price is higher than the market price.

However, the shareholders can purchase back the Company's ordinary shares on the SET if the shareholders wish to continue investing in the long-term since the fair value of the Company's ordinary shares is at 6.32 Baht per share, which is evaluated by the Advisor using the Discounted Cash Flow Approach.

However, in considering to accept or reject the Tender Offer from the Offeror this time, the shareholders should study the information in the Tender Offer for Securities (Form 247-4), the opinion of the Company regarding the Tender Offer for Securities (Form 250-2), and the opinion of the Advisor of Shareholders in this report for consideration in deciding to accept or reject the Tender Offer for Securities. The consideration of accepting or rejecting the said Tender Offer depends mainly on the discretion and decision of the shareholders.

4.2 The opinions and reasons of each director of the Company and the number of shares held by such each director (in case where the opinions of the Board of Directors of the Company in Section 4.1 are not unanimous)

None, due to the opinions of the Board of Directors are unanimous.

4.3 Benefits or impacts from the plans and policies as specified in the Tender Offer Form by the Offeror including the viability of those plans and policies

From the plans and policies after the Tender Offer as specified in the Tender Offer Form, the Board of Directors opined the benefits or impacts from this Tender Offer as follows:

1) Status of the Company

The Offeror has stated in the Tender Offer for Securities that "Within the period of 12 months after the completion of the Tender Offer, the Offeror has no intention to delist the Company's

securities from the SET, except the Offeror must comply with all applicable laws and regulations that are effective at that time."

The Board of Directors opines that such policy has no impact on the securities holders since the Company is still listed on the SET. However, in the future, if the Offeror wishes to delist the Company from being a listed company on the SET, the Offeror must conduct a tender offer for all securities of the Company again in order to give the securities holders the opportunity to sell their shares.

2) Policy and management plan of the Company

The Offeror has stated the policy and business plan in the Tender Offer for Securities that;

After the completion of the Partial Tender Offer, the Offeror has no intention to make any material change to business objectives, business plan, investment/divestment plan and financial restructuring of the Company. In addition, the Offeror does not intend to change the corporate governance and management policy, including the organization structure, staff management, and recruitment plan within the period of 12 months after the completion of the Partial Tender Offer.

In addition to continuing operation under the existing business policy of the Company, the Offeror will consider the business plan to further integrate its strength and competitiveness with the Company after the completion of the Tender Offer to further enhance the Company's growth. Nevertheless, a concrete plan shall be carefully discussed and evaluated between the management team of the Offeror and the Company after the Tender Offer this time. Also, with such cooperation, the Offeror will consider expanding the Company's business by leveraging TIS's knowledge on IT system, especially in relation to finance and payment, which is considered as the main business of both the Offeror and the Company. Additionally, the Offeror is expecting to provide the Company further cooperation by utilizing technology and innovation from the Offeror's alliances, such as Grab, SQREEM, and R3.

Furthermore, after the completion of the Tender Offer, the Offeror will continue to support the operations of the existing management without changing the Company's directors, except for the appointment of new directors in place of those who are retired by rotation. However, the Offeror has an intention to nominate representatives to be the Company's directors according to the shareholding proportion of the Company after the completion of the Partial Tender Offer. Such

nomination by the Offeror will be conducted by means of replacing those who are retired by rotation, and will be performed in compliance with the Articles of Association of the Company and the relevant provisions prescribed under the Public Limited Companies Act B.E. 2535, the Securities and Exchange Act B.E. 2535, and other relevant regulations.

However, in the event that there are material changes to the Company's financial position, business operation, or any necessary changes occurring within the period of 12 months after the completion of the Tender Offer, the Offeror may consider a revision and adjustment of the business policy of the Company in order to make it become more appropriate for business operations and financial position of the Company, and to avoid potential event that may negatively affect the Company's operation. The Offeror shall seek approval from the Board of Directors and/or the shareholders' meeting of the Company or any kind of necessary approval in accordance with applicable laws, rules and relevant regulations that are effective at that time.

In addition, the Offeror has no intention to change the Company's dividend policy within the period of 12 months after the completion of the Partial Tender Offer.

In conclusion, the Offeror has an objective for the Company to focus on operating the same business as before. The Board of Directors opines that as the Offeror has been holding the Company's shares since 2014 and sent Mr. Kiyotaka Nakamura to be a director of the Company since 2014 until the present. The Offeror, therefore, has a good understanding of the current business of the Company, and be able to operate the business according to the current business plan.

The Offeror will consider the business plan to further expand the business by utilizing TIS knowledge of information technology, including the cooperation on technology and innovation from partners, which will be beneficial to the Company.

In the case of the Offeror having an intention to nominate representatives to be the Company's directors according to the shareholding proportion of the Company after the completion of the Partial Tender Offer, it is a normal practice of holding shares.

However, the Company's shareholders still have a risk in the event that the Offeror considers that it is necessary and the Company will fully benefit if there are changes in the business objective, business plan, investment plan, sales of assets and financial restructuring of the Company. The Offeror will consider the matters for the most benefit of the Company.

If the Offeror makes significant changes in the nature or objective of the Company's business operations, the Offeror and the Company must comply with relevant laws; if the relevant laws require that such action must be approved by the shareholders' meeting, the Company's shareholders have the right to vote to approve or disapprove the said action.

3) Related transaction

Currently, the Company has policies and procedures in relation to related transactions to comply with the rules, regulations, or requirements of the SET and the SEC. The Company also follows guidelines to prevent any conflict of interests between the Company, its subsidiaries, associate companies, and/or any potential conflict persons. Prior to the Tender Offer, the Company had related transactions with the Offeror, whereby these transactions were involved in the normal course of business, which can be summarized as follows:

Unit: Baht

Company	2019	1 st Quarter of 2020
The Company bought services from;		
1. PromptNow Company Limited ¹	13,995,030	None
2. TISI (Thailand) Company Limited ¹	1,050,000	None
3. I AM Consulting Company Limited ¹	300,000	None
4. TISI (Shanghai) Company Limited ²	120,783	None
5. TIS Inc.	15,050	None
6. QUALICA (Thailand) Company Limited ¹	14,714	None
Total	15,495,577	None

Remark: ¹Subsidiary of the Offeror in Thailand

²Subsidiary of the Offeror overseas

After the Tender Offer, the Offeror has stated in the Tender Offer for Securities that within the period of 12 months after the completion of the Tender Offer, the Offeror has no intention to materially change the policy in relation to related transactions of the Company regarding type and value of existing related transactions, and wishes to continue such existing related transactions where terms and conditions shall be constituted based on the arm's length basis.

After the completion of the Tender Offer, further cooperation between the Offeror and the Company shall be carefully discussed and evaluated by the managements of both companies. In the case that the Offeror enters into a related transaction with the Company in the future, the Offeror and the Company shall consider to ensure that there would not be any special terms or preference among the Company, its subsidiaries, associate companies, major shareholders and/or any potential conflict persons. Furthermore, the Audit Committee shall consider, review, approve and comment on the appropriateness and necessity of any transactions, which could lead to any conflicts of interest prior to proposing to the Meeting of the Board of Directors or the shareholders' meeting (as the case may be) for further approval.

The Board of Directors opines that the guidelines for related transactions between the Company and the Offeror/the Offeror's Group before and after the Tender Offer will have no significant change for the period of 12 months since the end of the tender offer period, and the above related transactions are normal transactions and have normal trade conditions. And will continue to exist in the future, the size of the transaction will not be significantly different from the current transaction size.

In addition, when entering into the said related transactions and other related transactions, the Company, the Offeror and the Offeror's Group will comply with the laws, announcements, and relevant regulations of the SEC and the SET, and will consider the necessity and reasonableness of the transaction, as well as the appropriateness of the price and the trade conditions of the transaction. Moreover, they will consider the benefits of the Company before proposing to the Board of Directors and/or the shareholders' meeting as the case may be. The persons with special interests will not participate in the consideration and approval of the said transaction.

4.4 Additional opinions of the Board of Directors of the Company (in case where such Tender Offer is the Delisting Tender Offer to delist the securities of the Company from being a listed security in accordance with the regulations of the Stock Exchange of Thailand)

None, the Tender Offer is not the Delisting Tender Offer to delist the securities of the Company from being a listed security.

4.5 OtherConflict of interest

There are 11 subsidiaries as the group of companies of the Offeror which operate based in Thailand as the following details;

Company Name	Shareholding Proportion
<u>TISI (Thailand) Co., Ltd.</u> The company is a holding company of TIS business in Thailand.	TIS Inc. 49%
	J-Will International (Thailand) Co., Ltd. 31%
	Bangkok MUFG Limited 10%
	Inter Consulting Co., Ltd. 10%
<u>I-AGREX (Thailand) Co., Ltd.</u> The company provides Business Process Outsourcing (BPO) services and network services focusing on Japanese clients in Thailand.	AGREX Inc. 85%
	Tokiomarine South East Servicing Co., Ltd. 9%
	Aioi Bangkok Insurance Plc. 6%
<u>QUALICA (Thailand) Co., Ltd.</u> The company is an IT service provider engaging in supporting services for oversea business of Komatsu Group.	QUALICA Inc. 49%
	TISI (Thailand) Co., Ltd.* 48%
	MHCB Consulting (Thailand) Co., Ltd. 3%
<u>I AM Consulting Co., Ltd.</u> The company provides consulting, development, implementation and education services, and also offers services related to SAP, OpenText and other IT solution around SAP foundation.	TISI (Thailand) Co., Ltd.* 51%
	TIS Inc. 49%
	Other individual shareholders <1%
<u>PromptNow Co., Ltd.</u> The company is a developer of mobile applications for banks, insurance companies and other financial institutions. The main products and services of the company include mobile financial service and Kiosk.	TIS Inc. 40%
	TISI (Thailand) Co., Ltd.* 20%
	MFEC 20%
	Other individual shareholders 20%
<u>Code IT Consulting Co., Ltd.</u>	I AM Consulting Co., Ltd.* 100%
<u>Baseline Technology Consultants Co., Ltd.</u>	I AM Consulting Co., Ltd.* 100%

Company Name	Shareholding Proportion
<u>ECM Consulting Co., Ltd.</u>	I AM Consulting Co., Ltd.* 100%
<u>iCoach Co., Ltd.</u>	I AM Consulting Co., Ltd.* 100%
<u>ITS - Trade Ship Co., Ltd.</u>	I AM Consulting Co., Ltd.* 100%
<u>IHR Consulting Co., Ltd.</u>	I AM Consulting Co., Ltd.* 100%

Remark: *Subsidiary company of TIS Inc.

There are the group of companies of the Offeror that operate based in Thailand which the details of the service can be divided into

1. Enterprise Resource Planning including
 - I AM Consulting Company Limited
The company provides consulting, development, implementation and education services, and also offers services related to SAP, OpenText and other IT solution around SAP foundation.
 - I-AGREX (Thailand) Company Limited
The company provides Business Process Outsourcing (BPO) services and network services focusing on Japanese clients in Thailand.
2. Support services for oversea businesses
 - QUALICA (Thailand) Company Limited
The company is an IT service provider engaging in supporting services for oversea business of Komatsu Group.
3. Mobile application development for banks
 - PromptNow Company Limited
The company is a developer of mobile applications for banks, insurance companies and other financial institutions. The main products and services of the company include mobile financial service and Kiosk. By focusing on grouping foreign customers such as CLMV countries (Cambodia, Lao People's Democratic Republic, Republic of the Union of Myanmar, and Socialist Republic of Vietnam). The company still provides services to a financial institution that is the same customer of the Company since the company used to be a subsidiary of the Company and provides

services to that financial institution In which the Company sold shares to TIS in 2016, causing the company to change from a subsidiary to an associated company but still have ongoing work with existing customers.

Board of Directors opines that even though the Company and its subsidiaries providing IT professional service, System integration and Maintenance service same as the group of companies of the Offeror which operate based in Thailand but the business operations of both groups will not cause conflicts of interest because

1) Different from business policy and the product characteristics and service

The Company has expertise and interest in the creation and development of new information technology that can create more value and generate revenue for customers such as cloud technology services, Services for analytical data management to increase business efficiency and application development, etc.

While the group of companies of the Offeror which operate based in Thailand, will focus on services in the area of Enterprise Resource Planning services, such as SAP systems or Oracle systems, which allow customers to save costs and increase work efficiency.

2) Different from target customers

Most of the customers of the Company are telecommunications and financial institution while its subsidiaries will focus on small and medium enterprises and startup business which the customers of the group of companies of the Offeror are customers from Japan that the TIS Group already served in Japan and came to open a business in Thailand.

Therefore, the Company does not have a policy to conduct business in the type of Enterprise Resource Planning because it is not business goal and human resources of the Company not suitable for such type of business and most of the customers are not Japanese companies.

The Company hereby certifies that the aforementioned statement is correct and accurate and there is no information contained herein that may lead other persons to misunderstand any material aspect, and no concealment has been made of any material information.

MFEC Public Company Limited

- *Mr. Siriwat Vongjarukorn* -

- *Mr. Thanakorn Charlee* -

(Mr. Siriwat Vongjarukorn)

(Mr. Thanakorn Charlee)

Authorized Director

Authorized Director

5. The opinion report of the advisor of shareholders on the Tender Offer

Please consider the opinion report of the advisor of shareholders on the Tender Offer of MFEC Public Company Limited (details appear in Enclosure 1)

(Translation)

The Opinion Report of the Advisor of Shareholders
on the Tender Offer

of



MFEC Public Company Limited

The Offeror

TIS Inc.



Prepared by



CAPITAL LINK
ADVISORY LIMITED

Capital Link Advisory Limited

31 July 2020

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The Opinion Report of the Advisor of Shareholders on the Tender Offer

(Translation)

This English translation has been prepared solely for the convenience of the foreign shareholders of MFEC Public Company Limited and should not be relied upon as the definitive and official report regarding the Opinion of the Advisor of Shareholders on the Tender Offer. The Thai language version of The Opinion Report of the Advisor of Shareholders on the Tender Offer is the definitive and official document of the Advisor and shall prevail in all respects in the event of any inconsistency with this English translation.

Ref: Kor.Aor. 026/2020

31 July 2020

Subject The Opinion of the Advisor of Shareholders on the Tender Offer of
MFEC Public Company Limited

To The Board of Directors and Shareholders
MFEC Public Company Limited

As the Annual General Meeting of Shareholders for the year 2020, held on 27 April 2020, resolved to approve TIS Inc. ("the Offeror or TIS") to conduct the "Partial Tender Offer" from the shareholders of MFEC Public Company Limited ("the Company or MFEC"), which is an offer to purchase only one type of ordinary shares of the Company at a price of 5.00 Baht per share; the Offeror wishes to conduct the Partial Tender Offer for a total of 106,390,307 shares, or 24.10% of the total ordinary shares issued and sold by the Company, which is equivalent to 24.10% of the total voting rights of the Company.

If the shareholders show their intention to sell their ordinary shares less than the total number of the tendered shares, the Offeror will purchase according to the number of shares that are intended to sell. However, if the Company's shareholders show their intention to sell their ordinary shares more than the total number of the tendered shares, the Offeror will purchase only 106,390,307 shares, or 24.10% of the total ordinary shares issued and sold by the Company by allotting according to the proportion of the shares intended to sell (Pro-Rata Basis). After this Partial Tender Offer, the Offeror wishes to hold no more than 49.00% of the total shares issued and sold by the Company, which is equivalent to 49.00% of the total voting rights of the Company.

The Opinion Report of the Advisor of Shareholders on the Tender Offer

And on 21 July 2020, the Company received the Tender Offer for Securities (Form 247-4), dated 21 July 2020 from TIS Inc. regarding the offer to purchase securities. To comply with the Notification of the Capital Market Supervisory Board No. TorJor. 12/2554 Re: Rules, Conditions, and Procedures for the Acquisition of Securities for Business Takeovers, dated 13 May 2011 (including additional amendments), the Board of Directors of the Company therefore approved the appointment of Capital Link Advisory Limited as the Advisor of Shareholders (“the Advisor”) in preparing the opinion report of the Advisor of Shareholders on the Tender Offer for Securities this time.

The Advisor of Shareholders has prepared this opinion report by studying the information from the following sources:

1. The Tender Offer for Securities (Form 247-4) from the Offeror, dated 21 July 2020
2. Information and documents received from the Company including the interview with management and employees of the Company
3. Information and the auditor’s report of the Company
4. Meeting minutes of the Board of Directors of the Company
5. Agreements in relation to the Tender Offer
6. Information and documents disclosure to the public, such as information from the Stock Exchange of Thailand, the Securities and Exchange Commission, news from newspaper, economic and relevant industrial information, etc.

The Advisor of Shareholders has used the aforementioned information as a base for considering and preparing the opinion report of the Advisor of Shareholders by assuming that all the aforementioned information is completed and accurate, and has no event that will significantly affect the business operation of the Company. In addition, the Advisor of Shareholders cannot certify or guarantee either directly or indirectly or be responsible for the correctness of the information and any certifications of the Company.

Definitions

The Company or MFEC	MFEC Public Company Limited
TIS Group	TIS Inc. and affiliated companies
The Advisor	Capital Link Advisory Limited
The Offeror or TIS	TIS Inc.
SET	The Stock Exchange of Thailand
SEC	The Securities and Exchange Commission

Part 1 Summary

As the Annual General Meeting of Shareholders for the year 2020, held on 27 April 2020, resolved to approve TIS Inc. to conduct the “Partial Tender Offer” from the shareholders of MFEC Public Company Limited, which is an offer to purchase only one type of ordinary shares of the Company at a price of 5.00 Baht per share; the Offeror wishes to conduct the Partial Tender Offer for a total of 106,390,307 shares, or 24.10% of the total ordinary shares issued and sold by the Company, which is equivalent to 24.10% of the total voting rights of the Company.

If the shareholders show their intention to sell their ordinary shares less than the total number of the tendered shares, the Offeror will purchase according to the number of shares that are intended to sell. However, if the Company’s shareholders show their intention to sell their ordinary shares more than the total number of the tendered shares, the Offeror will purchase only 106,390,307 shares, or 24.10% of the total ordinary shares issued and sold by the Company by allotting according to the proportion of the shares intended to sell (Pro-Rata Basis). After this Partial Tender Offer, the Offeror wishes to hold no more than 49.00% of the total shares issued and sold by the Company, which is equivalent to 49.00% of the total voting rights of the Company.

And on 21 July 2020, the Company received the Tender Offer for Securities (Form 247-4), dated 21 July 2020 from TIS Inc. with the details of the Tender Offer for Securities as follows:

Item	Details
The Offeror	TIS Inc.
The Tender Offer Preparer	Capital Nomura Securities Public Company Limited
The Tender Offer Agent	Capital Nomura Securities Public Company Limited
Date of Submission of the Tender Offer	21 July 2020
Objective of the Tender Offer	<p>TIS has been an alliance with MFEC as it believes in the potential of the Company as a leader in providing IT solution for Thai enterprises.</p> <p>In addition to MFEC’s expansion, the alliance enables TIS to increase its footprint in Thailand through MFEC’s distribution channel.</p> <p>TIS has shown a strong commitment to Thai market by forming a department within MFEC in order to develop new businesses and</p>

The Opinion Report of the Advisor of Shareholders on the Tender Offer

Item	Details
	<p>expand new client base from Japanese companies operating in Thailand. To further enhance the good relationship between TIS and MFEC, the two companies have been implementing various cooperation schemes in a wide range of businesses and continuing to make joint investments for business expansion.</p> <p>In addition, the business transformation of MFEC is a key to ensure its competitiveness as a leader of the industry with the imminent digital transformation trend in Thailand. In this regard, TIS believes that it is mutually beneficial to both MFEC and TIS to make the Company become a consolidated subsidiary of TIS Group; thus, allowing the Company to leverage TIS's business in accelerating its business transformation. According to Japanese Generally Accepted Accounting Principles (JGAAP), Japanese company shall be allowed to consolidate its subsidiary, if it has control in such subsidiary for 40.00% of the total voting rights or more.</p>
Number of Tendered Securities	<p>The Offeror wishes to conduct the Partial Tender Offer for not exceeding 106,390,307 shares of the Company, or equivalent to 24.10% of the total issued and paid-up ordinary shares and of the total voting rights of the Company by allotting according to the proportion of the shares intended to sell (Pro-Rata Basis). After the completion of the Tender Offer, if the shareholders accept the Tender Offer for the whole number of tendered shares, the Offeror will hold a total of 216,312,306 ordinary shares, which is equivalent to 49.00% of the total issued and paid-up ordinary shares and of the total voting rights of the Company.</p>
Tender Offer Price	<p>The tender offer price of the Company's ordinary shares is 5.00 Baht per share. In addition, the shareholders who accept the Tender Offer are subject to payment of a brokerage fee of 0.20% of the tender offer price plus the value added tax ("VAT") of 7.00% of the brokerage fee.</p>

The Opinion Report of the Advisor of Shareholders on the Tender Offer

Item	Details
	<p>Therefore, the net price to be received by the shareholders who have intention to sell will be 4.9893 Baht per share.</p> <p>However, the said tender offer price is not the final offer, and the Offeror may change the tender offer price.</p>
Tender Offer Period	<p>The Offeror will purchase the Company's shares over a period of 45 business days commencing from 23 July 2020 to 28 September 2020 during the business hours of the Tender Offer Agent from 9.00 a.m. to 4.00 p.m.</p>
Conditions of Amendment to the Tender Offer	<ol style="list-style-type: none"> 1. The Offeror may reduce the tender offer price or extend the tender offer period in the case of any event that occurs during the tender offer period which causes material damage to the status or assets of the Company. 2. The Offeror may change the tender offer terms or extend the tender offer period to compete with another offeror who has submitted a tender offer for the same securities of the Company during the tender offer period.
Conditions for Cancellation of the Tender Offer	<ol style="list-style-type: none"> 1. Any event or action occurring after the submission of the Partial Tender Offer to the Office of the Securities and Exchange Commission ("SEC") but during the tender offer period which causes or may cause an adverse material effect to the status or the assets of the Company, where such event or action has not resulted solely from the actions of the Offeror or actions for which the Offeror is deemed as responsible for; or 2. Any action conducted by the Company after the submission of the Partial Tender Offer to the SEC but during the tender offer period which causes or may cause a significant decrease in the value of the Company's shares; or 3. Any action conducted by the Company as defined in the Notification of the Capital Market Supervisory Board No. TorJor. 14/2554 re: Act or Omission to Act Which is Likely to Affect Tender Offer of Business.

The Opinion Report of the Advisor of Shareholders on the Tender Offer

Item	Details
Tender Offer Period in which Securities Holders are able to Cancel Their Intention to Sell	The shareholders who show their intention to sell is able to cancel their acceptances of the Tender Offer at the office of the Tender Offer Agent on any business day between 23 July 2020 and 24 August 2020 inclusive, totaling 20 business days from the first day of the tender offer period, during the business hours of the Tender Offer Agent from 9.00 a.m. to 4.00 p.m.

The Advisor has considered the Tender Offer for Securities (Form 247-4), the tender offer price, and other supporting information of the Company in giving opinion to the shareholders at this time by considering the appropriateness of the price and supporting reasons for the shareholders to accept and/or reject the Tender Offer, which can be summarized as follows:

The Advisor is of the opinion that the tender offer price of the Company at 5.00 Baht per share is lower than the fair value of the Company's ordinary shares at 6.32 Baht per share, which is evaluated by the Advisor using the Discounted Cash Flow Approach.

Although the said tender offer price is lower than the fair value of the Company's ordinary shares, when compared with the weighted average market price of the Company's shares traded on the SET during the 3 months (May – July 2020), which is at 4.63 Baht per share, the weighted average market price is lower than the tender offer price of 5.00 Baht per share. Therefore, the Advisor of Shareholders opines that the shareholders should consider in 2 cases as follows:

- (a) In the case that the market price is higher than the tender offer price

The shareholders should reject the Tender Offer. In this regard, the shareholders who wish to sell their ordinary shares can do so via the SET instead of accepting the Tender Offer as the shares can be sold at a better price than accepting the Tender Offer. Nevertheless, the shareholders should consider the liquidity risk from trading the Company's shares and the market price of the Company's shares which may decrease if a large number of the shares are sold.

- (b) In the case that the market price is lower than the tender offer price

The shareholders should accept the Tender Offer, because the tender offer price is higher than the market price.

However, the shareholders can purchase back the Company's ordinary shares on the SET if the shareholders wish to continue investing in the long-term since the fair value of the Company's ordinary shares is at 6.32 Baht per share, which is evaluated by the Advisor using the Discounted Cash Flow Approach.

In addition, the Advisor has considered the policy and business plan of the Offeror as specified in the Tender Offer, and analyzed the benefits and impacts as well as the possibilities of such policy and plan. The shareholders of the Company can consider the information and the opinion of the Advisor on various issues as presented in this report to support the decision to accept or reject the Tender Offer for Securities this time.

However, the shareholders should study the information in the Tender Offer for Securities (Form 247-4) including additional amendments, the opinion of the Company regarding the Tender Offer for Securities (Form 250-2), and the opinion of the Advisor in this report, including attachments for consideration in deciding appropriately to accept or reject this Tender Offer. The consideration of accepting or rejecting the said Tender Offer depends mainly on the discretion and decision of each shareholder.

Part 2 Details of the Tender Offer for Securities

2.1 General Information of the Offeror

2.1.1 TIS Inc.

(1) General Information

Name	TIS Inc.
Address	Sumitomo Fudosan Shinjuku Grand Tower, 17-1, Nishi-shinjuku 8-chome, Shinjuku-ku, Tokyo, 160-0023, Japan
Telephone No.	+81-3-5337-4397
Fax No.	+81-3-5337-7555
Company Registration No.	0100-01-134133
Website	www.tis.com
Stock Listing	Tokyo Stock Exchange, First Section (Securities code: 3626)

(2) Brief Description of Business Operations

TIS Inc. is a Japanese IT services company, incorporated in Higashi-ku, Osaka since April 1971. TIS Inc. and its affiliated companies (“TIS Group”) are a comprehensive IT services provider, offering fully-integrated solutions to clients in all operational aspects relating to IT and digital transformation. TIS is currently ranked second in terms of total revenue, comparing among leading Japanese IT services companies.

TIS Group's products and services can be separated into 5 main areas as follows:

- IT Consulting Services

TIS Group provides consulting services to help clients utilize technology in enhancing their business value. TIS Group leverages its extensive experiences in the industry to help clients achieve the best outcome for their IT investments. Furthermore, TIS Group focuses on providing consulting services, powering by reliable and cutting-edge technology, to match clients' strategy and long-term goals in equipping businesses with the most optimal

solution. The systems and software under the comprehensive consulting services include Enterprise Resource Planning (ERP), Business Intelligence (BI), Oracle, and SAP.

- System Integration Services

As a system integration service provider, TIS Group facilitates clients with one-stop access service to build customized systems, which are tailor-made for client's needs to improve enterprise's efficiency and productivity. TIS Group offers broad range of system integration services ranging from information system design to system configuration, as well as system operation and maintenance (O&M). Within the TIS Group's network, TIS Group is able to combine the best IT system, hardware and software across various manufacturers and brands into one cohesive and effective solution for each client. TIS Group has helped multiple enterprises in building sophisticated management foundations through enterprise resource planning solutions that effectively manage and utilize management resources.

- Outsourcing Services

TIS Group offers outsourcing and cloud services via secured data centers and extensive IT facility platforms. TIS Group provides best in class Business Process Outsourcing (BPO) services for IT-related operations from small to large enterprises. Apart from offering administrative services, such as data entry, call center and service center operation, TIS Group also provides system operation services ranging from system monitoring service to full-support services, allowing clients to devote their resources to core business activities. In addition, TIS Group operates a highly specialized IT helpdesk team, which is actively available for 24 hours a day to respond to technical inquiries related to data centers and system maintenance. By operating fully-equipped data centers featured with the latest hardware and software technologies, TIS Group has been trusted by many clients to handle large-scale valuable information assets.

- IT Platform Configuration Services

TIS Group offers platform configuration services to corporate clients to build comprehensive networks by combining multiple systems across different platforms.

Depending on clients' ecosystem, TIS Group can offer extensive consultations to assist on planning, procurement, delivery, installation and after-sales service related to server installation to build safe and secure computer networks. TIS Group also provides services on various IT platforms for both mainframes and cloud configuration to deliver cloud services, security services, data centers and network services that gears towards multiple environments, ensuring optimal IT platform to support clients' business.

- Research & Development to Leading-Edge Technologies

Research & Development (R&D) contribute an important backbone to TIS Group's culture in delivering top class services. TIS Group is always on quest for searching advanced technologies as well as breakthrough technologies. TIS Group's R&D platform enables the company to deliver comprehensive systems from upstream to downstream processes covering risk mitigation, implementation, guidance and maintenance. Through its extensive resources, TIS Group provides advanced solution services using AI and robots to address various issues. The example of solutions ranging from Robotic Process Automation (RPA), which is a tool for streamlining and automating office operations, to develop sophisticated data analytics and build physical autonomous robot. TIS Group also pursues joint R&D activities with partners across industry, government and academic lines to create new business opportunities.

(3) List of Shareholders

The list of top 10 major shareholders of TIS Inc. as of 31 March 2020:

Major Shareholders	No. of Shares (Thousand Shares)	Shareholding Proportion
1. ICHIGO TRUST PTE. LTD.	7,155	8.51%
2. The Master Trust Bank of Japan, Ltd. ¹ (Trust Account)	5,371	6.38%
3. Japan Trustee Services Bank, Ltd. ² (Trust Account)	3,990	4.74%
4. Employees' Shareholding Association of TIS INTEC Group	2,197	2.61%
5. Nippon Life Insurance Company	2,073	2.46%

The Opinion Report of the Advisor of Shareholders on the Tender Offer

Major Shareholders	No. of Shares (Thousand Shares)	Shareholding Proportion
6. MACQUARIE BANK LIMITED DBU AC	2,000	2.38%
7. MUFG Bank, Ltd.	1,654	1.97%
8. The Master Trust Bank of Japan, Ltd. ¹ (Retirement Benefit Trust Account, Mitsubishi Electric Corporation Account)	1,598	1.90%
9. BNYMSANV RE GCLB RE JP RD LMGC	1,415	1.68%
10. JP MORGAN CHASE BANK 385151	1,396	1.66%

- Remark: - On 1 April 2020, TIS effectively executed the stock split at a split ratio of 1 to 3; nevertheless, the number of shares from the above the major shareholder table are the number of shares before the stock split.
- TIS holds 3,660,538 shares of treasury stock, or 4.17% of the total issued and paid-up shares, which are excluded from the major shareholder table above.
 - The shareholding proportion is calculated by deducting the number of treasury shares from the total number of issued and paid-up shares.

¹A trust company for Mitsubishi UFJ Trust and Banking Corporation, Nippon Life Insurance Company, Meiji Yasuda Life Insurance Company and Norinchukin Trust & Banking Co. Ltd.

²A trust company for JTC Holdings, Ltd.

(4) List of the Board of Directors

The list of the Board of Directors of TIS Inc. as of 1 July 2020:

Name	Position
1. Toru Kuwano	Chairman and President, Representative Director
2. Masahiko Adachi	Representative Director and Executive Vice President
3. Yasushi Okamoto	Director and Executive Vice President
4. Josaku Yanai	Director and Executive Vice President
5. Takayuki Kitaoka	Director
6. Akira Shinkai	Director
7. Koichi Sano ¹	External Director
8. Fumio Tsuchiya ¹	External Director

The Opinion Report of the Advisor of Shareholders on the Tender Offer

Name	Position
9. Naoko Mizukoshi ¹	External Director
10. Tetsuya Asano	Audit & Supervisory Board Member
11. Tatsufumi Matsuoka	Audit & Supervisory Board Member
12. Sadahei Funakoshi ¹	External Audit & Supervisory Board Member
13. Yukio Ono ¹	External Audit & Supervisory Board Member
14. Akiko Yamakawa ¹	External Audit & Supervisory Board Member

Remark: ¹Designated as an Independent Director/ Auditor as specified by the Tokyo Stock Exchange

(5) Summary of the Financial Position and Performance of the Offeror

Unit: million Yen

Item	For the Fiscal Year (12-Month Period)					
	FY 2018 (1 Apr 2017 - 31 Mar 2018)		FY 2019 (1 Apr 2018 - 31 Mar 2019)		FY 2020 (1 Apr 2019 - 31 Mar 2020)	
	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements
Total assets	280,803	366,954	292,697	370,657	307,775	382,899
Total liabilities	84,210	140,655	92,272	136,248	103,988	134,942
Total equity	196,592	226,298	200,424	234,408	203,786	247,957
Shareholders' equity	171,324	193,941	182,788	211,834	192,123	230,962
Accumulated other comprehensive income	25,267	27,692	17,635	17,799	11,663	11,348
Non-controlling Interests	n/a	4,664	n/a	4,775	n/a	5,646
Paid-in Capital	10,001	10,001	10,001	10,001	10,001	10,001
Total revenues ¹	175,039	409,146	206,388	441,672	212,096	456,395
Total expenses ²	157,593	377,602	180,438	402,894	186,298	411,756
Income Before Income Taxes	17,446	31,545	25,950	38,778	25,798	44,638
Net profit	13,179	21,343	19,167	26,749	19,618	30,367
Net Profit attributable to:						

The Opinion Report of the Advisor of Shareholders on the Tender Offer

Item	For the Fiscal Year (12-Month Period)					
	FY 2018 (1 Apr 2017 - 31 Mar 2018)		FY 2019 (1 Apr 2018 - 31 Mar 2019)		FY 2020 (1 Apr 2019 - 31 Mar 2020)	
	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements
Shareholders' Equity	n/a	20,620	n/a	26,034	n/a	29,411
Non-controlling Interest	n/a	723	n/a	715	n/a	956
Net profit per share (Yen/share) ³	n/a	241.44	n/a	307.83	n/a	350.35
Dividend per share (Yen/share) ³	n/a	40.00	n/a	70.00	n/a	90.00
Book value per share (Yen/share) ³	n/a	2,602.07	n/a	2,719.79	n/a	2,890.27

Source: Audited separate and consolidated financial statements of TIS for the fiscal year ended 31 March 2018, 2019 and 2020

Remark: TIS Group uses Japanese Generally Accounting Standards (JGAAP) for financial reporting; all amounts are rounded down to the nearest million.

¹Total revenues comprise of revenue from net sales, interest income, dividend income, rental income from real estate, extraordinary income, and others.

²Total expenses comprise of cost of sales, SG&A expenses, interest expenses, financing expenses, equity in losses of affiliated companies, extraordinary loss, and others.

³TIS Inc. announced the Board of Directors' resolution to execute the stock split where stocks held by shareholders were split at a ratio of 1 to 3 on an effective date of 1 April 2020. The number of shares outstanding before stock split, or before effective date of 1 April 2020 is 87,789,098 shares, excluding treasury stocks held by TIS Inc.

(6) Information Relating to Criminal Records

- None -

(7) Pending Legal Disputes

INTEC Inc., a consolidated subsidiary of TIS, is currently in litigation with Mitsubishi Shokuhin Co., Ltd., which filed a claim for compensation in connection with services including systems development provided by INTEC Inc. The amount of compensation demanded is 12,703 million Yen. The date where the complaint was received is 17 December 2018.

2.1.2 The Company has an Objective of Providing IT Services in which the Offeror and the Persons under Section 258 are Directors and/or Major Shareholders

TIS Group has 11 subsidiaries, which operate businesses in Thailand, with the details as below:

Company Name	Shareholding Proportion
<u>TISI (Thailand) Co., Ltd.</u> The company is a holding company of TIS business in Thailand.	TIS Inc. 49%
	J-Will International (Thailand) Co., Ltd. 31%
	Bangkok MUFG Limited 10%
	Inter Consulting Co., Ltd. 10%
<u>I-AGREX (Thailand) Co., Ltd.</u> The company provides Business Process Outsourcing (BPO) services and network services focusing on Japanese clients in Thailand.	AGREX Inc. 85%
	Tokiomarine South East Servicing Co., Ltd. 9%
	Aioi Bangkok Insurance Plc. 6%
<u>QUALICA (Thailand) Co., Ltd.</u> The company is an IT service provider engaging in supporting services for oversea business of Komatsu Group.	QUALICA Inc. 49%
	TISI (Thailand) Co., Ltd.* 48%
	MHCB Consulting (Thailand) Co., Ltd. 3%
<u>IAM Consulting Co., Ltd.</u> The company provides consulting, development, implementation and education services, and also offers services related to SAP, OpenText and other IT solution around SAP foundation.	TISI (Thailand) Co., Ltd.* 51%
	TIS Inc. 49%
	Other individual shareholders <1%

Company Name	Shareholding Proportion
<u>PromptNow Co., Ltd.</u>	TIS Inc. 40%
The company is a developer of mobile applications for banks, insurance companies and other financial institutions. The main products and services of the company include mobile financial service and Kiosk.	TISI (Thailand) Co., Ltd.* 20%
	MFEC 20%
	Other individual shareholders 20%
<u>Code IT Consulting Co., Ltd.</u>	I AM Consulting Co., Ltd.* 100%
<u>Baseline Technology Consultants Co., Ltd.</u>	I AM Consulting Co., Ltd.* 100%
<u>ECM Consulting Co., Ltd.</u>	I AM Consulting Co., Ltd.* 100%
<u>iCoach Co., Ltd.</u>	I AM Consulting Co., Ltd.* 100%
<u>ITS - Trade Ship Co., Ltd.</u>	I AM Consulting Co., Ltd.* 100%
<u>IHR Consulting Co., Ltd.</u>	I AM Consulting Co., Ltd.* 100%

Remark: *Subsidiary company of TIS Inc.

2.2 Details of the Tender Offer for Securities

The Offeror wishes to conduct the Tender Offer for only one type of securities, which is the Company's ordinary share. On 21 July 2020, the Company has a total of 441,453,555 issued and paid-up ordinary shares; in which 1 ordinary share has a voting right equal to 1 vote.

As of the date of submission of the tender offer form, the Offeror holds 109,921,999 ordinary shares of the Company, or 24.90% of the total ordinary shares issued and sold by the Company. The Offeror wishes to conduct the Partial Tender Offer for not exceeding 106,390,307 shares of the Company, or equivalent to 24.10% of the total issued and paid-up ordinary shares and of the total voting rights of the Company by allotting according to the proportion of the shares intended to sell (Pro-Rata Basis). After the completion of the Tender Offer, if the shareholders accept the Tender Offer for the whole number of tendered shares, the Offeror will hold a total of 216,312,306 ordinary shares, which is equivalent to 49.00% of the total issued and paid-up ordinary shares and of the total voting rights of the Company.

2.2.1 The Offeror

TIS Inc.

2.2.2 The Tender Offer Preparer

Capital Nomura Securities Public Company Limited

2.2.3 The Tender Offer Agent

Capital Nomura Securities Public Company Limited

2.2.4 Date of Submission of the Tender Offer

21 July 2020

2.2.5 Objective of the Tender Offer

The Offeror has been an alliance with MFEC as it believes in the potential of the Company as a leader in providing IT solution for Thai enterprises. In addition to MFEC's expansion, the alliance enables the Offeror to increase its footprint in Thailand through MFEC's distribution channel.

The Offeror has shown a strong commitment to Thai market by forming a department within MFEC in order to develop new businesses and expand new client base from Japanese companies operating in Thailand. To further enhance the good relationship between the Offeror and MFEC, the two companies have been implementing various cooperation schemes in a wide range of businesses and continuing to make joint investments for business expansion.

In addition, the business transformation of MFEC is a key to ensure its competitiveness as a leader of the industry with the imminent digital transformation trend in Thailand. In this regard, the Offeror believes that it is mutually beneficial to both MFEC and the Offeror to make the Company become a consolidated subsidiary of the Offeror's Group; thus, allowing the Company to leverage the Offeror's business in accelerating its business transformation. According to

Japanese Generally Accepted Accounting Principles (JGAAP), Japanese company shall be allowed to consolidate its subsidiary, if it has control in such subsidiary for 40.00% of the total voting rights or more.

2.2.6 Number of Tendered Securities

As of the date of submission of the tender offer form, the Offeror holds 109,921,999 ordinary shares of the Company, or 24.90% of the total ordinary shares issued and sold by the Company. The Offeror wishes to conduct the Partial Tender Offer for not exceeding 106,390,307 shares of the Company, or equivalent to 24.10% of the total issued and paid-up ordinary shares and of the total voting rights of the Company by allotting according to the proportion of the shares intended to sell (Pro-Rata Basis). After the completion of the Tender Offer, if the shareholders accept the Tender Offer for the whole number of tendered shares, the Offeror will hold a total of 216,312,306 ordinary shares, which is equivalent to 49.00% of the total issued and paid-up ordinary shares and of the total voting rights of the Company.

2.2.7 Tender Offer Price

The tender offer price of the Company's ordinary shares is 5.00 Baht per share. In addition, the shareholders who accept the Tender Offer are subject to payment of a brokerage fee of 0.20% of the tender offer price plus the value added tax ("VAT") of 7.00% of the brokerage fee. Therefore, the net price to be received by the shareholders who have intention to sell will be 4.9893 Baht per share.

However, the said tender offer price is not the final offer, and the Offeror may change the tender offer price.

2.2.8 Tender Offer Period

The Offeror will purchase the Company's shares over a period of 45 business days commencing from 23 July 2020 to 28 September 2020 during the business hours of the Tender Offer Agent from 9.00 a.m. to 4.00 p.m.

2.2.9 Conditions of Amendment to the Tender Offer

1. The Offeror may reduce the tender offer price or extend the tender offer period in the case of any event that occurs during the tender offer period which causes material damage to the status or assets of the Company.
2. The Offeror may change the tender offer terms or extend the tender offer period to compete with another offeror who has submitted a tender offer for the same securities of the Company during the tender offer period.

2.2.10 Conditions for Cancellation of the Tender Offer

The Offeror may cancel the Tender Offer upon the occurrence of one or more of the following events:

1. Any event or action occurring after the submission of the Partial Tender Offer to the Office of the Securities and Exchange Commission but during the tender offer period which causes or may cause an adverse material effect to the status or the assets of the Company, where such event or action has not resulted solely from the actions of the Offeror or actions for which the Offeror is deemed as responsible for; or
2. Any action conducted by the Company after the submission of the Partial Tender Offer to the SEC but during the tender offer period which causes or may cause a significant decrease in the value of the Company's shares; or
3. Any action conducted by the Company as defined in the Notification of the Capital Market Supervisory Board No. TorJor. 14/2554 re: Act or Omission to Act Which is Likely to Affect Tender Offer of Business.

2.2.11 Tender Offer Period in which Securities Holders are able to Cancel Their Intention to Sell

The shareholders who show their intention to sell is able to cancel their acceptances of the Tender Offer at the office of the Tender Offer Agent on any business day between 23 July 2020 and 24 August 2020 inclusive, totaling 20 business days from the first day of the tender offer period, during the business hours of the Tender Offer Agent from 9.00 a.m. to 4.00 p.m.

2.2.12 Allotment of Shares if the Shares Intended to Sell are More or Less than the Tendered Shares
(Applicable only to the Case of Partial Tender Offer Pursuant to Clause 52, Chapter 5 of the Notification of the Capital Market Supervisory Board No. TorJor. 12/2554)

In the event that the shareholders show their intention to sell their ordinary shares of the Company to the Offeror more than 106,390,307 shares or 24.10% of the total issued and paid-up ordinary shares of the Company, the Offeror will purchase only 106,390,307 shares or 24.10% of the total issued and paid-up ordinary shares of the Company from the shareholders who show their intention to sell.

The allotment of shares will be arranged by means of the Pro-Rata Basis as specified in Clause 52, Chapter 5 of the Notification of the Capital Market Supervisory Board No. TorJor. 12/2554. In other words, the number of shares to be purchased from the shareholders who show their intention to sell will be calculated from the ratio of the number of shares intended to sell by each of the shareholder over the total number of shares intended to sell by all of the shareholders.

In case the number of pro-rated shares is not in board lots (100 shares) for each shareholder who shows his/her intention to sell, the Offeror shall round the fraction of the number into board lots (100 shares) as (1) in case the fractioned shares are less than 50 shares, the number of shares shall be rounded down to zero, or (2) in case the fractioned shares are more than or equal to 50 shares, the number of shares shall be rounded up to 100 shares. If the total shares after rounding are more than the number of tendered shares, the Offeror reserves its right to adjust the number of shares as appropriate.

For the remaining tendered shares from the case that the shares intended to sell are exceeding 106,390,307 shares, after the allotment of shares described above, such remaining ordinary shares will be returned to the shareholders who show their intention to sell according to the type of the offered shares via the Tender Offer Agent.

If the ordinary shares intended to sell are less than 106,390,307 shares or 24.10% of the total issued and paid-up ordinary shares of the Company, the Offeror will purchase all of the ordinary shares intended to sell by the shareholders.

2.3 Source of Funds of the Offeror

The aggregated amount of capital required to fund the Tender Offer is 531,951,535.00 Baht. The source of funds used to conduct the Tender Offer will be from the internal cash flows of the Offeror.

Part 3 The Opinion of the Advisor of Shareholders on the Tender Offer

3.1 Appropriateness of the Tender Offer Price

The Offeror conducts the Partial Tender Offer for the Company's securities at a price of 5.00 per share. In considering the appropriateness of the tender offer price, the Advisor of Shareholders has evaluated the share price of the Company with various approaches as follows:

- (1) Book Value Approach
- (2) Weighted Average Market Price Approach
- (3) Market Comparable Approach
 - a. Price to Book Value Ratio Approach or P/BV Ratio
 - b. Price to Earnings Ratio Approach or P/E Ratio
- (4) Discounted Cash Flow Approach

The details of various stock valuation approaches are shown below:

3.1.1 Book Value Approach

The valuation of the ordinary shares under this approach evaluates the book value of the net assets (total assets deduct total liabilities) or equal to the shareholders' equity of the Company excluding non – controlling interest, and then divides by the total number of issued and paid-up shares of the Company. The result is the book value per share. In consideration, the Advisor of Shareholders uses the consolidated financial statements of the Company as of 31 March 2020, which has been audited by the auditor. The details are as follows:

Unit: million Baht

Item	Consolidated Financial Statements as of 31 March 2020
Total assets	3,650.51
<u>Deduct</u> Total liabilities	1,733.67
Total Shareholders' equity	1,916.84
<u>Deduct</u> Non – controlling interest	25.06
Equity attributable to owners of the Company	1,891.78
Total issued and paid-up shares (million shares)	441.45

Unit: million Baht

Item	Consolidated Financial Statements as of 31 March 2020
Book value per share (Baht)	4.29

The valuation of the ordinary shares under the Book Value Approach has a share value of 4.29 Baht per share, which is lower than the tender offer price of 5.00 Baht per share by (0.71) Baht, or equivalent to (14.20)%.

3.1.2 Weighted Average Market Price Approach

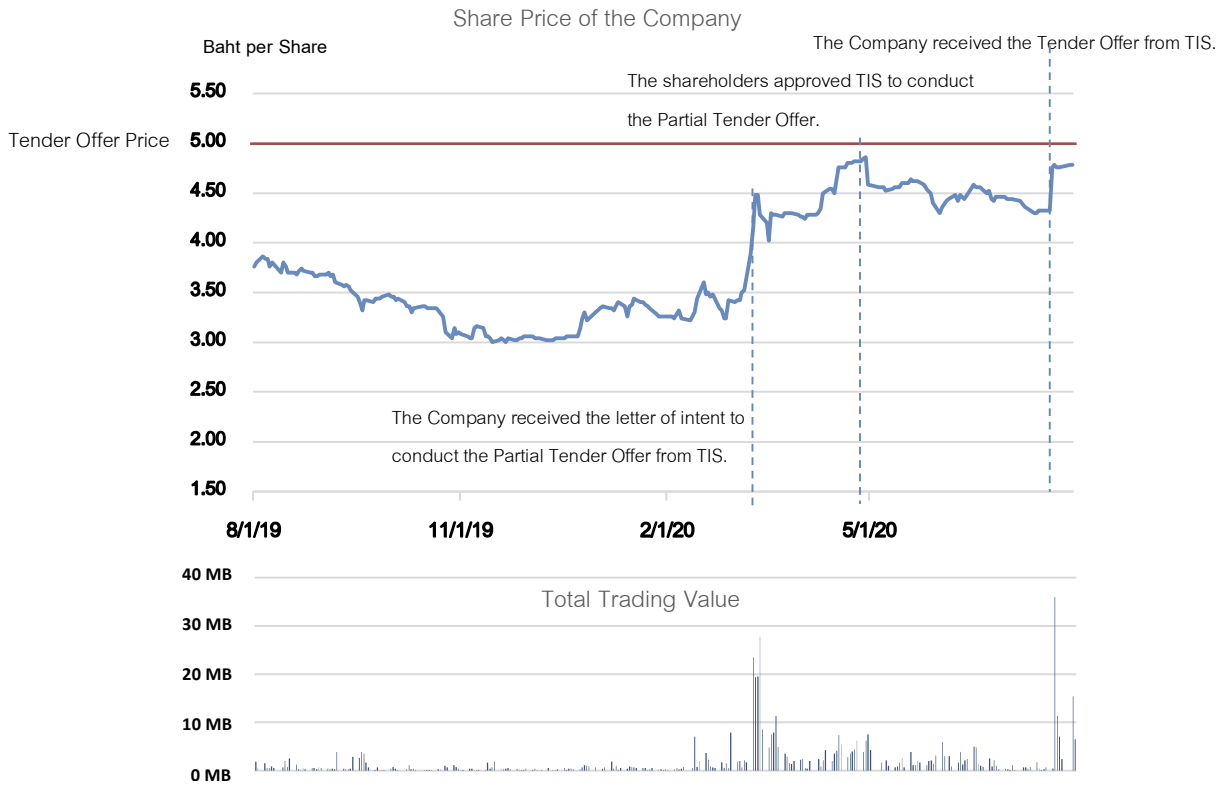
The valuation of the ordinary shares under this approach evaluates the share value of the Company by considering the value and trading volume of the Company's ordinary shares in the SET. The Advisor considers the weighted average market price of the Company's share in different timeframes from the previous periods of 1 month, 3 months, 6 months, 9 months and 12 months until 30 July 2020 with the following details:

Unit: Baht/Share

Period	Highest	Lowest	Average
The previous 1 month (01/07/20 – 30/07/20)	4.78	4.30	4.75
The previous 3 months (01/05/20– 30/07/20)	4.78	4.30	4.63
The previous 6 months (01/02/20 – 30/07/20)	4.86	3.22	4.32
The previous 9 months (01/11/19 – 30/07/20)	4.86	3.00	4.23
The previous 12 months (01/08/19 – 30/07/20)	4.86	3.00	4.15

Source: SETSMART

The chart showing the closing prices for the past 12 months (1 August 2019 – 30 July 2020)



The valuation of share under this approach reflects the demand, supply and expectation of the investors including economic conditions at that time, the market price of share might be higher or lower than the appropriate price. Nevertheless, in the consideration period, the average market price of the Company is 4.15 – 4.75 Baht per share, which is lower than the tender offer price of 5.00 Baht per share by (0.85) - (0.25) Baht per share, or equivalent to (16.98) – (5.01)%.

3.1.3 Market Comparable Approach

The valuation of the ordinary shares under this approach evaluates the value of the Company's ordinary shares by comparing various financial ratios of listed companies that engage in the similar business as the Company does. The Advisor selects the listed companies in the SET that provide consulting services, development, and computer system configuration and information technology network. There are 6 companies selected for comparison purposes, which can be seen below:

The Opinion Report of the Advisor of Shareholders on the Tender Offer

Unit: million Baht

Company Name	Abbr.	The Previous 12 Months		As of 30 July 2020
		Revenues	Profit	Market Capitalization
1. Advanced Information Technology Public Company Limited	AIT	7,041	349	3,528.09
2. International Research Corporation Public Company Limited	IRCP	883	(124)	111.89
3. Metro Systems Corporation Public Company Limited	MSC	7,311	197	1,890.00
4. Premier Technology Public Company Limited	PT	2,702	140	1,317.24
5. Simat Technologies Public Company Limited	SIMAT	1,964	91	2,075.91
6. Sky ICT Public Company Limited	SKY	3,989	208	8,532.52

The Advisor uses financial ratios, which are the Price to Book Value Ratio and the Price to Earnings Ratio to evaluate the share value of the Company with the details of the share valuation as follows:

a. Price to Book Value Ratio Approach (P/BV)

This approach is to evaluate the share value of the Company by comparing with price to book value ratio of listed companies that engage in the similar business. The details are as follows:

Unit: Times

Period	AIT	IRCP	MSC	PT	SIMAT	SKY	Median
The previous 1 month (01/07/20 – 30/07/20)	1.22	0.78	0.91	1.91	3.79	5.72	1.57
The previous 3 months (01/05/20 – 30/07/20)	1.22	0.76	0.91	1.85	3.30	5.67	1.54
The previous 6 months (01/02/20 – 30/07/20)	1.25	0.59	0.92	1.87	2.71	5.22	1.56
The previous 9 months (01/11/19 – 30/07/20)	1.30	0.53	0.97	1.94	2.45	5.30	1.62
The previous 12 months (01/08/19 – 30/07/20)	1.37	0.53	1.06	2.06	2.31	5.77	1.72

In the past 12 months, the Price to Book Value Ratios of the listed companies that provide consulting services, development, and computer system configuration and information technology network are in the range of 1.54 – 1.72 times. When considering the book value of the Company as of 31 March 2020 at 4.29 Baht per share, the appropriate range of the share price under the Price to Book Value Ratio Approach is 6.60 – 7.37 Baht per share, which is higher than the tender offer price of 5.00 Baht per share by 1.60 – 2.37 Baht, or equivalent to 31.90 – 47.44%.

b. Price to Earnings Ratio Approach (P/E)

This approach is to evaluate the share value of the Company by comparing with price to earnings ratio of listed companies that engage in the similar business. The details are as follows:

Unit: Times

Period	AIT	IRCP	MSC	PT	SIMAT	SKY	Median
The previous 1 month (01/07/20 – 30/07/20)	10.21	N/A	9.04	9.43	25.61	40.81	10.21
The previous 3 months (01/05/20– 30/07/20)	10.16	N/A	8.89	9.00	22.72	40.14	10.16
The previous 6 months (01/02/20 – 30/07/20)	9.94	N/A	8.49	8.35	19.59	35.71	9.94
The previous 9 months (01/11/19 – 30/07/20)	11.00	N/A	8.91	8.41	N/A	37.01	9.96
The previous 12 months (01/08/19 – 30/07/20)	12.40	N/A	9.07	8.80	N/A	47.64	10.74

Remark: IRCP had an operating loss in 2019, thus it is unable to calculate the Price to Earnings Ratio.

SIMAT cannot be calculated for the Price to Earnings Ratio during August 2019 - February 2020 due to past 12-month operating losses.

In the past 12 months, the Price to Earnings Ratios of the listed companies that provide consulting services, development, and computer system configuration and information technology network are in the range of 9.94 – 10.74 times. When considering net earnings in the past 1 year (1 April 2019 – 31 March 2020), the net earnings per share of the Company equals 0.59 Baht. When using the average of the listed companies that provide consulting services, development, and computer system configuration and information technology network to calculate the Price to Earnings Ratio, the appropriate range of the share price under the Price to Earnings Ratio Approach is 5.86 – 6.33 Baht per share, which is higher than the tender offer price of 5.00 Baht per share by 0.86 – 1.33 Baht, or equivalent to 17.26 – 26.68%.

3.1.4 Discounted Cash Flow Approach (DCF)

The valuation of the ordinary shares under this approach concerns the future operating performance of the Company by calculating the net present value of projected free cash flows with the Weighted Average Cost of Capital (WACC) as the discount rate.

The Advisor prepares the financial projection of the Company based on the following assumptions:

(1.1) Revenue and Cost

Revenue and Cost of Services

Currently, the Company has 4 main service businesses; which are 1. Consulting Services, 2. System Integration Services, 3. Maintenance Services, and 4. Cloud Solution Services.

1) Consulting Services

During 2018 – the 1st Quarter of 2020, the Company had revenues of 880.26, 735.75, and 175.29 million Baht respectively, representing growth rates of 56.10%, (16.42)%, and (4.70)% respectively. The Advisor estimates revenues during April – December 2020 to be proportionate to the revenue in the 1st Quarter of 2020.

The Advisor estimates revenue in 2021 to decline by 9.30% according to a cut in IT spending in 2020, anticipated by Gartner, which is due to the impact of the Coronavirus Disease 2019 (COVID-19). Since the term of the service agreements of the Company is between 9 - 12 months, therefore affecting the revenue in 2021.

The Advisor estimates revenues during 2022 – 2025 to increase by 2.57% according to an increase in IT spending during 2019 – 2021 in the case of Gartner's normal situation.

For the cost of consulting services in 2018 – the 1st Quarter of 2020, the Company had cost of services when compared to revenue from services to equal 78.19%, 69.49%, and 50.50% respectively. The Advisor estimates cost of services during April – December 2020 to follow the cost of services per revenues in the 1st Quarter of 2020, and assumes cost of services during 2021 – 2025 to equal 66.06% of the revenues, which is an average between 2018 - 2020.

Unit: million Baht

Consulting Services	Actual			Projection					
	2018	2019	Q1/2020	Apr-Dec 20	2021	2022	2023	2024	2025
Revenues	880.26	735.75	175.29	525.88	635.97	652.31	669.08	686.27	703.91
Growth rate (%)	56.10	(16.42)	(4.70)	-	(9.30)	2.57	2.57	2.57	2.57
Cost of services	688.24	511.27	88.53	265.60	420.12	430.92	441.99	453.35	465.00
Per revenue from services (%)	78.19	69.49	50.50	50.50	66.06	66.06	66.06	66.06	66.06

2) System Integration Services

During 2018 – the 1st Quarter of 2020, the Company had revenues of 1,357.37, 1,471.44, and 320.54 million Baht respectively, representing growth rates of (5.83)%, 8.40%, and (12.86)% respectively. The Advisor estimates revenues during April – December 2020 to be proportionate to the revenue in the 1st Quarter of 2020.

The Advisor estimates revenue in 2021 to decline by 9.30% according to a cut in IT spending in 2020, anticipated by Gartner, which is due to the impact of the Coronavirus Disease 2019 (COVID-19). Since the term of the service agreements of the Company is between 9 - 12 months, therefore affecting the revenue in 2021.

The Advisor estimates revenues during 2022 – 2025 to increase by 2.57% according to an increase in IT spending during 2019 – 2021 in the case of Gartner's normal situation.

For the cost of system integration services in 2018 – the 1st Quarter of 2020, the Company had cost of services when compared to revenue from services to equal 85.83%, 85.76%, and 91.40% respectively. The Advisor estimates cost of services during April – December 2020 to follow the cost of services per revenues in the 1st Quarter of 2020, and assumes cost of services during 2021 – 2025 to equal 87.66% of the revenues, which is an average between 2018 - 2020.

Unit: million Baht

System Integration Services	Actual			Projection					
	2018	2019	Q1/2020	Apr-Dec 20	2021	2022	2023	2024	2025
Revenues	1,357.37	1,471.44	320.54	961.61	1,162.91	1,192.80	1,223.45	1,254.90	1,287.15
Growth rate (%)	(5.83)	8.40	(12.86)	-	(9.30)	2.57	2.57	2.57	2.57
Cost of services	1,165.06	1,261.84	292.97	878.92	1,019.44	1,045.64	1,072.51	1,100.08	1,128.35
Per revenue from services (%)	85.83	85.76	91.40	91.40	87.66	87.66	87.66	87.66	87.66

3) Maintenance Services

During 2018 – the 1st Quarter of 2020, the Company had revenues of 936.85, 1,220.31, and 330.21 million Baht respectively, representing growth rates of 8.24%,

30.26%, 8.24% respectively. The Advisor estimates revenues during April – December 2020 to be proportionate to the revenue in the 1st Quarter of 2020.

The Advisor estimates revenue in 2021 to decline by 9.30% according to a cut in IT spending in 2020, anticipated by Gartner, which is due to the impact of the Coronavirus Disease 2019 (COVID-19). Since the term of the service agreements of the Company is between 9 - 12 months, therefore affecting the revenue in 2021.

The Advisor estimates revenues during 2022 – 2025 to increase by 2.57% according to an increase in IT spending during 2019 – 2021 in the case of Gartner's normal situation.

For the cost of maintenance services in 2018 – the 1st Quarter of 2020, the Company had cost of services when compared to revenue from services to equal 77.77%, 72.74%, and 78.64% respectively. The Advisor estimates cost of services during April – December 2020 to follow the cost of services per revenues in the 1st Quarter of 2020, and assumes cost of services during 2021 – 2025 to equal 76.38% of the revenues, which is an average between 2018 - 2020.

Unit: million Baht

Maintenance Services	Actual			Projection					
	2018	2019	Q1/2020	Apr-Dec 20	2021	2022	2023	2024	2025
Revenues	936.85	1,220.31	330.21	990.63	1,198.00	1,228.79	1,260.37	1,292.76	1,325.99
Growth rate (%)	8.24	30.26	8.24	-	(9.30)	2.57	2.57	2.57	2.57
Cost of services	728.57	887.71	259.68	779.05	915.09	938.61	962.73	987.47	1,012.85
Per revenue from services (%)	77.77	72.74	78.64	78.64	76.38	76.38	76.38	76.38	76.38

4) Cloud Solution Services

During 2018 – the 1st Quarter of 2020, the Company had revenues of 91.75, 260.58, and 37.75 million Baht respectively, representing growth rates of 1,538.39%, 184.01%, and (42.05)% respectively. The Advisor estimates revenues during April – December 2020 to be proportionate to the revenue in the 1st Quarter of 2020.

The Advisor estimates revenue in 2021 to decline by 9.30% according to a cut in IT spending in 2020, anticipated by Gartner, which is due to the impact of the Coronavirus

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Disease 2019 (COVID-19). Since the term of the service agreements of the Company is between 9 - 12 months, therefore affecting the revenue in 2021.

The Advisor estimates revenues during 2022 – 2025 to increase by 2.57% according to an increase in IT spending during 2019 – 2021 in the case of Gartner's normal situation.

For the cost of Cloud solution services in 2018 – the 1st Quarter of 2020, the Company had cost of services when compared to revenue from services to equal 88.66%, 89.34%, and 74.36% respectively. The Advisor estimates cost of services during April – December 2020 to follow the cost of services per revenues in the 1st Quarter of 2020, and assumes cost of services during 2021 – 2025 to equal 84.12% of the revenues, which is an average between 2018 - 2020.

Unit: million Baht

Cloud Solution Services	Actual			Projection					
	2018	2019	Q1/2020	Apr-Dec 20	2021	2022	2023	2024	2025
Revenues	91.75	260.58	37.75	113.25	136.96	140.48	144.09	147.79	151.59
<i>Growth rate (%)</i>	<i>1,538.39</i>	<i>184.01</i>	<i>(42.05)</i>	-	<i>(9.30)</i>	2.57	2.57	2.57	2.57
Cost of services	81.34	232.81	28.07	84.21	115.21	118.17	121.20	124.32	127.51
<i>Per revenue from services (%)</i>	<i>88.66</i>	<i>89.34</i>	<i>74.36</i>	<i>74.36</i>	<i>84.12</i>	<i>84.12</i>	<i>84.12</i>	<i>84.12</i>	<i>84.12</i>

Other Income

Other income consists of marketing campaign fee, interest income, etc. Other income during 2018 – the 1st Quarter of 2020 equaled 1.57%, 1.12%, and 1.09% of revenue from services respectively. The Advisor estimates other income during April – December 2020 to be proportionate to the other income in the 1st Quarter of 2020, and assumes other income during 2021 – 2025 to equal 1.10% of revenue from services, which is an average between 2019 - 2020.

Unit: million Baht

Other Income	Actual			Projection					
	2018	2019	Q1/2020	Apr-Dec 20	2021	2022	2023	2024	2025
Other Income	51.14	41.23	9.38	28.14	34.53	35.42	36.33	37.26	38.22
<i>Per revenue from services (%)</i>	<i>1.57</i>	<i>1.12</i>	<i>1.09</i>	<i>1.09</i>	<i>1.10</i>	<i>1.10</i>	<i>1.10</i>	<i>1.10</i>	<i>1.10</i>

Summary table of the estimation of revenue from services, other income and cost of services:

Unit: million Baht

Item	Projection					
	Apr-Dec 20	2021	2022	2023	2024	2025
Revenue from Services						
- Consulting Services	525.88	635.97	652.31	669.08	686.27	703.91
- System Integration Services	961.61	1,162.91	1,192.80	1,223.45	1,254.90	1,287.15
- Maintenance Services	990.63	1,198.00	1,228.79	1,260.37	1,292.76	1,325.99
- Cloud Solution Services	113.25	136.96	140.48	144.09	147.79	151.59
Total revenues from services	2,591.38	3,133.84	3,214.38	3,296.99	3,381.72	3,468.63
Other income	28.14	34.53	35.42	36.33	37.26	38.22
Total revenues	2,619.52	3,168.37	3,249.80	3,333.32	3,418.98	3,506.85
Cost of Services						
- Consulting Services	265.60	420.12	430.92	441.99	453.35	465.00
- System Integration Services	878.92	1,019.44	1,045.64	1,072.51	1,100.08	1,128.35
- Maintenance Services	779.05	915.09	938.61	962.73	987.47	1,012.85
- Cloud Solution Services	84.21	115.21	118.17	121.20	124.32	127.51
Total costs of services	2,007.78	2,469.86	2,533.33	2,598.44	2,665.22	2,733.72
Gross profit	611.74	698.51	716.47	734.88	753.76	773.14

(1.2) Selling Expenses

Selling expenses consist of commission fee-salesperson, public relations expense, entertainment expense, etc. Selling expenses during 2018 – the 1st Quarter of 2020 equaled 2.98%, 3.03%, and 2.80% of revenue from services respectively. The Advisor estimates selling expenses during April – December 2020 to be proportionate to the selling expenses in the 1st Quarter of 2020, and assumes selling expenses during 2021 – 2025 to equal 2.91% of revenue from services, which is an average between 2019 - 2020.

Unit: million Baht

Selling Expenses	Actual			Projection					
	2018	2019	Q1/2020	Apr-Dec 20	2021	2022	2023	2024	2025
Expenses	97.30	111.74	24.17	72.50	91.31	93.66	96.06	98.53	101.07
<i>Per revenue from services (%)</i>	<i>2.98</i>	<i>3.03</i>	<i>2.80</i>	<i>2.80</i>	<i>2.91</i>	<i>2.91</i>	<i>2.91</i>	<i>2.91</i>	<i>2.91</i>

(1.3) Administrative Expenses

Administrative expenses include wage, employee salary, consulting fee, accounting fee, executive remuneration, etc. The Advisor estimates administrative expenses during April – December 2020 to equal the administrative expenses in 2020, which increase from 2019 by 1.1% per year according to the inflation rate, deducting the administrative expenses from the 1st Quarter of 2020.

The Advisor estimates administrative expenses in 2021 to equal the administrative expenses in 2020 deducting the plan for reducing expenses in 2021 in the amount of 5.77 million Baht. The rest will increase by 1.1% per year according to the inflation rate.

The Advisor estimates administrative expenses during 2022 – 2025 to increase by 1.1% per year according to the inflation rate.

Unit: million Baht

Administrative Expenses	Actual			Projection					
	2018	2019	Q1/2020	Apr-Dec 20	2021	2022	2023	2024	2025
Expenses	429.81	441.12	151.48	294.52	445.08	450.00	454.97	459.99	465.07
<i>Per revenue from services (%)</i>	12.68	2.63	37.36	-	(0.20)	1.10	1.10	1.10	1.10

(1.4) Working Capital for Business Operation

The Advisor specifies the proportion of working capital during April – December 2020 to equal the working capital in the 1st Quarter of 2020, and assumes the proportion of working capital during 2021 – 2025 to equal an average between 2019 – 2020 since the data reflects the use of the current working capital and is in line with the business practices in the future. The numbers are shown in the following table:

Item	Actual		Projection	
	2019	Q1/2020	Apr-Dec 20	2021 - 2025
Average collection days (days)	140.35	129.15	129.15	134.75
Payment days (days)	74.72	66.83	66.83	70.77
Unbilled receivables/service revenue (%)	14.04	16.68	16.68	15.36
Costs of work in process/cost of services (%)	24.74	31.65	31.65	28.19
Accrued expenses/cost of services (%)	5.93	5.11	5.11	5.52

Item	Actual		Projection	
	2019	Q1/2020	Apr-Dec 20	2021 - 2025
Deferred income/service revenue (%)	12.98	15.52	15.52	14.25
Unbilled payable/cost of services (%)	7.10	8.31	8.31	7.71

(1.5) Investment Budget

The Company invests in tangible assets including leasehold improvements, office decorations, tools and office supplies, and vehicles.

According to the situation of the Coronavirus Disease 2019 (COVID-19), the Company has adjusted the investment plan in tangible assets between 2020 – 2021 by reducing to one-half of the investment amount. Therefore, the Advisor estimates an investment budget in tangible assets in 2020 for the rest of the year to equal the investment budget in the 1st Quarter of 2020, and estimates an investment budget in 2021 to equal the amount in 2020. The Advisor also estimates investment budgets in tangible assets during 2022 – 2025 to equal an average between 2019 – 2021.

For vehicles, the Advisor assumes investment budgets in vehicles during 2021 – 2025 to equal an average between 2018 – 2019, and there is no investment in vehicles in 2020.

The Company invests in intangible assets including computer program, deferred project program system, and system development cost.

Although there is the situation of the Coronavirus Disease 2019 (COVID-19) occurred, the Company continues to follow the original investment plan, because intangible assets require time for development. Therefore, the Advisor estimates investment budgets in intangible assets during April – December 2020 to be proportionate to the investment budget in the 1st Quarter of 2020, and estimates investment budgets during 2021 – 2025 to equal an average between 2019 – 2020.

Unit: million Baht

Item	Actual			Projection		
	2018	2019	Q1/2020	Apr-Dec 20	2021	2022-2025
<u>Tangible Assets</u>						
Leasehold improvements	7.99	6.43	1.66	1.66	3.32	4.36
Office decorations	21.26	9.60	3.46	3.46	6.93	7.82
Tools and office supplies	14.66	17.31	3.51	3.51	7.03	10.46

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Unit: million Baht

Item	Actual			Projection		
	2018	2019	Q1/2020	Apr-Dec 20	2021	2022-2025
Vehicles	0.54	4.69	-	-	2.62	2.62
<u>Intangible Assets</u>						
Computer program	3.70	5.00	0.74	2.21	3.97	3.97
Deferred project program system	-	1.16	0.67	2.02	1.93	1.93
System development cost	3.20	3.46	0.30	0.89	2.32	2.32
Total	51.35	47.66	10.34	13.76	28.12	33.47

(1.6) Depreciation and Amortization

The depreciation of tangible assets, such as leasehold improvements, office decorations, vehicles, etc., and intangible assets, such as computer program, deferred project program system, etc., is calculated using the straight-line method based on its useful life. The useful life for each type of assets is listed as per below:

Leasehold improvements	5	years
Office decorations	5	years
Tools and office supplies	3 - 5	years
Vehicles	5	years
Computer program	5	years
Deferred project program system	5	years
System development cost	3 - 5	years

(1.7) Financial Cost and Interest-Bearing Liabilities

Currently, the Company has the outstanding loans and the interest rate as shown in the below table:

Type	Outstanding Loans (million Baht)	Interest Rate (%)
Short-term loans	20	MLR - 1.00

(1.8) Corporate Income Tax

The corporate income tax equals 20% of earnings before tax.

(1.9) Terminal Value

The terminal growth rate to be used after the final year of the projection is 0% per year, which is projected on a conservative basis. The final year's free cash flow to the firm will be used to find the terminal value, where the formula to calculate the terminal value is detailed as follows:

$$\text{Terminal Value} = (\text{FCFF}_n * (1 + G)) / (\text{WACC} - G)$$

Where;

- FCFF_n = Free Cash Flow to the Firm in the final year
- G = Growth rate of free cash flow after the projection period, which is the estimation used in the Perpetuity Growth Model, equals to 0%.
- WACC = Weighted Average Cost of Capital or the discount rate; the details are shown in the next section.

(1.10) Discount Rate

In order to value the firm using the Discounted Cash Flow Approach, Free cash flow of the Company will be discounted by the Weighted Average Cost of Capital ("WACC"), which is calculated as follows:

$$\text{Weighted Average Cost of Capital (WACC)} = (D/D+E) * K_d * (1-T) + (E/D+E) * K_e$$

Where;

- D/D+E = Proportion of interest-bearing debts to the sum of interest-bearing debts and shareholders' equity, or equivalent to approximately 1.08%
- E/D+E = Proportion of shareholders' equity to the sum of interest-bearing debts and shareholders' equity, or equivalent to approximately 98.92%
- T = Effective tax rate; equal to 20.00%
- K_d = Weighted cost of interest-bearing debts of the Company; equal to 4.25%

K_e = Rate of return of shareholders' equity, which can be calculated using the Capital Asset Pricing Model (CAPM), equals 6.24%; calculated using the formula below:

$$\text{Cost of Equity } (K_e) = R_f + (R_m - R_f) * \beta$$

Where;

R_f = The risk-free rate of return refers from www.thaibma.or.th as of 30 June 2020, which is at 1.282% per year. The specified rate is the return from investment in 10-year government bond.

R_m = Expected rate of return from investment in The Stock Exchange of Thailand inclusive of dividend yield between 5 July 2010 and 3 July 2020 equals 9.208% per year.

β = Coefficient, which represents the risk of return of the Company's securities to the return from investment in The Stock Exchange of Thailand or SET Index. The Advisor uses the average value of coefficients from the listed companies in the SET that provide consulting services, development, and computer system configuration and information technology network by selecting the 2-year historical information with reference to Bloomberg as of 30 June 2020.

The listed companies in the SET that are selected for calculation include:

Company	Abbr.	β
Advanced Information Technology Public Co., Ltd.	AIT	0.6394
International Research Corporation Public Co., Ltd.	IRCP	0.2881
Metro Systems Corporation Public Co., Ltd.	MSC	0.6122
Premier Technology Public Co., Ltd.	PT	0.6780
Simat Technologies Public Co., Ltd.	SIMAT	0.7287
Sky ICT Public Co., Ltd.	SKY	0.3887
Median =		0.6258

The calculation of each variable is as follows:

The ratio of interest-bearing debt to total investment (D/D+E)	:	1.08%
The ratio of investment from shareholders' equity to total investment (E/D+E)	:	98.92%
Average cost of total interest-bearing liabilities (K_d)	:	4.25%
The rate of return of shareholders' equity (K_e)	:	6.24%
WACC	:	6.21%

(1.11) Fair Value of Assets Not Used in Operations

Assets not used in operations and fair values consist of:

Unit: million Baht

Item	Book Value	Fair Value
(1) Angstrom Solutions Co., Ltd.	41.12	41.11
(2) PromptNow Co., Ltd.	65.16	28.66
(3) Fanster Media Co., Ltd.	4.40	4.17
(4) Digital Savvy, LLC	11.42	12.19
(5) Undefined Co., Ltd. (Go out of business on 26 December 2019)	0.99	1.00
Total	123.08	87.12

(1.12) Projection of the Income Statements

Unit: million Baht

Item	Projection					
	Apr-Dec 20	2021	2022	2023	2024	2025
Revenue from services	2,591.38	3,133.84	3,214.38	3,296.99	3,381.72	3,468.63
Other income	28.14	34.53	35.42	36.33	37.26	38.22
Total revenues	2,619.52	3,168.37	3,249.80	3,333.32	3,418.98	3,506.85
Cost of services	2,007.78	2,469.86	2,533.33	2,598.44	2,665.22	2,733.72
Gross profit	611.74	698.51	716.47	734.88	753.76	773.14
Selling expenses	72.50	91.31	93.66	96.06	98.53	101.07
Administrative expenses	294.52	445.08	450.00	454.97	459.99	465.07
Interest expense	0.64	0.85	0.85	0.85	0.85	0.85
Profit before tax	244.09	161.27	171.96	183.00	194.39	206.15

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Unit: million Baht

Item	Projection					
	Apr-Dec 20	2021	2022	2023	2024	2025
Corporate income tax	48.82	32.25	34.39	36.60	38.88	41.23
Net profit	195.27	129.02	137.57	146.40	155.51	164.92

(1.13) Projection of Free Cash Flow

Unit: million Baht

Item	Projection					
	Apr-Dec 20	2021	2022	2023	2024	2025
Profit before interest and income tax	244.72	162.12	172.81	183.85	195.24	207.00
<u>Add</u> Corporate income tax	(48.82)	(32.25)	(34.39)	(36.60)	(38.88)	(41.23)
<u>Add</u> Depreciation	31.83	43.92	18.22	21.59	27.04	31.13
<u>Add</u> Change in working capital	(143.99)	177.94	(27.82)	(28.53)	(29.27)	(30.02)
<u>Add</u> Investment budget	(13.76)	(28.12)	(33.47)	(33.47)	(33.47)	(33.47)
<u>Add</u> Terminal value						2,147.62
Free cash flow	70.00	323.61	95.35	106.83	120.66	2,281.02
Discount period (years)	0.75	1.75	2.75	3.75	4.75	5.75
Discount factor (times)	0.9558	0.8999	0.8473	0.7977	0.7511	0.7071
Present value of free cash flow	66.90	291.22	80.79	85.22	90.63	1,613.02
Present value of the Company	2,227.78					
<u>Add</u> Cash ¹	519.61					
<u>Add</u> Interest-bearing debts ¹	(20.59)					
<u>Add</u> Fair value of assets not used in operations	87.12					
Non-controlling interests ¹	(25.06)					
Value of shareholders' equity	2,788.87					
Number of shares (million shares)	441.45					
Value of shareholders' equity (Baht per share)	6.32					

Remark: ¹ Based on the consolidated financial statements of the Company as of 31 March 2020

(1.14) Value of Shareholders' Equity

The valuation of the ordinary shares under the **Discounted Cash Flow Approach** will equal 6.32 Baht per share, which is higher than the tender offer price of 5.00 Baht per share by 1.32 Baht, or equivalent to 26.35%.

3.1.5 **Summary of the Appropriateness of the Tender Offer Price**

Summary Table of the Valuation of Ordinary Shares of the Company using Various Approaches

Valuation Approach	Projected Value (Baht per Share)	Higher (Lower) than the Offer Price		Appropriateness of the Approach
		(Baht per Share)	(%)	
1. Book Value Approach	4.29	(0.71)	(14.20)	Not selected
2. Weighted Average Market Price Approach	4.15 – 4.75	(0.85) - (0.25)	(16.98) – (5.01)	Not selected
3. Market Comparable Approach				
- Price to Book Value Ratio Approach	6.60 – 7.37	1.60 – 2.37	31.90 – 47.44	Not selected
- Price to Earnings Ratio Approach	5.86 – 6.33	0.86 – 1.33	17.26 – 26.68	Not selected
4. Discounted Cash Flow Approach	6.32	1.32	26.35	Selected

The Advisor opines that when evaluating the fair value of the ordinary shares of the Company, the projected value derived from the Discounted Cash Flow Approach should be considered and used, because this approach evaluates various asset values appropriately and takes into consideration the operating results and future growth. Therefore, the Advisor estimates that the fair value of the ordinary shares of the Company is 6.32 Baht per share.

Thus, when considering the appropriateness of the tender offer price this time, the Advisor is of the opinion that the tender offer price of 5.00 Baht per share **is lower than the fair value of the ordinary shares of the Company** at 6.32 Baht per share. It can be seen that the fair value of the ordinary shares of the Company is higher than the tender offer price by 1.32 Baht, or equivalent to 26.35%.

3.2 **Reasons to Accept and/or Reject the Tender Offer**

From the consideration of the Tender Offer for Securities and various information of the Company, the Advisor opines that the securities holders of the Company should consider the following issues:

Tender Offer Price

The Advisor is of the opinion that the tender offer price of the Company at 5.00 Baht per share is lower than the fair value of the Company's ordinary shares at 6.32 Baht per share, which is evaluated by the Advisor using the Discounted Cash Flow Approach.

Although the said tender offer price is lower than the fair value of the Company's ordinary shares, when compared with the weighted average market price of the Company's shares traded on the SET during the 3 months (May – July 2020), which is at 4.63 Baht per share, the weighted average market price is lower than the tender offer price of 5.00 Baht per share. Therefore, the Advisor of Shareholders opines that the shareholders should consider in 2 cases as follows:

(a) In the case that the market price is higher than the tender offer price

The shareholders should reject the Tender Offer. In this regard, the shareholders who wish to sell their ordinary shares can do so via the SET instead of accepting the Tender Offer as the shares can be sold at a better price than accepting the Tender Offer. Nevertheless, the shareholders should consider the liquidity risk from trading the Company's shares and the market price of the Company's shares which may decrease if a large number of the shares are sold.

(b) In the case that the market price is lower than the tender offer price

The shareholders should accept the Tender Offer, because the tender offer price is higher than the market price.

However, the shareholders can purchase back the Company's ordinary shares on the SET if the shareholders wish to continue investing in the long-term since the fair value of the Company's ordinary shares is at 6.32 Baht per share, which is evaluated by the Advisor using the Discounted Cash Flow Approach.

However, in considering to accept or reject the Tender Offer from the Offeror this time, the shareholders should study the information in the Tender Offer for Securities (Form 247-4), the opinion of the Company regarding the Tender Offer for Securities (Form 250-2), and the opinion of the Advisor of Shareholders in this report for consideration in deciding to accept or reject the Tender Offer for Securities. The consideration of accepting or rejecting the said Tender Offer depends mainly on the discretion and decision of the shareholders.

3.3 Benefits or Impacts from the Plan and Policy as specified by the Offeror in the Tender Offer

1) The Company's Status

The Offeror has stated in the Tender Offer for Securities that "Within the period of 12 months after the completion of the Tender Offer, the Offeror has no intention to delist the Company's securities from the SET, except the Offeror must comply with all applicable laws and regulations that are effective at that time."

The Advisor opines that such policy has no impact on the securities holders since the Company is still listed on the SET. However, in the future, if the Offeror wishes to delist the Company from being a listed company on the SET, the Offeror must conduct a tender offer for all securities of the Company again in order to give the securities holders the opportunity to sell their shares.

2) Policy and Business Plan

The Offeror has stated the policy and business plan in the Tender Offer for Securities that;

After the completion of the Partial Tender Offer, the Offeror has no intention to make any material change to business objectives, business plan, investment/divestment plan and financial restructuring of the Company. In addition, the Offeror does not intend to change the corporate governance and management policy, including the organization structure, staff management, and recruitment plan within the period of 12 months after the completion of the Partial Tender Offer.

In addition to continuing operation under the existing business policy of the Company, the Offeror will consider the business plan to further integrate its strength and competitiveness with the Company after the completion of the Tender Offer to further enhance the Company's growth. Nevertheless, a concrete plan shall be carefully discussed and evaluated between the management team of the Offeror and the Company after the Tender Offer this time. Also, with such cooperation, the Offeror will consider expanding the Company's business by leveraging TIS's knowledge on IT system, especially in relation to finance and payment, which is considered as the main business of both the Offeror and the Company. Additionally, the Offeror is expecting to provide the Company further cooperation by utilizing technology and innovation from the Offeror's alliances, such as Grab, SQREEM, and R3.

Furthermore, after the completion of the Tender Offer, the Offeror will continue to support the operations of the existing management without changing the Company's directors, except for the appointment of new directors in place of those who are retired by rotation. However, the Offeror has an intention to nominate representatives to be the Company's directors according to the shareholding proportion of the Company after the completion of the Partial Tender Offer. Such nomination by the Offeror will be conducted by means of replacing those who are retired by rotation, and will be performed in compliance with the Articles of Association of the Company and the relevant provisions prescribed under the Public Limited Companies Act B.E. 2535, the Securities and Exchange Act B.E. 2535, and other relevant regulations.

However, in the event that there are material changes to the Company's financial position, business operation, or any necessary changes occurring within the period of 12 months after the completion of the Tender Offer, the Offeror may consider a revision and adjustment of the business policy of the Company in order to make it become more appropriate for business operations and financial position of the Company, and to avoid potential event that may negatively affect the Company's operation. The Offeror shall seek approval from the Board of Directors and/or the shareholders' meeting of the Company or any kind of necessary approval in accordance with applicable laws, rules and relevant regulations that are effective at that time.

In addition, the Offeror has no intention to change the Company's dividend policy within the period of 12 months after the completion of the Partial Tender Offer.

In conclusion, the Offeror has an objective for the Company to focus on operating the same business as before. The Advisor opines that as the Offeror has been holding the Company's shares since 2014 and sent Mr. Kiyotaka Nakamura to be a director of the Company since 2014 until the present. The Offeror, therefore, has a good understanding of the current business of the Company, and be able to operate the business according to the current business plan.

The Offeror will consider the business plan to further expand the business by utilizing TIS knowledge of information technology, including the cooperation on technology and innovation from partners, which will be beneficial to the Company.

In the case of the Offeror having an intention to nominate representatives to be the Company's directors according to the shareholding proportion of the Company after the completion of the Partial Tender Offer, it is a normal practice of holding shares.

However, the Company's shareholders still have a risk in the event that the Offeror considers that it is necessary and the Company will fully benefit if there are changes in the business objective, business plan, investment plan, sales of assets and financial restructuring of the Company. The Offeror will consider the matters for the most benefit of the Company.

If the Offeror makes significant changes in the nature or objective of the Company's business operations, the Offeror and the Company must comply with relevant laws; if the relevant laws require that such action must be approved by the shareholders' meeting, the Company's shareholders have the right to vote to approve or disapprove the said action.

3) Related Transactions

Currently, the Company has policies and procedures in relation to related transactions to comply with the rules, regulations, or requirements of the SET and the SEC. The Company also follows guidelines to prevent any conflict of interests between the Company, its subsidiaries, associate companies and/or any potential conflict persons. Prior to the Tender Offer, the Company has related transactions with the Offeror, whereby these transactions are involved in the normal course of business, which can be summarized as follows:

Unit: Baht

Company	2019	1 st Quarter of 2020
The Company bought services from;		
1. PromptNow Company Limited ¹	13,995,030	None
2. TISI (Thailand) Company Limited ¹	1,050,000	None
3. I AM Consulting Company Limited ¹	300,000	None
4. TISI (Shanghai) Company Limited ²	120,783	None
5. TIS Inc.	15,050	None
6. QUALICA (Thailand) Company Limited ¹	14,714	None
Total	15,495,577	None

Remark: ¹Subsidiary company of the Offeror in Thailand

²Subsidiary company of the Offeror overseas

After the Tender Offer, the Offeror has stated in the Tender Offer for Securities that within the period of 12 months after the completion of the Tender Offer, the Offeror has no intention to materially change the policy in relation to related transactions of the Company regarding type and value of existing related transactions, and wishes to continue such existing related transactions where terms and conditions shall be constituted based on the arm's length basis.

After the completion of the Tender Offer, further cooperation between the Offeror and the Company shall be carefully discussed and evaluated by the managements of both companies. In the case that the Offeror enters into a related transaction with the Company in the future, the Offeror and the Company shall consider to ensure that there would not be any special terms or preference among the Company, its subsidiaries, associate companies, major shareholders and/or any potential conflict persons. Furthermore, the Audit Committee shall consider, review, approve and comment on the appropriateness and necessity of any transactions, which could lead to any conflicts of interest prior to proposing to the Meeting of the Board of Directors or the shareholders' meeting (as the case may be) for further approval.

The Advisor opines that the policy of related transactions between the Company and the Offeror/the Offeror's Group before and after the Tender Offer will have no significant change for the period of 12 months since the end of the tender offer period, and the above related transactions are normal transactions and have normal trade conditions based on the arm's length basis, and the transactions will be continued in the future. The transaction sizes occurred in the future will not be significantly different from the current transaction sizes.

In addition, when entering into the said related transactions and other related transactions, the Company, the Offeror and the Offeror's Group will comply with the laws, announcements, and relevant regulations of the SEC and the SET, and will consider the necessity and reasonableness of the transaction, as well as the appropriateness of the price and the trade conditions of the transaction. Moreover, they will consider the benefits of the Company before proposing to the Board of Directors and/or the shareholders' meeting as the case may be. The persons with special interests will not participate in the consideration and approval of the said transaction.

3.4 Benefits that the Securities Holders will Receive and Impacts on Securities Holders in the Case of Rejecting the Tender Offer (Only if the Tender Offer is for Delisting the Securities from the Stock Exchange of Thailand)

None, because the Tender Offer for Securities this time is not conducted for delisting the securities from being listed on the Stock Exchange of Thailand.

Part 4 Summary of the Opinion of the Advisor of Shareholders

The Advisor is of the opinion that the tender offer price of the Company at 5.00 Baht per share is lower than the fair value of the Company's ordinary shares at 6.32 Baht per share, which is evaluated by the Advisor using the Discounted Cash Flow Approach.

Although the said tender offer price is lower than the fair value of the Company's ordinary shares, when compared with the weighted average market price of the Company's shares traded on the SET during the 3 months (May – July 2020), which is at 4.63 Baht per share, the weighted average market price is lower than the tender offer price of 5.00 Baht per share. Therefore, the Advisor of Shareholders opines that the shareholders should consider in 2 cases as follows:

(a) In the case that the market price is higher than the tender offer price

The shareholders should reject the Tender Offer. In this regard, the shareholders who wish to sell their ordinary shares can do so via the SET instead of accepting the Tender Offer as the shares can be sold at a better price than accepting the Tender Offer. Nevertheless, the shareholders should consider the liquidity risk from trading the Company's shares and the market price of the Company's shares which may decrease if a large number of the shares are sold.

(b) In the case that the market price is lower than the tender offer price

The shareholders should accept the Tender Offer, because the tender offer price is higher than the market price.

However, the shareholders can purchase back the Company's ordinary shares on the SET if the shareholders wish to continue investing in the long-term since the fair value of the Company's ordinary shares is at 6.32 Baht per share, which is evaluated by the Advisor using the Discounted Cash Flow Approach.

However, in considering to accept or reject the Tender Offer from the Offeror this time, the shareholders should study the information in the Tender Offer for Securities (Form 247-4), the opinion of the Company regarding the Tender Offer for Securities (Form 250-2), and the opinion of the Advisor of Shareholders in this report for consideration in deciding to accept or reject the Tender Offer for Securities. The consideration of accepting or rejecting the said Tender Offer depends mainly on the discretion and decision of the shareholders.

The Opinion Report of the Advisor of Shareholders on the Tender Offer

Capital Link Advisory Limited, as the Advisor of Shareholders, hereby certifies that we have provided the above opinion with due care in accordance with professional standards by taking into consideration the benefits of the shareholders as most important.

Yours sincerely,

Capital Link Advisory Limited

- *Mr. Kriangkrai Siravanichkan* -

(Mr. Kriangkrai Siravanichkan)
Authorized Director

- *Mr. Kasin Theanchai* -

(Mr. Kasin Theanchai)
Authorized Director

- *Mr. Kasin Theanchai* -

(Mr. Kasin Theanchai)
Operational Controller