

**The opinions of the Independent Financial Advisor
on the acquisition of asset and the connected transaction
regarding the purchase of land from Cholburi Sugar Corporation Ltd.**

of



Oishi Group Public Company Limited

presented to

The Shareholders of Oishi Group Public Company Limited

by



JayDee Partners Limited

March 28, 2013

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

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

Table of Contents

	Page
Executive Summary	6
Section 1 Information of Oishi Group Public Company Limited	8
Section 2 The approval for the purchase of land from Cholburi Sugar Corporation Ltd	18
Section 3 Summary of the Opinion of the Independent Financial Advisor	42

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

Glossary

The Company or OISHI	Oishi Group Public Company Limited
Oishi Trading	Oishi Trading Company Limited
OISHI Group	Oishi Group Public Company Limited and its subsidiaries, comprising of Oishi Trading Company Limited, Oishi Ramen Company Limited and Oishi International Holding Limited
Cholburi Sugar	Cholburi Sugar Corporation Ltd
Sirivadhanabhakdi Group	Mr.Chareon Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi
ThaiBev	Thai Beverage Public Company Limited
TPA	Thai Property Appraisal Lynn Phillips Co., Ltd.
AA	American Appraisal (Thailand) Company Limited
Independent Financial Advisor or IFA	JayDee Partners Limited
SET	The Stock Exchange of Thailand
SEC	The Office of the Securities and Exchange Commission
Acquisition or Disposition Notification	The Notification of the Board of Governor of the Stock Exchange of Thailand, Tor. Chor. 20/2008 Re: Rules for Significant Transactions Constituting an Acquisition or Disposal of Assets and Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E.2547 (2004) dated October 29, 2004, and its amendments.
Connected Transaction Notification	The Notification of Capital Supervisory Board, Tor Chor 21/2008 Re: Rules on Connected Transactions dated August 31, 2008 and its amendments, as well as the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosures of Information and the Acts of Listed Companies concerning Connected Transaction B.E. 2546 (2003) dated November 19, 2003 and its amendments

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

March 28, 2013

Attention: The shareholders of Oishi Group Public Company Limited

Subject: The opinions of the independent financial advisor on the acquisition of asset and the connected transaction

The Board of Director's meeting of Oishi Group Public Company Limited ("the Company" or "OISHI") No. 2/2013 held on March 11, 2013, passed a resolution to approve a connected transaction between Oishi Trading Company Limited ("Oishi Trading"), its subsidiaries, and Cholburi Sugar Corporation Ltd, a company which has the common major shareholder with the Company, to purchase a plot of land with total area of 182-2-19 rai located in Tumbon Nong Chak, Ampor Banbueng, Cholburi, Title Deed No. 11500, Land No. 22, Survey Page No. 38 for the construction of plant building and installation of a new central kitchen system.

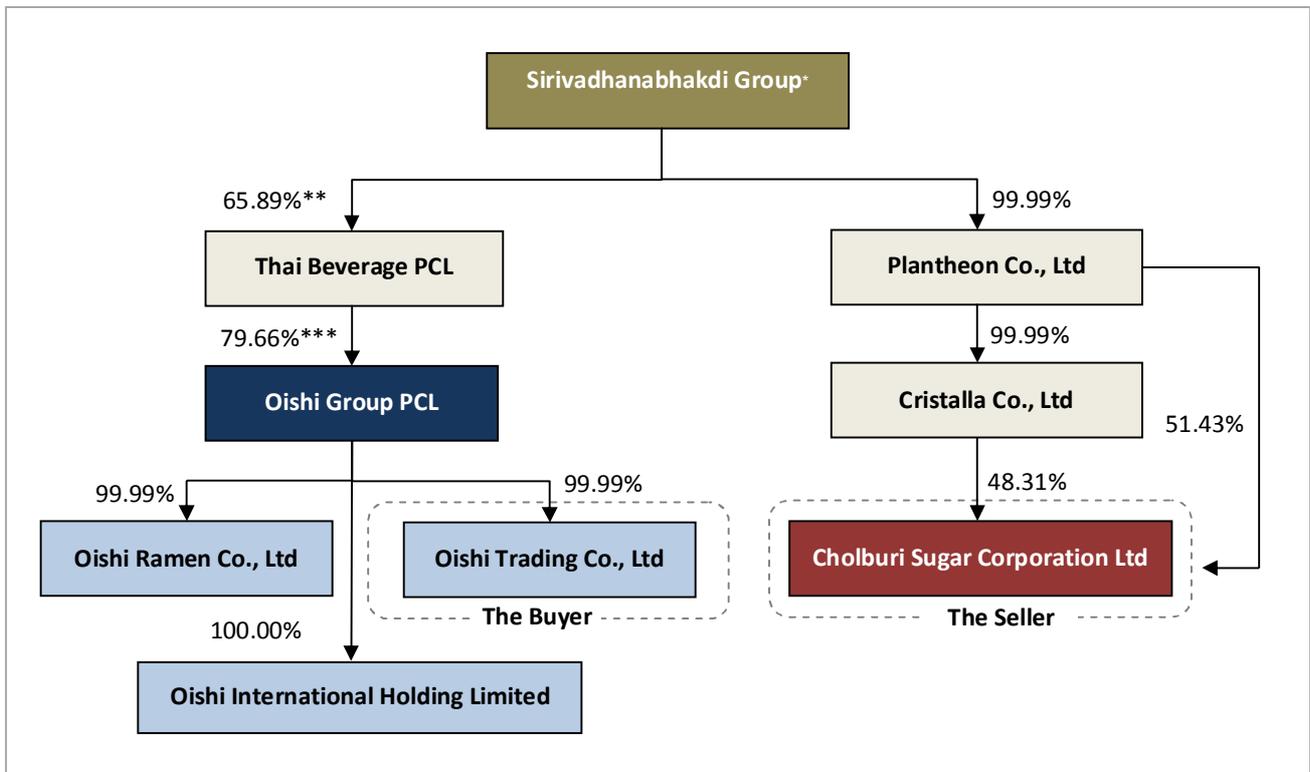
In this regards, Oishi Trading currently leases the aforementioned land from Cholburi Sugar for the construction of plant and installation of a new central kitchen system. The lease period is 2 years from August 1, 2012 until July 31, 2014 with rental and service fees altogether of THB 310,000 per month. However, on January 21, 2013, Cholburi Sugar had issued an offering letter to sell the land to Oishi Trading at THB 146.04 million, in which the Company intends to acquire ownership of land as the location for its new central kitchen.

The transaction of land purchase by Oishi Trading, a subsidiary of the Company (as of December 31, 2012, the Company owned 99.99% interest in Oishi Trading), is considered as an acquisition of asset as prescribed in the Notification of the Board of Governor of the Stock Exchange of Thailand, Tor. Chor. 20/2008 Re: Rules for Significant Transactions Constituting an Acquisition or Disposal of Assets and Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E.2547 (2004) dated October 29, 2004, and its amendments ("Acquisition or Disposition Notification") with the highest acquisition transaction size of 2.01% of total assets. Thus, this Transaction is classified as category 1 under the Acquisition or Disposition Notification, in which the disclosure to the Stock Exchange of Thailand ("the SET") is not required.

Nonetheless, since the Company and Cholburi Sugar have a common major shareholder, namely Mr. Chareon Sirivadhanabhakdi ("Sirivadhanabhakdi Group"). The Sirivadhanabhakdi Group indirectly owns 79.66% of the Company's shares (information as of March 20, 2013) through the group's interest in Thai Beverage Public Company Limited ("ThaiBev"), a major shareholder of the Company (the Sirivadhanabhakdi Group owns 65.89% of ThaiBev's paid-up shares). The Sirivadhanabhakdi Group also indirectly owns shares of Cholburi Sugar through Plantheon Co., Ltd ("Plantheon") and Cristalla Co., Ltd ("Cristalla") with a combined interest of 99.74% of Cholburi Sugar's paid-up shares (information as of January 30, 2013). Details of the relationship between the transaction parties are presented in Diagram 1. As a result, the transaction is considered as a connected transaction according to the Notification of Capital Supervisory Board, Tor Chor 21/2008 Re: Rules on Connected Transactions dated August 31, 2008 and its amendments, as well as the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosures of Information and the Acts of Listed Companies concerning Connected Transaction B.E. 2546 (2003) dated November 19, 2003 and its amendments ("the Notification of Connected Transaction") with the connected transaction size of 4.73% of net tangible assets ("NTA") as of December 31, 2012 (NTA as of December 31, 2012 was THB 3,088.05 million) which is higher than 3.00% of NTA. Thus, the Company is required to seek the approval from the shareholders with affirmative votes of not less than three-fourth of the votes attending the meeting and having the right to vote, excluding the votes from the shareholders who have conflict of interest. Also, the Company is required to appoint an independent financial advisor to render opinion regarding the reasonableness of the transaction as well as the fairness of the transaction price and conditions to present to the shareholders of the Company for consideration.

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

Diagram 1: Relationship of the Company and Cholburi Sugar



Remark * Sirivadhanabhakdi Group comprises of Mr.Chareon Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi
 ** Shareholding of ThaiBev as of August 28, 2012 with Sirivadhanabhakdi Group having 65.89% interest in ThaiBev, through their interest in 45.27% of Siriwana Co., Ltd., 17.23% of Maxtop Management Corp., 3.32% of Risen Mark Enterprise Ltd. and 0.06% of Golden Capital (Singapore) Ltd.
 *** Shareholding of OISHI as of March 20, 2013
 - Shareholding of Cholburi Sugar as of January 30, 2013, shareholding of Plantheon as of April 30, 2012 and Shareholding of Cristalla as of January 31, 2012

The Board of Directors’ Meeting No.1/2013, held on February 26, 2013 approved the appointment of JayDee Partners Limited (“independent financial advisor” or “the IFA”), the financial advisor approved by the Office of the Securities and Exchange Commission (“the SEC”), to be the independent financial advisor of the Company to render the opinions to the shareholders as supporting information for their voting consideration in respect of entering into the asset acquisition and the connected transaction.

The IFA has given opinion based on the information from interview, information received from the Company, publicly available information as well as current economic condition. If there are any signification changes to such information in the future, it might alter the opinion of the IFA accordingly. Information used for this report are as follows:

- The resolutions of the Company’s Board of Directors’ Meeting related to the transaction.
- The Company’s information memorandum disclosure to the SET.
- Form 56-1 of the Company for 2010 – 2012.
- Audited financial statements of the Company and Oishi Trading for the years ended December 31, 2010 – 2012
- Contracts or agreements related to the transaction.
- Interview with the management and staff of the Company and Oishi Trading
- Information and documents obtained from the Company and Oishi Trading
- The appraisal reports on asset related to the transaction which are prepared by the independent appraiser

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

Additionally, this report is based on these underlying assumptions.

- All information and documents obtained from the Company and Oishi Trading are complete, adequate and truthful and that the opinion from the interview with the Company's management and Oishi Trading's management are reflective of the current situation;
- There are not any events which had occurred, is going to occur or is likely to occur that might materially affect the operating results and financial performances of the Company and Oishi Trading;
- All business contracts related to the Company's business and Oishi Trading's business with its counterparties are still legal, valid and binding and have not been amended, revoked or terminated;

In this regards, the IFA has prepared this report on March 11, 2013 and hereby certified that we have studied, analyzed and prudently performed our duties as an Independent Financial Advisor, complying with the generally accepted professional standard and rendered our opinion based on the unbiased analysis with regards to the best benefit of the shareholders. However, it is important to note that the IFA's opinions are based on the information and documents received from the Company and other publicly available information. The IFA assumes that such information is accurate and reliable at the time the IFA prepared this opinion report. However, if such information is found to be inaccurate and/or incomplete and/or unreliable and/or have any significant changes in the future, the opinion provided by the IFA may differ accordingly. As a result, the IFA is unable to hold responsible for any impacts on the Company and its shareholders resulting from such transaction. In addition, the objective of this report is merely to provide opinion on the transaction to the Company's shareholders. The decision to vote is the sole discretion of the shareholders, which shall include the consideration of advantages, disadvantages, and risk associated with the transactions as well as consideration of the attached documents submitting to the shareholders along with the invitation letter so as to make the most appropriate decision. In this regards, the opinion of the IFA does not certify the success of the transaction as well as their possible impacts. The IFA does not hold any responsibilities for the impacts that might arise from such transaction both directly and indirectly.

The IFA has considered the reasonableness of the transactions with details as follows:

Executive Summary

On March 11, 2013, the Company's Board of Directors' Meeting No.2/2013 passed a resolution to approve Oishi Trading, to purchase a plot of land with a total area of 182-2-19 rai, located in Tumbon Nongchak, Ampor Banbueng, Cholburi from Cholburi Sugar at THB 146.04 million, representing THB 800,000 per rai or THB 2,000 per sq.wah.

At present, Oishi Trading leases the land from Cholburi Sugar. The lease and service agreement are dated August 1, 2012 with a period of 2 years starting from August 1, 2012 until July 31, 2014 with THB 310,000 per month lease and service fee for water supply system and roads within the leased area (details on the lease and services agreement are presented in Section 2 Item 2.1.2 of this report). In addition, Oishi Trading is currently constructing a new plant on such land to be used as its new central kitchen for the production of raw materials supplied to Oishi Group's Japanese restaurants. This new central kitchen project requires an investment of around THB 545 million and the construction is expected to be completed and operational in the fourth quarter of 2013.

On January 21, 2013, Cholburi Sugar as the lessor issued a letter notifying Oishi Trading of its intent to sell the land to other parties for a per plot quote of THB 146.04 million. However, the lease agreement stipulates Oishi Trading to have first right to purchase the land in case that Cholburi Sugar intends to sell the land during the lease period. Accordingly, the Board of Directors of the Company has passed the resolution to purchase the land from Cholburi Sugar in order to reduce the risk of undesirable termination of lease agreement which may cause a disruption of the central kitchen's operation and possibly creating expenses from demolition of buildings. Additionally, the Company will acquire ownership of high potential land located outside of flood zone and close to its logistics provider, which is located in Bang Phee Industrial Estate, Samut Prakarn.

The transaction is considered as an acquisition of asset as prescribed in the Acquisition or Disposition Notification with the highest acquisition transaction size of 2.01% of total assets. Moreover, as the Company and Cholburi Sugar have a common major shareholder, the Sirivadhanabhakdi Group, the transaction is considered as a connected party

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

transaction corresponded with the Notification of Connected Transaction, with the transaction size of 4.73% of NTA as of December 31, 2012, which is higher than 3.00% of NTA. Thus, the Company is required to seek approval from the shareholders with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting, excluding the shareholders with conflict of interest. The Company is also required to appoint an independent financial advisor to render opinions to the Company's shareholders regarding the reasonableness of the transaction and the fairness of the transaction price and condition.

The IFA views that the Transaction is **appropriate** based on the following reasons:

1. The transaction will enable Oishi Trading to acquire the ownership of land, on which locates it investment in the new central kitchen; total investments made as of February 28, 2013 at THB 106.46 million. The acquisition will reduce the risks associated with investing on the leased land; especially the risk of undesirable termination of the lease agreement due to reasons such as the lessor may consider to sell the land to other parties, which may disrupt the Company's operations and cause the Company to lose its opportunity to utilize buildings and facilities that have already been invested. Also, the Company may incur expenses for demolishing all of its constructions as well as expenses to locate a new site for its new central kitchen.
2. Oishi Trading will acquire ownership of land with a potential to support future growth of Oishi Group. The land is preferable to the Company's existing plant site as it is located outside the flood zone and is also closer to the Company's logistics provider. Additionally, the land is of sufficient size to support long-term growth of the Company.
3. The transaction will help mitigating the risk from leasing the land in the long-run, such as increasing expenses in case the new land owner leases the land to the Company, however, changes the terms and conditions of the lease agreement, which may alter the benefit of Oishi Trading as the lessee.
4. The proposed transaction price at THB 146.04 million is within the range of fair price evaluated by independent asset appraisers, which equals to THB 146.00 million and THB 149.69 million (details of the appraisal by the independent asset appraisers are presented in Section 2 Item 2.3.1 of this report).
5. The terms and conditions stipulated in the Land Sale and Purchase Agreement are in accordance with general business practice and should not adversely impact the benefit of the Company.

Accordingly, the IFA views that the shareholders should **approve** the Transaction. Nevertheless, the shareholders should take into consideration **disadvantages and risks associated with the Transaction** prior to making a decision. Specifically, the land purchase requires a large sum of one-time cash payment that will significantly reduce Oishi Group's cash flows, as opposed to rental and service fees which are paid monthly. Such draw on cash flow may cause Oishi Group to lose an opportunity to take on other investments.

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

Section 1: Information of Oishi Group Public Company Limited

1.1 Background

Oishi Group Public Company Limited was established in 2000 under the name of Oishi Restaurant Co., Ltd. with initial paid-up capital of THB 10 million, to operate Japanese restaurant under the brand "OISHI". In 2004, the Company has become a public company and started trading in the Stock Exchange of Thailand on August 25, 2004. After that there was a change in shareholding structure of the Company, as a result, Thai Beverage Plc., Ltd. had become the major shareholder with 43.90% and continued to increase its shareholding portion to 89.93% after the completion of the tender offer.

The history and significant developments of food and beverage business expansion are listed as follows:

1999	:	Started Japanese restaurant operation under the brand "Oishi"
2001	:	Started Japanese noodle restaurant operation under the brand "Oishi Ramen"
2002	:	Started Japanese buffet shabu/kaiten style under the brand "Shabushi"
2003	:	Operated new central kitchen at Nawanakorn factory producing food and beverage products to support sales at Oishi restaurants
	:	"Oishi Green Tea" was launched
2004	:	"Oishi Grand" was opened at Siam Discovery
2005	:	Produced and distributed fruit juice with Amino under the name "Amino OK"
2006	:	Amata Nakorn plant started its operation in June 2006
2007	:	Oishi Black Tea was launched
2008	:	Oishi launched a new RTD product, namely "Coffio".
2009	:	Opened Kazokutei, the Udon and Soba franchise restaurant from Osaka
	:	Amino OK was rebranded as Amino Plus
2010	:	New Green Tea flavors were launched i.e. Goji Berry
2011	:	Launched new green tea with juices "Fruito" and first ever sparkling green tea in can
	:	Opened new restaurant brand "Nikuya", Japanese-style yakiniku buffet.
2012	:	Opened new restaurant brand "Kakashi" under QSR format (Quick Service Restaurant), serving Japanese rice with various toppings
	:	Launched crispy fried seaweed "Onori"
	:	New packaging design of green tea UHT with "One Piece" character
	:	Launched green tea in returnable bottle

As of December 31, 2012, the Company had a registered capital and paid-up capital of THB 375.00 million, comprising of 187.50 million ordinary shares at a par value of THB 2.00 per share. The subsidiaries of the Company as of December 31, 2012 are listed as follow:

Table 1: Information of the subsidiaries of the Company as of December 31, 2012

Company Name	Shareholding (%)	Type of business	Registered capital (THB million)
Oishi Ramen Company Limited	99.99	<ul style="list-style-type: none"> ▪ Japanese noodle restaurants ▪ Franchise business 	158.00
Oishi Trading Company Limited	99.99	<ul style="list-style-type: none"> ▪ Central Kitchen ▪ Green Tea manufacturer and distributor ▪ AMINO Plus manufacturer and distributor 	420.00
Oishi International Holding Limited *	100.00	<ul style="list-style-type: none"> ▪ To support international expansion 	50,000 HKD

Remark * Oishi International Holding Limited was incorporated in Hong Kong, Special Administrative Region of the People's Republic of China on May 21, 2012 in order to support the company's international expansion. It has not commercially operated.

Source: The Company

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

1.2 Overview of Business

The Company and its subsidiaries (“Oishi Group”) engage in 2 main types of business, namely Japanese restaurant business and beverage business as follows:

1.2.1 Japanese restaurant business: The Company provides services for Japanese restaurant under various brands as follows:

Table 2: Details of the Japanese restaurant business of the Company

Brand/ Service	Type of services	No. of branches*
Oishi Grand	A distinctive and luxurious buffet atmosphere	1
Oishi Buffet	Japanese food buffet style with a limited time	17
Shabushi	Shabu buffet style with the ingredients served along a conveyor (kaiten) together with assorted sushi with a limited time	68
Oishi Ramen	A unique style of ramen and soup localized to suit local taste	42
Oishi Delivery	Home delivery service	7
Kazokutei	Specializing in Japanese udon and soba. This is a franchise brand from Osaka, Japan.	9
Nikuya	Specialized in yakiniku buffet style with high quality products	6
Kakashi	A quick service restaurant serves Japanese rice with various toppings	5
Snack Shop	A kiosk provides Oishi products including sandwiches, beverages, seaweed snack and frozen food	1

Remark * As of December 31, 2012

Source: The Company

As at December 31, 2012, the Company has a total of 156 restaurants in Bangkok and other provinces such as Chiang Mai, Pattaya, Cholburi, Sara Buri, Lopburi, Nakhon Ratchasima, Khon Kaen, Udon Thani and Phuket, etc. From all of the branches, the Company operates a total of 154 branches and the other 2 branches in Phuket are in the form of franchises.

1.2.2 Beverages business: The group of companies is also the manufacturer and distributor of beverage products as follows:

- Green tea under the brand “Oishi Green Tea” with several favors, sizes, and packages including plastic bottles, glass bottles, boxes, and cans.
- Sparkled Green Tea under the brand “Chakulza” in a can.
- Functional Drink under the brand “Amino Plus” in a plastic bottle and a box.
- Ready to drink coffee under the brand “Coffio” in a plastic bottle.

Revenue structure of OISHI Group for the years ended December 31, 2010 - 2012 are presented in the following Table.

Table 3: Revenue structure of OISHI Group for the years 2010 – 2012

(Unit: THB million)	Operated by	2010		2011		2012	
		Revenue	%	Revenue	%	Revenue	%
Revenue from beverage business	OISHI and OISHI Trading	5,109	58	5,527	57	6,353	54
Revenue from restaurant business	OISHI and OISHI Ramen	3,657	42	4,150	43	5,349	46
Total		8,766	100	9,677	100	11,702	100

Source: The Company

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

1.3 Shareholders

Major shareholders of the Company as of March 20, 2013 are as follows:

Table 4: Major shareholders of the Company as of March 20, 2013

	Name of shareholders	Shareholding	
		Number of Shares	% of Total
1.	Thai Beverage Public Company Limited	149,360,199	79.66
2.	Thai NVDR Company Limited	10,537,192	5.62
3.	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	9,000,000	4.80
4.	UOB KAY HIAN PRIVATE LIMITED	4,678,700	2.49
5.	Mr.Taveerat Prungpatanasakul	1,947,000	1.04
6.	STATE STREET BANK EUROPE LIMITED	1,722,400	0.92
7.	Mr. Thaveechat Jurangkool	1,270,000	0.68
8.	HSBC (SINGAPORE) NOMINEES PTE LTD	1,013,300	0.54
9.	CITIBANK NOMINEES SINGAPORE PTE LTD-UBS AG LONDON BRANCH-NRBS IPB CLIENT SEG	529,300	0.28
10.	Mrs.Hatairat Jurangkool	390,000	0.21
	Miiority shareholders	7,051,909	3.76
	Total	187,500,000	100.00

Source: The Company

1.4 The Board of Directors

The Board of Directors of the Company as of December 31, 2012 are listed as follows:

Table 5: List of the Board of Directors of the Company as of December 31, 2012

Name	Position
1. Mr.Narong Srisa-an*	Chairman of the Board
2. Mr.Thapana Sirivadhanabhakdi*	Vice Chairman of the Board and Chairman of the Executive Committee
3. Mr.Matthew Kichodhan*	Director and President
4. Mr.Sithichai Chaikriangkrai*	Director
5. Mr.Uyechai Tantha-Obhas*	Director
6. Mr.Pisanu Vichiensanth*	Director
7. Mr. Panot Sirivadhanabhakdi*	Director
8. Ms.Sureeporn Pradittasnee*	Director
9. Mr.Vikrom Koopirochana	Independent Director and Chairman of Audit Committee
10. Miss Potjaneer Thanavarani	Independent Director and Audit Committee
11. Mr.Chai Jroongtanapibarn	Independent Director and Audit Committee
12. Mr.Prasit Kovilaikool	Independent Director

Remark * Representatives of ThaiBev, a major shareholder of the Company

Authorized signatories are any two of twelve directors are authorized (excluding Mr.Vikrom Koopirochana, Mr.Chai Jroongtanapibarn, Miss Potjaneer Thanavarani and Mr.Prasit Kovilaikool) to co-sign with the company seal affixed.

The management of the Company as of December 31, 2012 are listed as follows:

Table 6: The Management of the Company as of December 31, 2012

Name	Position
1. Mr.Matthew Kichodhan	President
2. Mr. Paiboon Kujareevanich	Executive Vice President
3. Mr.Paisan Aowsathaporn	Executive Vice President - Food Division

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

Name	Position
4. Mr. Aniruth Mahathorn	Executive Vice President - Beverage Division
5. Mr. Sanguan Pongswan	Internal Audit Director
6. Mr. Somsak Ussavathirakul	Accounting Director
7. Mr. Thanee Pornphisutsak	Factory General Manager
8. Mr. Sutee Thammsithboon	Marketing Director - Beverage Business
9. Ms. Thachanan Manotnarumon	Sales Business Development Director - Beverage Business
10. Ms. Wannasri Bunakebuth	Treasury Director
11. Ms.Chitkasem Moo-ming	Finance Director
12. Mr. Niruth Sripawatakul	Marketing Director - Food Business
13. Mr. Hataison Rudeewong	Sales Director - Beverage Business
14. Mr. Chanavut Narkveg	Human Resource Director
15. Mr.Kitti Anutarasret	Information Technology Director
16.Ms.Chanokkan Yothaprasert	Purchasing Department Director

Source: The Company

1.5 Financial status and operating performance

Financial information from the Company's consolidated financial statements as of December 31, 2010 – 2012 audited by KPMG Phoomchai Audit Limited are presented as follows:

Table 7: Summarized financial status and financial performance for the year 2010 – 2012

Oishi Group Public Company Limited	2010	2011	2012
Balance Sheet (Unit : THB million)			
Current Assets			
Cash and cash equivalents	309.40	56.02	93.65
Accounts receivable	606.48	502.42	709.32
Other receivables	55.72	1,424.52	1,010.26
Inventories	495.78	225.16	309.61
Other current assets	31.23	42.96	37.28
Total current assets	1,498.62	2,251.08	2,175.54
Non-current assets			
Other long-term investment	12.16	12.16	10.16
Other receivables	6.65	3.88	-
Property, plant and equipment	2,966.08	3,130.07	4,741.70
Intangible assets	46.71	35.81	33.14
Leasehold rights	92.00	82.32	72.63
Deferred tax assets	5.31	18.71	53.77
Other non-current assets	155.37	184.77	173.08
Total non-current assets	3,284.27	3,467.72	5,084.48
Total assets	4,782.89	5,718.80	7,260.02
Liabilities and equity			
Current liabilities			
Short-term loans from financial institutions	-	581.00	1,836.00
Trade account payables	795.54	643.50	932.94
Other payables	322.14	649.91	927.92
Current portion of long-term loan from a financial institution	-	600.00	-
Accounts payable - assets acquisition	288.08	191.99	323.11
Income tax payable	44.10	40.88	3.70
Other current liabilities	24.05	40.41	57.25

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

Oishi Group Public Company Limited Balance Sheet (Unit : THB million)	2010	2011	2012
Total current liabilities	1,473.91	2,747.70	4,080.93
Non-current liabilities			
Deferred income	0.78	0.52	0.26
Long-term loans from financial institutions	600.00	-	-
Employee benefit obligations	-	26.70	40.89
Other non-current liabilities	26.53	39.04	16.75
Total non-current liabilities	627.32	66.25	57.90
Total liabilities	2,101.23	2,813.95	4,138.83
Equity			
Registered capital	375.00	375.00	375.00
Issued and paid-up share capital	375.00	375.00	375.00
Premium on ordinary shares	609.40	609.40	609.40
Retained earnings – legal reserve	37.50	37.50	37.50
Retained earnings – unappropriated	1,659.76	1,846.08	2,062.44
Other components of equity	-	36.86	36.85
Total equity	2,681.66	2,904.85	3,121.19
Total liabilities and equity	4,782.89	5,718.80	7,260.02

Oishi Group Public Company Limited Profit and Loss Statement (Unit : THB million)	2010	2011	2012
Revenue			
Sale income	8,733.05	9,501.12	11,634.40
Net gain on foreign exchange	-	26.11	-
Net gain on disposal of property	10.19	114.13	-
Other income	23.18	36.08	67.89
Total income	8,766.42	9,677.44	11,702.29
Expenses			
Cost of sale and services	5,900.20	6,558.02	8,030.59
Selling expenses	842.31	1,023.97	1,376.45
Administrative expenses	943.17	1,105.26	1,579.23
Net loss on foreign exchange	23.70	-	36.59
Net loss arising from the flooding	-	115.98	5.74
Finance costs	-	15.68	45.65
Total expenses	7,709.38	8,818.92	11,074.25
Profit (loss) before income tax	1,057.04	858.52	628.04
Income (expenses) from corporate income tax	-82.47	-50.39	25.79
Net profit	974.57	808.13	653.83

Oishi Group Public Company Limited Cash Flow Statement (Unit : THB million)	2010	2011	2012
Net cash inflows (outflow) from operating activities	1,201.31	1,310.70	1,615.59
Net cash inflows (outflow) from investing activities	(1,382.80)	(1,529.95)	(1,756.05)
Net cash inflows (outflow) from financing activities	(67.50)	(34.14)	178.10
Increase (decrease) in cash and cash equivalent - net	(248.99)	(253.39)	37.64

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

Oishi Group Public Company Limited	2010	2011	2012
Key financial ratios			
Liquidity Ratio			
Current ratio (time)	1.02	0.82	0.53
Quick ratio (time)	0.62	0.20	0.20
Cash liquidity ratio (time)	0.92	0.62	0.47
Account receivable turnover ratio (time)	14.60	17.14	19.20
Average collection period (day)	25.00	21.30	19.01
Inventory turnover ratio (time)	16.84	18.19	30.03
Inventory period (day)	21.67	20.06	12.15
Account payable turnover ratio (time)	8.28	9.11	10.19
Payable period (day)	44.06	40.05	35.83
Cash cycle (day)	2.62	1.32	(4.67)
Profitability Ratio			
Gross profit margin (%)	32.44%	30.98%	30.98%
Operating profit margin (%)	11.72%	7.35%	5.21%
Operating cash flow to operating profit (%)	114.70%	161.05%	249.27%
Net profit margin (%)	11.16%	8.51%	5.62%
Return on equity (%)	38.86%	28.93%	21.70%
Efficiency Ratio			
Return on assets (%)	23.61%	15.39%	10.08%
Return on fixed assets (%)	42.36%	26.51%	16.61%
Asset turnover (time)	2.12	1.84	1.80
Financial Policy Ratio			
Debt to equity ratio (time)	0.78	0.97	1.33
Dividend payout ratio (%)	61.57%	51.04%	45.88%

Analysis of operating results and financial position

Operating results of the Company

Revenue

In 2010-2012, the Company had sales income amounted to THB 8,733.05 million, THB 9,501.12 million, and THB 11,634.40 million, respectively. For the year 2011 and 2012, the Company's sales income increased by 8.79% from 2010 and by 22.45% from 2011. In 2011, the increase in sales income was mainly from an increase in revenue from restaurant business which had a growth rate at 13.63% from the previous year due to sales promotion strategy and continuous opening of new branches as well as a growth in beverages business at 5.34% from the previous year due to the new product launches such as Chakulza and Frito. In 2012, sales revenues increased from the continuous growth of restaurant business at 28.63% while beverage business increased by 17.69%.

In 2010-2012, the Company recorded total revenues of THB 8,766.42 million, THB 9,677.44 million, and 11,702.29 million, respectively, which increased by 10.39% from 2010, and 20.92% from 2011. As at the end of 2010-2012, the Company had a total number of restaurants of 125 branches, 120 branches, and 156 branches, respectively.

Cost of goods sold

The Company's cost of goods sold consists of food and beverages production cost. In 2010-2012, the Company had cost of goods sold amounted to THB 5,900.20 million, THB 6,558.02 million, and THB 8,030.59 million, respectively. In

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

addition, the Company had cost of goods sold to revenue from sales at 67.56%, 69.02%, and 69.02%, respectively. For the year 2011, the increased in cost of goods sold to revenue from sales was from rising in raw material cost of food and beverages, and the cost of increased sales discount to customer.

Selling and administrative expenses

The Company's selling expense comprises mainly advertising and promotion expense, rental fee, sales promotion expense. For the year 2010-2012, the Company's selling expense was at THB 842.31 million, THB 1,023.97 million, and THB 1,376.45 million, respectively, to total sales revenues at 9.65%, 10.78%, and 11.83%, respectively. An increase in selling expense was mainly due to increasing in advertising expense amounted to THB 128.65 million, and 328.76 million, respectively, to support the new product launch including sales promotion to support high competition in the industry.

The company's administrative expense consists of personnel cost, depreciation and amortization, and office expenses. In 2010-2012, administrative expense amounted to THB 943.17 million, THB 1,105.26 million, and THB 1,579.23 million or increased by 17.19% from 2010 and by 42.88% from 2011, respectively. Nevertheless, an increase in administrative expense was caused by personnel expense amounted to THB 119.78 million, and THB 281.23 million in 2011-2012 respectively due to a continuous increase in company's Japanese restaurant expansion.

Moreover, the Company had been affected by the flood with temporary closing the plant at Navanakorn Industrial Estate from October 19, 2011 to block the water entering into the plant and protect the damages caused by the flood. The Company is able to resume operations in October 2012. As a result, the Company recorded operation loss from the flood amounting to THB 115.98 million in 2011.

Net profit

In 2010-2012, the Company had net profit amounted to THB 974.57 million, THB 808.13 million, and THB 653.83 million with a net profit margin at 11.16%, 8.51% and 5.62%, respectively. Net profit margins had continuously decreased due to flooding impact in 2011 as well as increasing in marketing expense and personnel expense. Moreover, the Company had a financial cost amounted to THB 45.65 million increasing from 2011 which amounted to THB 15.68 million due to an increase in short-term loan from financial institution.

Assets

As at December 31, 2011-2012, the company had total asset amounted to 1,386.20 million, 1,493.01 million, and THB 1,522.84 million, respectively. The Company's main assets consists of trade account receivables, other account receivables, and property, plant and equipment as the below details.

- As at December 31, 2010-2012, the Company's account receivables amounted to THB 606.48 million, THB 502.42 million, and THB 709.32 million, respectively. Company's account receivables decreased by 17.16% from the end of previous year due to a decrease in revenue from sales in December 2011 from the previous year. For 2012, Company's account receivables increased by 41.18% following an increase in sales.
- As at December 31, 2010-2012, the Company's other account receivables, for example other account receivables from related businesses and accrued expenses, amounted to THB 55.72 million, THB 1,424.52 million, and THB 1,010.26 million, respectively. In 2011-2012, the Company's other account receivables increased by THB 1,368.80 million, and decreased by THB 414.27 million as results of the increase and decrease in other account receivables related to insurance claim from the mega flood at Navanakorn plant in Pathumthani province.
- As at December 31, 2010-2012, the Company's property, plant and equipment amounted to THB 2,966.08 million, THB 3,130.07 million, and THB 4,741.70 million, or increased by 5.53%, 51.49%, respectively. In 2011, the increase was due to the construction of the new plant, purchased of new machinery and from the launches and reconstruction of branches.

Liabilities

As at December 31, 2010-2012, the company had total liabilities amounted to 2,101.23 million, 2,813.95 million, and THB 4,138.83 million, respectively. The company's main liabilities are consisted of trade account payables, other account payables, and short-term loan from financial institution as the below details.

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

- As at December 31, 2011-2012, short-term loan from financial institution amounted to THB 581.00 million, THB 1,836.00 million, which are 20.65% and 44.36% of total liabilities. The increase in short-term loan from financial institution was for support of increased investments.
- As at December 31, 2010-2012, the Company's trade account payables amounted to THB 795.54 million, THB 643.50 million, and THB 932.94 million, which are 37.86%, 22.87% and 22.54% to total liabilities.
- As at December 31, 2010-2012, the Company's other account payables amounted to THB 322.14 million, THB 649.91 million, and THB 927.92 million, which are 15.33%, 23.10% and 22.42% to total liabilities. Other account payables consist mainly of marketing expense, personnel expense and other accrued expense.

Shareholder's equity

As of December 31, 2010-2012, shareholder's equity amounted to THB 2,681.66 million, THB 2,904.85 million, and THB 3,121.19 million which increased by 8.32% from 2010 and 7.45% from 2011, resulting from continuous increase in retained earning from the Company's performance and re-evaluation of land amounted to THB 36.86 million in 2011. Nevertheless, the Company had dividend payment from the Company's performance of 2010-2011 amounted to THB 600 million, and THB 412.50 million, representing dividend payout ratios of 61.57%, and 51.04%, respectively. For the first six month period of 2012, the Company's dividend payment amounted to THB 300.00 million, representing a interim dividend payout ratio of 50.25%.

Liquidity

In 2010-2012, the Company had net cash flow from operating activities amounted to THB 1,201.31 million, THB 1,310.70 million, and THB 1,615.59 million, respectively. In addition, Company's net cash flow used in investing activities amounted to THB 1,382.80 million, THB 1,529.95 million, and THB 1,756.05 million, respectively, which are mainly investments in PET bottling machinery, the new central kitchen, and UHT packaging. In 2011-2012, the Company had net cash flow used in financing activities amounted to THB 67.50 million and THB 34.14 million, respectively due to dividend payment, repayment of long-term liabilities and interest, offsetting with short-term loan from financial institution. For 2012, the Company had net cash flow from financing activities amounted to THB 178.10 million, increasing from short-term loan amounted to THB 1,255 million, offsetting with repayment of long-term liabilities amounted to THB 600.00 million and dividend payment amounted to THB 431.25 million.

For the year 2010-2012, the Company also had liquidity ratio at 1.02 times, 0.82 times, and 0.53 times, respectively. However, a decreasing trend was from an increase in short-term loan along with an increase in trade account payables.

Capital structure

As at the end of 2010-2012, the Company's debt to equity ratio was at 0.78 times, 0.97 times, 1.33 times, respectively. Debt to equity ratio had an increasing trend. Although, shareholder's equity increased from the increases in retained earnings, the Company's debt also increased, especially from short-term loan from financial institution resulting to the increases in debt to equity ratio.

1.6 Industry Overview

1.6.1 Thai economy

According to the Office of the National Economic and Social Development Board (NESDB) as of February 2013, Thai economy in 2012 had expanded by 6.4% due to the drive from the improvement of industrial sector having been resumed to their normal capacity after the flooding crisis. As a result, industrial sector expanded by 7.0% while Hotels & Restaurants sector expanded by 11.5 percent from an increase in foreign tourists.

The construction sector expanded by 7.8% due to the expansion of the government and private construction projects. Whereas the expansion of spending was supported by domestic demands especially from household spending, government and private investment which expanded by 6.6% and 13.3%, respectively, due to an improvement of Consumer Confidence Index (CCI), the favorable labor market condition, low Interest and inflation rate including government's stimulant measures such as government's tax rebate for the first car scheme, government salary increases and the government intervention in agricultural price, etc.

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

In 2013, the Office of the National Economic and Social Development Board (NESDB) has forecasted that Thai economy will expand by 4.5% – 5.5% as results of full production capacity of the industrial sector and an improvement in global economy. Therefore, exports are expected to play an important role in driving Thai economy in 2013. The value of exports in 2013 is forecasted to expand by 11.0% while domestic demand is anticipated to grow at a slower pace following a decrease in the momentum of short-term government stimulus plan and the expenditure for the rehabilitation and reconstruction after the flood.

Nevertheless, the household consumption and the investment expenditures are expected to grow by 3.5% and 8.9%, respectively, whereas the private domestic demand growth remains strong. Supporting factors include 1) increase in household income supported by the implementation of country-wide minimum wage while the recovery of manufacturing sector resulted to low unemployment rate 2) improvement of agricultural prices during the period of global economic recovery 3) the relatively low inflation and interest rate and 4) government measures to decrease cost of living and reduce personal income tax.

The expansion of overall Thai economy during 2012 – 2013 as mentioned above, especially from household consumptions and the private sector, main contributors to restaurant business, has indicated that the restaurant business will be expanding with the economy.

Government measures to stimulate the economy and raise the household income in the previous year such as the increase in minimum wages, government salary, the tax rebate for first-time-car-buyer scheme, as well as the intervention in prices of agriculture products, have raised the household purchasing power that will continuously support the restaurant business in 2013. However, entrepreneurs including those in restaurant business might face the pressure of increases in the main manufacturing cost as follows:

- Labor cost from the implementation of country-wide minimum wage to THB 300 per day since January 1, 2013 which results to an increase in minimum wages by 32.5 percent in average.
- Energy cost (Electricity and Fuel) from an increase in the fuel adjustment tariff (FT) rate of THB 0.04 from January to April, 2013 as a result of the gradual deduction of domestic energy subsidies of LPG, transportation sector, and diesel fuel.
- Raw material cost from the fluctuation of price and quantity of both domestic and global agricultural products which are vary with the climate, as well as demand and supply in the market.

Japanese Restaurant Business

Japanese restaurant business is expected to grow in the same direction as the country economy. From the expanding outlook of Thai economy in 2013 as well as good levels of consumer confidence and purchasing power, the Japanese restaurant business in 2013 is expected to grow from 2012's total market value of THB 14,000 million. Previously, the market value of Japanese restaurant business has an average growth rate at 15% – 20% per year¹ as a result of the healthy foods trend and consumers' familiarity of Japanese foods. The high growth rate of Japanese restaurant business attracted new comers to enter into the market from Japanese franchisees, local entrepreneurs and entrepreneurs who operate other type of restaurant to turn to Japanese restaurant, making the Japanese restaurant market became more competitive. However, the big Japanese restaurants which have brand awareness, market acceptance, and the number of branches still has the advantages regarding cost competitiveness and access to greater expanse of customers.

¹ Source: "New battles of Japanese restaurant, Focus on the expertise, Target on the specific segment", Prachachart turakij newspaper as of December 14, 2012.

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

Beverage Industry

In 2012, the total market value of green tea industry was approximately THB 13,000 million, an increase of 30% from year 2011 when the flood occurred. Oishi green tea, as the market leader, had a market share of approximately 46% followed by Ichitan and Puriku's market shares at 22% and 16%², respectively.

The trend of healthy foods and drinks are still strong in 2013 and will support to a continued popularity of green tea among customers. The green tea market is expected to be more competitive in sales campaign and new product launch from existing players in order to stimulate sales volume and maintain their market share, given new players are focused on launching new green tea product for the mass market and high quality green tea to acquire the niche markets.

² Source: "Green tea battle over years, more aggressive campaign", Krungthep turakij newspapers as of December 31, 2012.

Section 2: The approval for the purchase of land from Cholburi Sugar Corporation Ltd

2.1 Characteristic and details of the transaction

Oishi Trading, a subsidiary of the Company, intends to purchase 1 plot of land with an area of 182-2-19 rai or 73,019 sq.wah located in Tumbon Nong Chak, Ampor Banbueng, Cholburi from Cholburi Sugar, a connected person of the Company. The purchase price will be THB 146.04 million, the offering price stated in the offering letter from Cholburi Sugar who intend to sell the land, dated January 21, 2013. Oishi Trading will utilize the land as the location for its new central kitchen to support future growth of its Japanese restaurant business. For this purchase, Oishi Trading is exercising its first right to buy the land in accordance with the condition stipulated in the current the lease agreement between Oishi Trading and Cholburi Sugar entitling Oishi Trading to the first right to purchase the land if Cholburi Sugar intends to sell the land during the lease period. Accordingly, Cholburi Sugar has given Oishi Trading until April 30, 2013 to issue a written notice of its intent to purchase the land. If Oishi Trading fails to notify Cholburi Sugar in due time, Cholburi Sugar will proceed in selling the land as intended to other parties.

2.1.1 Category and size of the transaction

The transaction is considered to be an acquisition of asset as prescribed in the Acquisition or Disposition Notification with the highest transaction size of 2.01%. It is classified as category 1. Therefore, the disclosure to SET is not required.

Nonetheless, the Company and Cholburi Sugar have a common major shareholder, the Sirivadhanabhakdi Group. The Sirivadhanabhakdi Group, through ThaiBev, owns 79.66% of the Company's shares. The Sirivadhanabhakdi Group also indirectly owns shares of Cholburi Sugar through Plantheon and Cristalla with a combined interest of 99.74% of Cholburi Sugar's paid-up shares. Details of the relationship are presented in Diagram 1 of this report. Therefore, the transactions are considered as connected transaction according to the Notification of Connected Transaction with the transaction size of 4.73% of NTA as of December 31, 2012 (NTA as of December 31, 2012 was THB 3,088.05 million), which is higher than 3.00% of NTA. Thus, the Company is required to seek approval from the shareholders with affirmative votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting, excluding the shareholders with conflict of interest. The conflicted shareholders who do not have the right to vote are presented in the following Table.

Table 8: Lists of conflicted shareholders who do not have the right to vote

Name	Shares held in OISHI		Relationship with the counterparties of the transaction
	No. of shares	%	
1. Thai Beverage Public Company Limited	149,360,199	79.66	Common group of major shareholder
2. Mrs. Arphasamorn Mahatorn	3,100	0.00	Spouse of Mr. Aniruth Mahathorn, the Executive Vice President of Beverages Sales and Marketing Division of the Company. Mr. Aniruth is a representative management from ThaiBev.

Remark information as of March 20, 2013

2.1.2 Relevant parties, key condition of contracts and detail of assets

Relevant parties

Buyer	:	Oishi Trading Company Limited
Seller	:	Cholburi Sugar Corporation Ltd
Relationship	:	The Company and Cholburi Sugar have a common major shareholder.

Profile of Cholburi Sugar Corporation Ltd

Type of business	:	Produces white sugar, raw sugar and molasses
Registered capital	:	THB 700,000,000

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

Director	:	Name	Position
		Mr. Kachorn Theppayapatipat	Director
		Mr. Pornsak Thammawejwithee	Director
		Mr. Wisit Likhitaporn	Director
		Mrs. Nidda Thirawattanachai	Director
		Mrs. Phikul Sirimetharak	Director
Authorization	:	Mr.Kachorn Theppayapatipat or Mr.Pornsak Thammawejwithee co-sign with Mrs.Nidda Thirawattanachai or Mr.Wisit Likhitaporn or Mrs.Phikul Sirimetharak and the company seal affixed.	

Shareholding structure of Cholburi Sugar as of January 30, 2013

Table 9: Shareholders of Cholburi Sugar as of January 30, 2013

Name of shareholders		Shareholding	
		Number of Shares	%
1.	Plantheon Co., Ltd	3,600,060	51.43
2.	Cristalla Co., Ltd	3,381,576	48.31
3.	Other shareholders	18,364	0.26
Total		7,000,000	100.00

Source: The Company

The directors and shareholders of Plantheon Co., Ltd are listed as follows:

Name	Position
Mr.Chareon Sirivadhanabhakdi	Director
Khunying Wanna Sirivadhanabhakdi	Director
Mr. Kachorn Theppayapatipat	Director
Mr. Panot Sirivadhanabhakdi	Director
Mr. Prasert Mekwattana	Director
Mr. Thad Wanakornkul	Director
Mr. Winit Wasoonthratham	Director
Mrs.Nidda Thirawattanachai	Director
Mr.Thapana Sirivadhanabhakdi	Director
Mr. Siripon Yodmuangcharoen	Director
Mr. Suraphong Pornsirikul	Director
Mr. Sithichai Chaikriangkrai	Director
Mr. Sophon Rachraksa	Director

Name of shareholders as of April 30, 2012	Shareholding	
	Number of Shares	%
Plantheon International Co.,Ltd *	490,000,000	49.00
Mr.Chareon Sirivadhanabhakdi	255,000,003	25.50
Khunying Wanna Sirivadhanabhakdi	254,999,997	25.50
Total	1,000,000,000	100.00

Remark * Plantheon International Co., Ltd is the company incorporated in British Virgin Islands. As of April 30, 2012, the shareholders are Mr.Chareon Sirivadhanabhakdi at 50% and Khunying Wanna Sirivadhanabhakdi at 50%.

Source: the Company

The directors and shareholders of Cristalla Co., Ltd are listed as follows:

Name	Position
Mr.Chareon Sirivadhanabhakdi	Director
Khunying Wanna Sirivadhanabhakdi	Director
Mr. Kachorn Theppayapatipat	Director

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

Name	Position
Mr. Panot Sirivadhanabhakdi	Director
Mr. Prasert Mekwatthana	Director
Mr. Thad Wanakornkul	Director
Mrs. Nidda Thirawattanachai	Director
Mr.Thapana Sirivadhanabhakdi	Director
Mr. Siripon Yodmuangcharoen	Director
Mr. Suchart Khongpreecha	Director
Mr. Sithichai Chaikriangkrai	Director
Mr. Suraphong Pornsirikul	Director
Mr. Wisit Likhitaporn	Director

Name of shareholders as of January 31, 2012	Shareholding	
	Number of Shares	%
Plantheon Co.,Ltd	11,999,994	99.99
Other shareholders	6	0.01
Total	12,000,000	100.00

Source: the Company

Summary of key terms in Land Sale and Purchase Agreement

Counterparties	:	1. Oishi Trading Company Limited as the buyer 2. Cholburi Sugar Corporation Ltd as the seller
Asset to be acquired	:	Title Deed no. 11500, Land No. 22, Survey Page 38, located in Tumbon Nong Chak, Ampor Banbueng, Cholburi, with an approximate area of 182 Rai 2 Ngan 19 Sq.Wah.
Consideration value	:	THB 146,038,000 (representing THB 800,000/rai or THB 2,000/sq.wah)
Key Terms and Conditions		
Condition precedent	:	The Company obtained an approval from the shareholders' meeting (Oishi Trading will enter into the Land Sale and Purchase Agreement within 1 month from the date the 2013 annual shareholders' meeting approves the transaction)
Payment	:	The buyer shall pay the total amount of THB 146.04 million to the seller at the transfer date of the land.
Taxation	:	<ul style="list-style-type: none"> ▪ Both parties agree equally responsible for fees and expenses incurred from the Land Sale and Purchase Agreement. ▪ All taxations incurred from the land sale and purchase according to this agreement, the parties agree to comply with the law. <p>The management of the Company stated that the parties agree to equally responsible for the fees related to the registration of ownership transfer and legal act and separately responsible for their own individual's tax liabilities.</p>
Covenants of the seller	:	<ul style="list-style-type: none"> ▪ The seller certified that the seller is the legal owner of the land. ▪ The seller acknowledged that all buildings that were built by the buyer during the lease period are under the ownership of the buyer and that the sale of land under this agreement is for the land only without any of such buildings. ▪ The seller certified that at the date of this agreement, the land is free from any liabilities, mortgage, pledge, obligation, or common hold except the obligation under the lease agreement with the buyer only. ▪ The seller will take any action necessary upon the buyer's request for the purpose of completing this agreement.
The result of contract default	:	<ul style="list-style-type: none"> ▪ In case either party breaches of this agreement, the right party shall have the right to require the the default party at to pay the amount of actual damages.

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

		<ul style="list-style-type: none"> ▪ If the default party fails to make the payment as above, the default party agrees to pay the interest rate at 7.5% per year of the actual amount of damages to the right party, starting from the default date until the payment of damages and interest are completely made.
Miscellaneous	:	<ul style="list-style-type: none"> ▪ Both parties agree that the lease agreement will be terminated on the transfer date of the land ownership. Such termination will not be considered as breaches of contract by either parties and that both parties agree not to request for any compensation due to such termination. ▪ The seller agrees to refund the guarantee deposit to the buyer within the date specified in the lease and service agreement (details of the lease and service agreement are stated in Section 2 Item 2.1.2 of this report) with total amount of THB 200,000 and THB 420,000, respectively, within 7 days after the end of the lease and service agreement.

Consideration value

According to the above transaction, Oishi Trading will pay the purchase price of THB 146.04 million, representing THB 800,000 per rai or THB 2,000 per sq.wah in cash to the seller at the date of the ownership transfer. In this regards, the criteria used to determine the consideration value is the offering price that the seller intends to sell the land to other parties as stated in the offering letter.

Information of asset

Details of land to be purchased from Cholburi Sugar are presented as follows:

Type of asset	:	1 unit of land (excluding building and other construction). Title Deed no. 11500, an approximate area of 182 rai 2 ngan 19 sq.wah or 73,019 sq.wah.
Location	:	283/1, Moo 3, Nong Chak-Huakunjae road, Nong Chak (Local road no. Chor Bor. 3059 between the kilometer marker 3 and 4) Banbueng, Chonburi Province
Details of assets	:	Majority of the land is empty, filled at the same level of nearby road. Some areas have been drilled as reservoirs and water treatment pond. Oishi Trading, as the lessee, has already begun the construction of its new central kitchen on the land. (the summary of the new central kitchen project is shown in the following table).
Entrance-exit road	:	Located nearby Nong Chak-Huakunjae road, around 2 kilometers away from Banbueng-Klang. The road is public with 8 meters of asphalt surface and accessible by car.
General environment	:	Surrounding areas are primarily used for agricultural and residential purposes.
Registered owner	:	Cholburi Sugar Corporation Ltd
Obligation	:	The land is without any obligations. However, Cholburi Sugar currently leases the land to the Company

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

Picture 1: Location and current condition of the land



Source: The appraisal report of Thai Property Appraisal Lynn Phillips Co., Ltd.



The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)



Source: photographs from the Company as of March 13, 2013

Information of New Central Kitchen Project to be developed on land

Rationale	:	Due to rapid growth of Japanese restaurant business, OISHI Group had 156 branches as at December 31, 2012 with expansion plan of 27 branches per year, together with the growth of frozen food products, the existing facility of OISHI Group in Navanakorn Industrial Estate, having an area of around 4,500 sq.m. will be unable to support such growth. However, according to the Company's management, the new central kitchen will increase production capacity of the Company by estimates of 50.00% - 60.00%. Additionally, the project will reduce the risk arising from the possibility of flooding at the plant in Navanakorn, Pathumthani.	
Project Cost	:	Estimated amount of THB 544.74 million. Total investment made as of February 28, 2013 was THB 106.46 million.	
Property	:	Buildings of a new central kitchen are as follows	
		Detail	Area (Sq.m.)
		1. Utility Building	1,622
		2. Vegetable, Fish and Meat Processing Building	4,900
		3. Staff Residential Building	1,240
		4. Hot Meal Building	9,800
		5. Office Building	2,900
		6. Club House	2,769

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

		7. Car Park	4,000
		8. Raw Water Pond	69,875
		9. Wastewater Treatment Pond	40,490
Construction Period	:	On June 19, 2012, Oishi Trading obtained consent from Chonburi Sugar to begin construction on the land. The project began construction on July 31, 2012 with target commercial operation expected to be within the fourth quarter of 2013.	

Summary of Terms and Conditions of the Lease Agreement

The parties	:	Oishi Trading Company Limited as the lessee and Cholburi Sugar Corporation Ltd as the lessor
Agreement date	:	August 1, 2012
The premises	:	Title Deed no. 11500, an approximate area of 182 rai 2 ngan 19 sq.wah located on 283/1 Moo 3, Tumbon Nong Chak, Banbueng, Cholburi
Lease objective	:	For the purpose of lessee’s business operation.
Lease period	:	<ul style="list-style-type: none"> ▪ The parties agree to determine a lease period of 2 years, commencing on August 1, 2012 and expiring on July 31, 2014. ▪ If the lessee desires to extend the lease period, the lessee shall give a written notice to the lessor at least 60 days in advance prior the expiration date. After the written notice has been acknowledged by the lessor, the lessor shall extend the lease period by another 2 years each with the terms and conditions prevailed under this agreement. ▪ If the lessee desires to terminate the agreement prior the end of lease period, the lessee shall notify the lessor by 60 days in advance with a written notice of termination and the lessee agrees to pay to the lessor compensation equaling to 2 months of rental fee or THB 200,000. Nevertheless, the early termination of the agreement prior to the end of lease term is not considered as a breach of this contract.
Rental fee and Payment	:	Monthly rental fee of THB 100,000, payable on the 5th day of each month

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

Expenses and taxes	:	<ul style="list-style-type: none"> ▪ The lessee agrees to pay for the routine maintenance and minor repair expenses on the leased premises at its own expenses. ▪ The lessee agrees to pay for all electricity, water, and telephone charges at the leased premises. ▪ The lessee agrees to pay for the property taxes and land taxes on the buildings constructed by the lessee on the leased land (if any) and responsible for signboard taxes that are installed by the lessee during the lease term.
Guarantee deposit	:	<ul style="list-style-type: none"> ▪ The lessee agrees to pay the lessor a guarantee deposit of THB 200,000 to ensure the compliance with this agreement and as a security for any damages which may arise to the premises and/or the lessor. The lessor agrees to return a guarantee deposit to the lessee within 7 days after the termination date of this agreement due to any reasons, which are not caused by the default of the lessee and that the lessee has not failed to make the rental payment according to this agreement. ▪ Upon a default by the lessee, the lessor shall have the right to retain a part or all of the guarantee deposit to pay for any damages.
Other conditions	:	<ul style="list-style-type: none"> ▪ The lessee shall not construct, modify, improve, alter, damage, and do all acts that will cause deterioration or depreciation to the premise without prior written consent of the lessor. ▪ The lessee shall not allow other persons to use the premise or create any obligations to the premise without prior written consent of the lessor. ▪ The lessee agrees to be responsible for any losses and damages of the premise caused by the lessee or his officers, employees, servants, agents or any other party related to the use of the premise.
Sales of the leased land	:	<ul style="list-style-type: none"> ▪ In case the lessor desires to transfer the ownership of the land, entirely or partly, during the lease period, the lessor agrees to give the first right of refusal to purchase the land to the lessee. In this regards, the lessor shall provide the written notice to the lessee at least 60 days prior and the lessee, upon receiving such written notice, shall notify the lessor within 30 days by written notice. If the lessee fails to notify the lessor within such time, the lessor has the right to sell the land to other parties immediately.
Breach of contract	:	<ul style="list-style-type: none"> ▪ If the lessee fails to make the payment, the lessor has the right to collect the interest at 7.5% per annum on the actual amount of outstanding payment from the default date until the payment of rental and interest are completely paid. ▪ If the breach of contract occurs (except the default to make payment), the right party shall have the right to provide written notice to the default party to remedy such breach within 30 days from the date of receiving the written notice, and in the event of failure to remedy such breach by the default party without proper cause, the right party shall be entitled to immediately terminate the contract providing that the written notice is given to the default party.
Termination	:	<p>Both parties agree that the lease agreement will be terminated due to the following reasons:</p> <ol style="list-style-type: none"> 1. Upon expiration of the lease period or extended lease period (as the case may be). 2. Upon expropriation of land by the government during the lease period. 3. Upon agreement by both parties to terminate the contract. 4. Upon breach of contract by one party and the other party exercises its right to terminate the contract. 5. Upon exercise of right by the lessee to terminate the contract early, prior to the end of the lease period.
Consequences of	:	<ul style="list-style-type: none"> ▪ Upon the termination of this agreement, the lessee agrees that the lessor has

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

termination		<p>the right to make decision to either acquire properties, building, decorations, or building improvements on the land by paying appropriate purchase price to the lessee or require the lessee to demolish those constructions out of the land as well as restore and return the land to its previous condition at its own expenses.</p> <ul style="list-style-type: none"> ▪ If the lessee fails to hand over the premise to the lessor at the end of the lease period, the lessee agrees to pay the penalty fee to the lessor in amount of THB 3,300 per day.
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Terms and Conditions of Service Agreement

The parties	:	Oishi Trading Company Limited as the service recipient and Cholburi Sugar Industry Company Limited as service provider
Agreement date	:	August 1, 2012
Scope of service	:	<ul style="list-style-type: none"> ▪ Service related to the raw water system within the land ▪ Service related to the road within the land
Service period	:	<ul style="list-style-type: none"> ▪ The service period is 2 years, commencing on August 1, 2012 and expiring on July 31, 2014, equals to the lease period mentioned in the lease agreement. ▪ If lease period has been extended, both parties agree to extend the service period at the same length of extended lease period based on the terms and conditions specified in this service agreement. ▪ If the service recipient desires to terminate the service agreement prior to the end of service period, the service recipient shall notify the service provider by giving the service provider 60 day's written notice of termination and the service recipient agrees to pay to the service provider for the damages equals to 2 months of fee or in sum of THB 420,000.
Service fee and payment term	:	<ul style="list-style-type: none"> ▪ THB 210,000 per month and that the payment must be made within the 5th day of each month. ▪ The fee is subject to change according to the cost variation of service provider in which the service provider shall provide advance written notice of the fee changes prior to the effective date in order that both parties shall be able to re-negotiate and finalize the reasonable fee prior to the effective date of revised fee. ▪ If both parties cannot agree upon the revised fee, either party has the right to terminate the service agreement by giving the other party 30 days' written notice of the termination.
Guarantee deposit	:	<ul style="list-style-type: none"> ▪ The service recipient agrees to pay to the service provider a guarantee deposit equals to an amount of THB 420,000 as a security for the performance by the service recipient of all its obligations under this service agreement and as security of any potential loss or damage of the land and/or to the service provider. The service provider agrees to return a guarantee deposit to the service recipient within 7 days after the termination or expiration of this service agreement for any reason that are not caused by the default of the service recipient and that the service recipient did not fail to make payment under this agreement to the service provider. ▪ Upon event of default by the service recipient, the service provider shall have the right to forfeit all or part of the guarantee deposit as necessary to compensate for any damages arising from such default.
Default of contract	:	<ul style="list-style-type: none"> ▪ If the service recipient fails to make rental payment, the service provider has the rights to collect the interest at 7.5% per annum from the actual amount damages, starting from the default date until the payment of damages and interest are completely paid. ▪ If the service recipient defaults to the service agreement, the service provider shall have the right to provide written notice to the service recipient to

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

		<p>remedy such breach within 30 days from the date of receiving the written notice, and in the event of failure to remedy such breach by the service recipient, the service provider shall be entitled to immediately terminate the contract providing that the written notice is given to the service recipient.</p> <ul style="list-style-type: none"> ▪ If the service provider defaults to the service agreement, the service recipient shall have the right to provide written notice to the service provider to remedy such breach within 30 days from the date of receiving the written notice, and in the event of failure to remedy such breach by the service provider, the service recipient shall be entitled to immediately terminate the contract providing that the written notice is given to the service provider.
Termination	:	<p>Both parties agree that the service agreement will be terminated due to the following reasons:</p> <ol style="list-style-type: none"> 1) Upon expiry of the service period or extended service period (as the case maybe) or when the lease agreement is terminated. 2) In the event of land expropriation by the government during the lease period. 3) Upon event of default by the service recipient and the service provider exercises its right to terminate the contract. 4) Upon event of default by the service provider and the service recipient exercises its right to terminate the contract. 5) Upon exercise of right by the service recipient to terminate the contract early, prior to the end of the service period. 6) Upon agreement by both parties to terminate the contract.
Consequences of termination	:	<p>Upon the termination of this service agreement, the service provider has the right to collect the service fee based on actual service period provided to the service recipient regarding to this service agreement.</p>

2.2 Reasonableness of the transaction

2.2.1 Objective and benefit of the transaction

The acquisition of land, which is the current location of the Company's investment in the new central kitchen to support future growth of Japanese restaurant business, was the exercise of the first right to purchase the land by Oishi Trading as stated in the lease agreement in case that the lessor desires to sell the land during the lease period, the lessee will have the first right to purchase the land. Under this transaction, Oishi Trading will acquire the ownership of the land in order to reduce the risks, which may arise from making investment on the leased land, especially from the undesirable termination of the lease agreement by the lessor if it desires to sell the land to other parties. Moreover, the land is located at a high potential location to support the company's business growth in the future as Choburi province is located out of flood zone, comparing to Pathumthani province where the company's current central kitchen is located at. In addition, the land is suitable in terms of its proximity to the logistics provider of the Company, located in Bang Phee Industrial Estate. The location advantages will contribute to the improvement of cost efficiency in terms of logistics and inventories management.

According to the lease agreement, the lessor has the right to sell the land to other parties immediately if Oishi Trading does not exercise its right to purchase the land. Thus, if this transaction is not approved by the shareholder's meeting, Oishi Trading may encounter the risk from early termination of the lease agreement before the end of the lease period, resulting in a disruption of the current construction of the new central kitchen. In addition, the Company may require to seek for the new land to locate its central kitchen or may need to negotiate with the new landlord in order to continue its right to lease the land. In that case, the Company may subject to the uncertainty of the terms and conditions of the new lease and/or service agreement with the new landlord, which could become less attractive comparing to the terms and conditions of the current agreement.

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

2.2.2 Advantages and disadvantages of entering and not entering into the Transaction

Advantages of entering into the transaction

- 1) Acquire ownership of land which locates the new central kitchen of Oishi Group
This transaction will enable Oishi Trading to acquire the ownership of the land for Oishi Group's central kitchen with estimated total investments of THB 544.74 million. The acquisition will ensure the stability of Oishi Group's Japanese restaurant business operations in the future by eliminating the risk from undesirable termination of the lease agreement from reasons such as the landlord desires to sell the land to other parties in case Oishi Trading does not exercise its first right to purchase the land. Termination of the lease agreement due to any reasons will have a significant impact to business operation of Oishi Group since the group plans to move its current production line of raw materials from Navanakorn Industrial Estate to this new central kitchen. Also, the termination of the lease agreement may impact operations of Japanese restaurants, which had a total of 156 branches (as of December 31, 2013) and an estimated of 27 new branches each year, as they may not have sufficient raw materials to serve customers' demand. Moreover, Oishi Group may lose the opportunity to utilize buildings and facilities it has already invested in as well as incur expenses for demolishing such buildings in case Cholburi Sugar, as the lessor, does not intend to utilize the building and facilities which are constructed during the lease period. Additionally, Oishi Group may incur expenses for transporting machineries and for locating a new site for its central kitchen.
- 2) Acquire ownership of land with potential to support future growth of Oishi Group
As the land is located in Banbueng, Chonburi Province with geographical characteristics consisting of plains and hills, thus, the new central kitchen will be subject to lower risk of flooding, comparing to the current central kitchen located in Navanakorn Industrial Estate, Pathumthani Province which is located on the Chao Praya river basin (during 2011, the central kitchen at Navanakorn plant was damaged from the floods, causing a suspension of the production of raw materials for Japanese restaurants and beverages for a period of 12 months.) In addition, the location of the land is near Oishi Group's logistics provider in Bang Phee Industrial Estate, Samut Prakarn, which will contribute to the improvement of cost efficiency in terms of logistics and inventories management. As Oishi Group plans to expand its business with approximately 27 new Japanese restaurants per year and the completed new central kitchen will consume an area of approximately 153 rais, thus, the land will still have sufficient area to support further business growth.

Picture 2: Location of current plant, acquired asset and logistics provider



The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

- 3) Reduce the risks arising from uncertainties of the terms and conditions of the lease and services agreements
As stipulated in the service agreement, Cholburi Sugar has the right to change the service fee according to its cost of service (to be agreed upon by both parties). In addition, although Oishi Trading has the right to renew the lease period by every two years, under the unchanged terms and condition. However, if Cholburi Sugar sells the land to other party, the current agreements will be terminated. Consequently, Oishi Trading may have to negotiate with the new owner of the land in order to continue its rights to lease the land. Under such case, the new lessor may stipulates different terms and conditions for the lease such as the increase of rental fees and damage compensation, the reduction of lease period, etc, which may lessen the benefit of Oishi Trading as the lessee.
- 4) Reduce the risk of increasing land price in case the the Company decides to purchase the land in the future
Land prices have a tendency to increase due to increasing demands of land, which is in line with population expansion. Referring to Government Housing Bank journal dated July – September 2012, land appraisal prices used as basis for registration of right in accordance with the land code for accounting year 2012 – 2015, in comparison with accounting year 2008 – 2011, have increased by an average of 17.13% in Bangkok areas, 21.40% for regional areas and 24.32% for Cholburi province, which is the location of the land to be purchased by Oishi Trading under this transaction. Hence, the transaction will mitigate the possibility of incurring higher land purchase price, in case Oishi Trading decides to purchase the land in the future instead of continuing to lease the land.

Disadvantages of entering into the transaction

- Incurring one-time payment for the purchase of land
Under this transaction, Oishi Trading will have to make a full payment of THB 146.04 million to acquire land ownership, which may significantly reduce the Company’s cash flow, as opposed to making monthly rental payment. Such draw on cash flow may cause the Company to lose the opportunity to take on other investments such as expansion of new Japanese restaurant branches, launching new beverage products and to be utilized as working capital for the Company’s normal business operation.

In this regards, the Company’s management intends to use its working capital as source of funding to purchase the land. For 2010 – 2012, the Company’s cash flows from operations before investments and debt repayments were THB 1,201.31 million, THB 1,310.70 million and THB 1,615.59 million, respectively. Upon completion of the transaction, the property, plant and equipment of the Company will increase by an estimated of THB 146.04 million. Also, the Company will not have to pay rental and service fee to Cholburi Sugar after the transaction, for a total amount of THB 3.72 million per year. The total value of rental and services fee for the remaining lease period, which will end on July 31, 2013 equals to THB 5.27 million (from March 2013).

Risks associated with the transaction

- Risk arising from failure to complete the condition precedent of the transaction
Before entering into the transaction, the company is required to obtain the approval from the shareholders’ meeting with total votes of not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote, excluding shareholder with conflict of interest as shown in Table 8 Lists of conflicted shareholders who do not have the right to vote, of this report. If the shareholders do not approve the transaction, the Company will incur expenses associated with the transaction such as the IFA fees without completing the transaction.
- **Advantages and disadvantages of not entering into the Transaction**

Advantages of not entering into the Transaction

- 1) In the case that Oishi Trading is able to negotiate for a lease with the new owner of land with similar terms and conditions to the current lease and service agreements, net present value of cash outflow that Oishi Trading may have to pay for may be lower than the one-time cash payment of THB 146.04 million (details of the calculation and underlying assumptions are presented in Section 2 Item 2.3.1 of this report).

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

- 2) The Company is able to maintain its liquidity and cash flows to be utilized as working capital for its business operations as well as investment capital for future expansion since Oishi Trading will not be required to pay a large sum of one-time cash payment.

Disadvantages of not entering into the Transaction

- 1) Increase in business operation risk
The investment in new central kitchen project on a leased land will expose the operation of Oishi Group's Japanese restaurants to the risk that may arise from undesirable termination of the lease agreement due to reasons such as the sale of land by the lessor to other parties. With the termination of the lease agreement, it may impact revenue generating capability of the Company as well as its ability to expand Japanese restaurants in the future. Additionally, the Company may have to incur additional expenses upon such termination i.e. expenses to demolish the buildings and any constructions on the land, expenses to relocate machineries to new site, expenses to write-off unmoveable assets; these could impact the financial position of the Company in the future.
- 2) Possible impacts from the changes of the terms and conditions of the lease and service agreements
By entering into the lease agreement with the new owner of the land, it may have different terms and conditions comparing to the current lease agreement, which may lessen the benefit of Oishi Trading as the lessee, such as increase in rental and service fee, reduction of lease period, which may affect operations of Oishi Trading.

2.2.3 Advantages and disadvantages between entering into the Transaction with connected persons and third parties

Advantages and disadvantages between entering into the Transaction with connected persons

Oishi Trading has already begun the construction on the leased land. According to the management of the Company, THB 106.46 million had been invested in the project as of February 28, 2013 with an estimated completion date within the fourth quarter of 2013. In this regards, the consideration of Oishi Group to purchase the land from the lessor who is a connected person is the exercises of its first right as the lessee to purchase such land, in the event that the lessor intends to sell the land. This exercise of right will enable the Company to make the most benefit out of its investments that had already been made. In addition, the land is suitable in terms of its location, which is outside the flood zone and near the logistics provider. Thus, it could improve the Company's cost efficiency.

Advantages and disadvantages between entering into the Transaction with third parties

In case Oishi Trading enters into the transaction with the non-related party, it may be able to obtain a piece of land with a more appropriate purchase price and location, comparing to the land of Cholburi Sugar. However, Oishi Group should take into consideration of the expenses; in case of entering into the transaction with a non-related party such as expenses for demolishing or relocating the buildings that had been constructed on the leased land, expenses for returning the land to its original condition and expenses for locating a new land to be used as location for the new central kitchen. Considering these expenses, the amount to be paid for purchasing the land from the non-related party may possibly be higher than the purchase price under this transaction.

2.3 Fairness of the transaction price and condition

2.3.1 Fairness of the transaction price

In considering the fairness of transaction price for this Transaction, the IFA has conducted the valuation of the land by applying 2 valuation methodologies as follows:

- 1) The market price of land evaluated by the independent asset appraisers
- 2) Discounted Cash Flow Approach

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

Details of each valuation approach are presented as follows:

1) The market price of land by the independent asset appraisers

In considering the fairness of transaction price for the purchase of land from Cholburi Sugar, the IFA views that the fair price should be based on the market price of land evaluated by the independent asset appraisers. In this regards, Oishi Trading has employed 2 independent appraisers approved by the Thai Valuers Association (“TVA”) and the Valuers’ Association of Thailand (“VAT”) to appraise the value of land. The 2 independent appraisers are listed are as follows:

- Thai Property Appraisal Lynn Phillips Co., Ltd. (“TPA”): the appraisal report of land dated February 1, 2013 with an objective to evaluate the fair market value of land as of February 1, 2013 with the purpose for public use.
- American Appraisal (Thailand) Company Limited (“AA”): the appraisal report of land dated February 13, 2013 with an objective to evaluate the fair market value of land as of February 8, 2013 with the purpose for public use.

Details of the land appraisal by TPA and AA are summarized as follows:

Summary of the appraisal of Cholburi Sugar’s land by TPA

TPA has appraised the value of land by applying market comparison approach in which TPA has selected the 5 vacant land in a similar zoning as the land being appraised for benchmarking, by taking various factors into consideration including location, size of lands, land shape, ground level, transportation, utilities facilities and current utilization. Then, factors affecting asset value were evaluated by applying Weighted Quality Score (WQS). The details of market comparable data and WQS are presented in the following Table.

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

Table 10: Market data of land for the appraisal by TPA

Details	Assets	Data 1	Data 2	Data 3	Data 4	Data 5
Property type	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land
Location	Adjacent to Nongchak - Huakunjae Rd.	Adjacent to Soi	Adjacent to Nongchak - Huakunjae Rd.	Adjacent to Office of Accelerated Rural Development	Adjacent to Soi	Adjacent to Office of Accelerated Rural Development
Distance from asset	-	450 m.	600 m.	2.5 km.	4.2 km.	3.5 km.
Land area	182 – 2 – 19 rai	30 rai	1 – 3 – 72 rai	6 rai	30 sq.w.	18 rai
Shape	Polygon	Rectangular	Rectangular	Rectangular	Rectangular	Rectangular
Frontage	940 m.	80 m.	20 m.	-	6 m.	60 m.
Ground level	Lower than road by 1-2 m.	Lower than road by 1 m.	Balance with road	Lower than road by 1 m.	Balance with road	Lower than road by 1 m.
Number of sides adjacent to road	1 side					
Road surface	Asphalt road					
Road width/ Road width included road shoulder	Road width 6 m./ Road included road shoulder width 12 m.	Road width 4 m./ Road included road shoulder width 6 m.	Road width 8 m./ Road included road shoulder width 12 m.	Road width 6 m./ Road included road shoulder width 8 m.	Road width 6 m./ Road included road shoulder width 8 m.	Road width 8 m./ Road included road shoulder width 12 m.
Facilities	electrical power / running water/ telephone				electrical power	electrical power / running water/ telephone
Offering price	-	THB 1,625 /sq.w.	THB 5,000 /sq.w.	THB 3,000 /sq.w.	THB 25,000 /sq.w.	THB 3,750 /sq.w.
Potential	Partially developed	Cassava field	Embanked	Farmland	Embanked	Not utilized
Selling Date	January 2013					
Source	-	Offer for sale	Offer for sale	Inquiry from local stores	Offer for sale	Sold out in 2013

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

Table 11: Weighted Quality Score for the appraisal of land by TPA

	Weight (%)	Asset	Data 1	Data 2	Data 3	Data 4	Data 5
Location	30.0	3.5	3	4	3.5	5	3.5
Size and shape	20.0	1	2.5	3	2.5	5	2.5
Ground level	10.0	3.5	3	3.5	3	5	3
Transportation	15.0	4	3	4	3.5	5	3.5
Facilities	10.0	4	3	4	4	5	4
Current utilization	15.0	4.5	4	4	4	5	4
Total	100.0	327.5	305	375	337.5	500	337.5

Remark: rating scale from 1 is low, 2 is fair, 3 is medium, 4 is good and 5 is excellent

TPA takes into account the market information by assigning Weight Quality Scores (WQS) and conducting a regression analysis to derive the price of the asset which is comparable to the market as follows:

Table 12: Calculations of market price with the market comparison approach by TPA

Comparable Data	Asset	Data 1	Data 2	Data 3	Data 4	Data 5
Offering price	-	1,625	5,000	3,000	25,000	3,750
Adjusted price	-	1,450	4,000	2,800	22,000	3,750
Statistical variables						
- R square	0.9465					
- Standard deviation	2,284.15					
- Intercept	-33699.74					
- Slope	109.1637					
Fair market value (THB/sq.w)	2,051					
Rounded to (THB/sq.w.)	2,050					
Total (THB)	149,688,950					

From the above comparison of assets and market information, TPA appraised the price of Cholburi Sugar's land with a total area of 182 rais 2 ngan and 19 sq.wah, using the market comparison approach. The appraised price equals to THB 2,050 per sq.wah, totaling to THB 149.69 million. Additionally, TPA states the additional information that there are 3 raw water ponds within the area of the appraised land with a gross area of around 65 rais. The depths of such ponds are unable to be measured, so TPA averaged the effect in the appraisal of the whole land. However, TPA did not appraise the building on the land as it was an intention of Oishi Trading, as the employer, to appraise only the price of the land.

Summary of the appraisal of Cholburi Sugar's land by AA

AA has appraised the value of land by using market comparison approach in which AA has selected the 3 vacant lands in a similar zoning as the land being appraised for benchmarking, by taking various factors into consideration including location, size of lands, ground level, land shape, land width, roads in front of lands, facilities and city zone. Then, factors affecting asset value were evaluated and adjusted. The details of market comparable data are presented in the following Table.

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

Table 13: Market data of land for the appraisal by AA

Details	Assets	Data 1	Data 2	Data 3		
Property Type	Vacant Land	Vacant Land	Vacant Land	Vacant Land		
Land Area	182.5475 rai	100 rai	200 rai	88 rai		
Ground Level	Embanked, ground level balance with road and around 26.8% of land area is pond	Lower than road ~ 0.5 m.	Lower than road ~ 0.5 m.	Balance with road		
Land shape/ Land width	Polygon / ~ 960 m.	Polygon / ~ 500 m.	Polygon / ~ 200 m.	Polygon / ~ 246 m.		
Roads in front of assets	Asphalt road width ~ 8 m.	Asphalt road width ~ 6 m.	Asphalt road width ~ 8 m.	Asphalt road width ~ 6 m.		
Facilities	electrical power / running water/ telephone					
City zone	Outside of city zone					
Current utilization / Optimal utilization	Industrial / Industrial	Vacant Land / Industrial	Vacant Land / Industrial	Vacant Land / Industrial		
Date	February 2013		February 2013			
Offering price (THB/rai)	-		1,200,000			
Selling Price (THB/rai)	700,000		-			
Value Adjustments	Description	Adj.	Description	Adj.	Description	Adj.
Type of Transaction	Offer for sale	0%	Offer for sale	-20%	Offer for sale	-20%
Offering Date	February 2013	0%	February 2013	0%	February 2013	0%
Total Value Adjustments		0%		-20%		-20%
Adjusted Value (THB/rai)	700,000		960,000		960,000	
Location	Inferior	+10%	Superior	-20%	Superior	-10%
Land Area	Similar	0%	Similar	0%	Similar	0%
Ground Level	Similar	0%	Similar	0%	Superior	-10%
Shape/ Frontage	Similar	0%	Inferior	+10%	Similar	0%
Access Road	Similar	0%	Similar	0%	Similar	0%
Facilities	Similar	0%	Similar	0%	Similar	0%
City zone	Similar	0%	Similar	0%	Similar	0%
Total Physical Adjustments		+10%		-10%		-20%
Final adjusted value(THB/rai)	770,000		864,000		768,000	
Weight Level	100%	40%	30%	30%		
Fair market value (THB/rai)	797,000	308,000	259,000	230,400		
Rounded to (THB/rai)	800,000					

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

For the above comparison of assets, AA appraised the price of Cholburi Sugar's land with a total area of 182 rais 2 ngan and 19 sq.wah by applying market comparison approach. The appraisal price equals to THB 800,000 per rai or THB 2,000 per sq.wah, totaling to THB 146.04 million (rounded to THB 146.00 million). However, AA appraised the land under the assumption that the land owner will sell the land at its current condition without any obligations such as lease agreement, joint venture agreement or any other obligations, which may increase the value of the land. Additionally, Oishi Trading's food production plant is being constructed on the land, but AA only appraised the value of the land to comply with the intention of Oishi Trading as the employer.

In this regards, the land appraised value used for the right and legal registration of real estates in Tumbon Nongchak, Ampor Banbueng, Cholburi Province approved by the Board of Determining Appraised Value on November 30, 2011 and announced on June 26, 2012 are presented as follows:

Table 14: Price of land for the rights and legal registration of real estate

Unit	Location of Land	Distance (m.)	Appraised Value	
			THB/sq.w.	THB/rai
1.	Land adjacent to developed land as commercial buildings in the Neun Jam Nong market area	40	4,000	1,600,000
2.	Land adjacent to Banbueng – Klang rd. (Tor Ror. No. 344)			
	2.1 Land adjacent to the road	40	2,500	1,000,000
	2.2 Land adjacent to unit 2.1 in the same plot	40	1,250	500,000
3.	Land adjacent to Chor Bor.3289 road			
	a. Land adjacent to Chor Bor.3289 road	40	2,000	800,000
	b. Land adjacent to unit 3.1 in the same plot	40	1,000	400,000
4.	Land adjacent to Nong Chak – Hua Kun Jae rd.	40	1,500	600,000
5.	Land adjacent to Chor Bor.3026	40	1,550	600,000
6.	Land adjacent to road, lane and ways	100	400	160,000
7.	Land other than unit 1-6	-	150	60,000

Source: Asset appraisal reports by TPA dated February 1, 2013 and by AA dated February 13, 2013

As stated in the appraisal report by TPA, the price of Cholburi Sugar's land for the purpose of the rights and legal registration of real estate are separated into plots as follows:

1. Land adjacent to Nong Chak-Hua Kun Jae road within 40 metres at THB 1,500 per sq.wah
2. The remaining portion of land at THB 150 per sq.wah

IFA's observation on the asset appraisal by the independent asset appraisers

Summary of the appraisal of Cholburi Sugar's land by both independent asset appraisers using Market Comparable Approach are presented in the following Table.

Table 15: Summary of the appraisal of Cholburi Sugar's land by TPA and AA

	Appraised price by TPA	Appraised price by AA
Appraisal date	February 1, 2013	February 8, 2013
Appraised asset	Vacant Land, totaling 182 – 2 – 19 rais (73,019 sq.w.)	Vacant Land, totaling 182 – 2 – 19 rais (73,019 sq.w.)
Valuation Approach	Market Comparable Approach	Market Comparable Approach
Appraised price per sq.w.	THB 2,050	THB 2,000
Total appraised price	THB 149,688,950	THB 146,000,000 (rounded figure)
Comparison between the Transaction price and the appraised price	Appraised price is higher than the transaction price by THB 3,650,950 or higher by 2.50%	Appraised price is lower than the transaction price by THB 38,000 or lower by 0.03%

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

The IFA views that the appraisal by both independent asset appraisers using Market Comparable Approach are appropriate since there are market price of comparable assets with similar characteristics prevailed during this period of time. As a result, the appraised price could closely reflect the fair market value of land at present. The two appraisers, TPA and AA, appraised the land with fair market price ranging between THB 146.00 million to THB 149.69 million.

However, the differences between the appraisals of the 2 independent appraisers are as follows:

1. Number of comparable assets used: while TPA utilizes 5 market information for comparison, AA utilizes only 3 market information for comparison.
2. Details of comparable assets: TPA uses market information of land with an area ranging between 30 sq.wah to 18 rais, one of which has an actual purchase price executed in 2013 and the remaining four pieces of land are based on quoted prices as of January 2013. For AA's appraisal, the comparable lands have an area ranging between 88 – 200 rais, which are more comparable to the size of Cholburi Sugar's land. Of all AA's market prices, one is an actual purchase price executed in 2013, while the remaining two are quoted prices as of February 2013.

The differences in the comparable market information as well as the method on scoring the characteristics of each asset resulted in the different appraised prices by the 2 independent appraisers. In addition, the 2 independent appraisers appraised only the value of land without appraising the value of buildings on the land, which are currently under construction. This is in accordance with the Land Sale and Purchase Agreement, which states that this transaction will concern only with the purchase of land, excluding the buildings in which Oishi Trading has constructed during the lease period as those buildings are under the ownership of Oishi Trading.

In considering the fairness of the transaction price, the IFA views that the appropriate price for the acquisition of land should be based on the market price of land by both independent asset appraisers, which ranges between THB 146.00 – 149.69 million. Therefore, the transaction price at THB 146.04 million is within the range of appropriate fair price evaluated by the independent asset appraisers. **Therefore, the IFA views that the transaction price at THB 146.04 million is appropriate.**

2) Discounted Cash Flow Approach

The discounted cash flow approach takes into consideration the cash flows that Oishi Trading is expected to pay if it were to continue leasing the land. Such cash flows will then be discounted with appropriate discount rate to derive the net present value of the cash flows, in order to compare with the transaction price at THB 146.04 million. The underlying assumptions for the discounted cash flow approach are as follows:

- I. For the purpose of comparing leasing with purchasing, it is assumed that Oishi Trading will be able to extend the lease and service period indefinitely after the end of the current agreements on July 31, 2014 (Going Concern Basis), while assuming that the lessor does not offer to sell the land to other parties during the lease period or that Oishi Trading is able to negotiate for the new lease agreement with the new owner to lease the land indefinitely.
- II. The rental and service fee are in accordance with the assumptions made under this projection, which are mainly based on the current lease and service agreements.
- III. The IFA has projected cash outflows for a period of 31 years and 5 months from March 1, 2013 – July 31, 2044 (the remaining lease period of 1 year 5 months together with additional lease period of 30 years) and calculated the terminal value of cash outflows after the projected period.

The projection is based on the current market situation and assumptions. However, the changes in economic situation or other factors, which may affect the underlying assumptions, could accordingly impact the projected cash flows. The assumptions of the rental and service fee to be paid by Oishi Trading are as follows:

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

1) Duration of the lease and service agreements

The current lease and service agreement between Oishi Trading and Cholburi Sugar is 2 years in which the duration of both agreements will end on July 31, 2014. The IFA assumed that Oishi Trading will be able to renew the lease agreement by another 2 years each time indefinitely. Since the service agreement states that the service agreement will be extended by the same period equaling to the extended period of the lease agreement. Thus, the IFA also assumes that the service agreement will be extend as same as the lease agreement by another 2 years each time indefinitely.

2) Rental fees and growth rate

The IFA has projected the rental fee to be constant at THB 100,000 per month throughout the projected period, which equals to the rate that Oishi Trading is currently paying to Cholburi Sugar since the current lease agreement states that in case of any extension, the terms and conditions underlying the extended period shall be the same as the terms and condition underlying the current lease agreement.

3) Services fee and growth rate

The IFA has projected the services fee to be THB 210,000 per month until the end of the current service period on July 31, 2014. After such date, the IFA assumed that the sevice fee will increase by 5.00% every 2 years, when there is a further extension of the service period. Since the current service agreement states that the service provider is able to change the rate of service fee in accordance with its service costs.

4) Discount Rate

The IFA applied Weighted Average Cost of Capital (WACC) as a discount rate to calculate the present value of cash outflows from paying rental and services fee. WACC can be calculated based on the following equation.

$$WACC = Ke*[E/(D+E)] + Kd*(1 - t)*[D/(D+E)]$$

Nonetheless, cost of equity (“Ke”) is necessary in order to calculate WACC. Ke can be derived from Capital Asset Pricing Model (CAPM) based on the following equation.

$$Ke = Rf + \beta (Rm - Rf)$$

Whereas

Rf = The risk free rate based on the 30-year Government Bond Yield as of March 11, 2013 which is the date that the IFA prepared this report, equals to 4.32% per annum (Source: www.thaibma.or.th)

β = Beta co-efficient of the Company’s trading shares over 3 consecutive years until March 11, 2013 (Source: Bloomberg) which is 0.67.

Rm = The market return in which the IFA estimated to be 15.12% per year based on the average return from investment in SET Index over 38 years during 1975 – 2012 (Source: www.set.or.th and the calculation of the IFA)

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

Based on the aforementioned assumptions, Ke can calculation as follows:

Table 16: Calculation of the cost of equity of OISHI

Factors	Assumptions
Risk-free Rate (1)	4.32%
Risk Premium (Rm – Rf) (2)	10.80%
β (3)	0.67
Cost of Equity or Ke (4) = (1) + [(3) x (2)]	11.57%

The cost of equity (Ke) obtained from the calculation shown in the above Table is 11.57%. Then, Ke is applied in the calculation of WACC in which the IFA obtains the value of 8.18%. The details of the calculation are presented in the following table.

- Ke = Cost of equity based on Capital Asset Pricing Model (CAPM), equals to 11.57% as shown in above Table.
- Kd = Average cost of interest-bearing debt in which the IFA uses the weighted average interest rate of OISHI's loans as of December 31, 2012 which is 3.04%.
- t = Corporate tax rate of OISHI for the year 2013 equals to 20.00%.
- D = Portion of interest bearing debt as of December 31, 2012 which is THB 1,836.00 million.
- E = Portion of equity, based on shareholder's equity as of December 31, 2012 which is 3,121.19 million.

Table 17: Calculation of OISHI's weighted average cost of capital

Factors	Assumptions
Cost of Equity or Ke (1)	11.57%
Cost of Debt or Kd (2)	3.04%
D/(D+E) (3)	37.04%
Corporate income tax or t (4)	20.00%
WACC or Discount Rate (5) = {(1) x [1-(3)]} + {(2) x [1-(4)] x (3)}	8.18%

5) Terminal Value

The IFA has calculated the Terminal Value of the rental and service fee payment after the projected period with the assumption that the combined rental and service fee will have a 1.68% perpetual growth rate, which is the compound annual growth rate (CAGR) of the combined rental and service fee when service fee is assumed to increase by 5.00% every 2 years.

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

Table 18: Summary of the projected rent and services fee

THB '000	Duration of the current agreement		Projected period													
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 89	Year 10	Year 11	Year 12	Year 13	Year 14
Ending	Jul 13	Jul 14	Jul 15	Jul 16	Jul 17	Jul 18	Jul 19	Jul 20	Jul 21	Jul 22	Jul 23	Jul 24	Jul 25	Jul 26	Jul 27	Jul 28
Monthly rent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Rent increase rate			0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Monthly services fee	210	210	221	221	232	232	243	243	255	255	268	268	281	281	295	295
Sevices fee increase rate			5%	0%	5%	0%	5%	0%	5%	0%	5%	0%	5%	0%	5%	0%
Number of months	5	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Annual rent and services fee	1,550	3,720	3,846	3,846	3,978	3,978	4,117	4,117	4,263	4,263	4,416	4,416	4,577	4,577	4,746	4,746

THB '000	Projected period															
	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30
Ending	Jul 29	Jul 30	Jul 31	Jul 32	Jul 33	Jul 34	Jul 35	Jul 36	Jul 37	Jul 38	Jul 39	Jul 40	Jul 41	Jul 42	Jul 43	Jul 44
Monthly rent	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Rent increase rate	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Monthly services fee	310	310	326	326	342	342	359	359	377	377	396	396	416	416	437	437
Sevices fee increase rate	5%	0%	5%	0%	5%	0%	5%	0%	5%	0%	5%	0%	5%	0%	5%	0%
Number of months	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12
Annual rent and services fee	4,923	4,923	5,109	5,109	5,305	5,305	5,510	5,510	5,726	5,726	5,952	5,952	6,189	6,189	6,439	6,439
Terminal Value																100,666
Discount rate	8.18%															
Net present value	58,114															

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

From the above calculations, the present value of rental and service fee equals to THB 58.11 million, lower than the transaction price at THB 146.04 million by 60.21%.

In addition, the IFA has conducted sensitivity analysis in order to analyze the impact from the variation of a certain factor from base case scenario as follows:

Scenario 1 Increase service fee by 3.00% every 2 years from the base case scenario at 5.00% every 2 years

Scenario 2 Increase service fee by 7.00% every 2 years from the base case scenario at 5.00% every 2 years

Table 19: Sensitivity analysis

Scenario	Assumptions	CAGR of rent and services fee	Net present value (THB million)
Scenario 1	Increase service fee at rate of 3.00% every 2 years	1.01%	52.18
Base case	Increase service fee at rate of 5.00% every 2 years	1.68%	58.11
Scenario 2	Increase service fee at rate of 7.00% every 2 years	2.34%	65.78

From the above sensitivity analysis, the net present value of cash outflows equals to THB 52.18 million – THB 65.78 million, which is lower than the transaction price at THB 146.04 million by 54.96% – 64.27%. The result indicates that the cash flow, which Oishi Trading may have to pay in order to lease the land for its future business operations, is less than the one-time payment of the land purchase price under this transaction.

However, the IFA views that there are uncertainties associated with assuming indefinite extension of the lease period as the lessor intends to sell the land to other parties in case Oishi Trading does not exercise its first right to purchase the land. Additionally, in case that Oishi Trading has to negotiate for the lease agreement with the new owner of the land, conditions of the lease and service agreement may be significantly deviate from those of the current agreements, which may result in the variation of the valuation results. **Accordingly, the IFA views that the discounted cash flow approach is inappropriate to determine the fair price of the transaction.**

Table 20: Summary of fair value of Cholburi Sugar’s land comparing to the proposed acquisition price

Valuation Approach	Fair Value (THB Million)	Proposed Acquisition Price (THB Million)	Appropriateness of the Approach	Fair Value Higher (Lower) than Proposed Acquisition Price by (%)
1. The market price of land by the independent asset appraisers	146.00 – 149.69	146.04	Appropriate	(0.03) – 2.50
2. Discounted Cash Flow Approach	52.18 – 65.78	146.04	Inappropriate	(54.96) – (64.27)

In considering the fairness of transaction price for this Transaction, the IFA views that the appropriate price for the acquisition should be based on the market price of the land evaluated by the independent asset appraisers, since the appraised price could closely reflect the fair market value of asset at present. The transaction price at THB 146.04 million is in the range of fair price evaluated by the independent asset appraisers between THB 146.00 – 149.69 million. Therefore, the IFA views that the transaction price is appropriate.

2.3.3 Fairness of the Conditions of the Transaction

The IFA has considered the fairness of the conditions of the Transaction from the Land Sale and Purchase Agreement summarized in Section 2 Item 2.1.2 of this report, the IFA views that terms and/or conditions of the Land Sale and Purchase Agreement are mostly according to general business practice, in which the terms and conditions are negotiable between the buyer and the seller. Additionally, such terms and conditions will not impair the benefit of the Company. For example, the buyer agrees to pay for the entire sum of the purchase price at the transfer date of land ownership and that both parties agree to equally responsible for the fees arising from the registration of ownership transfer and pay for their own respective taxes.

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

Additionally, some conditions, which are agreed upon under this agreement, will help the Company to preserve its rights and/or benefits such as the condition which states that the current lease and service agreement shall be terminated on the transfer date of land ownership, while both parties will not seek for any compensation due to such termination from the other party or the condition which states that the seller will return the guarantee deposit on the lease agreement at an amount of THB 200,000 and on the service agreement at an amount of THB 420,000 to Oishi Trading within 7 days from the termination of both agreements (at the date of the transfer of land ownership). Accordingly, the IFA views that **the terms and conditions underlying the Transaction are reasonable.**

2.4 Summary of opinion of the IFA

This purchase of land from Cholburi Sugar will enable Oishi Trading to acquire ownership of the land that currently locates the investment of Oishi Group in new central kitchen, which is currently under construction. The transaction will mitigate the associated risks of the Company from investing on a leased land such as the undesirable termination of the lease agreement due to any reasons such as the lessor intends to sell the land to other parties. Furthermore, the land is with a potential to support future business growth of Oishi Group. In addition to such benefits, the transaction price at THB 146.04 million is within the range of appropriate prices evaluated by independent asset appraisers at THB 146.00 million and THB 149.69 million. Additionally, the terms and conditions underlying the Land Sale and Purchase Agreement are in accordance with general practice of land purchase and that they will not impair the benefit of the Company. Therefore, **the IFA views that the shareholders of the Company should approve the Transaction.** However, the decision to vote is solely under the discretion of the shareholder.

Section 3: Summary of the Opinion of the Independent Financial Advisor

Form the analysis of the IFA regarding the reasonableness of the transaction as well as the fairness of the transaction price and conditions stipulating the acquisition of land by Oishi Trading from Cholburi Sugar, the IFA considers that the Transaction is **appropriate** based on the following reasons:

1. The transaction will enable Oishi Trading to acquire the ownership of land, on which locates it investment in the new central kitchen; total investments made as of February 28, 2013 at THB 106.46 million. The acquisition will reduce the risks associated with investing on the leased land; especially the risk of undesirable termination of the lease agreement due to reasons such as the lessor may consider to sell the land to other parties, which may disrupt the Company's operations and cause the Company to lose its opportunity to utilize buldings and facilities that have already been invested. Also, the Company may incur expenses for demolishing all of its constructions as well as expenses to locate a new site for its new central kitchen.
2. Oishi Trading will acquire ownership of land with a potential to support future growth of Oishi Group. The land is preferable to the Company's existing plant site as it is located outside the flood zone and is also closer to the Company's logistics provider. Additionally, the land is of sufficient size to support long-term growth of the Company.
3. The transaction will help mitigating the risk from leasing the land in the long-run, such as increasing expenses in case the new land owner leases the land to the Company, however, changes the terms and conditions of the lease agreement, which may alter the benefit of Oishi Trading as the lessee.
4. The proposed transaction price at THB 146.04 million is within the range of fair price evaluated by independent asset appraisers, which equals to THB 146.00 million and THB 149.69 million (details of the appraisal by the independent asset appraisers are presented in Section 2 Item 2.3.1 of this report).
5. The terms and conditions stipulated in the Land Sale and Purchase Agreement are in accordance with general business practice and should not adversely impact the benefit of the Company.

Accordingly, the IFA views that the shareholders should **approve** the Transaction. Nevertheless, the shareholders should take into consideration **disadvantages and risks associated with the Transaction** prior to making a decision. Specifcally, the land purchase requires a large sum of one-time cash payment that will significantly reduce Oishi Group's cash flows, as opposed to rental and service fees which are paid monthly. Such draw on cash flow may cause Oishi Group to lose an opportunity to take on other investments.

The decision to vote is solely dependable on the consideration and discretion of the shareholders. The shareholders should take into consideration the advantages, disadvantages and the risk of the Transaction as well as carefully consider the attached documents submitted to the shareholders along with the invitation letter to shareholders' meeting so as to make the most appropriate decision.

JayDee Partners Limited, as the Independent Financial Advisory of the Company, has performed the study and analysis with care in accordance with the professional standard and has provided the opinion based on the fair analysis of information by taken into consideration the benefits of all shareholders.

The opinion of the independent financial advisor are based on the information, which have been received from the Company as well as the interviews with the Company's management, publicly available information and other relevant documents. The Independent Financial Advisor assumed that all information received is truthful and correct. Therefore, if the said information are incorrect and/or is not truthful and/or has been significantly changed in the future, it will affect the opinion of the Independent Financial Advisor. Therefore, the Independent Financial Advisor is unable to certify or warrant the future impact that may arise to the Company and the shareholders. In addition, the opinion of the Independent Financial Advisor is only to provide the comments to the shareholders, providing this opinion does not warrant the accomplishment of the Transaction and impact to be incurred from the Transaction to the Company.

The opinions of IFA on the acquisition and disposition of assets and the connected transactions
(For the purpose of translation only)

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

Yours Sincerely,



(Mrs. Duangjai Lorlertwit)
Executive Partner
JayDee Partners Limited, the independent financial advisor



(Ms. Jirayong Anuman-Rajadhon)
Managing Partner / Operation Controller
JayDee Partners Limited, the independent financial advisor

