

**Opinion of the Independent Financial Advisor on
the Delisting of the Company's Securities from
being Securities Listed on
The Stock Exchange of Thailand**

of



KEX Express Public Company Limited

Independent Financial Advisor



Capital Advantage Company Limited

May 23, 2025

-TRANSLATION-

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

No. 061/2025

May 23, 2025

Subject: Opinion of the Independent Financial Advisor regarding the Delisting of securities of KEX Express (Thailand) Public Company Limited from being listed securities in the Stock Exchange of Thailand

Attention: Shareholders of
KEX Express (Thailand) Public Company Limited

Attachment: 1) Summary Information of KEX Express (Thailand) Public Company Limited
2) Overview of e-Commerce and Express Delivery Business

References: 1) Resolution of the Board of Directors' Meeting No. 4/2025 of KEX Express (Thailand) Public Company Limited, held on April 30, 2025
2) Form for Delisting of Shares from Being Listed Securities (Form F10-6) dated May 2, 2025
3) Annual Registration Statement/Annual Report (Form 56-1 One Report) of KEX Express (Thailand) Public Company Limited for the year ended December 31, 2023 – 2024.
4) Audited financial statements of KEX Express (Thailand) Public Company Limited for the 12-month period ended December 31, 2020 – 2024, Interim financial statements of KEX Express (Thailand) Public Company Limited for the 3-month period ended March 31, 2023 – 2025, Interim financial statements of KEX Express (Thailand) Public Company Limited for the 6-month period ended June 30, 2023 – 2024, Interim financial statements of KEX Express (Thailand) Public Company Limited for the 9-month period ended September 30, 2023 – 2024,
5) Property Valuation Report by Thai Property Appraisal Lynn Philips Company Limited No. 25-0728-18-119 dated April 11, 2025, for public purposes
6) Company Affidavit, Memorandum of Association, general ledger, and other information and documents, and interviews with the management and relevant staff of KEX Express (Thailand) Public Company Limited.

Disclaimers: 1) Results of the study conducted by Capital Advantage Co., Ltd. ("**CapAd**" or the "**Independent Financial Advisor**" or the "**IFA**") in this report are based on information and assumptions provided by management of KEX Express (Thailand) Public Company Limited, as well as information disclosed to the public on the websites of the Securities and Exchange Commission (www.sec.or.th) and the Stock Exchange of Thailand (www.set.or.th).
2) The Independent Financial Advisor shall not be responsible for profits or losses or any impact resulting from the transaction.
3) The Independent Financial Advisor conducted the study with knowledge, skills, and cautiousness by the professional ethics.
4) The Independent Financial Advisor considers and provides its opinions based on the situation and information at present. Any significant change in such a situation and information may affect the study results in this report.

According to the Board of Directors' Meeting of KEX Express (Thailand) Public Company Limited (the "**Company**" or "**KEX**") No. 4/2025 held on April 30, 2025, the Board resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2025 of the Company, which will be held on June 20, 2025, to consider and approve the delisting of the Company's securities from being listed securities in the Stock Exchange of Thailand (the "**SET**"), following the Company's receipt of a letter of intent dated 30 April 2025 from SF International Holding (Thailand) Company Limited ("**SFTH**" or the "**Offeror**"), a major shareholder (as of 7 March 2025, SFTH held a total of 2,853,952,489 shares in the Company), representing holding 81.43% of the total issued and paid-up shares of the Company¹. The letter proposed the Company to delist its securities from the SET voluntarily and expressed SFTH's intention to act as the tender offeror to perform a tender offer for all ordinary shares of the Company that are not held by SFTH totaling 651,017,806 shares, representing 18.57% of the total issued shares of the Company, to delist the Company's securities from the SET, at the tender offer price of THB 1.50 per share (the "**Tender Offer for Delisting of Securities**"). The said share offering price is not lower than the highest price calculated using the criteria for determining the tender offer price for delisting of securities prescribed under the Capital Market Supervisory Board Notification No. TorJor. 12/2554 Re: Rules, Conditions and Procedures for Acquisition of Securities for Business Takeovers (as amended) (the "**Notification No. TorJor. 12/2554**"). The calculation comprises four methods: (1) the highest price at which the offeror or any person under Section 258 of the offeror acquired the shares during the 90 days before the date of submission of the tender offer to the Office of the Securities and Exchange Commission ("**SEC**"), (2) the volume-weighted average market price of the Company's shares over the five business days before the date the Board of Directors resolved to propose the delisting to the shareholders' meeting, (3) the Company's adjusted net asset value, taking into account the latest market value of the Company's assets and liabilities, and (4) the fair value of the Company's shares as appraised by a financial advisor².

The aforementioned tender offer price may be subject to further adjustment, should any event or action occur that causes, or may cause, severe damage to the Company's status or assets, or in the event of other incidents that may materially affect the determination of the tender offer price, or any other incidents as set out in the Notification No. TorJor. 12/2554. In any case, the determination of the final tender offer price shall be in accordance with the criteria set forth in the Notification No. TorJor. 12/2554.

In any case, after the delisting of the securities of the Company from the SET, the Company will retain its status as a public limited company and will continue to comply with the applicable laws and regulations.

In addition, to ensure that the process complies with the Notification of the Capital Market Supervisory Board of Thailand regarding the Guidelines for Voluntary Delisting of Shares B.E. 2564 (2021), the Company's Board of Directors, with the approval of the independent directors who have no vested interests, has resolved to appoint Capital Advantage Company Limited as the independent financial advisor ("**Independent Financial Advisor**" or "**IFA**" or "**CapAd**"). CapAd has been appointed to serve as the independent financial advisor and to provide opinions and recommendations to the Company's shareholders in their consideration of the delisting of the Company's securities from the Stock Exchange.

CapAd has reviewed the information contained in the application form for delisting (Form F10-6) of Kerry Express (Thailand) Public Company Limited, as well as information obtained from interviews with the Company's executives and management team, and documents provided by the Company and related parties. These include financial statements, financial projections, asset valuation reports, contracts, and other documents related to the transaction, along with publicly available information such as disclosures on the websites of the Stock Exchange of Thailand, the Securities and Exchange Commission ("**SEC**"), and various financial data websites. This information was used as a basis to assess and provide opinions on the proposed transaction.

CapAd's opinion in this report is based on the assumption that the information and documents received are true and complete, as provided by the Company's management. However, CapAd does not guarantee or warrant the accuracy or completeness of the information. This opinion is based on the

¹ According to the Company's shareholder register book closure (XM) on May 16, 2025, SFTH still holds the same number of shares in the Company.

² According to the information disclosed in the Company's application for delisting of securities (Form F10-6), the Offeror's financial advisor is Bualuang Securities Public Company Limited.

current circumstances and information available as of the date of this report. Any changes or future events may significantly affect the Company's operations, financial projections, and the independent financial advisor's evaluation, analysis, and opinion, as well as shareholders' decisions regarding the transaction.

The purpose of this opinion by the Independent Financial Advisor is solely to provide information for the Company's shareholders in considering the approval of the Company's delisting from being a listed security on the Stock Exchange of Thailand. The final decision to approve or reject the transaction lies solely at the discretion of each shareholder. Shareholders are encouraged to carefully study the relevant information, reasons, conditions, and opinions related to the delisting, as enclosed in the Notice to the shareholders' meeting, before casting their vote. It should be noted that the opinion expressed by the Independent Financial Advisor does not guarantee the success of the Company's delisting from the Stock Exchange, nor the potential consequences arising from the transaction. The Independent Financial Advisor shall not be liable for any consequences that may result from such a transaction.

In providing the opinion to shareholders, CapAd studies and analyzes the information stated above by considering the reasonableness of the price and conditions, and all relevant factors. CapAd has considered such information thoroughly and reasonably according to professional standards for the best interests of shareholders.

The attachments to this report are deemed as part of this opinion report and are information that shareholders should consider in conjunction with this report.

After considering and studying all the information on the delisting of the Company's securities from being listed securities in the SET, CapAd would like to summarize the results as follows:

Abbreviation

"Company" or "KEX" or "Business"	KEX Express (Thailand) Public Company Limited
"SFTH" or the "Offeror"	SF International Holding (Thailand) Company Limited
"SF"	S.F. Holdings Limited
"KRL"	Kuok Registrations Limited
"C2C"	Customer to Customers: Customers who use the service through storefronts, applications, websites, and call centers.
"CKA"	Corporate Key Account Corporate or business customers who are subject to contract-based pricing and standard contractual agreements.
"SKA"	Strategic Key Account Strategic customers with high shipping volumes who are subject to contract-based pricing and specific contractual terms and conditions.
"Independent Financial Advisor" or "IFA" or "CapAd"	Capital Advantage Company Limited
"Independent Appraiser"	Thai Property Appraisal Lynn Phillips Co., Ltd.
"SEC"	The Office of the Securities and Exchange Commission, Thailand
"SET"	The Stock Exchange of Thailand
"SEC Act"	The Securities and Exchange Act B.E. 2535 (1992) (including amendments)
"Public Limited Companies Act"	The Public Limited Companies Act B.E. 2535 (1992) (including amendments)
"Notification No. TorJor. 12/2554"	Notification of the Capital Market Supervisory Board No. TorJor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers, dated 13 November 2011, including amendments
"Standards and Code of Ethics for the Valuation of Plant, Machinery, and Equipment"	Standards and Code of Ethics for the Valuation of Plant, Machinery, and Equipment prepared by the Thai Valuers Association and the Thai Appraisal Foundation, supported by the Office of the Securities and Exchange Commission
"Tender Offer Price" or "Offer Price"	Tender offer price for KEX shares: THB 1.50 per share
"Delisting"	Delisting of the Company's securities from the Stock Exchange of Thailand
"CPI"	Consumer Price Index
"EBITDA"	Earnings Before Interest, Taxes, Depreciation, and Amortization
"NTA"	Net Tangible Assets
"WACC"	Weighted Average Cost of Capital

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Executive Summary

According to the Board of Directors' Meeting of KEX Express (Thailand) Public Company Limited (the "**Company**" or "**KEX**") No. 4/2025 held on April 30, 2025, the Board resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2025 of the Company, which will be held on June 20, 2025, to consider and approve the delisting of the Company's securities from being listed securities in the Stock Exchange of Thailand (the "**SET**"), following the Company's receipt of a letter of intent dated 30 April 2025 from SF International Holding (Thailand) Company Limited ("**SFTH**" or the "**Offeror**"), a major shareholder (as of 7 March 2025, SFTH held a total of 2,853,952,489 shares in the Company), representing 81.43% of the total issued and paid-up shares of the Company³. The letter proposed the Company to delist its securities from the SET voluntarily and expressed SFTH's intention to act as the tender offeror to perform a tender offer for all ordinary shares of the Company that are not held by SFTH totaling 651,017,806 shares, representing 18.57% of the total issued shares of the Company, to delist the Company's securities from the SET, at the tender offer price of THB 1.50 per share (the "**Tender Offer for Delisting of Securities**"). The total value of the tender offer amounts to THB 976.53 million. The rationales and objectives of the tender offer are disclosed in the Company's application for delisting of securities (Form F10-6) dated May 2, 2025, as summarized below:

- (1) Currently, KEX is facing a highly challenging market and business environment marked by continued net losses, liquidity constraints, intensified competition, and structural changes in the logistics and express delivery landscape. The competitive nature of the express delivery sector, combined with aggressive pricing strategies from industry players and ongoing price pressure from customers, has further hindered KEX's ability to return to profitability, having recorded 13 consecutive quarters⁴ of losses. Given these challenges, KEX's business outlook remains uncertain, and a near-term turnaround of KEX's business performance is hard to anticipate.
- (2) As a result of KEX's ongoing net losses, KEX needs continued funding support to meet its business needs. Hampered by limited trading liquidity and an uncertain outlook, the listing status of KEX shares can no longer provide an effective means of fundraising for the Company.
- (3) KEX currently has a free float below the minimum required level. Due to the challenging business prospects of KEX, it is difficult to increase KEX's free float through share issuance to public investors.

Considering the background and rationales above, SFTH is of the view that this Delisting Tender Offer would be in the best interests of KEX and its shareholders at the current time.

In this regard, SFTH will proceed with the Delisting Tender Offer after all of the following conditions precedent are satisfied: (1) The Board of Directors' and shareholders' meeting of the Company shall have resolved to approve the voluntary delisting of the Company's securities from the SET with the votes of not less than three-fourths (3/4) of the total issued shares of the Company, provided that there are no objections from shareholders that are holding shares in an aggregate amount exceeding 10% of the total issued shares of the Company per the SET's regulations on delisting of securities; (2) The delisting of the Company's securities from the SET and the Delisting Tender Offer must have received the necessary approvals and/or waivers from the relevant authorities, including the SET, and any contractual parties and/or any third parties in the related agreements and documents (if required); and (3) SFTH, as the tender offeror, shall have financial support from shareholders of SFTH ("**SF Group**") in the amount that is sufficient and readily available to perform the Delisting Tender Offer.

Opinion of the Independent Financial Advisor on the Reasonableness of the Delisting

The Independent Financial Advisor has considered the benefits and potential impacts of the delisting on the Company and its shareholders. The Independent Financial Advisor is of the opinion that the proposed delisting of the Company's securities from the Stock Exchange is reasonable, based on the following considerations:

³ Please refer to Footnote 1

⁴ The Company reported its operating results for the first quarter of 2025 on 14 May 2025, recording a net loss of THB 897.04 million. This marks the Company's 14th consecutive quarter of losses.

- 1. Fundraising through the Stock Exchange has become significantly less effective under the Company's current circumstances due to ongoing net losses and the uncertain outlook of its future performance.** However, the Company still requires funding to support its business operations. Therefore, future funding is likely to rely primarily on financial support from major shareholders. In the second half of 2024, the Company conducted a rights offering ("RO") of newly issued ordinary shares to its existing shareholders. A total of 1,762,393,295 shares, or 62.66% of the offered shares, were subscribed to—almost entirely by the major shareholder, who subscribed to 1,762,134,162 shares, representing 99.99% of the subscribed total. In other words, nearly all of the capital raised through this RO came from the Company's major shareholder.
- 2. The Company faces a risk of possible delisting if its shareholders' equity turns negative, particularly if the Company continues to report net losses.** One possible solution to this issue is a capital increase through existing shareholders, which could place an additional financial burden on them. According to the Independent Financial Advisor's preliminary analysis, if the Company continues to incur losses in 2025, based on the financial results of 2023 and 2024, it may once again be subject to a "Caution – Possible Delisting" (CB) flag after the announcement of Q2/2025 financial statements, as the Company's shareholders' equity is less than 50% of its paid-up capital. Furthermore, if the Company's consolidated financial statements for the year 2025 indicate that the shareholders' equity attributable to the parent company is negative, thereby triggering the criteria for delisting under the Stock Exchange of Thailand's 2021 regulations on delisting⁵. The Stock Exchange of Thailand (SET) will classify the Company's common shares as subject to possible delisting and will post the NC (Non-Compliance) and SP (Suspension) signs under the aforementioned regulations. Once the SP sign has been in effect for one month and the Company has submitted its plan to address the cause of delisting, the SET may allow trading for one month under a cash balance account basis (while maintaining the NC sign). Thereafter, the SET will reimpose the SP sign until the Company has successfully resolved the cause of delisting and meets the qualifications for resumption of normal trading. The Company would then have approximately 3 – 5 years to rectify this situation. One possible remedy is another capital increase through a rights offering, as was done in 2024, which could impose further burden on existing shareholders. Therefore, delisting represents an option to reduce the pressure of ongoing capital increases should the Company continue to record net losses and negative equity.
- 3. The Company no longer meets the listing maintenance requirement regarding the distribution of minority shareholders (Free Float).** Given the Company's continued financial losses, which have directly impacted investor confidence, resolving this issue in a short period with tangible results is challenging and may prove difficult. Therefore, the delisting of the Company's securities from the Stock Exchange represents a practical solution to address the issue and alleviate the burden of non-compliance with the Free Float requirement as stipulated by the Exchange for maintaining listed company status.
- 4. Delisting will provide the Company with greater managerial flexibility, as it will no longer be subject to the legal and regulatory obligations of being a listed company,** such as disclosure requirements under the SEC and SET rules. This would allow for faster and more flexible decision-making and execution of business strategies.
- 5. The Company will be able to reduce costs and fees associated with maintaining its status as a listed company** on the Stock Exchange of Thailand.

⁵ According to the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Guidelines on Corrective Actions to Eliminate Grounds for Delisting of Ordinary Shares B.E. 2564 (2021), the SET will not classify a listed company's common shares as subject to possible delisting if the company can successfully eliminate the cause of delisting, specifically, by restoring shareholders' equity to a level above zero. However, such corrective actions must demonstrate clear and tangible success. For example, if the Company's 2025 annual financial statements indicate negative shareholders' equity, but the Company completed a capital increase in January 2026 that results in positive shareholders' equity, then upon the release of its 2025 annual financial statements in late February 2026, the Stock Exchange will not announce that the Company's common shares are subject to possible delisting.

6. Shareholders will receive a fair offer for the delisting, as the tender offer price⁶ is higher than the fair value range of the Company's ordinary shares as assessed by the Independent Financial Advisor.

One of the key pre-conditions for the Company's delisting from being a listed security is the tender offer for all of the Company's securities, which serves as an option for minority shareholders to mitigate the impacts or risks from various factors, including: (1) the risk stemming from the Company's ongoing net losses and the uncertainty of future performance, which may lead to future capital increases and burden existing shareholders, and (2) the risk related to the balance of power and control by the major shareholder. As of March 7, 2025, SFTH is the major shareholder, holding 2,853,952,489 shares, or 81.43% of the Company's total issued and outstanding shares. This gives SFTH significant influence over the Company's policy decisions, management, operations, and nearly complete control over shareholder meeting resolutions. Thus, the tender offer for delisting purposes presents an opportunity for minority shareholders to sell their shares at the offer price and quantity they desire, thereby mitigating the above risks. Additionally, **the delisting offer is being made at a price higher than the fair value range appraised by the Independent Financial Advisor.**

However, the delisting will have the following impacts on the Company and its shareholders:

Impacts on the Company:

After delisting, the Company will no longer be able to raise funds directly through the stock exchange. Its future funding is expected to come from the major shareholder and/or financial institutions. The Company's public visibility and transparency will decline significantly, as it will no longer be subject to the disclosure requirements of the Stock Exchange of Thailand.

Impacts on minority shareholders who continue holding shares after delisting:

- **Liquidity:** Shareholders will lose access to a secondary market, resulting in no reference trading price and significantly reduced chances of realizing capital gains.
- **Tax:** Individual shareholders will no longer receive tax benefits on capital gains from share trading and will be subject to capital gains tax on profits earned.
- **Fees:** Stamp duty exemption on share transfers will no longer apply for both individuals and juristic persons.
- **Information access:** Shareholders will have access to limited information regarding the Company, as the Company will no longer be subject to the disclosure requirements of the Stock Exchange. However, the Company will still be required to disclose and submit certain information as a public limited company under the Public Limited Companies Act, such as information disclosed in shareholders' meeting minutes and the annual report. In addition, if minority shareholders wish to obtain information such as the company affidavit, shareholder list, or financial statements, they may request copies of such documents from the Ministry of Commerce.
- **Governance risk:** Minority shareholders may face issues arising from the inability to effectively monitor and balance the actions of the major shareholder, particularly if, following the tender offer for delisting, SFTH holds more than 90.00% of the Company's total issued and outstanding shares. SFTH currently holds 81.43% of the total issued and paid-up shares of the Company. Such a shareholding would enable SFTH to exert near-total control over the resolutions passed at shareholders' meetings.

⁶ The offer price is not lower than the highest price calculated under the delisting tender offer pricing criteria specified in Notification No. TorJor. 12/2554. However, the offer price may be subject to change if any event or action occurs — or may occur — that causes material damage to the Company's financial condition or assets, or any other circumstance that significantly impacts the determination of the offer price, or any other event as specified in Notification No. TorJor. 12/2554. Nonetheless, the final offer price will comply with the criteria outlined in that notification.

Opinion of the Independent Financial Advisor on the Appropriateness of the Tender Offer Price

In assessing the appropriateness of the tender offer price for the Company's ordinary shares at **THB 1.50 per share**, the Independent Financial Advisor has conducted a valuation of the Company's shares and summarized the results as follows:

Table 1: Summary table comparing the value of KEX shares according to various valuation methods

KEX	Share Value of KEX ^{1/} (THB/share) (1)	Tender Offer Price of KEX Share (THB/share) (2)	Higher (Lower) than Tender Offer Price of KEX Shares		Suitability of the valuation method ^{2/}
			(THB/share)	(%)	
			(3) = (1) – (2)	(3)/(2)	
Book Value Approach	0.42	1.50	(1.08)	(72.00)%	Not appropriate
Adjusted Book Value Approach	0.52	1.50	(0.98)	(65.33)%	Appropriate
Market Value Approach	1.10 – 1.43	1.50	(0.40) – (0.07)	(26.67)% - (4.67)%	Appropriate
Price to Book Value Ratio Approach	0.18 – 0.36	1.50	(1.32) – (1.14)	(88.00)% - (76.00)%	Not appropriate
Price to Earnings Ratio Approach	n.a. ^{3/}	1.50	n.a.	n.a.	Unable to determine
Discounted Cash Flow Approach	n.a. ^{4/}	1.50	n.a.	n.a.	Unable to determine

Remarks:

1/ Par value of THB 0.50 per share.

2/ Appropriateness of the Valuation Methods for Providing an Opinion on the Tender Offer Price for the Company's Shares in the Delisting Tender Offer

3/ n.a. = non-applicable. It cannot be assessed as the Company recorded a net loss in the past 12 months ending on March 31, 2025.

4/ n.a. = non-applicable. It cannot be reliably assessed as the company is undergoing a strategic shift in its business operations, which remains highly uncertain.

The Independent Financial Advisor has considered the appropriateness of various valuation methods and provides the following rationale:

Valuation methods not used as a basis for the IFA's opinion include:

- Book Value Method

This method reflects the company's performance and financial position at a specific point in time, based on historical financial data. However, it does not take into account the actual market value of assets, post-reporting date events, the company's future earning potential, or broader economic and industry trends. Therefore, this method does not reflect the true value of the company's shares.

- Price-to-Book Value Ratio Method

This method uses the Company's historical book value as of March 31, 2025, derived from the latest reviewed consolidated financial statements by a certified public accountant, and compares it with the price-to-book value ratios of two listed companies on the Stock Exchange of Thailand whose main revenues are derived from parcel/cargo delivery services, similar to the Company. However, one of these two companies derives a significantly smaller portion of its total revenue from parcel delivery compared to the Company. Therefore, using the reference ratios of these peer companies to assess the value of KEX shares may not provide an appropriate benchmark for determining a fair share value.

- Price-to-Earnings (P/E) Ratio Method

This method compares the company's trailing twelve-month earnings per share as of March 31, 2025, with the P/E ratios of two comparable listed companies in the same industry. However, the IFA is unable to apply this method because the company incurred net losses over the twelve-month period ending March 31, 2025.

- Discounted Cash Flow Method

The method will evaluate the results of past operations and reflect the ability to generate cash flows and long-term operating outcomes.

The valuation of the Company's shares using the Discounted Cash Flow (DCF) method in this instance is based on the Company's current circumstances and business plan. However, the Company's recent performance has shown concerning trends, with total revenue having declined consistently over the past three years, the Company has experienced a consistent decline in total revenue (from THB

17,145.04 million in 2022 to THB 11,541.48 million in 2023, and THB 9,616.00 million in 2024), alongside with a sustained increase in net losses (rising from THB 2,849.99 million in 2022 to THB 3,918.28 million in 2023 and THB 5,948.08 million in 2024). Moreover, the Company continued to report a net loss of THB 897.04 million in Q1/2025.

Under the prevailing circumstances, the Company operates in a highly competitive parcel delivery industry, and despite efforts to shift its strategy towards more profitable segments and implement cost-reduction measures, the financial results have yet to demonstrate any clear signs of return to profitability in the near term. As a result, the Company's projected future cash flows remain negative throughout the forecast period. Based on the DCF analysis, it is evident that the Company is unable to generate economic value on a going-concern basis. Furthermore, as the Company underwent a change in major shareholder in early 2024 and has been operating under the 'KEX' brand since August 2024, it is currently in the midst of a strategic transition. This includes enhancing service quality, targeting revenue-generating customer segments, and expanding toward integrated service offerings. In parallel, the Company is implementing cost and expense restructuring initiatives. According to the business plan, management anticipates a return to profitability and positive cash flow in the future. However, achieving the targeted cost and expense controls remains a significant challenge, resulting in an unclear outlook for the Company's future performance. These circumstances reflect that the Company is in a transitional phase. Given the high level of uncertainty surrounding the strategic shift, the Independent Financial Advisor considers it unreliable to apply this valuation method to assess the fair value of the Company's shares.

The Independent Financial Advisor (IFA) used the following valuation methods to form an opinion on the fairness of the tender offer price:

- Adjusted Book Value Method

This method involves adjustments to reflect the current market value of the Company's assets, offering a more accurate representation than the unadjusted book value method. The adjusted book value can capture the fair market value of certain assets; however, it does not take into account the Company's future earnings potential. Nonetheless, the adjusted book value method is considered a reasonable proxy for the Company's minimum fundamental value. It is based on the book value recorded in the latest financial statements, adjusted to reflect the market value of property, plant, and equipment, as well as the realizable value of deferred tax assets, based on the likelihood of future utilization. The valuation represents the fair value of the Company's assets net of its liabilities and, therefore, reflects the Company's current underlying value. Given these factors, the Independent Financial Advisor is of the opinion that the adjusted book value method is an appropriate approach for valuing the Company's shares in the context of providing an opinion on the offer price under the delisting tender offer.

- Market Price Method

This method considers the market price of the Company's shares as traded on the Stock Exchange of Thailand, which should reflect the value of the Company's shares based on market demand and supply. Such pricing is influenced by publicly available information, investor sentiment, and expectations regarding the Company's future performance. Importantly, the selected market price should be derived from a period that is not yet impacted by the public disclosure of the transaction under consideration. The Independent Financial Advisor has reviewed information up to April 29, 2025, which was one business day before the Board of Directors' Meeting No. 4/2025, where a resolution was passed to propose the delisting of the Company's securities from the Stock Exchange of Thailand to the Extraordinary General Meeting of Shareholders No. 1/2025. At that time, the proposed tender offer price was also disclosed. Based on its analysis, the Independent Financial Advisor found that the historical movement of the Company's share price has generally corresponded with its operating performance. The share price has declined in line with the Company's deteriorating financial results, indicating that the market price of the Company's shares appropriately reflects its underlying performance.

Furthermore, the market price represents the value at which investors can realistically buy or sell the Company's shares in the present. Given that the Company's shares have maintained a reasonable level of liquidity, the market price can be deemed to reflect actual investor demand and supply, as well as investor sentiment regarding relevant factors. The average turnover ratio of the Company's shares during the 7 – 180 trading days before April 29, 2025 (i.e., from August 6, 2024, to April 29, 2025) ranged between 0.13% and 0.67% of the total outstanding shares. For comparison, the average turnover ratios during the same period for the SET Index and the Services/Transportation & Logistics sector ranged between 0.35% – 0.49% and 0.26% – 0.34%, respectively. Considering the above, the Independent

Financial Advisor is of the opinion that the market price method is appropriate for assessing the fair value of the Company's shares.

The Independent Financial Advisor is of the opinion that the appropriate methods for valuing the Company's shares are the Adjusted Book Value Method and the Market Price Method. Based on these methods, the fair value of the Company's shares is in the range of THB 0.52 – 1.43 per share. When compared to the tender offer price of THB 1.50 per share, the offer price is higher than the assessed fair value range determined by the Independent Financial Advisor. Therefore, **the Tender Offer Price for the Company's ordinary shares is considered fair.**

Given the above reasons, the **Independent Financial Advisor recommends that the shareholders approve the delisting of the Company's ordinary shares from being listed securities on the Stock Exchange.**

Shareholders are encouraged to thoroughly review the information in the documents attached to the invitation to the shareholders' meeting to make an informed decision when voting. The decision to approve the Company's delisting is ultimately subject to the discretion and judgment of the shareholders, and the Independent Financial Advisor's opinion does not guarantee the success of the delisting process or the potential impacts arising therefrom. The Independent Financial Advisor shall not be held liable for any direct or indirect consequences resulting from the shareholders' decisions.

CapAd, in its role as Independent Financial Advisor, affirms that it has rendered the above opinion with due care and in accordance with professional standards, with the best interest of the shareholders as the primary consideration.

The details supporting the opinion of the Independent Financial Advisor are as follows:

Part 1: Background and Details of the Delisting of Securities from Being Listed on the Stock Exchange of Thailand

1.1 Nature and Details of the Transaction

According to the Board of Directors' Meeting of KEX Express (Thailand) Public Company Limited (the "**Company**" or "**KEX**") No. 4/2025 held on April 30, 2025, the Board resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2025 of the Company, which will be held on June 20, 2025, to consider and approve the delisting of the Company's securities from being listed securities in the Stock Exchange of Thailand (the "**SET**"), following the Company's receipt of a letter of intent dated 30 April 2025 from SF International Holding (Thailand) Company Limited ("**SFTH**" or the "**Offeror**"), a major shareholder (as of 7 March 2025, SFTH held a total of 2,853,952,489 shares in the Company), representing 81.43% of the total issued and paid-up shares of the Company⁷. The letter proposed the Company to delist its securities from the SET voluntarily and expressed SFTH's intention to act as the tender offeror to perform a tender offer for all ordinary shares of the Company that are not held by SFTH totaling 651,017,806 shares, representing 18.57% of the total issued shares of the Company, to delist the Company's securities from the SET, at the tender offer price of THB 1.50 per share (the "**Tender Offer for Delisting of Securities**"). The total value of the tender offer amounts to THB 976.53 million. The rationales and objectives of the tender offer are disclosed in the Company's application for delisting of securities (Form F10-6) dated May 2, 2025, as summarized below:

- (1) Currently, KEX is facing a highly challenging market and business environment marked by continued net losses, liquidity constraints, intensified competition, and structural changes in the logistics and express delivery landscape. The competitive nature of the express delivery sector, combined with aggressive pricing strategies from industry players and ongoing price pressure from customers, has further hindered KEX's ability to return to profitability, having recorded 13 consecutive quarters⁸ of losses. Given these challenges, KEX's business outlook remains uncertain, and a near-term turnaround of KEX's business performance is hard to anticipate.
- (2) As a result of KEX's ongoing net losses, KEX requires continued funding support to meet its business needs. Hampered by limited trading liquidity and an uncertain outlook, the listing status of KEX shares can no longer provide an effective means of fundraising for the Company.
- (3) KEX currently has a free float below the minimum required level. Due to the challenging business prospects of KEX, it is difficult to increase KEX's free float through share issuance to public investors.

Considering the background and rationales above, SFTH is of the view that this Delisting Tender Offer would be in the best interests of KEX and its shareholders at the current time.

In this regard, SFTH will proceed with the Delisting Tender Offer after all of the following conditions precedent are satisfied:

- (1) The Board of Directors' and shareholders' meetings of the Company shall have resolved to approve the voluntary delisting of the Company's securities from the SET with the votes of not less than three-fourths (3/4) of the total issued shares of the Company, provided that there are no objections from shareholders that are holding shares in an aggregate amount exceeding 10 percent of the total issued shares of the Company in accordance with the SET's regulations on delisting of securities;
- (2) The delisting of the Company's securities from the SET and the Delisting Tender Offer must have received the necessary approvals and/or waivers from the relevant authorities, including the SET, and any contractual parties and/or third parties in the related agreements and documents (if required); and
- (3) SFTH, as the tender offeror, shall have financial support from the shareholders of SFTH ("**SF Group**") in the amount that is sufficient and readily available to perform the Delisting Tender Offer.

⁷ Please refer to Footnote 1

⁸ Please refer to Footnote 4

The Delisting Tender Offer, to be performed upon the satisfaction of the conditions precedent in (1), (2) and (3) above, will be able to proceed even if not all of the shareholders of the Company (other than SFTH) tender their ordinary shares in the Company to SFTH in the Delisting Tender Offer, subject to the conditions for cancellation of the Delisting Tender Offer as provided by the Notification No. TorJor. 12/2554 and as will be specified in the Delisting Tender Offer documents.

As for the Tender Offer Price, the Offeror will make a tender offer at the price of THB 1.50 per share. The offer price is not lower than the highest price calculated under the delisting tender offer pricing criteria specified in Notification No. TorJor. 12/2554. However, the offer price may be subject to change if any event or action occurs, or may occur, that causes material damage to the Company's financial condition or assets, or any other circumstance that significantly impacts the determination of the offer price, or any other event as specified in Notification No. TorJor. 12/2554. Nonetheless, the final offer price will comply with the criteria outlined in that notification.

In addition, according to the Notification of the Board of the Stock Exchange of Thailand Re: Guidelines on Voluntary Delisting of Securities B.E. 2564 (2021), dated October 5, 2021, after the Company has received approval for the delisting of its securities, the Company must arrange for a tender offer for the delisting of its securities within the period specified by the Office of the Securities and Exchange Commission (the "**SEC**"), which shall not exceed 45 business days.

1.2 Information of KEX Express (Thailand) Public Company Limited

Please refer to the information as disclosed in Attachment 1 of this report.

Part 2: Opinion of the Independent Financial Advisor on the Application for Delisting of Securities from the Stock Exchange of Thailand

On April 30, 2025, SF International Holding (Thailand) Company Limited ("SFTH"), a major shareholder (as of March 7, 2025, SFTH holding 81.43% of the total issued and paid-up shares of the Company⁹) submitted a letter to the Company proposing that the Company voluntarily delist its securities from the Stock Exchange of Thailand (the "Delisting"). SFTH also expressed its intention to make a tender offeror for all ordinary shares of the Company that are not held by SFTH totaling 651,017,806 shares, representing 18.57% of the total issued shares of the Company to voluntarily delist its securities from the SET. The Independent Financial Advisor hereby provides an opinion on the Company's proposed delisting as follows:

2.1 Rationale for the Delisting of Securities from the Stock Exchange of Thailand

(1) Fundraising through the Stock Exchange has become significantly less effective under the Company's current circumstances due to ongoing net losses and the uncertain outlook of its future performance. However, the Company still requires funding to support its business operations. Therefore, future funding is likely to rely primarily on financial support from major shareholders.

Over the past three years (2022–2024), the Company has consistently recorded losses of THB 2,849.99 million, THB 3,918.28 million, and THB 5,948.08 million, respectively. These losses have resulted in negative cash flows from operations, meaning the Company has had to seek external funding sources to support its business operations. During 2022 and the first half of 2023, the Company's primary source of funding was from capital raised through its initial public offering (IPO)¹⁰ ("IPO proceeds"). However, in the second half of 2023 through the first half of 2024, the IPO proceeds had been fully utilized, and the Company had to rely on borrowings from financial institutions and its former major shareholder, KLN Logistics (Thailand) Co., Ltd. ("KLNTH").

In the second half of 2024, the Company issued and offered newly issued ordinary shares to its existing shareholders in proportion to their shareholding ("Rights Offering" or "RO") during August 21 – 27, 2024, totaling 2,812,500,000 shares at THB 3.20 per share. However, only 1,762,393,295 shares were subscribed, representing 62.66% of the total shares offered. As a result, the Company raised approximately THB 5,630.71 million in net proceeds from the RO ("RO proceeds"), after deducting related offering expenses. Notably, SFTH, the major shareholder of the Company, subscribed for 1,762,134,162 shares, accounting for 99.99% of the total shares subscribed. In other words, nearly all the capital raised from the RO came from the Company's major shareholder. Therefore, in the second half of 2024, the Company's primary funding source was the RO proceeds, which were almost entirely provided by a single major shareholder.

Table 2-1: Sources of Funds Used in Operations and Cash Flows from Operating Activities

<i>Sources of funds used in the Company's operations: (Unit: THB million)</i>	FY 2021	FY 2022	First	Last	First	Last
			6 months of FY 2023 (1 JAN - 30 JUN)	6 months of FY 2023 (1 JUL - 31 DEC)	6 months of FY 2024 (1 JAN - 30 JUN)	6 months of FY 2024 (1 JUL - 31 DEC)
1. Short-term loans from financial institutions ^{1/}	-	-	-	300.00	400.00	400.00
2. Short-term loans from, KLNTH ^{1/}	-	-	-	1,300.00	3,200.00	1,900.00 ^{4/}
3. Portion of long-term loans from financial institutions due within one year ^{1/}	-	9.30	11.16	11.16	11.16	29.54
4. Long-term loans from financial institutions ^{1/}	-	29.00	35.12	29.54	23.96	-
5. Capital increase proceeds from IPO ^{2/}	1,640.00	3,507.00	2,272.00	692.00	-	-
6. Capital increase proceeds from Rights Offering (RO) ^{3/}	-	-	-	-	-	3,190.00 ^{5/}

⁹ Please refer to Footnote 1.

¹⁰ The Company conducted its initial public offering (IPO) of ordinary shares in early December 2020 and was listed on the Stock Exchange on December 24, 2020.

Cash flows from operating activities: (Unit: THB million)	FY 2021	FY 2022	First 6 months of FY 2023	Last 6 months of FY 2023	First 6 months of FY 2024	Last 6 months of FY 2024
			(1 JAN - 30 JUN)	(1 JUL - 31 DEC)	(1 JAN - 30 JUN)	(1 JUL - 31 DEC)
Cash provided by (used in) operating activities ^{1/}	2,322.46	(1,282.50)	(1,423.29)	(615.48) ^{6/}	(1,414.15)	(976.07) ^{6/}

Remarks:

- 1/ Based on the Company's audited financial statements for the years ended December 31, 2021 – 2024, and the reviewed financial statements for the periods ended June 30, 2023, and June 30, 2024.
- 2/ Based on the Company's report on the use of proceeds from the initial public offering (IPO).
- 3/ Based on the Company's report on the use of proceeds from the Rights Offering (RO).
- 4/ The Company fully repaid its loan from KLNTN in January 2025.
- 5/ The proceeds were used to repay short-term and long-term loans for THB 1,308 million and as working capital for THB 1,882 million, resulting in a remaining unutilized balance of THB 2,441 million as of December 31, 2024.
- 6/ Calculated by subtracting figures for the first half of 2023 and 2024 from the full-year figures for 2023 and 2024, respectively.

Additionally, on March 21, 2025, at the Board of Directors' Meeting No. 3/2025, the Board resolved to approve the Company's acceptance of financial assistance from SF Holding (HK) Limited ("**SFHK**"), an indirect major shareholder of the Company¹¹, in an amount not exceeding THB 1,600 million, with an annual interest rate of 1.65%. The loan term shall not exceed one year from the drawdown date of each installment. The proceeds will be used as working capital to enhance the Company's operational efficiency.

Based on the above information, it is evident that from the second half of 2023 onwards, the Company's primary sources of funding have come from financial support provided by its major shareholders — both the former major shareholder, KLNTN, and the new major shareholders, SFTN and SFHK — through both loans and capital increases. In 2024, the Company was unsuccessful in raising funds through the stock exchange, as only 62.66% of the total offered newly issued shares were subscribed by existing shareholders. Of those, 99.99% were subscribed by a single major shareholder. The lack of participation from retail shareholders is likely due to two main reasons: (1) the Company's share price during the subscription period (based on closing prices) ranged between THB 2.66 – 2.84 per share, which was lower than the offering price of THB 3.20 per share; and (2) intense competition in the express parcel delivery industry¹² has led to the Company incurring increasing losses, and it has yet to present a clear turnaround plan to return to profitability. At the time of the rights offering subscription period, from August 21 to 27, 2024, the Company's most recent financial statements were those for the period ended June 30, 2024, which reported a net loss of THB 2,259.94 million. However, as of the date of this report, the latest financial statements available are for the fiscal year ended December 31, 2024, in which the Company reported a net loss of THB 5,948.08 million. The Company's latest quarterly financial statements are for the period ended 31 March 2025, in which the Company continued to report a net loss of THB 897.04 million. This further hinders the Company's ability to raise funds through the stock exchange. Therefore, given the Company's current net loss performance and the continued uncertainty surrounding its outlook, its primary funding sources in the future are likely to come from financial support from major shareholders and/or borrowings from financial institutions. For this reason, the Company sees no necessity to raise funds through the stock exchange and no longer deems it necessary to maintain its status as a listed company.

(2) The Company faces a risk of possible delisting if its shareholders' equity turns negative, particularly if the Company continues to report net losses. One possible solution to this issue is a capital increase through existing shareholders, which could place an additional financial burden on them.

After the Company announced its Q2/2024 operating results for the period ending 30 June 2024, which showed that the shareholders' equity was less than 50% of the paid-up capital, the Stock Exchange of Thailand (SET) announced on 15 August 2024 that it would post a "**CB**" (Caution: Business) sign on the Company's securities to warn investors to exercise caution in their investment. This measure took effect on 16 August 2024 and resulted in the Company's securities being traded under a Cash Balance¹³ account from that date onward, until the issue is resolved. The Company was also required

¹¹ SF Holding (HK) Limited is an indirect major shareholder of the Company, holding 100.00% of shares in S.F. Express (Overseas) Limited, which in turn holds 48.00% of shares in SF International Holding (Thailand) Co., Ltd. This entity holds 81.43% of the total issued and paid-up shares of the Company (as of March 7, 2025).

¹² The overview of the express parcel delivery business is provided in Appendix 2 of this report.

¹³ A Cash Balance Account is an account in which investors must deposit cash with their broker before being allowed to purchase shares.

to hold a Public Presentation within 15 days from the date the CB sign was posted, to provide information to investors and relevant parties, including the preparation of a remediation plan and progress report. These must be presented to the Board of Directors and the Audit Committee for approval and disclosed via the SET's information disclosure system.

Table 2-2: Information on Shareholders' Equity Attributable to Owners of the Parent to Paid-up Capital over the Past 3 Years

Item	Year 2022	Year 2023	First 3 months Year 2024	First 6 months Year 2024	First 9 months Year 2024	Year 2024
	as of 31 DEC 2022	as of 31 DEC 2023	as of 31 MAR 2024	as of 30 JUN 2024	as of 30 SEP 2024	as of 31 DEC 2024
Shareholders' Equity ^{1/} (THB million)	871.29	871.29	871.29	871.29	1,752.49	1,752.49
Shareholders' Equity Attributable to Owners of the Parent ^{1/} (THB million)	6,470.70	2,606.68	1,418.39	355.35	4,950.10	2,383.35
Shareholders' Equity to Paid-up Capital ^{2/} (%)	742.66%	299.18%	162.79%	40.78%	282.46%	136.00%
SET's Trading Alert Sign	-	-	-	CB	-	-

Remarks:

1/ Based on the Company's audited financial statements for the years ended 31 December 2022 – 2024, and the reviewed financial statements for the periods ended 31 March 2024, 30 June 2024, and 30 September 2024.

2/ Calculated by the Independent Financial Advisor.

The Company conducted the Public Presentation on 30 August 2024 and proceeded with a capital increase through the issuance of newly issued ordinary shares to existing shareholders (as approved by the Extraordinary General Meeting of Shareholders No. 1/2024 held on 25 July 2024). After the subscription period from 21 – 27 August 2024, the Company raised a total of THB 5,630.71 million through the rights offering (RO), net of related expenses of approximately THB 8.95 million. These expenses included fees for capital registration, legal and financial advisory fees, and costs for preparing and delivering the share allocation letters. As a result, the shareholders' equity as reported in the Q3/2024 financial statements (ending 30 September 2024), announced to the SET on 8 November 2024, increased to more than 50% of the paid-up capital. Consequently, the SET removed the CB sign on 11 November 2024, effective 12 November 2024. In summary, the Company's securities were under the CB sign from 16 August to 11 November 2024, a total of 88 days.

However, due to the Company incurring a net loss in Q4/2024, the ratio of shareholders' equity to paid-up capital decreased from 282.46% at the end of Q3/2024 to 136.00% at the end of Q4/2024 (as shown in Table 2-2 above).

According to the preliminary calculation by the Independent Financial Advisor, if the Company continues to incur losses in 2025, based on the performance in 2023 and 2024, the CB sign is likely to be reimposed after the announcement of Q2/2025 results. This would occur if the Company's shareholders' equity falls below 50% of paid-up capital. Furthermore, if the Company's consolidated financial statements for the year 2025 indicate that the shareholders' equity attributable to the parent company is negative, the Company's ordinary shares may be subject to potential delisting¹⁴ under the SET's Delisting Rules B.E. 2564 (2021). The Stock Exchange of Thailand (SET) will classify the Company's common shares as subject to possible delisting and will post the NC (Non-Compliance) and SP (Suspension) signs under the aforementioned rulings. Once the SP sign has been in effect for one month and the Company has submitted its plan to address the cause of delisting, the SET may allow trading for one month under a cash balance account basis (while maintaining the NC sign). Thereafter, the SET will reimpose the SP sign until the Company has successfully resolved the cause of delisting and meets the qualifications for resumption of normal trading. The Company would have approximately 3 – 5 years to rectify the cause. One of the potential solutions would be another capital increase via a rights offering to existing shareholders, similar to what was executed in 2024 — a move that would increase the financial burden on the Company's current shareholders.

¹⁴ Please refer to Footnote 5

Table 2-3: Estimated Shareholders' Equity Attributable to Owners of the Parent to Paid-up Capital Ratio in 2025, Based on Historical Operating Performance

Item	Actual performance Based on KEX's 1Q2025 ^{1/}	Estimated Figures for the Year 2025 Based on KEX's Operating Performance in 2023		
	First 3 months Year 2025 (1 JAN – 31 MAR 25)	First 6 months Year 2025 (1 JAN – 30 JUN 25)	First 9 months Year 2025 (1 JAN – 30 SEP 25)	FY 2025 (1 JAN – 31 DEC 25)
Shareholders' Equity ^{1/} (THB million)	1,752.49	1,752.49	1,752.49	1,752.49
Shareholders' Equity Attributable to Owners of the Parent (THB million)	1,486.48	557.93 ^{2/}	(344.21) ^{2/}	(1,480.67) ^{2/}
Shareholders' Equity to Paid-up Capital ^{2/} (%)	84.82%	31.84%	(19.64)%	(84.49)%
SET's Trading Alert Sign	-	CB	CB	NC, SP
Comprehensive Income (Loss) Attributable to Owners of the Parent (THB million)	(897.04)	(1,825.42) ^{4/}	(2,727.56) ^{4/}	(3,864.02)
Item	Actual performance Based on KEX's 1Q2025 ^{1/}	Estimated Figures for the Year 2025 Based on KEX's Operating Performance in 2024		
	First 3 months Year 2025 (1 JAN – 31 MAR 25)	First 6 months Year 2025 (1 JAN – 30 JUN 25)	First 9 months Year 2025 (1 JAN – 30 SEP 25)	FY 2025 (1 JAN – 31 DEC 25)
Shareholders' Equity ^{1/} (THB million)	1,752.49	1,752.49	1,752.49	1,752.49
Shareholders' Equity Attributable to Owners of the Parent (THB million)	1,486.48	132.02 ^{5/}	(903.18) ^{5/}	(3,469.93) ^{5/}
Shareholders' Equity to Paid-up Capital ^{2/} (%)	84.82%	7.53%	(51.54)%	(198.00)%
SET's Trading Alert Sign	-	CB	CB	NC, SP
Comprehensive Income (Loss) Attributable to Owners of the Parent (THB million)	(897.04)	(2,251.33) ^{6/}	(3,286.53) ^{6/}	(5,853.28)

Remarks:

- 1/ Based on the Company's reviewed financial statements for the period ended 31 March 2025
- 2/ Calculated by deducting the comprehensive income (loss) attributable to owners of the parent for each quarter of 2023 from the shareholders' equity attributable to owners of the parent as at 31 December 2024 (THB 2,383.35 million), based on figures presented in the table.
- 3/ Calculated by the Independent Financial Advisor.
- 4/ Based on the Company's reviewed (restated) financial statements for the periods ended 31 March 2023, 30 June 2023, 30 September 2023, and December 31, 2023
- 5/ Calculated by deducting the comprehensive income (loss) attributable to owners of the parent for each period of 2024 from the shareholders' equity attributable to owners of the parent as at 31 December 2024 (THB 2,383.35 million), based on figures presented in the table.
- 6/ Based on the Company's reviewed financial statements for the periods ended 31 March 2024, 30 June 2024, 30 September 2024, and December 2024.

Therefore, the delisting of the Company's securities from being listed on the Stock Exchange would help reduce the capital increase burden on the shareholders. This presents one possible solution to address the issue if the Company's operating results continue to show a net loss, which could result in the Company's shareholders' equity turning negative, potentially triggering a condition that may lead to the Company's ordinary shares being subject to delisting.

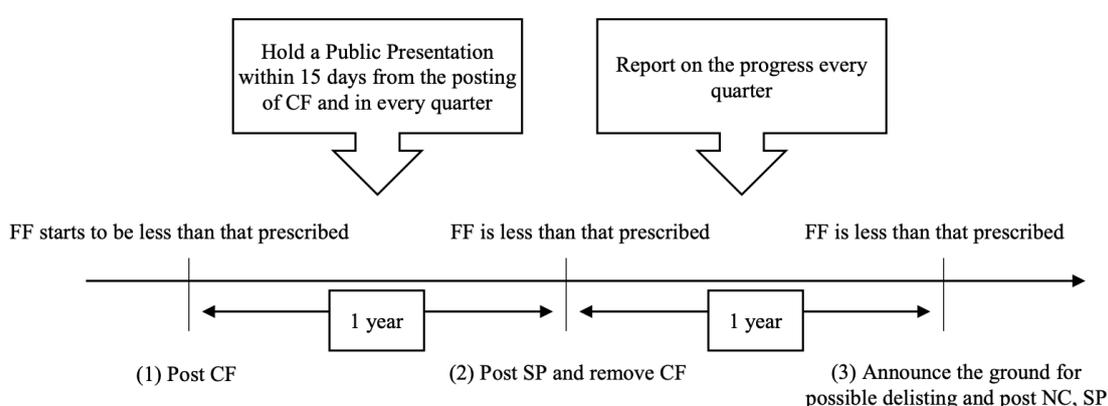
(3) The Company no longer meets the listing maintenance requirements relating to the distribution of minority shareholders (Free Float)¹⁵.

Specifically, the Company's free float does not comply with the requirements set out in the Stock Exchange of Thailand's (SET) Regulation on Listing of Ordinary Shares or Preferred Shares as Listed Securities B.E. 2558 (2015), Chapter 6: Maintenance of Listed Company Status. These regulations

¹⁵ Minority shareholders refer to ordinary shareholders who are not considered strategic shareholders. Strategic shareholders are defined as those involved in management control, including controlling persons and shareholders as specified by the SET, such as those holding more than 5% of the company's paid-up capital, including shares held by related parties. Exceptions include institutional investors such as mutual funds, life insurance companies, non-life insurance companies, provident funds, the Social Security Fund, pension funds, or legally approved investment schemes — provided they do not appoint representatives to participate in the Company's management.

require that a listed company must maintain at least 150 minority shareholders, collectively holding no less than 15% of the company's paid-up capital. As of March 7, 2025 (disclosed on the SET's website on May 15, 2025)¹⁶, the Company had a total of 19,544 minority shareholders holding 10.80% of the Company's paid-up capital, which is below the required threshold for maintaining listing status. According to the Stock Exchange of Thailand's B.E. 2561 (2018) Regulation on Actions for Listed Companies that May Be Subject to Financial or Operational Distress, companies that fail to meet the free float requirement, such as the Company, will be flagged with a "CF" (**Caution – Free Float**) sign. The Company must also hold quarterly public presentations to provide information and clarify its remedial plans to investors and stakeholders. If the CF sign remains in place for one year without resolution, the SET will remove the CF sign and impose an "SP" (Suspension) sign for an additional one-year period to allow the Company to resolve the issue. Failure to resolve the free float deficiency after the one-year suspension period may result in the Company's common shares being subject to delisting, per the SET's rules. The details are illustrated in the diagram below.

**Figure 2-1: Procedures Undertaken by the Stock Exchange
In Cases Where a Listed Company Fails to Comply with the Free Float Requirement**



Source: The Stock Exchange of Thailand (Guidelines on Actions for Non-Compliance with Free Float Requirements by Listed Companies, dated February 19, 2024, effective from March 25, 2024, onwards)

Given the Company's continued financial losses, which have directly affected investor confidence, resolving this issue and achieving tangible results in the short term is particularly challenging. Therefore, the delisting of the Company's securities from the Stock Exchange would serve as a practical solution to address this non-compliance and reduce the ongoing burden associated with maintaining the required free float under the SET's listing maintenance criteria.

(4) To provide the Company with greater flexibility in management by reducing the burden of complying with laws and regulations related to being a listed company on the Stock Exchange of Thailand.

The delisting of the Company's securities from being listed on the Stock Exchange of Thailand would help reduce the burden of complying with laws and regulations applicable to listed companies — such as disclosure requirements and the obligation to appoint an independent financial advisor to provide opinions to shareholders on transactions under the rules and regulations of the SEC and the Stock Exchange of Thailand. This would streamline various operational processes and enhance the Company's agility in business operations and management, including securing financial support from the Company's major shareholder, which is expected to be the main source of funding for future operations.

However, after the delisting, if the Company has other shareholders — excluding the tender offeror, persons acting in concert with the tender offeror, and persons under Section 258 of such persons — holding in aggregate more than 5.00% of the Company's total voting rights, or if the Company has more than 100 shareholders in total, the Company will still be required to prepare and submit financial statements and performance reports to the SEC in accordance with the Capital Market Supervisory Board

¹⁶ As of February 23, 2024, the Company had 22,492 minority shareholders, holding a total of 23.87% of its paid-up capital.

Announcement No. TorJor. 44/2556 regarding the Rules, Conditions, and Procedures for disclosure of financial position and performance of securities-issuing companies (including any amendments thereto).

In addition, the Company will continue to operate as a public limited company and remain subject to the regulations of the Public Limited Companies Act B.E. 2535 (1992) (including any amendments), such as:

- **Holding shareholders' meetings:** The Company is still required to hold shareholder meetings as prescribed by law, including annual general meetings and extraordinary meetings when significant matters arise (per Sections 98 and 99 of the Public Limited Companies Act).
- **Preparing and submitting financial statements:** The Company remains obligated to prepare annual financial statements and annual reports for shareholders (per Sections 112 and 113 of the Public Limited Companies Act).
- **Material corporate changes:** In the event of significant changes in the Company's structure—such as mergers, capital increases, or capital reductions — the Company must still follow proper procedures, including obtaining shareholder approval (as applicable) and notifying the registrar (per Sections 107, 136, and 146 of the Public Limited Companies Act).

(5) Reducing the cost burden and fees associated with maintaining listed company status

The delisting of the Company's securities from being listed on the Stock Exchange of Thailand will help the Company reduce expenses related to maintaining its status as a listed company. These include the annual listing fees payable to the Stock Exchange, expenses related to investor disclosures, costs of investor relations activities, and costs of holding shareholders' meetings and hiring financial advisors as required by Stock Exchange regulations.

(6) Receiving a fair and appropriate tender offer

In connection with the Company's delisting, a tender offer for all the Company's securities will be made to facilitate the delisting process. SFTH will offer to purchase the Company's ordinary shares at THB 1.50 per share. This offer price is considered appropriate, as it exceeds the fair value range of the Company's shares as assessed by the Independent Financial Advisor. The fair value range was determined using the adjusted book value method and the market value approach, with a fair value range of THB 0.52 – 1.43 per share (details of the valuation are presented in Part 3 of this report). Furthermore, according to information disclosed through the Stock Exchange, the offer price is not lower than the maximum price calculated using the tender offer pricing method for delisting under the criteria set out in the SEC Announcement No. TorJor. 12/2554.

2.2 Precedent Conditions for the Delisting of Securities

(1) Approval from the Company's Shareholders' Meeting

According to the Stock Exchange of Thailand's announcement on guidelines for voluntary delisting, a company wishing to delist its securities must convene a shareholders' meeting to approve the delisting. Such approval must be passed by at least three-fourths (3/4) of the total issued and outstanding shares of the Company, and there must not be any objection from shareholders holding more than ten percent (10%) of the total issued and outstanding shares. In this regard, the Board of Directors' Meeting No. 4/2025 held on 30 April 2025 resolved to propose this agenda for consideration at the Extraordinary General Meeting of Shareholders No. 1/2025, scheduled for 20 June 2025. The Company and the independent financial advisor will hold a presentation during the meeting to express their opinions regarding the delisting of the Company's securities.

(2) Approval of the Delisting from the Stock Exchange and/or Other Relevant Authorities

Once the shareholders' meeting has approved the delisting, the Company must submit a delisting application to the Stock Exchange's Board of Governors and/or other relevant authorities for consideration. The Stock Exchange's Board will review the application and notify the Company of the result within 30 days from the date the Stock Exchange receives a complete and accurate application.

(3) Financial Support for the Tender Offer for Delisting

As the tender offeror, SFTH must secure sufficient financial support from its shareholder group ("**SF Group**") to proceed with the tender offer for delisting. Once SFTH receives confirmation of financial support from the SF Group, it will commence the tender offer process.

(4) Execution of the Tender Offer

Once the Company receives approval from the shareholders' meeting and the Stock Exchange's Board for the delisting, and SFTH secures sufficient financial support from the SF Group, SFTH will proceed with the tender offer for all the Company's securities to facilitate the delisting, in accordance with the SEC Announcement No. TorJor. 12/2554. SFTH will offer to purchase all outstanding shares of the Company — 651,017,806 ordinary shares, representing 18.57% of the total issued and outstanding shares — at THB 1.50 per share. This offer price is not lower than the highest price calculated based on the delisting tender offer pricing criteria specified in the announcement. However, the offer price may be subject to change if any event or action occurs or is likely to occur that may cause serious damage to the Company's financial status or assets, or if other significant factors affect the pricing, per the criteria under TorJor. 12/2554. The final offer price will comply with the rules outlined in the same announcement.

2.3 Impacts on the Company and Minority Shareholders Following the Delisting of Securities

2.3.1 Impacts on the Company

The delisting of the Company's securities from being listed on the Stock Exchange of Thailand may have impacts on the Company's business operations and management in the following aspects:

(1) Fundraising through the Stock Exchange

After the Company's securities are delisted from the Stock Exchange, the Company will no longer be able to raise capital directly through the Stock Exchange. This includes being unable to increase capital or offer securities to the public via the Exchange for purposes such as investment, business expansion, or working capital. In 2024, the Company was unsuccessful in raising capital via the Exchange, as only 62.66% of the newly issued shares offered for subscription were subscribed by existing shareholders, and 99.99% of those subscribed shares were taken up by a single major shareholder.

In the future, if the Company, no longer a listed entity, needs to raise funds, it may do so through other means, such as loans from financial institutions and/or financial support from SFTH as the Company's major shareholder. Therefore, the Company can continue to operate under its current business plan without significant impact from the termination of its listed company status.

(2) Communication Channels with Investors and/or External Parties regarding Company Information

Following the delisting, investors and/or external parties will have reduced access to the Company's information and news. However, not being a listed company will not significantly affect the Company's core business operations, as it continues to provide widely recognized express parcel delivery services. Moreover, the Company will maintain its marketing and public relations plans to keep its target customers regularly informed about its business activities.

2.3.2 Impacts on Minority Shareholders

The delisting of the Company's securities from the Stock Exchange may have impacts on minority shareholders who do not accept the tender offer and continue to hold the Company's shares, as outlined below:

(1) Lack of Liquidity in Securities Trading

After the delisting, the Company's shares will no longer be traded on the Stock Exchange, which serves as a secondary market. As a result, shareholders will no longer be able to buy or sell the shares quickly or with ease. Additionally, access to trading information and share price updates will become more difficult due to the absence of reliable public information sources. There will also be no market price reference for the Company's shares, which could significantly impact shareholders who continue to hold the shares by limiting their ability to trade them with liquidity.

(2) Limitation on Investment Returns

After the delisting, returns on investment in the Company's securities may be limited to dividends (if any)¹⁷, as the potential for capital gains from selling shares at a higher price may diminish due to the absence of a secondary market and lack of a market price reference.

(3) Loss on Tax Benefits

After the delisting, individual shareholders of the Company will no longer be exempt from capital gains tax on profits¹⁸ earned from share trading on the Stock Exchange. Such shareholders must include any capital gains in their personal income tax filings and pay tax at progressive rates.

Furthermore, both individual and corporate shareholders transferring the Company's ordinary shares will no longer be exempt from paying stamp duty at a rate of 0.10% of either the paid-up share price or the instrument value — whichever is higher — as previously provided under Royal Decree No. 10 B.E. 2500 and its amendment under Royal Decree No. 351 B.E. 2542.

(4) Reduced Access to the Company's Information and/or Disclosures

After the company's securities are delisted, shareholders will have less access to the Company's news and disclosures. This is because the Company's obligation to disclose information as a listed company, as required by applicable rules, regulations, and announcements, including the Stock Exchange of Thailand's regulations regarding disclosure and operations of listed companies, will cease in the following cases:

- If (a) shareholders other than the offeror, persons acting in concert with the offeror, and persons under Section 258 of such persons collectively hold no more than 5.00% of the Company's total voting rights; or (b) the total number of shareholders and warrant holders does not exceed 100 persons. In such cases, the Company will no longer be required to prepare and submit financial statements and operational reports to the SEC in accordance with the Capital Market Supervisory Board's Notification No. TorJor. 44/2556 on Rules, Conditions and Procedures for Disclosure of Financial Position and Performance of Securities Issuers (including amendments).
- The Company's directors and executives will no longer be subject to governance rules applicable to listed companies under Chapter 3/1 of the Securities and Exchange Act, such as those concerning Connected Transactions, material transactions, and the duty to disclose directors' and executives' interests.
- The directors, executives, and auditors of the Company will no longer be required to prepare and disclose reports on securities holdings under SEC Notification No. SorJor. 6/2567 regarding Reporting on Changes in Securities and Derivatives Holdings by Directors, Executives, Auditors, Planners, and Plan Administrators, dated 5 March 2024.

Nevertheless, the Company remains subject to information disclosure obligations applicable to public limited companies under the Public Limited Companies Act, such as disclosures in shareholder meeting reports and annual reports. Minority shareholders seeking information such as the company's certificate of incorporation, shareholder register, or financial statements may still obtain copies from the Ministry of Commerce.

(5) Governance Risks Related to Checks and Balances and Corporate Control

As of 7 March 2025, SFTH is the major shareholder of the company, holding 2,853,952,489 shares, representing 81.43% of the company's total issued and paid-up shares. This holding, combined with any additional shares SFTH may acquire through the tender offer for delisting, will enable SFTH to control the Company's management and exercise voting rights in shareholder meetings, including approving financial statements, dividend payments, appointing or rotating directors, appointing auditors, and passing general resolutions that require a simple majority. SFTH would also be able to influence or control decisions requiring a special resolution (at least three-fourths of shareholders present and entitled to vote), such as major asset sales, capital increases or reductions, and mergers — effectively granting SFTH full managerial control of the Company.

¹⁷ Over the past three years, the Company has not paid any dividends due to continuous net losses and accumulated deficits as reflected in the Company's separate financial statements. According to Section 115 of the Public Limited Companies Act, dividends must not be paid from any source other than profits, and a company with accumulated losses is prohibited from distributing dividends.

¹⁸ As of the date of this report, individual investors are exempt from capital gains tax on profits derived from the sale of shares through trading on the Stock Exchange, as specified in Clause 2(23) of Ministerial Regulation No. 126 (B.E. 2509).

In addition, if after the tender offer, minority shareholders collectively hold less than 10.00% of the Company's total issued and paid-up shares, they will be unable to jointly submit a written request for the board of directors to call a shareholders' meeting — which requires at least 10.00% of the total shares (according to Section 100 of the Public Limited Companies Act). As a result, minority shareholders may face challenges in aggregating votes to scrutinize, counterbalance, or influence major shareholder decisions.

Furthermore, once the Company is no longer listed on the Stock Exchange of Thailand, it will cease to be subject to the Exchange's regulations on the listing of common and preferred shares (B.E. 2558, as amended) and the Capital Market Supervisory Board's Notification No. TorJor. 39/2559 on applications and approvals for newly issued shares (including amendments). These regulations require adequate board structure and independence, including at least one-third of the board (but not fewer than three directors) to be independent directors, and that those three independent directors also serve on the audit committee. With these obligations no longer in force, the board structure may change in the future, potentially eliminating independent directors and audit committee oversight. This may adversely impact the ability to check and balance the controlling shareholder's power, thereby affecting the interests of minority shareholders who continue to hold shares in the Company.

Part 3: Opinion of the Independent Financial Advisor on the Fairness of the Tender Offer Price

The Independent Financial Advisor has assessed the appropriateness of the Company's ordinary share valuation using six different valuation methods, as follows:

- 1) Book Value Approach
- 2) Adjusted Book Value Approach
- 3) Market Value Approach
- 4) Price to Book Value Ratio Approach: P/BV Ratio
- 5) Price to Earnings Ratio Approach: P/E Ratio
- 6) Discounted Cash Flow Approach

In assessing the fair value of the Company's ordinary shares, the IFA has adopted assumptions based on the prevailing economic conditions and information available as of the date of this report. The valuation is conducted under the key assumption that KEX will continue to operate under normal business conditions, within a market environment and regulatory framework consistent with historical norms. The analysis does not take into account any potential future impact arising from KEX's post-delisting management policies, strategic plans, or changes in applicable laws or regulations following KEX's delisting from the Stock Exchange of Thailand. Accordingly, the valuation of KEX's ordinary shares used in forming an opinion on the fairness of the offer price under the tender offer to delist the Company's securities (the "**Delisting Tender Offer**") reflects the Company's current business operations and outlook. Any material changes to the assumptions and factors mentioned above could significantly affect the IFA's opinion and may result in a different conclusion.

The IFA has considered the appropriateness of the transaction based on a review of documents and information provided by the Company, as well as publicly available sources such as the Company's annual report (Form 56-1 One Report), audited or reviewed financial statements of the Company and related parties, and public disclosures on the websites of the Securities and Exchange Commission (www.sec.or.th) and the Stock Exchange of Thailand (www.set.or.th), among others.

This opinion is based on the assumption that the information and documents reviewed are complete, accurate, and reliable, and reflect the current circumstances and data available as of the date of this report. Any future changes or unforeseen events may have a material impact on the Company's operations, financial projections, the IFA's valuation and analysis, as well as shareholders' decisions regarding the delisting of the Company from the Stock Exchange of Thailand.

Based on the reviewed information, supporting documents, and relevant data, CapAd has formed the following opinion regarding the appropriateness of the offer price for the Company's ordinary shares:

3.1 Book Value Approach

This valuation method reflects the value of the Company's common shares as recorded in the financial statements at a specific point in time. It is based on the book value of the Company as shown in the latest consolidated financial statements as of March 31, 2025, which were reviewed by a certified public accountant approved by the Securities and Exchange Commission (SEC). The share value based on the Company's book value is calculated as follows:

Table 3-1: Book Value KEX as of March 31, 2025

Item	as of March 31, 2025	Unit
Issued and paid-up capital	1,752.49	THB million
Share premium – common shares	12,887.89	THB million
Other reserves – share-based payment	87.98	THB million
Retained earnings (deficit)		THB million
Appropriated – legal reserve	89.00	THB million
Unappropriated (accumulated losses)	(13,330.88)	THB million
Other components of equity	-	THB million
Total equity attributable to owners of the parent	1,486.48	THB million
Total number of paid-up shares	3,504,970,295 ^{1/}	shares
Book value per share	0.42	THB per share

Remark: 1/ Par value of THB 0.50 per share

Based on this valuation method, the value of KEX's shares is **THB 0.42 per share**, which is **lower than** the tender offer price of THB 1.50 per share by THB 1.08 per share or approximately **72.00% below** the tender offer price.

However, the book value method reflects the company's performance and financial position at a specific point in time based on historical financial results. It does not consider the fair market value of the assets, post-financial statement events, the Company's future profitability, or overall economic and industry trends. Therefore, this method does not reflect the true intrinsic value of the Company's shares.

3.2 Adjusted Book Value Approach

The valuation of the Company's shares using this method is based on the Company's total assets less total liabilities, including commitments and contingent liabilities, as presented in the latest reviewed consolidated financial statements as of 31 March 2025. These financial statements were reviewed by a certified public accountant approved by the Office of the Securities and Exchange Commission (SEC). Adjustments were made to reflect post-reporting date events or items that may affect the book value to better represent the Company's true underlying value. These adjustments include, for example, unrealized gains or losses on asset revaluations not yet reflected in the financial statements, tax savings from loss carryforwards, potential future liabilities, and subsequent events after the reporting date. The Independent Financial Advisor has reviewed these financial statements and considered relevant items to adjust the book value accordingly, as follows:

Table 3-2: Summary of KEX's assets as of December 31, 2023

	Item	Book Value as of March 31, 2024	As % of Total Assets as of March 31, 2024
1	Items with the carrying amount reflects their fair value	1,791.59	43.35%
	• Cash and Cash Equivalents	206.21	4.99%
	• Trade and Other Receivables	902.73	21.84%
	• Inventories	29.57	0.72%
	• Investment In Associates	10.70	0.26%
	• Right-Of-Use Assets	552.23	13.36%
	• Intangible Assets	90.16	2.18%
2.	Assets Appraised by an Independent Appraiser	1,077.83	26.08%
	• Operating equipment	353.99	8.56%
	• Furniture, fixtures and office equipment	87.64	2.12%
	• Computers	249.88	6.05%
	• Vehicles	233.76	5.66%
	• Assets under installation	152.56	3.69%
3.	Assets Requiring Valuation Adjustments to Reflect Realizable Utilization	602.03	14.57%
	• Deferred Tax Assets	602.03	14.57%
4.	Other Assets	661.72	16.01%
	• Building Improvements	84.07	2.03%
	• Other Current Assets	97.16	2.35%
	• Other Non-Current Assets	480.50	11.63%
	Total	4,133.18	100.00%

Whereas

- Cash and cash equivalents are assets recorded in the accounts at their fair values.
- Trade receivables and other receivables are assets that have been reflected for allowance for credit losses according to the company's accounting policy. Therefore, these assets have values close to their fair values.
 - Inventories are current assets used in the company's operations, such as packaging boxes, envelopes, labels, tapes, and others, which represent the remaining fair values.
 - Investments in associated companies, such as investments in Hivebox (Thailand) Co., Ltd. ("Hivebox"), are recorded in the financial statements using the equity method, reflecting the investment value of the company, net of losses from associated companies. The IFA believes that the accounting value of the investment in associated companies reflects the appropriate fair value. Besides, Hivebox only commenced operations and began generating revenue in July 2024, it has been in business for less than one year. As a result, future performance projections remain highly uncertain at this stage.
 - Right-of-Use Assets, such as vehicles, buildings, and equipment, are leased through flexible asset management contracts. Lease agreements are recorded as right-of-use assets, considered non-current assets of the company, recorded at the lease contract value net of depreciation, reflecting the remaining value of the lease, thus representing the appropriate asset value at that time.
 - Intangible assets such as computer programs and programs under installation are recorded at cost and disposed of throughout their estimated useful lives. Thus, the accounting value reflects the appropriate asset value at that time.

Accordingly, in valuing KEX's shares using this method, the Independent Financial Advisor has applied the book value as presented in the latest consolidated financial statements as of 31 March 2025, taking into account the following key considerations:

3.2.1 Increase (decrease) in valuation from Asset Reappraisal

The Company engaged Thai Valuation Lynn Phillips Co., Ltd. ("**Independent Appraiser**"), a firm listed on the SEC's approved list of capital market asset appraisers, with a principal valuer accredited by the Office of the Securities and Exchange Commission, to appraise the value of its machinery, equipment, and office assets.

Table 3-3: Summary of Asset Valuation by the Independent Appraiser

Valuation Report	TorPor (ทพ.) 25-0728-18-119
Asset Type	Machinery, equipment, and office furnishings
Asset Locations	KEX Express (Thailand) Public Company Limited (" Company ") and KEX Express Service Company Limited and its branch offices
Purpose of Valuation	To determine asset value (this report may be used for public purposes)
Valuation Methodology	Cost Approach
Inspection Period	24 March 2025 – 4 April 2025
Valuation Date	11 April 2025
Appraised Asset Values	<p>1. Assets of KEX Express (Thailand) Public Company Limited comprise of:</p> <p>1.1 Machinery and Vehicles: Market Value THB 720,336,670 New Replacement Cost THB 1,228,662,475.28</p> <p>1.2 Construction in Progress – machinery upgrades: Market Value THB 141,534,800 New Replacement Cost THB 145,272,735.82</p> <p>1.3 Office Equipment: Market Value THB 553,347,770 New Replacement Cost THB 1,468,419,548.40</p> <p>1.4 Fully Depreciated Assets (Book value =0): Market Value THB 168,483,840 New Replacement Cost THB 1,443,717,170.28</p> <p>2. Assets of KEX Express Service Company Limited</p> <p>2.1 Pickup Truck Market Value THB 540,255,250 New Replacement Cost) THB 1,106,134,780.02</p>

Source: Asset Valuation Report by the Independent Appraiser, Report No. TorPor 25-0728-18-119 dated 11 April 2025, and calculations by the Independent Financial Advisor.

Supporting Information for the Machinery Valuation by the Independent Appraiser

- 1) KEX Express (Thailand) Public Company Limited engages in parcel delivery and sorting services, utilizing machinery and vehicles in its operations. The valuation covers assets listed in the company's fixed asset register (Book Assets) for inspection and appraisal, summarized as follows:
 - 1.1) Machinery Group – This includes machinery used in operations such as parcel receipt and sorting (e.g., conveyor systems and sorting machines), as well as supporting tools and equipment ("Utilities") like hand lifts and barcode scanners. Total items: 43,548
 - 1.2) Motorcycle Group – Motorcycles used for delivery and operational purposes. Total items: 356
 - 1.3) Construction in Progress – Machinery improvement projects under development related to the items in 1.1) Total items: 7
 - 1.4) Furniture and Electronics Group – Office-related furnishings and electronic equipment. Total items: 43,592, comprising:
 - 1.4.1) Furniture – Includes cabinets, desks, chairs, tools, and office equipment, including fixtures such as access points and air conditioners.
 - 1.4.2) Electronics – Includes desktop and laptop computers, control system components (controllers), and data storage systems (server units).
- 2) All assets described in 1) are currently installed and in use across operational locations, both in Bangkok and other provinces. These include warehouses, sorting centers, parcel delivery offices, and retail branches.

3) Inspection and Valuation Process

- 3.1) The physical inspection was conducted using a sampling method, in accordance with the Machinery and Equipment Valuation Standards – Section 3, Clause 9¹⁹. The valuation was based on the assumption that, at the time of inspection, all machinery and equipment remained fully owned by KEX Express (Thailand) Public Company Limited, with clear and legal title.
- 3.2) The total of 87,503 items of machinery and vehicles referenced in 3.1) were assets still recorded with net book value in the Company's asset register. According to the Company's representations, these items had not yet been decommissioned or removed from operations. Therefore, only these assets were considered in the valuation.
- 3.3) For machinery and equipment items with zero net book value, which the company indicated as decommissioned or no longer in use, a separate valuation was still conducted for inclusion in this appraisal.
- 3.4) Determination of the Useful Life of Machinery (N) for Valuation Purposes
The valuation of machinery and equipment was carried out in accordance with the Standards for the Valuation of Industrial Property, Machinery, and Equipment (Appendix 1), as issued by the Valuers Association of Thailand. The estimated useful life for each asset category is as follows:
 - 3.4.1) Item 41.1: Workshop Equipment
 - Estimated useful life: 15 years
 - 3.4.2) Item 41.20: Computer Equipment (Hardware) includes assets under the *Electronic* category
 - Estimated useful life: 5 years
 - 3.4.3) Item 56: Vehicles
 - Estimated useful life: 12 years
 - 3.4.4) Item 59: Small Tools
 - Estimated useful life: 10 years
 - 3.4.5) Item 60: Other Machinery & Equipment
 - Machinery: Estimated useful life: 15 years
 - Equipment (classified as durable tools/instruments): Estimated useful life: 5 years
 - Furniture (office furnishings): Estimated useful life: 10 years

4) The characteristics and usability of the machinery and equipment, as assessed through sampling, are summarized as follows:

- 4.1) The main parcel-sorting conveyor systems have undergone recent upgrades to enhance their functionality and operational efficiency.
- 4.2) Motorcycles, classified as heavy-use assets, have been assigned a lower-than-standard physical condition factor (C) to reflect accelerated wear.
- 4.3) At two sorting centers ("10KS Samut Sakhon" and "10KP Pathum Thani") that have ceased operations, disassembly of fixed machinery, including core parcel sorting systems (Sorting Line) and dimension measurement machines (QubeVu Dimension), has taken place. Accordingly, installation costs were discounted by 10%. (No adjustment was made for items like scanners that were not previously installed.)
- 4.4) Other machinery and equipment, aside from core systems, reflect varying conditions from wear and tear under normal operating usage.
- 4.5) Some machinery has reached or is nearing the end of its useful life according to valuation standards, yet remains operational. A minimum value threshold of 20% was applied for such assets based on actual condition.
- 4.6) Certain proprietary software developed specifically for the Company is not transferable or resalable in an open market. Therefore, its valuation is retained at the book value set by the company.
- 4.7) Interior fit-out costs for office premises under short-term leases are considered operating expenses and were excluded from the valuation.

¹⁹ The valuation was conducted in accordance with the Standards and Code of Professional Ethics for Plant, Machinery, and Equipment Valuation, jointly established by the Thai Valuers Association and the Thai Valuation Professionals Association, with the support of the Securities and Exchange Commission, Thailand (SEC).

According to the valuation report dated April 11, 2025, reference number TorPor (ทพ) 25-0728-18-119, the Independent Appraiser applied the **Replacement Cost Approach**, which estimates the value of the assets based on the replacement cost of the property, less depreciation due to **physical deterioration, functional obsolescence, and economic or external obsolescence**.

Valuation Formula According to Standards Prescribed by the Valuers Association of Thailand and the Thai Valuers Independent Association:

$$\text{Market Value} = \text{New Replacement Cost} \times P \times F \times E$$

Where:

$$P = (1 - n/N) \times C$$

F = Functional Obsolescence

E = Economic or External Obsolescence

n = Actual service life of the machinery and equipment

N = Physical useful life

C = Condition factor

The **New Replacement Cost** of machinery is determined based on pricing data obtained using the initial cost method, regarding quotations from manufacturers and authorized distributors.

Based on the above information, the Independent Financial Advisor is of the opinion that the **Cost Approach** is an appropriate method for valuing the machinery and equipment of the Company and its subsidiaries. This method is one of the widely accepted professional practices for valuing machinery, as outlined in the standards and code of ethics for industrial property valuation. Valuation under the Cost Approach involves estimating the cost to replace or reproduce the machinery in its current state (Replacement Cost New or Reproduction Cost New, as applicable), then deducting all forms of depreciation. This includes Physical Deterioration, Functional Obsolescence, and Economic or External Obsolescence. The Independent Financial Advisor believes this method appropriately reflects the current market value of the machinery in its existing condition.

A comparative summary of the book value of KEX's assets as of 31 March 2025 is shown below:

Table 3-4: Summary Comparison with the Book Value of KEX's Fixed Assets as of March 31, 2025

No.	Fixed Assets Items (Unit: THB million)	Book Value as of Mar 31, 2025	Appraised Value	Appraised Value Higher (Lower) than Book Value
		(1)	(2)	(3) = (2) - (1)
1	Operating equipment and vehicles	587.74	1,260.59	672.85
2	Furnishings, office equipment, and computers	337.53	553.35	215.82
3	Assets under installation	152.56	141.53	(11.03)
4	Assets recorded at zero book value	-	168.48	168.48
	Total	1,077.83	2,123.96	1,046.13
	Add: (Liabilities) Deferred Tax Liabilities			(209.23)
	Adjustment to shareholders' equity			836.90

Remarks:

- Appraisal report prepared by Thai Property Appraisal Lynn Phillips Co., Ltd., Report No. TorPor. 25-0728-18-119, dated April 11, 2025.
- Estimated deferred tax assets (liabilities) calculated at a tax rate of 20% on the difference between the appraised value and the book value of the assets.²⁰

²⁰ According to Thai Accounting Standard (TAS) No. 16: Property, Plant and Equipment, if an entity chooses to record assets using the revaluation model, it must recognize the increase (or decrease) in the carrying amount of the assets arising from the revaluation. The entity is also required to recognize the tax effects of the revaluation in accordance with TAS No. 12: Income Taxes.

Under TAS No. 36: Impairment of Assets, if an entity recognizes an impairment loss on assets, it must also recognize deferred tax assets or liabilities in accordance with TAS No. 12: Income Taxes.

TAS No. 12 further stipulates that when an asset is revalued or adjusted to fair value, a difference arises between the revalued carrying amount and its tax base. This difference must be recognized as deferred tax assets or liabilities, regardless of whether the entity intends to sell the asset.

In the valuation of shares using the adjusted book value method, the independent financial advisor has made adjustments for premiums (or discounts) from asset revaluations to reflect the fair value of the assets. Accordingly, deferred tax assets (liabilities) have also been taken into consideration, as they represent accounting impacts on the book value. These adjustments are made with

3.2.2 Deferred Tax Assets

As of March 31, 2025, the primary component of the Company's deferred tax assets was tax loss carryforwards, which are expected to be utilized in the future, amounting to THB 514.65 million, representing 85.49% of the total deferred tax assets.

Based on information provided by the Company, these deferred tax assets arising from tax loss carryforwards will remain utilizable until the year 2028. If, by that time, the Company does not generate sufficient taxable profits to offset these losses, the relevant portion of the deferred tax assets will be reversed and reclassified as unutilized tax loss carryforwards. This would result in a reduction in the overall value of the Company's deferred tax assets. The Independent Financial Advisor has prepared forward-looking financial projections for the Company (as detailed in Part 3 of this report), applying a conservative approach. These projections indicate that the Company is likely to continue incurring operating losses through to 2029. Therefore, the Independent Financial Advisor assesses that the Company may not generate sufficient taxable income to utilize the temporary differences arising from tax losses within the legally permitted timeframe, i.e., by 2028. Accordingly, the Independent Financial Advisor has made adjustments to reduce the value of the deferred tax assets associated with tax loss carryforwards, to ensure that the book value reflects the realistic likelihood of future utilization.

Adjustments to Book Value of KEX

Based on the above considerations, the Independent Financial Advisor has conducted a valuation of the Company's shares using the adjusted book value method. The results are summarized as follows:

Table 3-5: Adjustments to Book Value of KEX

Adjusted Book Value of the Company	As of March 31, 2025	Unit
Total equity attributable to owners of the parent as of March 31, 2025	1,486.48	THB million
Adjustments:		
3.2.1 Adjustments for premium (discount) from the revaluation of fixed assets	836.90 ^{1/}	THB million
3.2.2 Deferred Tax Assets	(514.65) ^{2/3/}	THB million
Net shareholders' equity after adjustments	1,808.73	THB million
Total number of paid-up shares	3,504,970,295 ^{4/}	shares
Book Value per share	0.52	THB per share

Remarks:

- 1/ Please see adjustments in Part 2, Clause 3.2.1 of this report
- 2/ Please see adjustments in Part 2, Clause 3.2.2 of this report
- 3/ Information provided by the Company
- 4/ Par value of THB 0.50 per share

Based on this valuation method, the value of KEX's shares is **THB 0.52 per share**, which is **lower than** the tender offer price of THB 1.50 per share by THB 0.98 per share or approximately **65.33% below** the tender offer price.

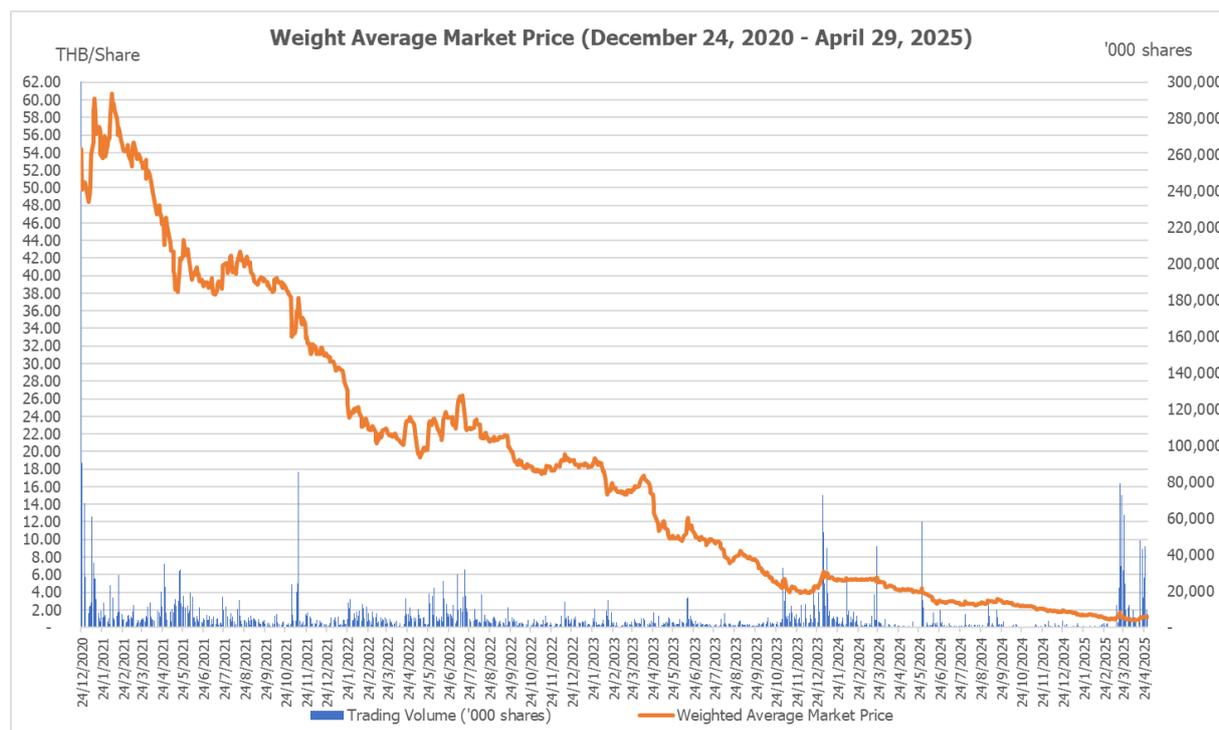
This method involves adjustments to reflect the current market value of the Company's assets, in contrast to the book value method. The adjusted book value method provides a more accurate reflection of the market value of the Company's assets. However, it does not take into account the Company's future profitability. Nonetheless, the adjusted book value method can be considered a representation of the Company's minimum fundamental value. This is because it is based on the book values recorded in the Company's latest financial statements, with adjustments made to reflect the market value of machinery and equipment, as well as to account for the realizable value of deferred tax assets based on their potential future utilization. The resulting valuation reflects the current fundamental value of the Company, calculated as the fair value of total assets less total liabilities. Therefore, the Independent Financial Advisor is of the opinion that this method is appropriate for determining the value of the Company's shares in providing an opinion on the tender offer price in connection with the proposed delisting of the Company's securities.

reference to the aforementioned accounting standards. The independent financial advisor is of the view that the estimation of deferred tax assets (liabilities) is sufficiently reasonable to be used in the share valuation.

3.3 Market Value Approach

The market value method is a valuation based on the assumption that the market price reflects the overall demand and supply of securities. The weighted average market price movement of KEX shares since entering the market on the Stock Exchange of Thailand ("SET") from December 24, 2020, until April 29, 2025 (which was one business day before the date the Company disclosed the resolution of its Board of Directors regarding the tender offer for all of the Company's securities to delist the Company's securities from the Stock Exchange of Thailand, in which the tender offer price was specified).

Figure 3-1: Stock price of KEX from December 24, 2020 (First day trade) to April 28, 2025



Source: SETSMART

From Figure 3-1 above, it can be observed that the weighted average market price of KEX shares has shown a continuous downward trend. The primary factor behind this decline is the Company's financial performance, which saw a decrease in profits beginning in 2020 and continuing through 2021, followed by operating losses starting from the first quarter of 2022 onward. The Company has consistently recorded losses since then. A summary of KEX's financial performance since 2020 is presented in the table below.

Table 3-6: Net profit (loss) attributable to the owners of the Company from 2020 – 2024

Financial Statement	Period	Date of announcement of financial statements to SET	Net profit (loss) attributable to the owners of the Company (THB million)
For the year 2020	January 1 – December 31, 2020	February 15, 2021	1,405.03
For 1 st quarter of 2021 (3 months)	January 1 – March 31, 2021	May 13, 2021	302.79
For 2 nd quarter of 2021 (6 months)	January 1 – June 30, 2021	August 11, 2021	638.42
For 3 rd quarter of 2021 (9 months)	January 1 – September 30, 2021	November 10, 2021	651.26
For the year 2021	January 1 – December 31, 2021	February 14, 2022	46.92
For 1 st quarter of 2022 (3 months)	January 1 – March 31, 2022	May 17, 2022	(491.09)
For 2 nd quarter of 2022 (6 months)	January 1 – June 30, 2022	August 10, 2022	(1,225.45)
For 3 rd quarter of 2022 (9 months)	January 1 – September 30, 2022	November 10, 2022	(1,898.09)
For the year 2022	January 1 – December 31, 2022	February 14, 2023	(2,829.84)
For 1 st quarter of 2023 (3 months)	January 1 – March 31, 2023	May 15, 2023	(787.49)
For 2 nd quarter of 2023 (6 months)	January 1 – June 30, 2023	August 8, 2023	(1,835.22)

Financial Statement	Period	Date of announcement of financial statements to SET	Net profit (loss) attributable to the owners of the Company (THB million)
For 3 rd quarter of 2023 (9 months)	January 1 – September 30, 2023	November 6, 2023	(2,725.09)
For the year 2023	January 1 – December 31, 2023	February 7, 2024	(3,880.64)
For 1 st quarter of 2023 (3 months)	January 1 – March 31, 2024	May 14, 2024	(1,188.29)
For 2 nd quarter of 2023 (6 months)	January 1 – June 30, 2024	August 14, 2024	(2,251.33)
For 3 rd quarter of 2023 (9 months)	January 1 – September 30, 2024	November 8, 2024	(3,286.53)
For the year 2024	January 1 – December 31, 2024	February 24, 2025	(5,911.32)

Source: SETSMART and summarized by the IFA

The share valuation using this method is based on the historical weighted average market prices of the Company's shares traded on the Stock Exchange of Thailand during various periods. The IFA considered the weighted average market prices of the Company's shares (calculated as the total trading value divided by total trading volume) over the past 7, 15, 30, 60, 90, 120, 180, and 360 trading days from April 29, 2025 (one business day before the Board of Directors' Meeting No. 4/2025, which resolved to propose the delisting of the Company's securities from the Stock Exchange of Thailand to the Extraordinary General Meeting of Shareholders No. 1/2025 for approval). During the 360 trading-day period from November 7, 2023, to April 29, 2025, the Company's highest weighted average market price was THB 6.34 per share (on January 3, 2024), while the lowest was THB 0.80 per share (on April 8, 2025). The chart below illustrates the weighted average market price of the Company's common shares.

Figure 3-2: Stock price of KEX for the past 360 trading days between November 7, 2022, and April 29, 2025



Source: SETSMART

Remark:

- 1/ February 7, 2024 – the date on which KEX disclosed its 2023 annual financial statements on the SET's website.
- 2/ May 14, 2024 – the date on which KEX disclosed its Q1/2024 financial statements on the SET's website.
- 3/ August 14, 2024 – the date on which KEX disclosed its Q2/2024 financial statements on the SET's website.
- 4/ The Company issued and offered 2,812,500,000 newly issued ordinary shares to its existing shareholders on a pro rata basis (rights offering) during August 21–27, 2024, at a subscription price of THB 3.20 per share.
- 5/ November 8, 2024 – the date on which KEX disclosed its Q3/2024 financial statements on the SET's website.
- 6/ February 24, 2025 – the date on which KEX disclosed its 2024 annual financial statements on the SET's website.

The market price of the Company's ordinary shares according to the appraisal by volume weighted average (VWAP) approach can be calculated as follows:

Table 3-7: Closing price and volume-weighted average price 7 - 360 business days.

Closing price: prior to April 29, 2025	Lowest Closing Price ^{1/}	Highest Closing Price ^{1/}	Average Trading Volume	Turnover Ratio ^{2/} of KEX	Volume Weighted Average Price ^{3/}	Turnover Ratio of SET Index	Turnover Ratio of service /transportation & logistics sector
	(THB/share)	(THB/share)	(No. of shares per day)		(THB/Share)		
7 business days (Apr 21 – 29, 2025)	1.12	1.18	23,629,957	0.67	1.17	0.35	0.26
15 business days (Apr 4 – 29, 2025)	0.78	1.18	16,771,813	0.48	1.10	0.40	0.30
30 business days (Mar 14, 2025 – Apr 29, 2025)	0.78	1.63	21,837,589	0.62	1.21	0.40	0.29
60 business days (Jan 30, 2025 – Apr 29, 2025)	0.78	1.63	11,245,314	0.32	1.21	0.43	0.30
90 business days (Dec 17, 2024 – Apr 29, 2025)	0.78	1.90	7,743,099	0.22	1.23	0.42	0.28
120 business days (Nov 1, 2024 – Apr 29, 2025)	0.78	2.42	6,023,318	0.17	1.25	0.46	0.29
180 business days (Aug 6, 2024 – Apr 29, 2025)	0.78	3.20	4,512,284	0.13	1.43	0.50	0.34
360 business days (Nov 7, 2023 – Apr 29, 2025)	0.78	6.45	4,935,887	0.22	3.38	0.60	0.37
Range of KEX's share price during 7 - 360 business days prior to April 29, 2025					1.10 – 3.38		
Range of KEX's share price during 7 - 180 business days prior to April 29, 2025					1.10 – 1.43		

Source: SETSMART, Historical Closing Prices and Trading Data from April 29, 2025, Covering the Past 7 to 360 Trading Days

Remarks:

1/ The closing price does not include the price generated by the Big Lot transaction.

2/ Turnover Ratio is calculated from Average Trading Volume divided by the number of registered shares on the stock market for the given period.

3/ VWAP includes the price and amount generated by the Big Lot transaction.

Based on the valuation using this method, the share value of KEX is in the range of **THB 1.10 – THB 1.43 per share** (based on the weighted average market price over the past 7 to 180 trading days from April 29, 2025). This valuation is **lower than** the tender offer price of THB 1.50 per share by THB (0.40) – (0.07) per share, or (26.67)% – (4.67)% below the tender offer price.

Given the Company's current situation, the Independent Financial Advisor has determined that the 360-day historical weighted average share price (from 7 November 2023 to 29 April 2025) of THB 3.38 per share is not appropriate for use in the valuation assessment. This is because the referenced period includes the latter part of 2023, during which the Company's overall business operations, shareholding structure, financial performance, financial position, and the confidence of shareholders and investors differed materially from the present. Key developments are summarized as follows:

- The Company underwent a change in its major shareholder in the first quarter of 2024 and subsequently changed its name and rebranded in August 2024.
 - SFTH became the major shareholder of the Company at the end of March 2024 (Q1/2024).
 - The Company changed its name to "**KEX Express (Thailand) Co., Ltd.**" on 8 August 2024.
 - The Company underwent a rebranding initiative in August 2024 to "**KEX**", which is now used in all current business activities. This rebranding was implemented to create a clearer and more aligned brand identity and business direction.
- Significant decline in financial performance in 2024 compared to 2023
 - In Q3/2024 (first nine months), KEX reported a net loss increase of 20.60% compared to Q3/2023.
 - For the full year 2024, KEX's net loss increased by 52.33% compared to 2023.
- Material deterioration in the Company's financial position in 2024 compared to 2023
 - As of 31 December 2024, the Company had accumulated losses of THB 12,434.01 million and total shareholders' equity attributable to the parent company of THB 2,383.35 million, representing a significant decline from Q3/2023 figures, where the accumulated loss stood at THB 9,867.27 million and shareholders' equity was THB 4,950.10 million.
- Marked decline in shareholder and investor confidence in the Company's turnaround potential
 - The Company's continued losses through 2024 and into Q1/2025 are expected to materially impact market confidence in the Company's ability to recover and achieve long-term

profitability and sustainability. The prolonged loss-making period has raised serious concerns regarding the Company's capability to generate positive returns and maintain a viable long-term business outlook, especially when compared to sentiment levels in 2023.

Valuation using the weighted average market price method reflects a market-driven mechanism based on supply and demand for the Company's shares. This method is considered to reasonably reflect the Company's share value at that point in time, incorporating both fundamental factors and general investor sentiment regarding the Company's potential and future growth. According to the analysis, the IFA found that past movements in the Company's share price have consistently followed the trend of its financial performance, with the share price continually declining in line with deteriorating performance. This supports the conclusion that the Company's share price appropriately reflects its underlying fundamentals.

In addition, the market price is the most realistic value at which investors can currently buy or sell the Company's shares. KEX's shares have relatively good liquidity, allowing the price to adequately reflect investor demand, supply, and sentiment toward various influencing factors. The average turnover ratio for KEX shares over the past 7 to 180 trading days (from November 7, 2023, to April 29, 2025) ranged from 0.13% to 0.67% of the total outstanding shares, compared with the average turnover ratio of the SET index and the Services / Transportation & Logistics sectors over the same period, which ranged from 0.35% – 0.50% and 0.35% – 0.46%, respectively.

Therefore, the independent financial advisor is of the opinion that this method is appropriate for valuing the Company's shares to provide an opinion on the tender offer price concerning the delisting tender offer.

3.4 Price to Book Value Ratio Approach: P/BV Ratio

The IFA valued the Company's common shares using the Book Value per Share as presented in the consolidated financial statements as of March 31, 2025, which were reviewed by a certified public accountant approved by the SEC. The book value was THB 0.42 per share. This amount was multiplied by the median P/BV ratio of two listed companies on the Stock Exchange of Thailand whose main source of revenue is from parcel and/or freight delivery services, similar to the Company's operations. The market data used is as of April 29, 2025 (one business day before the Board of Directors' Meeting No. 4/2025, which resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2025 the approval of the delisting of the Company's securities from the Stock Exchange of Thailand).

Table 3-8: Comparable publicly listed companies

Company	Stock Ticker	Business Description
1. SCGJWD Logistics Public Company Limited	SJWD	Engages in integrated logistics and supply chain services across the ASEAN region. The company's services are divided into two main categories: 1) Logistics and supply chain services, including warehouse and vehicle yard management, transportation and distribution services (B2B, D2C, cross-border, multimodal transport), other logistics services, and international logistics services. 2) Other businesses.
2. Thai Parcel PCL	TPL	Provides delivery services for goods and parcels within Thailand for both businesses and individuals. The company also offers cash-on-delivery (COD) services.

Source: The Stock Exchange of Thailand (www.set.or.th)

Financial information of comparable companies

Table 3-9: Financial information of comparable companies

Company <i>Unit: THB Million</i>	Market Capitalization as of April 29, 2029	Total Assets, most recent Dec 31, 2024	Shareholders' Equity, most recent Dec 31, 2024	Total Revenue of the trailing 4 Quarters	Net Profit (Loss) of the trailing 4 Quarters	Proportion of Revenue from Parcel Delivery Business to Total Revenue (%)
SJWD	13,944.86	44,036.18 ^{1/}	22,875.26 ^{1/}	24,705.10 ^{1/}	1,119.09 ^{1/}	49.69 ^{2/}
TPL	246.28	997.03 ^{3/}	818.13 ^{3/}	511.62 ^{3/}	3.02 ^{3/}	96.25 ^{4/}
KEX^{5/}	3,995.67	7,476.24	2,383.35	9,616.00	(5,911.32)	98.16

Source: Bloomberg and SETSMART

Remarks:

- 1/ The consolidated financial statements of SJWD for the year ended December 31, 2024, which were audited by a certified public accountant and are the latest financial statements of SJWD as of April 29, 2025.
- 2/ SJWD's Annual Registration Statement/Annual Report 2024 (Form 56-1 One Report).
- 3/ The consolidated financial statements of TPL for the year ended December 31, 2024, which were audited by a certified public accountant and are the latest financial statements of TPL as of April 29, 2025.
- 4/ TPL's Annual Registration Statement/Annual Report 2024 (Form 56-1 One Report).
- 5/ The consolidated financial statements of KEX for the year ended December 31, 2024, which were audited by a certified public accountant and are the latest financial statements of KEX as of April 29, 2025.

Summary of the Company's share valuation is as follows:

Table 3-10: P/B ratio of Comparable Companies over the past 7 to 360 working days

Company	Historical Average of P/BV Ratio (times)							
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	360 days
1. SJWD	0.57	0.55	0.56	0.57	0.64	0.71	0.77	0.96
2. TPL	0.31	0.30	0.32	0.36	0.41	0.47	0.59	0.73
Median of 2 companies	0.44	0.42	0.44	0.46	0.52	0.59	0.68	0.85
Share value of KEX (THB/share)	0.19	0.18	0.19	0.20	0.22	0.25	0.29	0.36

Source: SETSMART

From the valuation using this method, the share value of KEX is estimated to be between **THB 0.18 – 0.36 per share**, which is THB (1.32) – (1.14) per share **lower than** the tender offer price of THB 1.50 per share, representing a discount of (88.00)% – (76.00)% of the tender offer price.

The Price-to-Book Value (P/BV) Ratio Method uses the book value, which reflects the company's historical financial information, and compares it with the P/BV ratios of two listed companies on the

Stock Exchange of Thailand whose primary revenues come from parcel delivery or freight transport businesses, similar to KEX (namely SJWD and TPL). However, the P/BV ratios for comparison are derived from only two companies. TPL has a parcel delivery revenue proportion of 96.25% of its total revenue, which is very similar to KEX (98.16%), making it a reasonable benchmark. In contrast, SJWD derives only 49.69% of its total revenue from the parcel delivery business, significantly lower than KEX, and therefore less comparable. As such, using the reference ratios from this small peer group may not provide an appropriate benchmark for determining a fair value of KEX shares. Therefore, this valuation method may not accurately reflect the company's fair value.

3.5 Price to Earnings Ratio Approach: P/E Ratio

The IFA valued the Company's common shares using the earnings per share as presented in the consolidated financial statements as of March 31, 2025, which were reviewed by a certified public accountant approved by the SEC. The book value was THB 0.42 per share. This amount was multiplied by the median P/BV ratio of two listed companies on the Stock Exchange of Thailand whose main source of revenue is from parcel and/or freight delivery services, similar to the Company's operations. The market data used is as of April 29, 2025 (one business day before the Board of Directors' Meeting No. 4/2025, which resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2025 the approval of the delisting of the Company's securities from the Stock Exchange of Thailand).

The IFA valued the Company's common shares by multiplying the Earnings per Share (EPS), as shown in the consolidated financial statements for the 12-month period ended March 31, 2025, which were reviewed by a certified public accountant approved by the SEC with the median P/E ratio of two listed companies on the Stock Exchange of Thailand whose primary revenues are derived from parcel delivery or freight transportation businesses, similar to the Company. The data used for comparison is as of April 29, 2025 (one business day before the date of the Board of Directors' Meeting No. 4/2025, which resolved to propose the delisting of the Company's securities for approval at the Extraordinary General Meeting of Shareholders No. 1/2025).

A summary of the share valuation of KEX based on this method is as follows:

Table 3-11: P/E ratio of Comparable Companies over the past 7 to 360 working days

Company	Historical Average of P/E Ratio (times)							
	7 days	15 days	30 days	60 days	90 days	120 days	180 days	360 days
1. SJWD	11.70	11.15	11.38	11.38	12.44	13.80	15.93	27.11
2. TPL	82.73	81.83	87.44	n.a. ^{1/}				
Median of 2 companies	47.21	46.49	49.41	11.38	12.44	13.80	15.93	27.11
Share value of KEX (THB/share)^{2/}	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Source: SETSMART

Remarks:

1/ Unable to calculate the price-to-earnings ratio as TPL is operating at a loss during those periods

2/ Unable to calculate the price-to-earnings ratio as KEX is operating at a loss

However, the Company incurred operating losses during the 12 months under review, making it impossible to calculate the Price-to-Earnings (P/E) Ratio. Therefore, the independent financial advisor was unable to assess the Company's share value using this method.

The P/E ratio valuation method involves using the Company's financial performance over the past 12 months, ending March 31, 2025, and comparing it to the P/E ratios of two listed companies on the Stock Exchange of Thailand whose primary revenues are derived from parcel delivery or freight transportation businesses, similar to the Company. Nonetheless, since the Company reported a net loss for the said period, the IFA was unable to apply this method to determine the Company's share value.

3.6 Discounted Cash Flow Approach

This valuation method takes into consideration the Company's future performance by projecting its cash flows and calculating the present value of those cash flows using an appropriate discount rate—specifically, the Weighted Average Cost of Capital (WACC). The IFA has prepared a five-year financial projection (2025 – 2029) based on the assumption that the Company will continue as a going concern, with no material changes to its operations, and under current economic conditions and known circumstances. The projection does not take into account any potential impacts from changes in the Company's shareholder structure on its future business strategies.

The financial projections were prepared using information and assumptions provided by the Company, as well as industry data, and are intended solely to determine the fair value of the Company's shares. Should there be significant changes in economic conditions, external factors affecting the Company's operations, or the Company's internal situation compared to the assumptions used, the fair value derived using this method may also change accordingly.

Key Assumptions Used in the Financial Projections

Company Background:

The Company operates a parcel delivery business in Thailand. Since August 2024, the Company has been offering express delivery services under the brand "KEX," following a change in its shareholding structure earlier in 2024, which resulted in the termination of its license to use the "Kerry Express" brand.

The Company's current revenue sources are categorized into three main segments:

- **Express Delivery Revenue:** Includes freight revenue, cash-on-delivery (COD) service fees, packaging and postal supply sales, insurance income, etc.
- **Non-Express Delivery Revenue:** Includes fulfillment services, cross-border delivery services (through collaboration with SF Group affiliates), and other non-express revenues.
- **Other Revenues:** Includes commission income, management fees, IT service revenue, and others.

Basis for Preparing the Financial Projections:

- (1) In Q1 2024, the Company's major shareholder changed from KLN Logistics (Thailand) Co., Ltd. ("KLNTH") to SF International Holding (Thailand) Co., Ltd. ("SFTH"), resulting in a change of directors and management who are now responsible for business strategy. The management has indicated that the Company is currently focused on enhancing service quality and concentrating on profitable business segments, while scaling down operations in highly competitive and unprofitable areas. The Company is also in the process of optimizing its cost and expense structures, targeting a return to 2021 cost levels, when it last recorded operating profit.
- (2) The financial projections are based on historical performance from 2021 to Q1 2025. The Company launched its IPO in December 2020 and was listed on the Stock Exchange of Thailand on December 24, 2020. However, the IFA places greater emphasis on the performance from 2024 to Q1 2025, as this reflects the current strategy under the new major shareholder, board of directors, and management team.
- (3) For the forward-looking projections, the IFA primarily relies on the Company's actual historical performance. This is due to the downtrend in performance, declining revenues, and rising net losses from 2022 to 2024, with continuing losses in Q1 2025, combined with the intensely competitive nature of the express delivery industry. As such, assumptions provided by the Company, which may carry a high degree of uncertainty, may not accurately reflect current business conditions.
- (4) The Company is currently restructuring its cost and expense base, which involves one-time expenses such as lease termination costs, warehouse closure costs, and organizational restructuring expenses. These one-off costs are excluded from the projections, as they are considered short-term, non-recurring impacts.

Key assumptions used in the Company's financial projections are summarized as follows:

1) Revenue from Express Parcel Delivery Services

For express parcel delivery services, the Company classifies its customer base into four categories:

- **Consumer to Consumer (C2C):**

This segment includes individual customers and small retailers who drop off parcels at designated service points or pickup locations. Customers can access various drop-off points such as parcel shops, lockers, and partner retail locations. Additionally, they may opt for door-to-door (D2D) services, where parcels are picked up directly from their premises.

- **Retail Key Account (RKA):**

This segment comprises sellers who operate through social commerce platforms, e-commerce marketplaces, and home shopping channels in Thailand. These businesses typically have logistics processes integrated into their operations. For example, sellers on platforms like Shopee and Lazada may use either the platforms' own logistics services or external providers like KEX for parcel delivery services.

- **Corporate Key Account (CKA):**

This group includes corporate clients requiring large-scale parcel shipments to offices, branches, or other destinations. Example clients include banks and financial institutions, law firms, international logistics providers, department stores, modern trade retailers, direct selling companies, telecom operators, trading companies, and general offices using credit terms. KEX aims to enhance standard service offerings for these clients through quality service, cross-business marketing, technological advancement, and supply chain solution strategies.

- **Strategic Key Account (SKA):**

Previously, this segment included sellers using social commerce platforms without their own logistics networks, such as TikTok. In 2025, however, KEX revised its strategy to focus on providing integrated end-to-end solutions for high-potential clients. These include core clients within the SF Group as well as selected domestic clients, serviced under long-term strategic agreements.

In preparing the financial projections, the IFA separately analyzed the parcel delivery volume for each customer segment. This data was used to estimate revenue from express parcel delivery services as summarized below.

Table 3-12: Key assumptions of Revenue of Express Parcel Delivery Services

	Unit	2021A	2022A	2023A	2024A	1Q25A	2025F	2026F	2027F	2028F	2029F
Volume (or Consignments) of parcel deliveries of Express Delivery Services											
C2C	M trips	75.59	70.51	43.52	32.63	6.19	24.76	24.76	24.76	24.76	24.76
RKA	M trips	84.16	105.48	50.58	65.13	9.33	37.32	37.32	37.32	37.32	37.32
CKA	M trips	33.71	30.85	17.86	15.00	5.93	23.72	23.72	23.72	23.72	23.72
SKA	M trips	185.15	244.30	205.87	132.04	0.59	2.36	2.36	2.36	2.36	2.36
Total Volume	M trips	378.61	451.14	317.83	244.79	22.04	88.16	88.16	88.16	88.16	88.16
Pricing of Express Delivery Services per trip (or per transaction)											
C2C	THB/Trip	82.14	62.39	65.47	62.67	48.70	48.70	48.70	48.70	48.70	48.70
RKA	THB/Trip	40.43	33.30	39.69	36.54	17.38	17.38	17.38	17.38	17.38	17.38
CKA	THB/Trip	69.23	62.02	56.52	55.18	71.39	71.39	71.39	71.39	71.39	71.39
SKA	THB/Trip	34.04	26.38	24.60	25.66	46.69	46.69	46.69	46.69	46.69	46.69
Pricing per trip	THB/Trip	48.20	36.07	34.39	35.30	41.50	41.50	41.50	41.50	41.50	41.50
Total Revenue of Express Parcel Delivery Services											
C2C	THB m	6,209.07	4,398.98	2,849.15	2,044.93	301.42	1,205.81	1,205.81	1,205.81	1,205.81	1,205.81
RKA	THB m	3,402.69	3,513.00	2,007.32	2,379.94	162.04	648.62	648.62	648.62	648.62	648.62
CKA	THB m	2,333.80	1,913.32	1,009.47	827.86	423.50	1,693.37	1,693.37	1,693.37	1,693.37	1,693.37
SKA	THB m	6,301.74	6,444.91	5,064.11	3,388.26	27.50	110.19	110.19	110.19	110.19	110.19
Total Revenue	THB m	18,247.30	16,270.21	10,930.05	8,640.99	914.46	3,657.99	3,657.99	3,657.99	3,657.99	3,657.99

Revenue from Express Parcel Delivery Services – C2C Customer Segment

From 2021 through the first quarter of 2025, the number of parcel delivery transactions for C2C customers averaged 75.59 million, 70.51 million, 43.52 million, 32.63 million, and 6.19 million transactions, respectively. The average revenue per delivery for C2C customers during the same period was THB 82.14, THB 62.39, THB 65.47, THB 62.67, and THB 48.70 per transaction, respectively.

For this projection, the IFA has assumed the number of C2C parcel delivery transactions in 2025 to be 24.76 million, based on actual figures from the first quarter of 2025 and annualized to represent

a full year. The volume of deliveries is assumed to remain flat (0.00% annual growth) for the period from 2026 to 2029, reflecting the Company's current performance amid intense competition in the express delivery sector, and the absence of clear indicators of growth in line with broader trends in e-commerce and parcel logistics.

The average revenue per C2C parcel delivery in 2025 is assumed to be THB 48.70, in line with the actual rate observed in the first quarter of 2025. This rate is projected to remain constant (0.00% annual growth) from 2026 to 2029 to reflect the Company's current operating environment and the highly competitive market, which limits the Company's ability to implement price increases.

Revenue from Express Parcel Delivery Services – RKA Customer Segment

From 2021 through the first quarter of 2025, the number of parcel delivery transactions for RKA (Retail Key Account) customers averaged 84.16 million, 105.48 million, 50.58 million, 65.13 million, and 9.33 million transactions, respectively. The average revenue per delivery during the same period was THB 40.43, THB 33.30, THB 39.69, THB 36.54, and THB 17.38 per transaction, respectively.

According to management, the decline in RKA customer volumes, particularly from social e-commerce sellers, was driven by intensifying price competition, especially from large platforms such as Shopee and Lazada, which offer their in-house delivery services (Shopee Xpress and Lazada Express). These platforms support their sellers with logistics solutions that enable more competitive pricing.

For this projection, the IFA assumes the number of RKA parcel delivery transactions in 2025 to be 37.32 million, based on actual figures from the first quarter of 2025 and annualized to represent a full year. The volume of deliveries is assumed to remain flat (0.00% annual growth) from 2026 to 2029, in line with the Company's current performance in the highly competitive express delivery industry and the absence of clear growth signals aligned with trends in e-commerce and parcel delivery.

The average revenue per RKA parcel delivery in 2025 is assumed to be THB 17.38, based on the actual figure observed in the first quarter of 2025. This average revenue per delivery is projected to remain constant (0.00% annual growth) from 2026 to 2029, reflecting the current performance of the Company and the ongoing price pressure within the express delivery market, which limits the potential for price increases.

Revenue from Express Parcel Delivery Services – CKA Customer Segment

From 2021 through the first quarter of 2025, the number of parcel delivery transactions for Corporate Key Account (CKA) customers was 33.71 million, 30.85 million, 17.86 million, 15.00 million, and 5.93 million, respectively. The average revenue per delivery for CKA customers was THB 69.23, THB 62.02, THB 56.52, THB 55.18, and THB 71.39 per transaction, respectively.

Among all customer segments, the CKA segment consistently generated the lowest delivery volumes. However, as this segment comprises business and corporate clients, they tend to require more specialized services, and individual deliveries often involve heavier parcels. As a result, the average revenue per delivery for CKA customers is significantly higher than that of the RKA and SKA customer segments.

For this financial projection, the IFA assumes the number of parcel deliveries for CKA customers in 2025 to be 23.72 million, based on actual figures from the first quarter of 2025 and annualized to reflect a full year. The delivery volume is assumed to remain constant (0.00% annual growth) over the forecast period from 2026 to 2029, in line with the Company's current performance and amid intense competition in the express delivery sector. Additionally, the Company has not yet demonstrated growth trends aligned with broader developments in e-commerce or the parcel delivery industry.

The average revenue per delivery for CKA customers in 2025 is projected at THB 71.39, based on actual data from the first quarter of 2025. This average rate is assumed to remain flat (0.00% annual growth) from 2026 to 2029, consistent with the Company's current performance and reflecting the highly competitive market conditions, which limit the feasibility of price increases.

Revenue from Express Parcel Delivery Services – SKA Customer Segment

From 2021 through the first quarter of 2025, the number of parcel delivery transactions for Strategic Key Account (SKA) customers was 185.15 million, 244.30 million, 205.87 million, 132.04 million, and 0.59 million, respectively. The average revenue per delivery for SKA customers during this period was THB 34.04, THB 26.38, THB 24.60, THB 25.66, and THB 46.69 per transaction, respectively.

Historically, the SKA segment accounted for the highest delivery volumes for the Company. However, due to intense competition in the express delivery industry, particularly from high-bargaining-

power customers, the average revenue per delivery for this segment was notably lower than for other customer groups. Most SKA customers were merchants selling on the TikTok platform, which, lacking its own logistics operations, relied on third-party delivery providers. Since the beginning of 2025, the Company has adjusted its strategy by reducing services to SKA customers with low average revenue per delivery. Instead, the focus has shifted toward offering integrated, end-to-end solutions to corporate clients with higher revenue-generating potential.

For this financial projection, the IFA assumes the number of parcel deliveries for SKA customers in 2025 to be 2.36 million, based on actual data from the first quarter of 2025 and annualized to reflect a full year. The delivery volume is assumed to remain constant (0.00% annual growth) from 2026 to 2029, consistent with the Company's current performance amid intense competition in the express delivery sector. Additionally, the Company has yet to show growth aligned with broader e-commerce and express logistics trends.

The average revenue per delivery for SKA customers in 2025 is projected at THB 46.69, based on actual data from the first quarter of 2025. This rate is assumed to remain flat (0.00% annual growth) from 2026 to 2029, reflecting the Company's current performance and the highly competitive market environment, which limits opportunities for price increases.

2) Revenue from Non-Express Parcel Delivery Services

Revenue from Non-Express parcel delivery services comprises income from warehouse services, international parcel delivery services, temperature-controlled (cold chain)²¹ delivery, and other non-Express-related services. From 2022 to 2024 and the first quarter of 2025, the primary sources of revenue within this segment were: International Parcel Delivery Services, which accounted for 43.59%, 71.37%, 85.65%, and 80.23% of total Non-Express delivery revenue in 2022, 2023, 2024, and Q1 2025, respectively. Warehouse Services, which contributed 43.44%, 18.29%, 9.02%, and 17.88% of total Non-Express delivery revenue in the same periods, respectively.

Table 3-13: Key assumptions of Revenue of Non-Express Parcel Delivery Services

	Unit	2021A	2022A	2023A	2024A	1Q25A	2025F	2026F	2027F	2028F	2029F
Revenue of Non- Express Parcel Delivery Services	THB m	570.47	590.84	469.14	640.85	187.85	751.40	823.53	902.59	989.24	1,084.21

From 2021 to the first quarter of 2025, revenue from Non-Express parcel delivery services amounted to THB 570.47 million, THB 590.84 million, THB 469.14 million, THB 640.85 million, and THB 187.85 million, respectively. An analysis of the revenue growth rates over this period reveals the following changes:

- In 2022, revenue increased by 3.57% compared to 2021
- In 2023, revenue declined by 20.60% compared to 2022
- In 2024, revenue rebounded with a 36.60% increase compared to 2023

For financial projections, the IFA assumes Non-Express parcel delivery revenue for 2025 to be THB 751.40 million. This estimate is based on actual Q1 2025 performance, annualized to reflect a full-year figure. For the period from 2026 to 2029, the IFA projects an average annual growth rate of 9.60%, referencing the forecasted expansion of Thailand's e-commerce market as reported by Krungthai COMPASS Research Center of Krungthai Bank. *(Shareholders can refer to Attachment 2 of this report for further details on the e-commerce industry outlook.)*

The IFA considers this assumption to be reasonable based on the following three key factors:

(1) Sustained Growth Momentum in Q1 2025

Revenue from Non-Express parcel delivery services continues to show growth momentum, building on the performance of 2024. Comparing the full-year 2025 revenue projection (based on Q1 actuals) with actual 2024 revenue indicates an increase of 11.66%, demonstrating sustained growth in this segment.

(2) Strategic Shift Toward End-to-End Corporate Solutions

²¹ However, as the temperature-controlled (cold chain) parcel delivery business no longer aligns with the Company's current strategic direction, the Board of Directors, at its Meeting No. 1/2025 held on February 21, 2025, resolved to approve the dissolution of KEX Express Betagro Co., Ltd., a joint venture between the Company and Betagro Public Company Limited.

The Company has revised its business strategy to focus on providing comprehensive end-to-end logistics solutions to high-potential corporate clients. Warehousing services play a critical role in supporting this strategy, particularly as e-commerce growth continues to drive rising demand for storage space, distribution capabilities, and inventory management reflecting evolving consumer behavior.

(3) Expansion of International Parcel Delivery Network

The Company provides international parcel delivery services covering multiple regions, including Asia, North and South America, and Europe. Notably, in China, the Company currently operates in 14 major cities and has plans for further expansion. This growth is supported by its major shareholder, SF Group—a leading full-service logistics and express delivery company in China. Additionally, the Company is exploring strategic partnerships with global parcel delivery firms to extend its reach beyond China into other international markets. This network expansion is expected to further drive revenue growth in the Non-Express segment.

3) Other Income

Other income includes commission income, management fees, IT service income, interest income calculated using the effective interest rate method on financial assets measured at amortized cost and on financial assets measured at fair value through other comprehensive income (FVOCI), gains on financial assets measured at fair value through profit or loss, dividend income, and other miscellaneous income.

From 2021 to the first quarter of 2025, other income amounted to THB 154.31 million, THB 142.00 million, THB 71.14 million, THB 167.08 million, and THB 12.97 million, respectively. However, by 2023, the components of other income were limited to commission income, management fees, and IT service income.

For financial projections, the IFA assumes other income for 2025 at THB 95.44 million, based on actual Q1 2025 performance annualized to a full-year figure. From 2026 to 2029, other income is assumed to remain constant (or grow at 0.00% per annum) in accordance with the principle of prudence.

The Company's total historical and projected revenues are summarized as follows:

Table 3-14: Revenue structure for 2021 - 2024 and the projected years 2025 – 2028

Unit: THB million	2021A	2022A	2023A	2024A	1Q25A	2025F	2026F	2027F	2028F	2029F
Express Delivery Services	18,247.30	16,270.21	10,930.05	8,640.99	914.46	3,657.99	3,657.99	3,657.99	3,657.99	3,657.99
Non-Express Services	570.47	590.84	469.14	660.23	187.85	751.40	823.53	902.59	989.24	1,084.21
Other Revenues	154.31	142.00	71.14	167.08	23.86	95.44	95.44	95.44	95.44	95.44
Total Revenue	18,972.08	17,003.05	11,470.34	9,468.29	1,126.17	4,504.83	4,576.97	4,656.03	4,742.68	4,837.64
as % of Total Revenue										
Express Delivery Services	96.2%	95.7%	95.3%	91.3%	81.2%	81.2%	79.9%	78.6%	77.1%	75.6%
Non-Express Services	3.0%	3.5%	4.1%	7.0%	16.7%	16.7%	18.0%	19.4%	20.9%	22.4%
Other Revenues	0.8%	0.8%	0.6%	1.8%	2.1%	2.1%	2.1%	2.0%	2.0%	2.0%
Total Revenue	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

4) Cost of Services

From 2021 to the first quarter of 2025, the Company's cost of services amounted to THB 17,478.51 million, THB 18,685.14 million, THB 14,337.82 million, THB 11,006.12 million, and THB 14,337.82 million, respectively. These figures represented 92.9%, 110.8%, 125.8%, 118.3%, and 136.2% of revenue from parcel delivery services for each respective period. The cost of services comprises employee compensation, fuel costs, transportation costs from third-party logistics providers (outsourced), warehouse and vehicle rental expenses, cost of consumables, agent commission fees, and other related expenses (including depreciation of assets related to service operations).

A summary of the Company's historical and projected cost of services is presented below:

Table 3-15: Cost of services structure for 2021 - 2023 and the projected years 2024 – 2028

	Unit	2021A	2022A	2023A	2024A	1Q25A	2025F	2026F	2027F	2028F	2029F
Cost of Services											
Staff Wage Cost	THB m	5,700.60	6,449.86	4,403.31	3,377.87	458.86	1,835.49	1,835.49	1,835.49	1,835.49	1,835.49
Cost of Fuel	THB m	2,193.70	2,411.77	1,748.38	1,268.24	158.18	632.99	632.99	632.99	632.99	632.99
Outsourced Transportation	THB m	4,236.92	4,316.01	3,639.34	3,024.17	307.79	1,231.60	1,231.60	1,231.60	1,231.60	1,231.60
Warehouse & Vehicle rental	THB m	2,198.32	2,229.68	1,895.70	583.81	264.40	657.75	657.75	657.75	657.75	657.75
Supplies	THB m	368.49	430.32	274.35	167.94	21.43	85.52	85.52	85.52	85.52	85.52
Agent Commission	THB m	946.34	1,063.31	736.67	700.94	260.06	338.83	338.83	338.83	338.83	338.83
Other Admin Expenses	THB m	1,834.15	1,784.19	1,640.07	1,883.15	165.70	660.60	671.23	682.89	695.67	709.67
Total	THB m	17,478.51	18,685.14	14,337.82	11,006.12	1,640.21	5,458.15	5,469.04	5,480.97	5,494.04	5,508.37
Key parameter in Cost of Services											
Volume of parcel deliveries of Express Services	M trips	378.61	451.14	317.83	244.79	22.04	88.16	88.16	88.16	88.16	88.16
Cost of services per transaction (implied figures)^{1/}											
Staff Wage Cost	THB/Trip	15.06	14.30	13.85	13.80	20.82	20.82	20.82	20.82	20.82	20.82
Cost of Fuel	THB/Trip	5.79	5.35	5.50	5.18	7.18	7.18	7.18	7.18	7.18	7.18
Outsourced Transportation	THB/Trip	11.19	9.57	11.45	12.35	13.97	13.97	13.97	13.97	13.97	13.97
Warehouse & Vehicle rental	THB/Trip	5.81	4.94	5.96	2.38	7.46	7.46	7.46	7.46	7.46	7.46
Supplies	THB/Trip	0.97	0.95	0.86	0.69	0.97	0.97	0.97	0.97	0.97	0.97
Revenue - C2C^{2/}	THB m	6,209.07	4,398.98	2,849.15	2,044.93	301.42	1,205.81	1,205.81	1,205.81	1,205.81	1,205.81
as % of Revenue	%	15.2%	24.2%	25.9%	34.3%	86.3%	28.1%	28.1%	28.1%	28.1%	28.1%
Agent Commission											
Revenue: Exp. + Non Exp	THB m	18,247.30	16,861.05	11,399.20	9,301.21	1,102.31	4,395.19	4,465.96	4,543.53	4,628.54	4,721.71
as % of Revenue	%	10.1%	10.6%	14.4%	16.9%	15.0%	15.0%	15.0%	15.0%	15.0%	15.0%
Express +Non-Express Other Admin Expenses ^{3/}											

Remarks:

- 1/ Cost per delivery trip for each cost component is calculated by dividing each cost item under the cost of services by the number of Express parcel delivery trips.
- 2/ Revenue from C2C customers refers to revenue generated from Express parcel delivery services provided to C2C (consumer-to-consumer) customers, as detailed in Table 3-12 above
- 3/ Other expenses include depreciation and amortization, as well as employee-related expenses such as telephone allowances, parking fees, uniforms, office supplies, and stationery.

Key assumptions regarding the cost of services are as follows:

- Employee Compensation Costs:

The IFA assumes the employee compensation cost to be THB 20.82 per delivery trip for the year 2025, and to remain constant from 2026 to 2029. This assumption is based on the actual average cost per trip in Q1 2025, reflecting current operational conditions. Notably, the per-trip labor cost has increased significantly, primarily due to a sharp decline in parcel delivery volumes.

- Fuel Costs:

The IFA assumes fuel costs to be THB 7.18 per delivery trip for the year 2025, and to remain constant from 2026 to 2029, based on the actual average cost per trip in Q1 2025. According to management, the Company faced a significant increase in fuel costs during 2024–2025 due to limited government subsidies on fuel prices via the Fuel Fund, driven by budgetary constraints and the Fund's financial position. In response, management has adjusted its operational plans by restructuring pickup and delivery routes so that a single employee handles both functions in one trip, and by extending the distance covered per trip to enhance fuel efficiency and manage overall cost levels.

The IFA considers these assumptions reasonable under the current circumstances, as the Company continues to improve service efficiency while controlling costs. Although future conditions remain uncertain, the forecasted cost levels are relatively high compared to historical performance, suggesting that further cost increases are unlikely. Additionally, management has indicated that in

the long term, the Company plans to adopt electric motorcycles, which are expected to reduce fuel-related expenses going forward.

- **Transportation Costs from Third-Party Providers (Outsourcing):**

The IFA assumes outsourced transportation costs at THB 13.97 per delivery trip for the year 2025 (B.E. 2568), and to remain constant from 2026 to 2029. This assumption is based on the actual average per-trip cost in Q1 2025, reflecting the current cost environment.

The Company aims to control and reduce transportation costs, especially by transitioning to a Pay-Per-Unit (PPU) model, which shifts cost structures from fixed to variable based on delivery volume. This is expected to improve cost efficiency across both internal and outsourced logistics operations. In addition, the Company is currently restructuring its transportation network and service points to enhance delivery efficiency. However, external risks remain, including potential increases in the minimum wage and contractual limitations with third-party logistics providers, which may hinder the Company's ability to achieve its targeted cost reductions.

Based on its review, the IFA deems the assumptions used in the forecast as reasonable under the current circumstances, where the Company is undertaking service improvements alongside cost and expense controls. Although future conditions remain uncertain, the forecasted cost figures are relatively high compared to historical data, indicating that further cost increases in this area are unlikely, assuming the Company can execute the aforementioned plans as intended.

- **Warehouse and Vehicle Rental Costs:**

The IFA assumes warehouse and vehicle rental costs at THB 7.46 per delivery trip for the year 2025 and constant throughout 2026 to 2029, based on the actual average per-trip cost in Q1 2025. During this period, the Company restructured its cost base to align with declining parcel volumes by terminating vehicle lease contracts and reducing temporary warehouse space to match the lower operational requirements.

In the IFA's view, the assumptions are reasonable given the current situation, where the Company is simultaneously optimizing services and controlling costs. While there is uncertainty about future developments, the projected cost level is relatively high compared to past performance, suggesting that further increases are unlikely if the Company follows through with its outlined operational plan.

- **Supplies Cost:**

The IFA assumes the cost of supplies or consumable materials at THB 0.97 per delivery trip for the year 2025 and constant throughout 2026 to 2029. This assumption is based on the actual average cost per trip in Q1 2025, which reflects the current cost level.

Based on its assessment, the IFA considers the assumptions used in the projection to be reasonable under current conditions, as the Company is working to enhance its service quality while controlling costs and expenses. Although there is still uncertainty regarding future trends, the projected cost level is relatively high compared to actual performance in 2023 – 2024, and is consistent with levels seen in 2021 – 2022. This indicates that further increases in this cost category are unlikely, provided the Company can implement its long-term cost reduction strategies as planned.

- **Agent Commission:**

The IFA assumes that agent commissions will be 28.1% of revenue from Express parcel delivery services to C2C customers for the year 2025 and remain constant through 2026 to 2029. This is based on the average historical proportion during 2022 – 2024.

According to Company management, efforts are currently underway to revise operational strategies and cost structures to enhance long-term efficiency and competitiveness. Nevertheless, the Company continues to emphasize retaining strategically located agent branches, as these remain crucial in building direct customer relationships and serving as key access points to target customer segments.

That said, revenue from Express parcel delivery services to C2C customers has declined significantly, resulting in a sharp increase in the commission-to-revenue ratio in Q1 2025. This is due to lower overall revenue, while the commission structure has remained unchanged. However, the Company assesses that this impact is temporary.

- **Other Expenses:**

The IFA assumes that other expenses will amount to 15.0% of revenue from both Express and Non-Express parcel delivery services for the year 2025 and remain constant throughout 2026 to 2029. This assumption is based on the actual cost proportion in Q1 2025, which reflects the current cost structure and is broadly consistent with the Company's historical performance.

The Company has also revised its operational plans, intending to eliminate unnecessary costs through internal controls, such as centralized procurement and improved equipment management efficiency.

5) Selling and Administrative Expenses

Selling expenses include employee expenses, advertising and promotional costs, and other related expenses. Administrative expenses include employee and management costs, bank fees, consulting fees, office rental, office-related expenses, and other miscellaneous costs.

The Company's historical and projected selling and administrative expenses are summarized as follows:

Table 3-16: Selling and administrative expenses for 2021 – 1Q 2025 and projected 2025 - 2029

Unit: THB million	2021A	2022A	2023A	2024A	1Q25A	2025F	2026F	2027F	2028F	2029F
Selling Expenses	236.08	349.26	279.18	173.23	20.36	81.18	82.49	83.92	85.49	87.21
Administrative Expenses	1,143.52	1,647.13	1,438.93	1,741.35	276.48	1,102.40	1,120.15	1,139.61	1,160.93	1,184.30
Total SG&A	1,379.61	1,996.40	1,718.11	1,914.57	296.84	1,183.58	1,202.64	1,223.53	1,246.42	1,271.51
As % Total Revenue in Express and Non-Express Delivery Services										
Selling Expenses	1.28%	2.07%	2.45%	1.86%	1.85%	1.85%	1.85%	1.85%	1.85%	1.85%
Administrative Expenses	6.21%	9.77%	12.62%	18.72%	25.08%	25.08%	25.08%	25.08%	25.08%	25.08%

Key assumptions for Selling and Administrative Expenses

The projected selling and administrative expenses are assumed to vary in proportion to revenue from Express and Non-Express parcel delivery services, as these represent the Company's core revenue streams.

- **Selling Expenses**

The IFA assumes that selling expenses will amount to 1.85% of revenue from Express and Non-Express parcel delivery services for the year 2025 and remain constant throughout 2026 to 2029. This assumption is based on the actual cost ratio in Q1 2025, which reflects the current cost structure and is in line with the 2024 ratio of 1.86%.

- **Administrative Expenses**

The IFA assumes that administrative expenses will amount to 25.08% of revenue from Express and Non-Express parcel delivery services for the year 2025 and remain constant from 2026 to 2029, based on the actual cost ratio observed in Q1 2025, which reflects the Company's current operating conditions.

Most of the Company's administrative expenses relate to head office personnel costs. In Q1 2025, the proportion of administrative expenses relative to revenue increased compared to the previous year, primarily due to a significant decline in Express delivery revenue, while head office personnel expenses, especially for support functions, remained unchanged. In addition, the Company made strategic investments in management structures and support systems, such as accounting systems and organizational development, as well as salary and benefit increases to retain key personnel.

6) Finance costs

On March 31, 2025, the Company borrowed money from a financial institution at a maximum interest rate of 3.90 percent.

7) Corporate income tax

The IFA assumed a corporate income tax rate of 20% throughout the projection period.

8) Capital expenditures

Capital Expenditures in the years 2025 – 2029 are approximately THB 352.53 – 779.24 million per year, according to the investment budget of the Company. This investment budget includes expenses for upgrading distribution centers and maintenance CapEx.

9) Current Asset and Current Liabilities Turnover Rate

The projections are determined based on the Company's historical data from 2021 to the first quarter of 2025, given that the Company continues to operate its core business of express parcel delivery services in the same manner moving forward. Therefore, the use of historical figures as a reference is considered reasonable and appropriate as a proxy for future performance, as follows:

Trade and other receivables	15 days on average
Inventory	4.3 days on average
Trade and other payables	45 days on average

10) Discount rate

The discount rate applied to the calculation of the present value of free cash flow is the Weighted Average Cost of Capital (WACC), which is derived from the weighted average of cost of debt (K_d) and cost of equity (K_e) based on the following formula:

$$WACC = K_e * E/(D+E) + K_d * (1-T) * D/(D+E)$$

Where: K_e = Cost of equity or shareholders' required rate of return (Re)

K_d = Cost of debt or borrowing rate of the Company

T = Corporate income tax

E = Total shareholders' equity

D = Interest-bearing debt

Cost of equity (K_e) or the required rate of return for shareholders (Re) is derived from the Capital Asset Pricing Model (CAPM) as follows:

$$K_e \text{ (or } Re) = R_f + \beta (R_m - R_f)$$

Where:

Risk-free rate (R_f) = 2.60% per annum based on 30-year government bond yield (information as of April 29, 2025), which is currently the longest government bond continually issued and offered in the market under the assumption that the Company is on a going-concern basis.

Beta (β) = 1.99 times based on the median unlevered beta of KEX (2-year historical data up to April 29, 2025), adjusted with the estimated interest-bearing debt to equity ratio of the Company during 2024 – 1Q 2025

Market risk (R_m) = 7.85% per annum, which is the 30-year average rate of annual return from investment in the Stock Exchange of Thailand in 1992 to April 2025, which is the period of the enforcement of Securities and Exchange Act B.E. 2535 as it is the most suitable period to reflect average return from the SET

K_d = 3.90% per annum, based on the highest borrowing rate under the Loan Agreement of the Company as of March 31, 2025)

D/E ratio = 1.02 times, based on the estimated interest-bearing debt to equity ratio of the Company during 2024 – 1Q 2025

T = The IFA assumed corporate income tax rate of 20% per annum

From the aforementioned assumptions, WACC is equal to 8.04% per annum.

The projected cash flow of the Company can be summarized as follows:

Table 3-17: Summary of KEX's financial performance for the years 2025 - 2029

KEX cash flow (THB Million)	2025F	2026F	2027F	2028F	2029F
Earnings before interest and Tax	(2,136.90)	(2,094.71)	(2,048.47)	(1,997.79)	(1,942.24)
Tax amount before interest and corporate income tax	-	-	-	-	-
Depreciation	1,114.29	815.52	631.09	348.06	426.72
Capex	(779.24)	(418.06)	(352.53)	(380.94)	(405.61)
Changes in working capital	(30.25)	(6.72)	(7.37)	(8.07)	(8.85)
Free Cash Flow to Firm (FCFF)	(1,832.10)	(1,703.97)	(1,777.28)	(2,038.74)	(1,929.99)

However, since the Company's projected future cash flows are negative throughout the forecast period, the IFA is unable to assess the Company's share value using this method.

The valuation of the Company's shares using the Discounted Cash Flow (DCF) method in this instance is based on the Company's current circumstances and business plan. However, the Company's recent performance has shown concerning trends, with total revenue having declined consistently over the past three years, the Company has experienced a consistent decline in total revenue (from THB 17,145.04 million in 2022 to THB 11,541.48 million in 2023, and THB 9,616.00 million in 2024), alongside with a sustained increase in net losses (rising from THB 2,849.99 million in 2022 to THB 3,918.28 million in 2023 and THB 5,948.08 million in 2024). Moreover, the Company continued to report a net loss of THB 897.04 million in Q1/2025.

Under the prevailing circumstances, the Company operates in a highly competitive parcel delivery industry, and despite efforts to shift its strategy towards more profitable segments and implement cost-reduction measures, the financial results have yet to demonstrate any clear signs of return to profitability in the near term. As a result, the Company's projected future cash flows remain negative throughout the forecast period. Based on the DCF analysis, it is evident that the Company is unable to generate economic value on a going-concern basis.

Furthermore, as the Company underwent a change in major shareholder in early 2024 and has been operating under the 'KEX' brand since August 2024, it is currently in the midst of a strategic transition. This includes enhancing service quality, targeting revenue-generating customer segments, and expanding toward integrated service offerings. In parallel, the Company is implementing cost and expense restructuring initiatives. According to the business plan, management anticipates a return to profitability and positive cash flow in the future. However, achieving the targeted cost and expense controls remains a significant challenge, resulting in an unclear outlook for the Company's future performance. These circumstances reflect that the Company is in a transitional phase. Given the high level of uncertainty surrounding the strategic shift, the Independent Financial Advisor considers it unreliable to apply this valuation method to assess the fair value of the Company's shares.

3.7 Summary of the Share Valuation of KEX

Summary table comparing the valuation of KEX shares using various valuation methods.

Table 3-18: Summary table comparing the value of KEX shares according to various valuation methods.

KEX	Share Value of KEX ^{1/} (THB/share) (1)	Tender Offer Price of KEX Share (THB/share) (2)	Higher (Lower) than Tender Offer Price of KEX Shares		Suitability of the valuation method ^{2/}
			(THB/share)	(%)	
			(3) = (1) – (2)	(3)/(2)	
Book Value Approach	0.42	1.50	(1.08)	(72.00)%	Not appropriate
Adjusted Book Value Approach	0.52	1.50	(0.98)	(65.33)%	Appropriate
Market Value Approach	1.10 – 1.43	1.50	(0.40) – (0.07)	(26.67)% - (4.67)%	Appropriate
Price to Book Value Ratio Approach	0.18 – 0.36	1.50	(1.32) – (1.14)	(88.00)% - (76.00)%	Not appropriate
Price to Earnings Ratio Approach	n.a. ^{3/}	1.50	n.a.	n.a.	Unable to determine
Discounted Cash Flow Approach	n.a. ^{4/}	1.50	n.a.	n.a.	Unable to determine

Remarks:

1/ Par value of THB 0.50 per share.

2/ Appropriateness of the Valuation Methods for Providing an Opinion on the Tender Offer Price for the Company's shares in the Delisting Tender Offer

3/ n.a. = non-applicable. It cannot be assessed as the Company recorded a net loss in the past 12 months ending on March 31, 2025.

4/ n.a. = non-applicable. It cannot be reliably assessed as the company is undergoing a strategic shift in its business operations, which remains highly uncertain.

Based on the summary table above, the valuation of KEX shares using various methodologies ranges between **THB 0.18 – THB 1.43 per share**.

Book Value Method

This approach reflects the Company's performance and financial position at a specific point in time, based on historical financial results. However, it does not take into account the true market value of assets, post-reporting date events, the Company's future profitability, or broader economic and industry trends. As such, it does not accurately represent the intrinsic value of the Company's shares.

Adjusted Book Value Method

This method improves upon the traditional book value approach by adjusting asset values to better reflect their current market value. While this method provides a clearer picture of the fair market value of the Company's assets, it still does not fully capture the Company's future earning potential.

Nevertheless, it serves as a useful proxy for the minimum fundamental value of the Company. This is because it adjusts the most recent financial statements by incorporating market values for machinery and equipment and includes adjustments to reflect the realizable value of deferred tax assets. It presents the Company's current fundamental value based on the fair value of assets minus liabilities. Accordingly, the IFA considers this method appropriate for valuing the Company's shares in support of its opinion on the tender offer for delisting.

Market Price Method

This method considers the Company's share price as traded on the Stock Exchange of Thailand (SET), which should reflect the value determined by supply and demand dynamics among investors. These market prices incorporate publicly available information and investor expectations about the Company's future performance. The reference prices used are as of April 29, 2025 — one trading day before the Board of Directors' Meeting No. 4/2025, which resolved to propose the delisting to the Extraordinary General Meeting of Shareholders No. 1/2025. Upon analysis, the IFA observed that the historical share price movement has been aligned with the Company's performance trend. The stock price has continuously declined in tandem with the Company's deteriorating performance, indicating that the share price has reasonably reflected the Company's fundamentals.

Moreover, the market price of the shares represents the most realistic value at which investors can currently buy or sell the stock. KEX is considered to have adequate trading liquidity, allowing its share price to reflect investor demand and sentiment. The average turnover ratio of KEX shares over

the 7 to 180 trading days prior (from 7 November 2023 to 29 April 2025) ranged between 0.13% and 0.67% of total outstanding shares. In comparison, the average turnover ratios for the SET index and the Services / Transportation & Logistics sector during the same period ranged between 0.35% – 0.50% and 0.35% – 0.46%, respectively. Given this context, the IFA concludes that the market price method is an appropriate approach for valuing the Company's shares, particularly for expressing an opinion on the fairness of the tender offer price in connection with the proposed delisting.

Price-to-Book Value (P/BV) Method

This method utilizes the book value of the Company, which reflects historical data as of March 31, 2025, based on the latest consolidated financial statements reviewed by a certified public accountant. This is compared with the P/BV ratios of two listed companies on the Stock Exchange of Thailand whose primary source of revenue is from parcel or freight delivery businesses, similar to the Company (namely, SJWD and TPL). It should be noted that only two comparable companies were used. Among them, TPL derives approximately 96.25% of its total revenue from the parcel delivery business, which is very close to the Company's proportion of 98.16%, making TPL a suitable comparable. In contrast, SJWD derives only 49.69% of its total revenue from parcel delivery, which is significantly lower than that of the Company. As such, using these comparables to value KEX shares may not serve as a reliable benchmark for determining the Company's fair value. Consequently, this method may not accurately reflect the Company's intrinsic value.

Price-to-Earnings (P/E) Ratio Method

This approach involves comparing the Company's earnings per share (EPS) for the 12-month period ending March 31, 2025, with the P/E ratios of two listed companies in the parcel or freight delivery sector, similar to the Company. However, the independent financial advisor is unable to assess the Company's value using this method, as the Company recorded a net loss during the 12-month period ending March 31, 2025.

Discounted Cash Flow (DCF) Method

This method analyzes the Company's historical performance and reflects its future ability to generate cash flows and operational results. This valuation method involves calculating the present value of projected future cash flows based on financial forecasts developed under certain assumptions, reflecting current economic conditions and circumstances. These assumptions are based on the Company's business plan and information provided by the Company, as well as publicly available financial, economic, and industry data, and have been adjusted where appropriate. Any future changes, such as shifts in the Company's business plan or policy, government regulations, or evolving economic and industry conditions, could significantly affect the underlying assumptions. This may cause actual results to deviate from projections or alter the valuation variables, thereby impacting the estimated share value under this method.

The valuation of the Company's shares using the Discounted Cash Flow (DCF) method in this instance is based on the Company's current circumstances and business plan. However, the Company's recent performance has shown concerning trends, with total revenue having declined consistently over the past three years, the Company has experienced a consistent decline in total revenue (from THB 17,145.04 million in 2022 to THB 11,541.48 million in 2023, and THB 9,616.00 million in 2024), alongside with a sustained increase in net losses (rising from THB 2,849.99 million in 2022 to THB 3,918.28 million in 2023 and THB 5,948.08 million in 2024). Moreover, the Company continued to report a net loss of THB 897.04 million in Q1/2025.

Under the prevailing circumstances, the Company operates in a highly competitive parcel delivery industry, and despite efforts to shift its strategy towards more profitable segments and implement cost-reduction measures, the financial results have yet to demonstrate any clear signs of return to profitability in the near term. As a result, the Company's projected future cash flows remain negative throughout the forecast period. Based on the DCF analysis, it is evident that the Company is unable to generate economic value on a going-concern basis. Furthermore, as the Company underwent a change in major shareholder in early 2024 and has been operating under the 'KEX' brand since August 2024, it is currently in the midst of a strategic transition. This includes enhancing service quality, targeting revenue-generating customer segments, and expanding toward integrated service offerings. In parallel, the Company is implementing cost and expense restructuring initiatives. According to the business plan, management anticipates a return to profitability and positive cash flow in the future. However, achieving the targeted cost and expense controls remains a significant challenge, resulting in an unclear outlook for the Company's future performance. These circumstances reflect that the Company is in a transitional phase. Given the high

level of uncertainty surrounding the strategic shift, the Independent Financial Advisor considers it unreliable to apply this valuation method to assess the fair value of the Company's shares.

In assessing the fair value of shares for **the Delisting Tender Offer**, the independent financial advisor is of the opinion that the most appropriate valuation methods are the **Adjusted Book Value Method** and the **Market Price Method**. The Adjusted Book Value Method is deemed suitable as it represents the Company's minimum fundamental value. This method uses the book value recorded in the Company's latest financial statements and adjusts it based on the current market value of machinery and equipment. The resulting value reflects the Company's present intrinsic value, calculated by subtracting the Company's liabilities from the fair market value of its assets. The Market Price Method is also appropriate, as it reflects the share price determined by supply and demand dynamics in the market and effectively captures the Company's fundamentals at a given point in time.

Based on these two methods, the fair value range of the Company's shares is estimated to be between **THB 0.52 and THB 1.43 per share**, which is **lower than the tender offer price of THB 1.50 per share** by THB (0.98) to (0.07) per share, or (65.33)% to (4.67)% below the offer price.

Therefore, the tender offer price of **THB 1.50 per share** is considered **fair**, as it exceeds the fair value range assessed by the independent financial advisor.

Part 4: Summary of Independent Financial Advisor Opinion

The Independent Financial Advisor (IFA) is of the opinion that the proposed delisting of the Company's securities from the Stock Exchange is reasonable, based on the following key considerations: **(1) Inefficiency of Capital Raising via the Stock Exchange:** Given the Company's continued net losses and uncertain future performance, capital raising through the stock exchange has become significantly less effective. Nevertheless, the Company still requires funding to support ongoing business operations. It is therefore expected that future financing will primarily come from support by the major shareholder. **(2) Risk of Triggering Delisting Criteria:** The Company may be at risk of breaching the Stock Exchange's delisting criteria if shareholders' equity turns negative, due to ongoing losses. One possible resolution to this risk would be a capital increase from existing shareholders, which could place an additional financial burden on them. **(3) The Company fails to meet the qualifications for maintaining its listed company status concerning the distribution of minority (free float) shareholdings.** **(4) Greater Management Flexibility:** Delisting would allow the Company to operate with more flexibility by reducing the compliance burden associated with listing regulations. **(5) Cost Reduction:** Delisting will also help reduce costs and fees related to maintaining listed company status. **(6) Fair Tender Offer Price:** The Company has received a tender offer at a price deemed fair. The IFA considers that the appropriate valuation methods are the **Adjusted Book Value Method** and the **Market Price Method**, which yield a fair value range of THB 0.52 to 1.43 per share. Compared to the tender offer price of THB 1.50 per share, the offer is above the assessed fair value range and is therefore considered **fair**.

Moreover, the tender offer price is not lower than the highest price calculated in accordance with the delisting regulations outlined in Notification No. TorJor. 12/2554.

One of the key conditions precedent for delisting is the submission of a tender offer, which provides an opportunity for minority shareholders to mitigate the potential impact or risks arising from: **(1) Continued Losses and Uncertain Outlook:** The Company's persistent losses and uncertain future performance could lead to further capital increases, imposing an additional burden on existing shareholders. **(2) Risk of Concentrated Control:** As of 7 March 2025, SFTH holds 2,853,952,489 shares, representing 81.43% of the total paid-up shares, giving it significant influence over corporate policies, operations, and shareholder resolutions. This tender offer allows minority shareholders the opportunity to sell their shares at the offered price and avoid such risks. In addition, the Company has received a delisting proposal with an offer price higher than the fair value range assessed by the IFA, further supporting the appropriateness of the offer.

Given the above reasons, the Independent Financial Advisor recommends that shareholders **approve the proposed delisting** of the Company's shares from the Stock Exchange. Shareholders who do not accept the tender offer may be affected by the delisting in the following ways:

1. **Loss of Secondary Market Trading:** After delisting, the Company's shares will no longer be traded on the stock exchange, making it more difficult for shareholders to buy or sell shares, and possibly incurring higher tax burdens on share transfers.
2. **Reduced Access to Corporate Information:** Although the Company will remain a public limited company after delisting, its disclosure obligations as a listed company will cease. Shareholders will receive less information. However, the Company will still be required to disclose and submit information in its capacity as a public company, such as audited annual financial statements and annual general meeting (AGM) documents. Shareholders may also request certified copies of the certificate of incorporation, shareholder list, and financial statements from the Ministry of Commerce.

For a summary of the IFA's opinion, please refer to the "**Executive Summary**" on page 6 of this report.

Nevertheless, shareholders are advised to thoroughly review all supporting documents enclosed with the notice of the shareholders' meeting to make an informed decision. The approval of the delisting is ultimately at the discretion of the shareholders.

I hereby certify that the above opinion has been carefully considered in accordance with professional standards, with shareholders' best interests as the primary concern.

Sincerely Yours,

**The Independent Financial Advisor
Capital Advantage Company Limited**

- Patchara Netsuwan -

(Mr. Patchara Netsuwan)
Chief Executive Officer

- Pisit Jeungpraditphan -

(Mr. Pisit Jeungpraditphan, CFA, CAIA)
Supervisor
Financial Advisory

3. Business Structure of the Company

On April 29, 2025, the Company's organizational structure is as follows.



Source: Annual Report 2024 (Form 56-1 One Report) of the Company

Remarks:

- (1) KETH Corporate Services Limited is our wholly-owned subsidiary, incorporated in Hong Kong with registered capital of HKD 10,000. Currently, it has not commenced any commercial operations. As the company has not yet commenced commercial operations, the Board of Directors, at its Meeting No. 11/2024 held on November 8, 2024, resolved to approve the dissolution of the company.
- (2) KEX Express Service was incorporated to hold the Land Transport License and conduct land transport activities under the Land Transport Act. KEX holds 49.00% of KEX Express Service's total issued shares and 90.57% of its voting rights. KEX Express Service Co., Ltd. has other shareholders, namely: Miracle Rich Holding Company Limited⁽⁶⁾, Mr. Warawut Natthapradit, Ms. Wanwisa Thadsanapreechachai, and Mr. Montree Busabatorn, with shareholdings of 51.00%, 0.01%, 0.01%, and 0.01%, respectively.
- (3) KEX Express - Central (formerly known as Kerry Express Cargo) is our wholly-owned subsidiary, incorporated on 29 July 2021, with the initial registered capital of THB 1,000,000. As the company has not yet commenced commercial operations, the Board of Directors, at its Meeting No. 11/2024 held on November 8, 2024, resolved to approve the dissolution of the company.
- (4) Kerry Express Betagro (formerly known as Kerry Express Cold Chain Company Limited) is a partnership between KEX and Betagro Public Company Limited ("**BTG**") by investing with BTG's subsidiary, BTG LV Co., Ltd. ("**BTGLV**") in 2021 with a registered capital of THB 50,000,000, with the investment portions of 60% by KEX and 40% by BTG. As this business no longer aligns with the Company's current business objectives, the Board of Directors, during meeting No. 1/2025 held on February 21, 2025, resolved to approve the business's discontinuation.
- (5) Hivebox (Thailand) Company Limited is an associated company of the Company, registered on September 1, 2022, with a registered capital of THB 150 million. It consists of 1,500,000 ordinary shares with a par value of THB 100 per share. During the year ending December 31, 2023, the company paid for 270,000 shares at a rate of THB 66.67 per share, totaling THB 18.00 million. The associate's business operation was established to provide locker services for parcel delivery. Hivebox (Thailand) Company Limited has other shareholders, including HiveBox International (HK) Limited, Super Turtle Public Company Limited ("**TURTLE**") (TURTLE is a listed company in the Stock Exchange of Thailand), and FengThai Company Limited⁽⁷⁾ with shareholding percentages of 49.00%, 18.00%, and 15.00% respectively.
- (6) Miracle Rich Holding Company Limited has 6 shareholders, namely: Mr. Kledchai Benjaathonsirikul, Ms. Pavinee Meensook, Mr. Warawut Natpradith, Ms. Wanvisah Tasanapreechachai, Mr. Jakapetch Ratchahroensook, and Ms. Kultaree Samakkeenitch, with shareholding percentages of 19.40%, 19.40%, 14.00%, 13.90%, and 13.90%, respectively.
- (7) FengThai Company Limited has 3 shareholders namely: P2W Holding Company Limited⁽⁸⁾, HiveBox International (HK) Limited and Mr. Jiang Siyuan with shareholding percentages of 51.00%, 48.99% and 0.01% respectively.
- (8) P2W Holding Company Limited has 3 shareholders, namely: Mr. Pentor Kamonyabut, Mr. Pordoo Kamonyabut, and Mr. Waranyoo Phadungsri, with shareholding percentages of 40.00%, 30.00%, and 30.00%, respectively.

4. Nature of Business

KEX Express (Thailand) Public Company Limited ("**KEX**" or the "**Company**") remains a key player in Thailand's express parcel delivery market, serving Consumer-to-Consumer (C2C), Corporate Key Accounts (CKA), and Strategic Key Accounts (SKA). KEX continues to pursue steady growth, setting new standards for express parcel delivery with a renewed vision of seamless global connectivity under the concept "**GLOBAL CONNECTIONS, LOCAL DELIVERIES.**" Through an extensive network of service points and distribution centers across the country, KEX is committed to delivering fast, reliable, and innovative solutions, ensuring every parcel reaches its destination with speed and precision. As of December 31, 2024, the Company has more than 13,000 service locations, more than 600 distribution centers, 12 key sorting hubs, more than 12,000 vehicles for parcel delivery management, and the ability to sort parcels per day at 2.3 million pieces.

Business Segments

Consumer-to-Consumer (C2C): KEX offers retailers and individuals best-in-class express delivery and payment-on-delivery solutions through our extensive network of over 13,000 service points (including parcel shops, parcel lockers, and service points in our retail and individual partners' areas) and other service points (including BTS station service points and Offline-to-Online (O2O) service

points). KEX also offers the Door-to-Door (D2D) service, where parcels are conveniently collected from customers right at their doorsteps.

Corporate Key Account (CKA): KEX serves as domestic shipment delivery services to an extensive variety of corporate customers, including banks and financial institutions, law firms, international couriers, retail department stores, modern trade companies, direct sales companies, telecom companies, trading firms, and general offices with credit payment. This helps to deepen the standardized products and services of KEX using high-quality service and cross-marketing, as well as to promote the penetration of KEX technology and supply chain solution scheme with industry business thinking, value, and innovation thinking.

Strategic Key Account (SKA): KEX provides comprehensive services to specified customers with long-term strategic contracts, which include SF Group strategic key clients and Thailand domestic specified clients.

Service Offerings

Next-Day Delivery (ND): As the focus of KEX, ND service ensures that all parcels dropped off or collected before the cut-off time are delivered by the following day. Currently, the ND service covers up to 99.99% of Thailand.

Economy Delivery (2D and 3D): Parcels are delivered within 2 or 3 days through Economy Delivery service it is available nationwide.

Door-to-Door (D2D): D2D is a service for C2C customers where couriers collect parcels from customers' doorsteps.

International Express Services: International Standard Express (SE) is designed for customers with time-sensitive international shipping needs. It is a door-to-door international express delivery service with highly efficient operations and monitoring of every step from shipment dispatch to transit and last-mile delivery. The service covers many regions and countries throughout Asia, North & South America, and Europe, with fast transit times and safety guarantees.

The international delivery services have covered almost all of Greater China. On the technology side, KEX is capable of providing real-time tracking and tracing information on international shipments in transit.

Currently, international express services can be used to deliver shipments to various regions and countries throughout Asia, North & South America, and Europe. KEX will continue to expand to more countries and hopes to be able to connect our customers around the world.

Comprehensive Logistics and Supply Chain Solutions: KEX combines local expertise with global reach to simplify cross-border logistics and enhance supply chain efficiency. Whether for small e-commerce parcels or enterprise-level freight, KEX delivers tailored solutions to meet customers' needs, including air, ground, and multimodal transport, warehousing, and supply chain optimization to meet diverse delivery timelines and cost requirements.

Payment Solutions: As the first delivery company in Thailand to provide the Payment-on-Delivery solution, we have continued to innovate this service and introduced multiple payment solutions, including cash, credit card, debit card, and contactless payment, to facilitate our customers' transactions.

Advanced Digital Capabilities and Portal Platforms

Apart from the delivery services offered, our customers also benefit from our advanced digital capabilities centred around proprietary technologies. KEX's in-house-developed IT system and technology platforms enhance our operations' efficiency, visibility, and accountability while providing value-added services to our customers.

KEX Application: An all-in-one app that combines KEX services for customers, including one-click parcel pickup booking, real-time tracking, a map of nearby service locations, and all other promotional offers.

EasyShip: An online all-in-one parcel management platform designed to assist businesses that allows senders to create shipments by entering customers' information, printing shipping labels, making pickup requests, tracking parcels, retrieving shipment reports, and accessing the KEX Club for rewards and privileges.

Fulfilment Services: Fully integrated services including warehousing, inventory management, billing, packaging, labelling, shipping, payment-on-delivery, Extra Care service, paid by recipient, and product return and exchange.

KEX Club: KEX CLUB is a strategic loyalty program designed to provide members with exclusive benefits, premium rewards, and seamless access to EasyShip — an all-in-one parcel management system that optimizes business operations. EasyShip enhances efficiency through features such as Cash on Delivery (COD), Pickup Requests, and a suite of essential logistics solutions.

5. Board of Directors

The list of KEX's board of directors as of April 29, 2025, is as follows:

Table A-1: List of KEX directors

	Name - Surname^{1/}	Position
1.	Miss Xin Wang	Chairman of the Board of Directors / Chairman of the Nomination and Remuneration Committee
2.	Mr. Kledchai Benjaathonsirikul	Director
3.	Miss Bee Ti Ooi	Director / Member of Nomination and Remuneration Committee and Member of Risk Management Committee
4.	Mr. Hoi Ching (Raymond) Yeung	Director / Member of the Risk Management Committee / Company Secretary
5.	Mr. Minglong Zhou	Director
6.	Mr. Jiawei Zhang	Director / Chairman of the Executive Committee / Chief Executive Officer (CEO)
7.	Mr. Prasan Chuaphanich	Independent Director / Chairman of the Audit Committee and Member of the Nomination and Remuneration Committee
8.	Mr. Kamthorn Tatiyakavee	Independent Director / Chairman of the Risk Management Committee / Member of the Audit Committee

Source: Annual Report 2024 (Form 56-1 One Report) of the Company and the Stock Exchange of Thailand.

Remark:

1/ Ms. Hwee Leng Eileen Yeo has expressed intention not to continue holding a director position, and the Company's 2025 Annual General Meeting of Shareholders held on 24 April 2025 resolved to acknowledge such matter.

The directors who are authorized to sign and bind KEX are as follows:

- (1) Any one of Mr. Kledchai Benjaathonsirikul, Mr. Jiawei Zhang, Mr. Minglong Zhou jointly signs with any of Miss Xin Wang, Miss Bee Ti Ooi, or Mr. Hoi Ching Yeung, totaling two persons, with the Company's seal affixed.
- (2) Any two of Mr. Kledchai Benjaathonsirikul, Mr. Jiawei Zhang, Mr. Minglong Zhou, Miss Xin Wang, Miss Bee Ti Ooi, or Mr. Hoi Ching Yeung jointly sign with the Company's seal affixed only for the applications and any documents for the submission with the Department of Land Transport, the Ministry of Transport, the Immigration Bureau, the Ministry of Foreign affairs, the Customs Department, the Revenue Department, the Excise Department, the Department of Business Development, the Department of Employment, the Social Security Office, the Ministry of Labor, the Department of Provincial Administration, the Office of the Consumer Protection Board, the Royal Thai Police, the Telephone Organization of Thailand, the Metropolitan Waterworks Authority, the Provincial Waterworks Authority, the Metropolitan Electricity Authority, the Provincial Electricity Authority, the Food and Drug Administration, the Department of Internal Trade, the Department of Foreign Trade, the Thai Industrial Standards Institute, District Offices, Central Government Agencies, Provincial Government Agencies, and Local Government Agencies.

6. Shareholder structure

As of May 16, 2025, the list of major shareholders of KEX is as follows:

Table A-2: Major Shareholders of KEX

No.	Name of Shareholders	Number of Shares	% of Total Issued and Paid-up Shares of KEX	% of Total Voting Rights of KEX
1	SF International Holding (Thailand) Co., Ltd.	2,853,952,489	81.43	81.43
2	UOB KAY HIAN (HONG KONG) LIMITED – Client Account	255,944,037	7.30	7.30
3	BTS Group Public Company Limited	44,537,600	1.27	1.27
4	Mr. Thaveechat Jurangkook	32,526,800	0.93	0.93
5	Saha Pathana Inter-Holding Public Company Limited	11,400,000	0.33	0.33
6	Mr. Torsak Tantaviwattana	10,242,000	0.29	0.29
7	MORGAN STANLEY & CO. INTERNATIONAL PLC	10,000,000	0.29	0.29
8	Mr. Nares Ngam-apichon	8,000,000	0.23	0.23
9	Thai NVDR Co., Ltd.	7,610,550	0.22	0.22
10	Mr. Nurak Mahatana-arnont	6,000,000	0.17	0.17
Total top 10 shareholders		3,240,213,476	92.45	92.45
Other shareholders		264,756,819	7.55	7.55

No.	Name of Shareholders	Number of Shares	% of Total Issued and Paid-up Shares of KEX	% of Total Voting Rights of KEX
Total		3,504,970,295	100.00	100.00

Source: Information as of May 21, 2025, derived from information from the closing of the Company's shareholder register (XM) on May 16, 2025, from Thailand Securities Depository Co., Ltd.

7. Revenue Structure

The revenue structure of the Company for the years 2022 – 2024 and the first 3 months of 2025 is as follows:

Table A-3: Revenue Structure of KEX

Revenue	Revenue Structure							
	Y2022		Y2023		Y2024		First 3 month of 2025	
	THB Million	%	THB Million	%	THB Million	%	THB million	%
Sales and parcel delivery service income	16,994.93	99.12	11,455.89	99.26	9,438.78	98.16	1,145.40	97.96
Customer to Customer (C2C) ^{1/}	n.a.	0.00	4,973.10	43.09	4,623.10	48.08	756.94	64.76
Corporate Key Account (CKA) ^{2/}	n.a.	0.00	1,325.90	11.49	1,109.01	11.53	272.28	23.29
Strategic Key Account (SKA) ^{3/}	n.a.	0.00	4,910.37	42.55	3,337.67	34.71	22.21	1.90
Others ^{4/}	n.a.	0.00	246.53	2.14	369.00	3.84	93.61	8.01
Advertising Income	8.12	0.05	14.44	0.13	10.15	0.11	-	0.00
Sale and services income	17,003.05	99.17	11,470.34	99.38	9,448.92	98.26	1,145.04	97.96
Other incomes^{5/}	142.00	0.83	71.14	0.62	167.08	1.74	23.86	2.04
Total	17,145.04	100.00	11,541.48	100.00	9,616.00	100.00	1,168.90	100.00

Source: One Report (Form 56-1) 2024 of the Company and the Company's 2024 annual financial statements

Remarks:

- 1/ C2C = Customers that use our services through shop channels, applications, website, and call center.
- 2/ CKA = Corporate Key Account, which uses quoted contract pricing and has a standard contract.
- 3/ SKA = Strategic Key Account, which has the highest volume and fully quoted contract pricing and contract terms.
- 4/ Others include income from providing international courier services.
- 5/ Other incomes consist of Commission income, management services income, IT services income, interest income calculated using the effective interest method for financial assets measured and for debt investments measured at FVOCI, gain from financial assets measured at fair value through profit and loss, dividend income, and others.

8. Financial Position and Operating Performance

Financial information according to the Company's consolidated financial statements for the years ending December 31, 2022, 2023, and 2024 and the first 3 months of 2025 is summarized as follows:

Table A-4: Statement of Financial Position of KEX

Items	FY 2022 Ended As of 31 Dec 2022		FY 2023 Ended As of 31 Dec 2023 (Restated)		FY 2024 Ended As of 31 Dec 2024		First 3 months of 2025 Ended 31 Mar 2025	
	Audited ^{1/}		Audited ^{1/}		Audited ^{1/}		Reviewed ^{2/}	
	THB million	%	THB million	%	THB million	%	THB million	%
Assets								
Current assets								
Cash and cash equivalents	2,163.03	17.89	736.33	8.17	3,188.65	42.65	206.21	4.99
Fixed deposit maturity within one year	-	-	-	-	-	-	-	-
Financial assets measured at fair value through profit or loss	168.93	1.40	-	-	-	-	-	-
Financial assets measured at fair value through other comprehensive income maturity within one year	-	-	-	-	-	-	-	-
Trade and other receivables, net	1,852.31	15.32	1,338.33	14.86	1,011.92	13.54	902.73	21.84
Inventories	123.46	1.02	52.74	0.59	24.85	0.33	29.57	0.72
Other current assets	100.31	0.83	116.62	1.29	115.18	1.54	97.16	2.35
Total current assets	4,408.03	36.45	2,244.02	24.91	4,340.60	58.06	1,235.66	29.90
Non-current assets								
Financial assets measured at fair value through other comprehensive income	631.13	5.22	-	-	-	-	-	-

Items	FY 2022 Ended As of 31 Dec 2022		FY2023 Ended As of 31 Dec 2023 (Restated)		FY2024 Ended As of 31 Dec 2024		First 3 months of 2025 Ended 31 Mar 2025	
	Audited ^{1/}		Audited ^{1/}		Audited ^{1/}		Reviewed ^{2/}	
	THB million	%	THB million	%	THB million	%	THB million	%
Investment in associate	-	-	16.80	0.18	12.10	0.16	10.70	0.26
Plant and equipment, net	2,490.14	20.59	2,145.97	23.82	1,238.75	16.57	10.70	0.26
Right-of-use assets, net	2,903.44	24.01	2,449.28	27.19	672.93	9.00	1,161.90	28.11
Intangible assets, net	212.35	1.76	176.48	1.96	98.93	1.32	552.23	13.36
Deferred tax assets	879.46	7.27	1,529.34	16.98	626.03	8.37	90.16	2.18
Other non-current assets	568.68	4.70	447.96	4.97	486.90	6.51	602.03	14.57
Total non-current assets	7,685.20	63.55	6,765.10	75.09	3,135.64	41.94	2,897.52	70.10
Total assets	12,093.24	100.00	9,009.12	100.00	7,476.24	100.00	4,133.18	100.00
Liabilities and equity								
Current liabilities								
Short-term borrowings from financial institutions	-	-	300.00	3.33	400.00	5.35	400.00	9.68
Short-term borrowings from related a party	-	-	1,300.00	14.43	1,900.00	25.41	-	-
Current portion of long-term borrowings from financial institution	9.30	0.08	11.16	0.12	29.54	0.40	26.75	0.65
Trade and other payables	1,941.55	16.05	1,717.75	19.07	1,817.69	24.31	1,364.28	33.01
Cash on delivery payable	568.28	4.70	614.81	6.82	67.62	0.90	69.86	1.69
Deferred revenue	48.54	0.40	9.70	0.11	10.09	0.13	17.67	0.43
Accrued income tax	-	-	-	-	-	-	-	-
Current portion of lease liabilities	1,812.19	14.99	1,441.10	16.00	463.04	6.19	381.30	9.23
Other current liabilities	37.40	0.31	23.33	0.26	16.59	0.22	61.45	1.49
Total current liabilities	4,417.25	36.53	5,417.85	60.14	4,704.57	62.93	2,321.31	56.16
Non-current liabilities								
Long-term borrowings from financial institution	29.00	0.24	29.54	0.33	-	-	-	-
Lease liabilities	945.52	7.82	775.27	8.61	306.83	4.10	242.17	5.86
Employee benefit obligations	125.82	1.04	131.66	1.46	59.31	0.79	61.82	1.50
Other non-current liabilities	77.96	0.64	58.49	0.65	57.31	0.77	56.71	1.37
Total non-current liabilities	1,178.30	9.74	994.96	11.04	423.45	5.66	360.70	8.73
Total liabilities	5,595.55	46.27	6,412.81	71.18	5,128.03	68.59	2,682.01	64.89
Equity								
Share capital								
Authorized share capital, Ordinary share, 4,598,500,000 shares at par value of THB 0.50 each (Y2023: Ordinary share, 1,780,000,000 shares paid-up at THB 0.50 each)	890.00	7.36	890.00	9.88	2,299.25	30.75	2,299.25	55.63
Issued and paid-up share capital								
Issued and paid-up share capital, Ordinary share, 3,504,970,295 shares paid-up at THB 0.50 each (Y2023: Ordinary share, 1,742,577,000 shares paid-up at THB 0.50 each)	871.29	7.20	871.29	9.67	1,752.49	23.44	1,752.49	42.40
Premium on paid-up capital	8,139.15	67.30	8,139.15	90.34	12,887.89	172.38	12,887.89	311.82
Other reserves - share-based payments	87.98	0.73	87.98	0.98	87.98	1.18	87.98	2.13
Retained earnings (deficits)								
Appropriated - legal reserve	89.00	0.74	89.00	0.99	89.00	1.19	89.00	2.15
Unappropriated (deficits)	(2,680.40)	(22.16)	(6,580.74)	(73.05)	(12,434.01)	(166.31)	(13,330.88)	(322.53)
Other components of equity	(7.17)	(0.06)	-	-	-	-	-	-
Equity attributable to the parent	6,499.85	53.75	2,606.68	28.93	2,383.35	31.88	1,486.48	35.96
Non-controlling interests	(2.16)	(0.02)	(10.36)	(0.12)	(35.13)	(0.47)	(35.31)	(0.85)
Total equity	6,497.69	53.73	2,596.32	28.82	2,348.21	31.41	1,451.17	35.11
Total liabilities and equity	12,093.24	100.00	9,009.12	100.00	7,476.24	100.00	4,133.18	100.00

Remark: Please refer to the detailed financial statements of the Company at the website of the Securities and Exchange Commission (www.sec.or.th) or the website of the Stock Exchange of Thailand (www.set.or.th).

- 1/ Financial statements for the year ended December 31, 2022, 2023, and 2024 were audited by PricewaterhouseCoopers ABAS Ltd., a certified public accountant who is on the approved list of the SEC.
- 2/ Financial statements for the period ended March 31, 2025, were reviewed by PricewaterhouseCoopers ABAS Ltd., a certified public accountant who is on the approved list of the SEC.

Table A-5: Statement of Comprehensive Income of KEX

Items	FY2022 For the period ended 31 Dec 2022		FY2023 For the period ended 31 Dec 2023 (Restated)		FY2024 For the period ended 31 Dec 2024		First 3 months of 2025 Ended 31 Mar 2025	
	Audited ^{1/}		Audited ^{1/}		Audited ^{1/}		Reviewed ^{2/}	
	THB Million	%	THB Million	%	THB Million	%	THB Million	%
Sales and services income	17,003.05	100.00	11,470.34	100.00	9,448.92	100.00	1,145.04	100.00
Cost of sales and providing services	(18,685.14)	(109.89)	(14,337.82)	(125.00)	(12,606.12)	(133.41)	(1,641.03)	(143.32)
Gross Profit (Loss)	(1,682.09)	(9.89)	(2,867.48)	(25.00)	(3,157.20)	(33.41)	(495.99)	(43.32)
Other income	142.00	0.84	71.14	0.62	167.08	1.77	23.86	2.08
Selling expenses	(349.26)	(2.05)	(279.18)	(2.43)	(173.23)	(1.83)	(20.36)	(1.78)
Administrative expenses	(1,647.13)	(9.69)	(1,438.93)	(12.42)	(1,393.86)	(14.75)	(276.48)	(24.15)
Net impairment losses on financial asset and contract assets	-	-	(14.56)	(0.13)	(39.25)	(0.42)	(86.67)	(7.57)
Other expense	-	-	-	-	(308.23)	(3.26)	-	-
Finance costs	(73.25)	(0.43)	(69.42)	(0.61)	(118.88)	(1.26)	(12.10)	(1.06)
Share of loss of associate accounted for using the equity method	0.00	0.00	(1.92)	(0.02)	(3.98)	(0.04)	(1.40)	(0.12)
Profit (Loss) before income tax	(3,609.74)	(21.23)	(4,585.80)	(39.98)	(5,027.56)	(53.21)	(869.14)	(75.90)
Income tax (expense) income	759.76	4.47	667.51	5.82	(920.52)	(9.74)	(27.91)	(2.44)
Net profit (loss) for the period	(2,849.99)	(16.76)	(3,918.28)	(34.16)	(5,948.08)	(62.95)	(897.04)	(78.34)
Profit (loss) attributable to non-controlling interests	(20.14)	(0.12)	(20.20)	(0.18)	(36.77)	(0.39)	(0.17)	(0.02)
Profit (loss) attributable to owners of the Company	(2,829.84)	(16.64)	(3,898.08)	(33.98)	(5,911.32)	(62.56)	(896.87)	(78.33)

Remark: Please refer to the detailed financial statements of the Company at the website of the Securities and Exchange Commission (www.sec.or.th) or the website of the Stock Exchange of Thailand (www.set.or.th).

- 1/ Financial statements for the year ended December 31, 2022, 2023, and 2024 were audited by PricewaterhouseCoopers ABAS Ltd., a certified public accountant who is on the approved list of the SEC.
- 2/ Financial statements for the period ended March 31, 2025, were reviewed by PricewaterhouseCoopers ABAS Ltd., a certified public accountant who is on the approved list of the SEC.

Table A-6: Statement of Cash Flows of KEX

Items (Unit: THB Million)	FY2022 For the period ended 31 Dec 2022	FY 2023 For the period ended 31 Dec 2023 (Restated)	FY2024 For the period ended 31 Dec 2024	First 3 months of 2025 Ended 31 Mar 2025
Net cash generated from (used in) operating activities	(1,282.50)	(2,038.77)	(2,390.22)	(960.62)
Net cash used in investing activities	4,534.53	260.29	(496.62)	36.30
Net cash generated from (used in) financing activities	(2,377.87)	351.78	5,339.16	(2,058.11)
Net increase (decrease) in cash and cash equivalents	874.16	(1,426.70)	2,452.32	(2,982.44)
Cash and cash equivalents at the beginning of the year	1,288.87	2,163.03	736.33	3,188.65
Cash and cash equivalents at the end of the year	2,163.03	736.33	3,188.50	206.21

Table A-7: Key Financial Ratios of KEX

Items	FY2022 For the period ended 31 Dec 2022	FY2023 For the period ended 31 Dec 2023 (Restated)	FY2024 For the period ended 31 Dec 2024	First 3 months of 2025 Ended 31 Mar 2025
Liquidity Ratio				
Current ratio ^{1/} (times)	1.00	0.41	0.92	0.53
Quick ratio ^{2/} (times)	0.95	0.48	0.89	0.48
Cash flow liquidity ratio ^{3/} (times)	(0.26)	(0.41)	(0.47)	(0.21)
Accounts receivable turnover ^{4/} (times)	13.86	10.42	15.20	7.01
Average collection period ^{5/} (days)	26.33	35.03	24.02	52.06
Account payable turnover ^{6/} (times)	18.29	17.81	32.21	7.24

Items		FY2022 For the period ended 31 Dec 2022	FY2023 For the period ended 31 Dec 2023 (Restated)	FY2024 For the period ended 31 Dec 2024	First 3 months of 2025 Ended 31 Mar 2025
Average payment period ^{7/}	(days)	19.96	20.49	11.33	50.41
Cash cycle ^{8/}	(days)	6.37	14.54	12.69	1.65
Profitability Ratio					
Gross Profit Margin ^{9/}	(%)	(9.89)	(25.00)	(33.41)	(43.32)
Net profit margin ^{10/}	(%)	(16.64)	(33.98)	(53.95)	(76.81)
Return on equity ^{11/}	(%)	(35.79)	(85.73)	(239.11)	(392.26)
Efficiency Ratio					
Return on total assets ^{12/}	(%)	(19.42)	(36.94)	(71.72)	(83.66)
Total asset turnover ^{13/}	(times)	1.17	1.09	1.15	1.20
Financial Leverage Ratio					
Total liabilities to equity ratio ^{14/}	(times)	0.86	2.47	2.18	1.85
Interest-bearing debt to EBITDA ^{15/}	(times)	(2.60)	(1.52)	(0.97)	(0.33)
Interest coverage ratio ^{16/}	(times)	(14.66)	(36.52)	(26.81)	(30.82)
Debt service coverage ratio ^{17/}	(times)	(0.59)	(0.83)	(1.14)	(3.91)

Remarks:

- 1/ Current ratio = total current assets divided by total current liabilities
- 2/ Quick ratio = sum of cash and cash equivalents, short-term investments, and trade and other receivables, divided by total current liabilities
- 3/ Cash flow liquidity ratio = net cash generated from operating activities divided by average total current liabilities
- 4/ Accounts receivable turnover = sales and services income divided by average gross trade accounts receivable
- 5/ Average collection period = 365 divided by accounts receivable turnover
- 6/ Account payable turnover = cost of sales and service divided by average trade accounts payable
- 7/ Average payment period = 365 divided by accounts payable turnover
- 8/ Cash cycle = the difference between the average collection period and the average payment period
- 9/ Gross profit margin = gross profit divided by sales and service income
- 10/ Net profit margin = profit (loss) attributable to the owners of the Company divided by sales and service income
- 11/ Return on equity = profit (loss) for the period divided by average total equity
- 12/ Return to total assets = profit (loss) for the period divided by average total assets
- 13/ Total assets turnover = sales and service income divided by average total assets
- 14/ Total liabilities to equity ratio = total liabilities divided by total equity
- 15/ Interest-bearing debt to EBITDA ratio = total interest-bearing debt and lease liabilities divided by EBITDA
- 16/ Interest coverage ratio = EBITDA divided by interest expense
- 17/ Debt service coverage ratio = EBITDA divided by the sum of the current portion of short-term loan obligation, lease liabilities due within one year, and finance cost

Management Discussion and Analysis of KEX

• Operating results according to the consolidated financial statements

Operating results for 2022 - 2024

Revenue from sales and services of the company and its subsidiaries for the years 2022 – 2024 amounted to THB 17,003.05 million, THB 11,470.34 million, and THB 9,448.92 million, respectively, representing decreases of THB 5,532.71 million and THB 2,021.41 million, or a reduction of 32.54% and 17.62%, respectively. The breakdown of revenue from sales and services is presented in Table A-3 above.

In 2023, the Company's revenue from sales and services decreased due to a decline in parcel delivery volume. The total parcel delivery volume decreased by 30% compared to the previous year, primarily resulting from lower-than-anticipated transaction volumes in the e-commerce market, particularly a significant drop in the third quarter of 2023. This decrease was in line with the business plan to maintain market share in the e-commerce sector while stabilizing parcel delivery volume to facilitate more efficient resource allocation. The Company's business plan focuses on improving service quality, especially in the C2C parcel delivery market, to achieve a more balanced increase in future parcel delivery volume and mitigate the impact of fluctuations in e-commerce parcel delivery volume.

In 2024, the Company's revenue from sales and services decreased due to a decline in parcel delivery volume. The total parcel delivery volume decreased by 23% compared to the previous year, primarily driven by an anticipated decrease in parcel volume from the electronic platform ("SKA"). This decline was consistent with the Company's strategy to reduce reliance on e-commerce platforms and focus more on higher-yield customer segments. The revenue proportion from C2C users grew from 43.09% in 2023 to 48.08% in 2024, while the revenue proportion from SKA users significantly decreased from 42.55% in 2023 to 34.71% in 2024.

The cost of sales and services of the Company and its subsidiaries for the years 2022 – 2024 amounted to THB 18,685.14 million, THB 14,337.82 million, and THB 12,606.12 million, respectively, representing decreases of THB 4,347.32 million and THB 1,731.69 million, or a reduction of 23.27% and 12.08%, respectively.

In 2023, the cost of sales and services decreased by 23.27% compared to the previous year. Furthermore, the decrease in revenue from sales and services for this year has decreased by 32.54% compared to the previous year. This is because the Company was unable to reduce its essential costs to offset the decline in revenue. For instance, labor costs decreased by 27.51% compared to the previous year, primarily due to a decrease in outsourced labor from external agencies by 15.68%. Additionally, warehouse rental and vehicle leasing costs decreased by 14.98% compared to the previous year. Therefore, the Company is currently in the process of reducing these costs. The service points and shops revamp program enabled: 1) GP modules to allow meticulous pricing, 2) clearance of non-performing service points, channels, and tools, and 3) new partnership models to elevate sales motivation and cap costs of sales.

In 2024, the cost of sales and services decreased by 12.08% year-over-year. However, this decrease was less than the 17.62% year-over-year decrease in revenue from sales and services. This was because the Company was unable to reduce certain key costs in proportion to the revenue decline. Nevertheless, much of the decrease in the cost of sales and services was primarily attributable to cost reductions in various areas and a decrease in transportation expenses resulting from the use of outsourced logistics providers, partly due to lower shipping volumes. This also reflects the Company's ongoing efforts to enhance resource efficiency through improvements in core operations.

Selling and administrative expenses (including expected credit losses and other expenses) of the Company and its subsidiaries for the years 2022 – 2024 amounted to THB 1,996.40 million, THB 1,718.11 million, and THB 1,914.57 million, respectively, representing a decrease of THB 278.29 million and an increase of THB 196.46 million, or a decrease of 13.94% and an increase of 11.43%, respectively.

In 2023, selling and administrative expenses decreased by 13.94% year-over-year, primarily due to a reduction in other administrative expenses and marketing expenses, as well as the successful implementation of regional management (particularly from China).

In 2024, selling and administrative expenses increased by 11.43% year-over-year, primarily due to the Company's strategy to adjust the business model to be more flexible and agile.

Net profit (loss) attributable to the owners of the Company for the years 2022 – 2024. In 2022 – 2024, the Company reported net losses of THB 2,829.84 million, THB 3,898.08 million, and THB 5,911.32 million, respectively. Notably, in 2024, the Company recognized one-off adjustments totaling THB 1,618.2 million, primarily related to allowances for impairment of fixed assets and vehicles, and a one-time special compensation. Additionally, there was a tax adjustment of THB 920.52 million resulting from a reversal of deferred tax assets resulting from unutilized tax losses was recorded, as management assessed that the company is unlikely to generate adequate future taxable income to realize the temporary differences associated with these tax losses within the statutory timeframe. Excluding these impacts, the net loss attributable to owners of the parent company for 2024 would have been THB 3,372.60 million.

Operating results for the first 3 months of 2025

Revenue from Sales and Services amounted to THB 1,145.0 million, representing a decrease of 34% quarter-on-quarter and a decline of 55% year-on-year. This performance is in line with the Company's strategic plan, which included initiating a reduction in parcel volumes from SKA customers starting in Q4/2025. This initiative is part of a broader customer portfolio restructuring aimed at increasing yield per consignment by scaling down services for SKA customers with low average revenue per trip, and shifting focus toward providing end-to-end solutions for corporate clients with higher revenue potential. This strategy is intended to support long-term, sustainable growth. The effectiveness of this strategic shift is reflected in the significantly reduced parcel volume from lower-yield customers in Q1/2025.

Regarding revenue contribution: In line with the strategic focus on customer mix optimization to shift away from lower yield segments, the revenue contribution from the C2C segment increased significantly from 46% in 1Q/2024 to 66% in 1Q/2025. Similarly, the CKA segment saw substantial growth, rising from 11% in 1Q/2024 to 24% over the same period. In contrast, the contribution from the SKA segment declined sharply from 40% in 1Q/2024 to just 2% in 1Q/2025.

Cost of sales and services amounted to THB 1,641.0 million, reflecting a 48% QoQ and 51%

YoY decrease. The YoY reduction was mainly driven by the lower transportation costs, outsourcing costs, and labor costs, resulting from the resource optimization plan and the decline in revenue, along with improvements in core operations efficiency. The QoQ decline was consistent with the drop in volume reduction, particularly in the SKA segment.

Selling and administrative expenses reported at THB 383.5 million, decreased by 47% QoQ and 0.4% YoY. The QoQ decline was primarily due to the decline in staff costs and administrative expenses, reflecting tight cost discipline.

The Company reported a net loss attributable to owners of the Company amounting to THB 896.9 million, improved by 66% QoQ and 25% YoY. This improvement was primarily driven by a result of better cost management and operating efficiency.

- **Financial Position**

- Assets

- At the end of the years 2022 - 2024, the assets of the Company and its subsidiaries amounted to THB 12,093.24 million, THB 9,009.12 million, and THB 7,476.24 million, respectively. This represents a decrease of THB 3,084.11 million and THB 1,532.88 million, or a decrease of 25.50%, and 17.01% at the end of the years 2023 - 2024, respectively.

- The decrease in total assets in 2022 is mainly due to significant changes in key items, including a decrease in cash and cash equivalents, financial assets measured at fair value through other comprehensive income, and trade and other receivables, amounting to THB 1,426.70 million, THB 631.13 million, and THB 513.98 million, respectively.

- The decrease in total assets as of 2024 was primarily due to significant changes in the following items: a decrease of THB 1,776.35 million in right-of-use assets, mainly resulting from the termination of vehicle lease agreements as part of the Company's vehicle restructuring plan to align with its strategy. And a decrease of THB 907.22 million in property, plant, and equipment (PP&E) - net, primarily due to a change in accounting estimates in the first quarter of 2024 to align with the group's accounting policies, particularly the useful lives of vehicles. This also includes the recognition of an impairment loss on fixed assets in the fourth quarter of 2024, related to the optimization of the operational network to maximize efficiency.

- As of March 31, 2025, the Company and its subsidiaries reported total assets of THB 4,133.17 million, a decrease of THB 3,343.06 million, or 44.72%, from the end of 2024. This was primarily driven by a reduction in cash and cash equivalents, right-of-use assets, and trade and other current receivables by THB 2,982.44 million, THB 120.70 million, and THB 109.19 million, respectively.

- Liabilities

- As of the end of 2022 - 2024, the Company and its subsidiaries had total liabilities of THB 5,595.55 million, THB 6,412.81 million, and THB 5,128.03 million, respectively, representing an increase of THB 817.26 million or 14.61%, and a decrease of THB 1,284.78 million or 20.03%, respectively.

- The increase in total debt in 2023 is mainly due to significant changes in important items, including an increase in short-term loans from the parent company, KLN Logistics (Thailand) Co., Ltd., which was the majority shareholder of the Company in 2023, amounting to THB 1,300.00 million, to be used as working capital in the Company. There is also an increase in loans from financial institutions (both current and non-current portions) amounting to THB 340.70 million, to support the operations and investments of the Company.

- The decrease in total liabilities as of 2024 was primarily due to a significant change in the following item: A decrease of THB 1,446.50 million in lease liabilities (both current and non-current portions), mainly resulting from the termination of lease agreements as part of the Company's business strategy adjustment plan.

- As of March 31, 2025, the Company and its subsidiaries reported total liabilities of Baht 2,682.01 million, a decrease of THB 2,446.02 million, or 47.70%, from the end of 2024. This reduction was primarily due to the repayment of short-term loans to the Company's former major shareholder (KLN Logistics (Thailand) Co., Ltd. ("**KLNTH**")), amounting to THB 1,900.00 million.

- Equities

- As of the end of 2022 - 2024, the Company and its subsidiaries had total shareholders' equity of THB 6,497.69 million, THB 2,596.32 million, and THB 2,348.21 million, respectively, representing a decrease of THB 3,901.37 million and THB 248.10 million, or a reduction of 60.04% and 9.56%, respectively. The primary reason for the decrease in total shareholders' equity at the end of 2023 - 2024 was the net loss from operations, which resulted in an increased accumulated deficit.

As of March 31, 2025, the Company and its subsidiaries reported total shareholders' equity of THB 1,451.57 million, a decrease of THB 897.04 million, or 38.20%, from the end of 2024. This was primarily due to the operating loss, which increased the accumulated deficit.

- **Liquidity Analysis**

- Cash flow from operating activities.

- Net cash from (used in) operating activities for the fiscal years ended December 31, 2022, 2023, and 2024 amounted to THB (1,282.50) million, THB (2,038.77) million, and THB (2,390.22) million, respectively. Throughout 2022 - 2024, the Company experienced net cash outflows from operating activities, primarily resulting from continuous losses before income tax.

- For the three months ended March 31, 2025, the Company reported net cash flow from (used in) operating activities of THB (960.62) million, primarily due to a sustained loss before income tax from its operations.

- Cash flow from investing activities.

- Net cash from (used in) investing activities for the years ended December 31, 2022, 2023, and 2024 amounted to THB 4,534.53 million, THB 260.29 million, and THB (496.62) million, respectively. In 2022 and 2023, the Company had net cash inflows from investing activities, primarily driven by cash received from the disposal of financial assets. These proceeds were used as working capital due to the Company's loss-making operations. For the year 2024, the entity experienced net cash outflows from investing activities, mainly due to cash payments for the acquisition of property, plant, and equipment (PP&E).

- For the three months ended March 31, 2025, the Company reported net cash flow from (used in) investing activities of THB 36.30 million. This was primarily a result of cash received from the disposal of property, plant, and equipment.

- Cash flow from financing activities.

- Net cash from (used in) financing activities for the years ended December 31, 2022, 2023, and 2024 amounted to THB (2,377.87) million, THB 351.78 million, and THB 5,339.16 million, respectively. In 2022, the Company had net cash outflows from financing activities, primarily due to cash payments for the settlement of lease liabilities. In 2023, the Company had net cash inflows from financing activities resulting from an increase in borrowings from a major shareholder and financial institutions, which were used as working capital due to the Company's loss-making operations. During 2024, the Company had net cash inflows from financing activities due to the issuance and offering of up to 2,812,500,000 newly issued ordinary shares with a par value of THB 0.50 per share. These shares were offered to existing shareholders during August 21 – 27, 2024 (a total of 5 business days) at an offering price of THB 3.20 per share. Existing shareholders subscribed for 1,762,393,295 newly issued ordinary shares, amounting to a total of THB 5,639,658,544.

- For the three months ended March 31, 2025, the Company reported net cash flow from (used in) financing activities of THB (2,058.11) million. This was primarily a result of the repayment of short-term loans to KLNTH.

- **Key Financial Ratio**

- Liquidity Ratio

- The liquidity ratio for the years 2022 – 2024 and 1Q2025 was 1.00 times, 0.41 times, 0.92 times, and 0.53 times, respectively. The liquidity ratio decreased in 2023 due to a reduction in cash and cash equivalents. This decrease resulted from the Company's net loss in 2023, leading the Company to utilize cash or dispose of financial assets for working capital purposes. In contrast, during the third quarter of 2024, the Company issued and offered new shares to existing shareholders, which led to an increase in cash and cash equivalents by THB 2,452.32 million from the end of 2023 to the end of 2024. For the first quarter of 2025, the liquidity ratio declined, primarily due to a reduction in cash and cash equivalents resulting from the repayment of short-term loans to KLNTH. Furthermore, the Company's net loss in 1Q2025 necessitated the utilization of cash to fund its working capital.

- Profitability Ratio

- The gross profit margin for the years 2022 – 2024 and 1Q2025 was minus 9.89%, minus 25.00%, minus 33.33%, and minus 43.32%, respectively. The gross profit margin continuously declined due to the Company's deteriorating operating performance each year and a negative net gross profit margin. This resulted from a decrease in revenue from sales and services, while the cost of sales

and services decreased at a lower rate than the revenue decline. The Company is currently in the process of improving its operational procedures to better control operating costs.

The net profit margin for the years 2022 – 2024 and 1Q2025 was minus 16.64%, minus 33.38%, minus 53.95%, and minus 76.81%, respectively. The net profit margin continuously declined due to the Company's deteriorating operating performance each year and a negative gross profit margin. This resulted from a decrease in revenue from sales and services, while the cost of sales and services and operating expenses decreased at a lower rate than the revenue decline. The Company is currently in the process of improving its operational procedures to better control total costs, including operating expenses.

The Return on Equity (ROE) for the years 2022 – 2024 and 1Q2025 was minus 35.79%, minus 84.91%, minus 239.11%, and minus 392.26%, respectively. The ROE continuously declined due to the Company's deteriorating operating performance each year, resulting in net losses in 2022 – 2024. This negative ROE indicates that the Company was unable to generate returns for its shareholders during these periods and continued in the first quarter of 2025.

Efficiency Ratio

The Return on Assets (ROA) for the years 2022 – 2024 and 1Q2025 was minus 19.42%, minus 36.74%, minus 71.72%, and minus 83.66%, respectively. The ROA continuously declined due to the Company's deteriorating operating performance each year, resulting in net losses in 2022 – 2024. This negative ROA indicates that the Company was unable to generate returns from its existing assets during these periods and continued in the first quarter of 2025.

Financial Leverage Ratio

The Debt-to-Equity (D/E) Ratio for the years 2022 – 2024 and 1Q2025 was 0.86 times, 2.47 times, 2.18 times, and 1.85 times, respectively. The significant increase in the D/E Ratio in 2023 was primarily due to the full utilization of proceeds from the Initial Public Offering (IPO) and a substantial net loss of THB 3,880.64 million. This loss necessitated increased borrowings from financial institutions and related parties, leading to a rise in total liabilities while shareholders' equity decreased due to the growing accumulated deficit. In 2024, the D/E Ratio decreased. Although the Company continued to experience operating losses, which increased the accumulated deficit and reduced shareholders' equity, lease liabilities decreased significantly due to the termination of lease agreements as part of the Company's business strategy adjustment. Furthermore, the issuance and offering of new ordinary shares to existing shareholders in the third quarter of 2024 contributed to an increase in shareholders' equity. For the first quarter of 2025, the Debt-to-Equity (D/E) Ratio decreased. This was because, despite the Company's operating loss leading to a reduction in accumulated deficit and shareholders' equity, the Company repaid short-term loans totaling THB 1,900 million to KLNT. This repayment caused a proportionally larger decrease in the Company's total liabilities than the decrease in shareholders' equity.

The Interest Coverage Ratio for the years 2022 – 2024 and 1Q2025 was minus 14.66 times, minus 36.52 times, 26.81 times, and minus 30.82 times, respectively. This indicates that the Company was unable to generate Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) from its operations to cover interest expenses. Consequently, the Company had to seek alternative sources of funding, such as borrowings, to meet its interest payment obligations.

9. Industry and Business Outlook

The express delivery industry in Thailand is highly concentrated, consisting of both domestic and international large private companies. The Company has been the most prominent Thai express delivery company (excluding Thailand Post) in terms of scale, network coverage, service quality, and brand reputation, competing with other market participants, including DHL Express, Ninjavan, Flash Express, Best Express, and J&T Express. However, most other players have a smaller operation scale and smaller presence. They focus on selected customers/areas with limited services that do not require extensive operational capabilities to drive operational efficiency and scalability, allowing the company to meet the growing demand for reliable logistics solutions.

With an extensive network of sorting hubs, distribution centers, and service points across Thailand, KEX ensures timely deliveries and broad service accessibility. The Company offers a wide range of services, including door-to-door delivery, pickup/drop-off options, and international shipping, positioning it as a versatile and customer-focused provider. Additionally, KEX's investment in advanced technologies, such as real-time tracking and AI-driven personalization, enhances operational visibility and improves customer experience, further strengthening its competitive edge.

As the logistics industry evolves, KEX's strategic partnerships, innovative solutions, and commitment to expanding its digital capabilities will be pivotal in maintaining its market leadership. The Company's emphasis on sustainability and eco-friendly practices aligns with growing consumer demand for environmentally-conscious services and will contribute to its long-term success. With ongoing investments in infrastructure and technology, KEX is well-positioned to capitalize on emerging market opportunities and continue driving growth both within Thailand and internationally.

The rapid growth of Thailand's express delivery market is expected to continue, fueled by the rise of e-commerce and the country's expanding digital economy. As businesses and consumers increasingly rely on fast, convenient, and cost-effective shipping, the demand for robust delivery infrastructure is intensifying. The rise of digital platforms, online marketplaces, and mobile shopping apps has made it easier for consumers to access goods from both local and global sellers, further driving the need for efficient express delivery services. The increasing number of domestic e-commerce sellers reflects a shift toward a digitally-savvy economy, raising competition among logistics companies to offer innovative solutions, such as same-day delivery, optimized last-mile delivery, and expanded pick-up/drop-off locations. Additionally, the growing popularity of cross-border e-commerce further increases the demand for international shipping services, spurring innovation in the industry.

The market opportunities in the fruit industry are expanding due to increasing consumer demand for fresh, healthy, and convenient food options. As consumers become more health-conscious, there is a growing preference for organic, locally sourced, and exotic fruits. The rise of e-commerce and online grocery platforms has created new channels for fruit distribution, allowing companies to reach a broader customer base. Additionally, the growing trend of sustainable and eco-friendly practices offers opportunities for businesses to innovate in packaging, transportation, and sourcing methods. With the global demand for fruit continuing to rise, there are significant opportunities for growth in both domestic and international markets, especially for suppliers who can offer high-quality products, reliable delivery, and sustainable practices.

Source: Annual Report 2024 (Form 56-1 One Report) of the Company

Attachment 2

Overview of E-Commerce and Express Delivery Business

1. E-Commerce Business

Krungthai COMPASS predicts that Thailand's E-Commerce market has the opportunity to continue growing and reach a value of THB 7.47 trillion in 2025, with an average annual growth rate of 9.6% (CAGR 2024-2025). This growth is supported by the readiness of the digital infrastructure, which is relatively good.

Krungthai COMPASS assesses that the E-Commerce market continues to be popular among Thai people. This is reflected in the significant growth of Thailand's E-Commerce market, which almost doubled from the year 2020. One of the factors contributing to the high growth of the E-Commerce market is the development of digital infrastructure, along with access to the Internet, Social Media, and Smartphones. Additionally, consumer behavior has become more accustomed to purchasing products online. This trend has increased even more after the outbreak of COVID-19, which led to lockdown measures and forced both businesses and consumers to shift towards buying and selling products online.

In addition, another factor that helps drive the continuous growth of the Thai E-Commerce market is price competition from online stores and platform competition that offers discounts for purchasing products through their platforms via various campaigns. This has resulted in consumer spending on purchasing products/services online increasing by more than double, as reflected in data from "We Are Social" indicating that the average spending on E-Commerce purchases has increased by 259% from THB 3,900 per person in 2020 to THB 14,000 per person in 2023. The latest data also shows that 2 out of 3 Thais have a habit of purchasing online products regularly every week, ranking Thailand as the top country in the world for this behavior. This is a significant reason for the Thai E-Commerce market to grow rapidly, expanding by over 76% from THB 3.19 trillion in 2020 to THB 5.64 trillion in 2023, and reaching THB 6.22 trillion in 2026, with an average annual growth rate of 5% (CAGR 2023 - 2026).

The factors contributing to Thailand's digital infrastructure being in a "good" condition include the quality of internet development. However, there are still some areas that need improvement, such as electronic security. Only 57% of Thais have confidence in digital policies, while another 30% are concerned about the security of online payment systems when purchasing goods/services. This concern could hinder the growth of the E-Commerce market.

As Thai people access the Internet and social media more, especially the Baby Boomer group, Thailand now has a high number of Internet users at 63.2 million and social media users at 49.1 million. The Gen Y group is the highest user of the Internet and social media, while the Baby Boomers are a group with a significant increase in users and will become one of the key social media users in the important E-Commerce market.

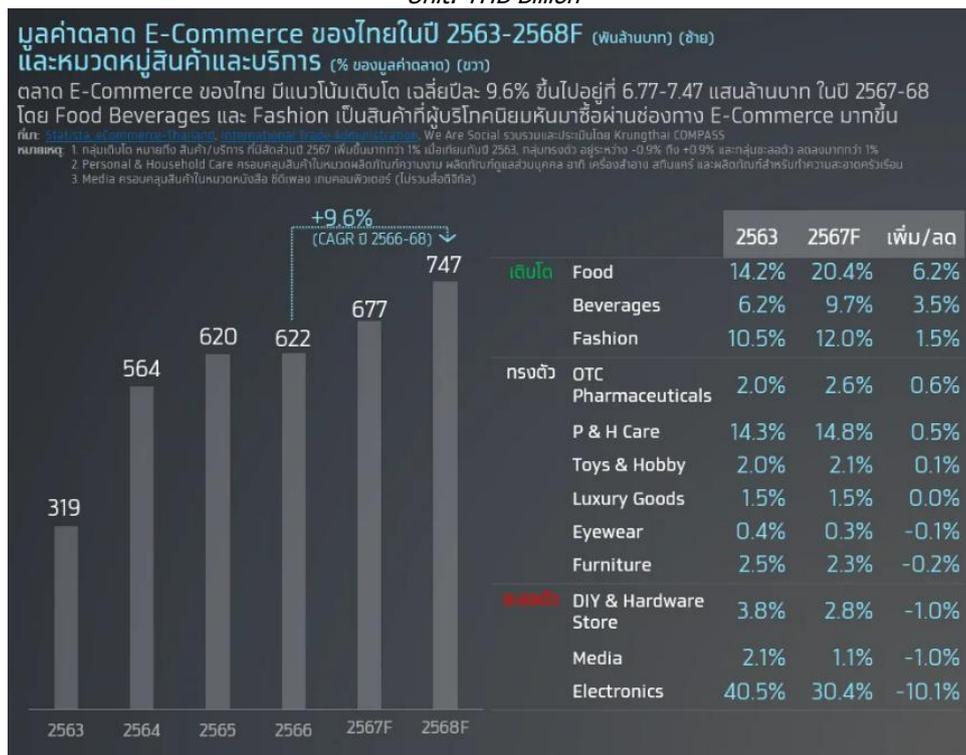
Therefore, entrepreneurs should consider ways to prepare and adapt to cope with and seize opportunities from this group of customers. For example, studying and planning appropriate marketing strategies, choosing communication channels according to preferences, as well as using suitable language to ensure understanding of the content presented, and selecting a large font size for easy visibility and memorability, or designing convenient and easy-to-use purchasing processes and payment methods, etc.

However, e-commerce entrepreneurs may face increasing and intense competition. The advantage of the e-commerce market is the easy buying and selling of products/services online, accessible globally 24 hours a day. There are also various selling channels such as e-marketplace, social commerce, which will make the e-commerce market a more important channel for purchasing goods in the future.

Entering the E-Commerce market is easy and the main choice for most entrepreneurs. While the products being sold are not significantly different, making it easy for consumers to compare prices, this results in high competition. This competition is further intensified by Chinese products entering the market in Thailand through various platforms, making it more challenging for Thai entrepreneurs to compete. Therefore, entrepreneurs should consider appropriate marketing strategies for their business.

To create product highlights and choose appropriate communication channels with consumers that match the target customer group, such as marketing on social media, Google Ads, SEO, or choosing an Omni Channel strategy that integrates online and offline sales channels.

Diagram B-1: Thai e-Commerce Market Value
Unit: THB Billion



Source: Statista eCommerce-Thailand, We Are Social and analyzed by Krungthai COMPASS

When we consider the trends of products that consumers prefer to purchase through E-Commerce channels during the period of 2020-2024 can be divided into 3 groups:

- (1) Growth group:** This group includes products that have increased market share by more than 1%, such as food, beverages, and fashion products. Market shares increased from 14.2%, 2%, and 10.5% in 2020 to 20.4%, 9.7%, and 12.0% in 2024, respectively.
- (2) Stable group:** This group consists of products with market shares that have remained relatively unchanged from 2020, with fluctuations between -0.9% and +0.9%. Examples include basic healthcare products, beauty/body care products, and toys.
- (3) Declining group:** This group includes products with market shares decreasing by more than 1%, such as DIY & Hardware products, media, and electronics. Market shares decreased from 3.8%, 1%, and 40.5% in 2020 to 2.8%, 1.1%, and 30.4% in 2024, respectively.

It is worth noting that the majority of products in the growth group are items with fast turnover rates, such as food and beverages, or products that adapt to trends, such as fashion products like clothing and shoes.

Although electronics sales have expanded in the E-Commerce market by over 59%, from 1.29 trillion baht in 2020 to THB 2.06 trillion in 2024, their market share has decreased by up to 10% over the past 5 years.

Krungthai COMPASS proposes 3 marketing strategies to align with digital trends, including:

1) Digital Marketing

It is another way to communicate with consumers in an era where the Internet has infiltrated daily life. Businesses may adapt various digital marketing channels to suit their needs. The article will delve into 5 interesting online marketing channels, including:

- Influencer Marketing:** Consumers tend to trust recommendations from influencers, whether they are friends or celebrities on social media. **Around 76% of Thai online shoppers choose to purchase products or services based on influencer recommendations.** This makes influencer marketing a key tool to boost sales, especially among younger generations who rely on recommendations from well-known individuals or influencers.
- Creator Marketing:** **According to a survey by TikTok for Business, 75% of TikTok users have purchased products after watching videos from creators, and 65% have**

watched reviews and videos before making a purchase decision. This makes creators or content creators an important marketing tool to connect brands with target audiences through storytelling in various forms, such as writing, images, or videos, to create brand awareness, introduce products to target audiences, and promote products and services.

- **Affiliate Marketing:** It is a marketing strategy where "agents" or affiliate marketers help promote products/services and receive commissions from sales as compensation. They mainly recommend products through various review formats and attach links to make it easier and faster for buyers to purchase products. The advantage of affiliate marketing is its low marketing costs compared to advertising or promoting products through other online channels. Additionally, it allows for setting up action points, such as paying compensation only when a certain sales target is reached. Recently, convenience stores like 7-Eleven have adopted an affiliate marketing strategy by allowing regular customers to become sellers who help 7-Eleven sell products through their online channels, providing a commission of 1-5% as compensation.

2) **AI helps businesses access consumers.**

The use of Artificial Intelligence (AI) is becoming increasingly important and essential for conducting business, both in analyzing consumer behavior, answering questions about products and services through chatbots, increasing production efficiency, managing inventory, and handling and analyzing large amounts of data.

Examples of businesses that use AI include virtual makeup applications developed from AI Face Recognition technology, used to recommend makeup products suitable for customers' skin tones, or Virtual Tours technology developed for the real estate business, allowing consumers to explore virtual house or condominium models.

3) **Prepare to capture consumers in the age group of 55 years and older, or the Baby Boomer group, who have potential and purchasing power.**

Thailand is about to enter the peak of a Super-Aged Society in the year 2029, making the Baby Boomer group one of the main users of social media and an important consumer group for the E-Commerce market.

This consumer group prefers to order products or services through social media channels, followed by E-Marketplaces such as Shopee, Lazada, Kaidee, Grab, and mostly pay for products in cash on delivery. The product categories that Baby Boomers prefer to purchase online the most are pharmaceuticals/supplements, followed by food and beverages.

In this regard, Thai entrepreneurs should consider strategies to prepare and adapt to seize opportunities from Baby Boomer customers, who are a new and interesting target group with potential. For example:

- (1) Study and plan suitable marketing strategies that cater to the behaviors and needs of different from other age groups.
- (2) Choose communication channels according to preferences. Most elderly people prefer to use LINE as it is easy to use for messaging and sharing information.
- (3) Choose language and presentation formats that are suitable for better understanding of the content. Additionally, consider using larger fonts for easy visibility and memorability, or design purchasing processes and payment methods that are convenient and user-friendly.

Source: "It is expected that the Thai E-Commerce market will grow to THB 747 billion in 2025", MoneyAndBanking's website on May 9, 2024

2. Express Delivery Business

The express delivery market will continue to grow in line with the growth of e-commerce businesses. It is expected that this year the market value will be at THB 1.07 trillion, growing by 12% from the previous year, 2023 when the market was valued at THB 9.6 trillion, growing by 13%. The market is dominated by 4 major players: "Thailand Post, Flash Express, J&T, and KEX". "Who will fall and who will survive?"

SHIPPOP, an online service provider that integrates shipping into one system, has analyzed the overall market of express parcel delivery in Thailand and faced a major change. This is due to the rapidly changing consumer purchasing behavior, especially this year. There has been a significant shift from the popularity of selling products through social commerce to the fierce competition in the market brought by the emergence of "shoppertainment".

Currently, almost every platform has started to introduce short videos with the "add to cart" feature, allowing viewers to purchase products immediately while watching. This is one of the key factors that have led to the urgent and interesting adaptation of the express parcel delivery market in Thailand.

In the future, we may see innovations in express parcel delivery services, such as using AI and Big Data technology to enhance delivery efficiency or developing more environmentally friendly services to respond to the growing sustainable trend.

Overview of the express delivery market in Thailand

The express delivery market in Thailand is divided into 7 categories to show the overall picture of the express delivery market in Thailand that covers all types and forms, including

Diagram B-2: Overview of the express parcel delivery market in Thailand



- **Express delivery**

Express delivery service is a basic service that everyone is familiar with. It provides delivery of parcels to the recipient's hands within the specified time frame. The transportation time may vary depending on the distance between the sender and the recipient. Generally, express delivery services have a transportation time ranging from 1 day to 3 days.

- **Temperature-controlled delivery**

Temperature-controlled delivery service is a service for delivering parcels that require maintaining the appropriate temperature. It supports both chilled temperature (0-8 degrees Celsius) and frozen temperature (below -15 degrees Celsius). The popular products for this service include a variety of types such as vegetables, fruits, food, medicine, and electronic products. The express delivery service providers will deliver parcels using vehicles with temperature control systems to maintain the temperature of the parcels throughout the transportation period.

- **On-demand delivery (motorcycle)**

On-demand delivery service (motorcycle) is a service for delivering small parcels that require speed and convenience. The express delivery service providers will deliver parcels using motorcycles, which can quickly access different areas.

- **On-demand delivery (4-6 wheel vehicle)**

On-demand delivery service (4-6 wheel vehicle) is a service for delivering large parcels that require speed and convenience. The express delivery service providers will deliver parcels using cars or trucks, which can transport large parcels.

- **Sending parcels to foreign markets**

Parcel delivery service to foreign markets is a service that provides parcel delivery between countries. The express parcel delivery service provider will deliver parcels through various international transportation channels such as airplanes, ships, and trains. It is necessary to check each carrier before

delivery to determine which destinations they support, as some carriers may only operate in certain countries.

- **Fulfillment**

Fulfillment is a crucial process for e-commerce businesses, as it helps businesses efficiently and quickly deliver products to customers. Fulfillment includes various steps such as:

1. Receiving goods: Receiving goods from manufacturers or suppliers
2. Storing goods: Storing goods in warehouses
3. Preparing goods: Preparing goods for delivery, such as packaging, labeling, and printing invoices
4. Delivering goods: Transporting goods to buyers

The continuous growth of Fulfillment businesses is a result of the growth of e-commerce businesses. Online sellers have various distribution channels, such as TikTok Shop, Shopee, Lazada, which increases the demand for Fulfillment services. E-commerce businesses require comprehensive services from storing goods, packing goods, to delivering goods to provide convenience to customers.

- **Shipping Aggregator**

A shipping aggregator is a service provider that collects and delivers parcels from multiple transportation service providers, making it easier and faster for businesses to compare prices and services of different parcel delivery service providers. It is very beneficial for e-commerce businesses, such as:

1. Reducing transportation costs: Shipping aggregators often receive discounts from transportation service providers, allowing e-commerce businesses to save on transportation costs.
2. Increasing transportation efficiency: Shipping aggregators can use technology to track parcel status and improve transportation efficiency.

In summary, both Fulfillment and Shipping Aggregator are important services for e-commerce businesses. Fulfillment helps businesses efficiently and quickly deliver products to customers, while Shipping Aggregator helps businesses save on transportation costs and improve transportation convenience.

The express parcel delivery market in Thailand has high growth potential in the future due to the growth of e-commerce businesses. Parcel delivery service providers should prioritize the development of services and technology to meet the diverse and constantly changing consumer demands.

Top 4 transportation service providers in Thailand (updated September 20, 2024)

Diagram B-3: Top 4 transportation service providers in Thailand



1. **Thailand Post** still maintains its position as the market leader, with increased revenue and successfully turning losses from the previous year into profits.
2. **Flash Express** has risen to the number 2 spot in the market, showing significant growth with revenue numbers close to Thailand Post Limited, which is around 20 billion baht. However, they still face a loss of THB 599 million, but the decrease in loss is significant.

3. **J&T Express** has seen significant growth, especially from the parcel delivery volume of TikTok, placing them at number 3 with revenue of around THB 18 billion, but they also have a high loss of THB 7 billion.
4. **KEX Express**, rebranded from "Kerry Express," faced a decrease in revenue and significant losses in the year 2022-23. However, it is important to monitor changes after the rebranding. KEX Express remains a major express parcel delivery service provider with over 13,000 service points nationwide and 600 distribution centers covering all areas of the country, capable of handling over 2.3 million parcels per day.
5. Other transport companies have also closed or ceased operations, and it is important to observe how they will adapt.

In this regard, the summary of the performance of the top 4 transportation service providers in Thailand is as follows:

Table B-1: Performance results of the top 4 transportation service providers in Thailand for the past 5 years.

Unit: THB Million

No.	Company	2019		2020		2021		2022		2023	
		Revenue	Net Profit (Loss)								
1.	Thailand Post ^{1/2/}	27,162.50	589.15	23,715.49	238.05	21,226.73	(1,730.34)	19,546.49	(3,018.41)	20,934.47	78.54
2.	Flash Express ^{1/3/}	2,122.82	(1,665.58)	9,738.87	(716.30)	17,607.46	5.66	14,805.34	(2,186.25)	20,093.40	(559.49)
3.	J&T Express ^{1/4/}	1,106.19	(1,373.92)	5,050.27	(106.47)	7,306.57	(821.80)	11,833.52	1,517.32	18,511.63	(7,093.54)
4.	KEX Express ^{5/6/}	19,894.60	1,328.55	19,037.18	1,337.61	19,261.69	31.29	17,162.89	(3,083.96)	11,534.42	(4,004.97)

Remarks:

- 1/ <https://corpusxweb.bol.co.th>
- 2/ Thailand Post refers to Thailand Post Company Limited
- 3/ Flash Express refers to Flash Express Company Limited
- 4/ J&T Express refers to Global JET Express (Thailand) Company Limited
- 5/ KEX Express refers to KEX Express Public Company Limited
- 6/ Information from the separate financial statements of KEX Express for the fiscal years 2020, 2021, 2022, 2023, and 2024.

Source:

- "Update on Thailand E-Commerce Logistics 2023 by SHIPPOP: How is express parcel delivery in Thailand?" from SHIPPOP's website on September 6, 2023
- "Overview of the express parcel delivery market in Thailand, updated in 2024 or 2567 Thailand e-commerce Logistic Landscape 2024" from SHIPPOP's website on September 17, 2024.
- "Exploring the business landscape of express parcel delivery "Post-Flash-J&T-KEX" competing for a market worth billions" from the Economic Base website on October 30, 2024