(Translation)

Opinion of the Independent Financial Advisor Regarding Connected Transaction and Application for a Waiver from the Requirement to Make a Tender Offer for All Securities by Virtue of the Resolution of the Shareholders' Meeting (Whitewash)

of

AMARIN

Amarin Printing and Publishing Public Company Limited

1. **Connected transaction in the allocation and offering of newly issued ordinary shares of Amarin Printing and Publishing Public Company Limited on a private placement basis**
2. **Application for a waiver from the requirement to make a tender offer for all securities of Amarin Printing and Publishing Public Company Limited by virtue of the resolution of the shareholders' meeting (Whitewash)**

Prepared by

Advisory Plus Company Limited

January 12, 2017

This English report of the Independent Financial Advisor's Opinion has been prepared solely for the convenience of foreign shareholders of Amarin Printing and Publishing 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.

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Abbreviations

The Company or AMARIN	Amarin Printing and Publishing Public Company Limited
ATV	Amarin Television Company Limited
ABOOK	Amarin Book Center Company Limited
KADOKAWA	KADOKAWA Amarin Company Limited
WPS	WPS (Thailand) Company Limited
Purchaser or Applicant	Vadhanabhakdi Company Limited by Mr. Thapana Sirivadhanabhakdi and Mr. Panote Sirivadhanabhakdi
Whitewash	Application for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders' meeting
Digital TV License	License to utilize allocated frequencies for digital television services
Independent Financial Advisor or IFA	Advisory Plus Company Limited
The Company's Financial Advisor	Thanachart Securities Public Company Limited
SEC	The Office of the Securities and Exchange Commission
SET	The Stock Exchange of Thailand
Connected Transaction Notifications	Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions and Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 and as amended

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Subject : Opinion of the Independent Financial Advisor regarding connected transaction and application for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders' meeting (Whitewash) of Amarin Printing and Publishing Plc.

1. Connected transaction in the allocation and offering of newly issued ordinary shares of the Company on a private placement basis to a specific person who is a connected person

2. Application for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders' meeting (Whitewash)

To The Audit Committee and the Shareholders
Amarin Printing and Publishing Plc.

The Board of Directors' Meeting of Amarin Printing and Publishing Plc. ("the Company" or "AMARIN") No. 6/2016, held on November 24, 2016, passed the following significant resolutions:

1. A resolution was passed to propose that the shareholders' meeting consider and approve the increase of the Company's registered capital by Baht 200,000,000 from the existing registered capital of Baht 219,999,865 to Baht 419,999,865, by issuing 200,000,000 new ordinary shares, with a par value of Baht 1.00 per share, to be allocated and offered to Vadhanabhakdi Co., Ltd. by Mr. Thapana Sirivadhanabhakdi and Mr. Panote Sirivadhanabhakdi ("Purchaser" or "Applicant"), at an offering price of Baht 4.25 per share and in the total sum of Baht 850,000,000, whereby the Purchaser would become a major shareholder after the purchase of such newly issued ordinary shares, holding 47.62% of the Company's total issued shares (following registration of the Company's paid-up capital).

A resolution was also passed to propose that the shareholders' meeting consider and approve the allocation of the Company's newly issued ordinary shares which constitutes a listed company connected transaction because the transaction will be entered into with a juristic entity whose major shareholders will be nominated as the Company's executives or controlling persons (executives are inclusive of directors of the Company) pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions dated August 31, 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand ("SET") Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 dated November 19, 2003 (as amended) ("Connected Transaction Notifications").

The total size of the connected transaction is 122.36% of the net tangible assets (NTA) of the Company and its subsidiaries, calculated based on their consolidated financial statements for the nine-month period ended September 30, 2016, which is higher than Baht 20 million and exceeds 3% of the NTA of the Company and its subsidiaries. Therefore, the Company is required to prepare and disclose a report on the connected transaction to the SET and seek approval for entering into the transaction from the shareholders' meeting with a vote of not less than three-fourths of the votes of the shareholders attending such meeting and having the right to vote, excluding the votes of the shareholders who have a conflict of interest. However, none of the shareholders have any vested interest in such transaction.

The allocation and offering of the Company's newly issued ordinary shares to the Purchaser at the offering price of Baht 4.25 per share is an offering of newly issued ordinary shares with a discount of 43.11% of the market price,[1] which is an offering price with a discount of more than 10% of the market price pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 72/2558 Re: Permission for Listed Companies to Offer Newly Issued Shares to Specific Investors ("TorChor. 72/2558 Notification"). Therefore, the said allocation and offering of the Company's newly issued ordinary shares to the Purchaser must be approved at the shareholders' meeting of the Company with a vote of not less than three-fourths of the votes of the shareholders attending such meeting and having the right to vote and without any objection by the shareholders holding an aggregate of 10% or more of the total votes of the shareholders attending such meeting and having the right to vote on the offering of shares at such offering price. In addition, the Company must obtain approval from the Office of the Securities and Exchange Commission ("SEC") before the allocation and offering of the Company's newly issued ordinary shares to the Purchaser.

In the case that the offering price of the Company's newly issued ordinary shares is lower than 90% of the market price during 7-15 business days prior to the offering to the Purchaser, the Company will prohibit the Purchaser, which has been allocated the entire newly issued ordinary shares, from selling those shares within one year from the first day on which the Company's newly issued ordinary shares are traded on the SET (Silent Period). Nonetheless, the Purchaser may sell not more than 25% of the lock-up shares after the Company's newly issued ordinary shares have been traded on the SET for six months. This is in line with the provisions under the SET Notification Re: Rules, Conditions and Procedures Governing the Listing of Ordinary or Preferred Shares Issued for Capital Increase B.E. 2558. The Company must ensure that the prohibition of the Purchaser from selling the allocated shares is duly effected before the SET approves the acceptance of its newly issued ordinary shares as listed securities.

2. A resolution was passed to propose that the shareholders' meeting consider and approve the waiver from the requirement to make a tender offer for all securities of the business by virtue of the resolution of the shareholders' meeting of the Company (Whitewash) pursuant to the Notification of the SEC No. SorChor. 36/2546 Re: Rules for the Application for a Waiver from the Requirement to Make a Tender Offer for All Securities of the Business by Virtue of the Resolution of the Shareholders' Meeting of the Business dated November 17, 2003 ("SorChor. 36/2546 Notification"). This is because after the allocation of 200,000,000 newly issued ordinary shares of the Company to the Purchaser, the Purchaser will hold 47.62% of the Company's total issued shares and total voting rights (following registration of the Company's paid-up capital), which crosses the trigger point of 25% of the Company's total issued shares and total voting rights (following registration of the Company's paid-up capital). As a result, the Purchaser is required to make a tender offer for all securities of the Company pursuant to the Securities and Exchange Act B.E. 2535 (as amended) ("SEC Act") and the Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (as amended) ("TorChor. 12/2554 Notification"). However, the Purchaser does not wish to make a tender

[1] The "market price" means the weighted average price of the Company's ordinary shares traded on the SET during seven consecutive business days prior to the date on which the Company's Board of Directors passed a resolution to propose the said offering of the Company's newly issued ordinary shares for approval at the Extraordinary General Meeting of Shareholders No. 1/2017, i.e. from November 15, 2016 to November 23, 2016, which was equivalent to Baht 7.47 per share.

offer for all securities of the Company, but wishes to apply for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders' meeting of the Company (Whitewash). In this regard, the said application for a waiver from the requirement to make a tender offer for all securities is subject to approval from the shareholders' meeting of the Company with a vote of not less than three-fourths of the votes of the shareholders attending such meeting and having the right to vote.

The Company has set to convene the Extraordinary General Meeting of Shareholders No. 1/2017 on February 10, 2017 at 02.00 p.m. to consider and approve all above mentioned issues and other related matters as indicated on the meeting agenda, including the reduction of the registered capital by canceling 135 authorized but unissued shares of the Company and the amendment to Clause 4 of the Memorandum of Association to be in line with the reduction and the increase of the Company's registered capital. Since all these agenda items are related to and conditional upon one another, if any of them is disapproved at the shareholders' meeting, the other agenda items which have been approved will be cancelled and there will be no further consideration of the remaining agenda items. In such event, it will be deemed that the matters are disapproved at the shareholders' meeting.

In seeking approval from the shareholders' meeting for all above matters, the Company is required to arrange for an independent financial advisor to provide opinion to the shareholders regarding reasonableness of the transaction and fairness of price and conditions for the transaction, as well as opinion on the application for a waiver from the requirement to make a tender offer for all securities and appropriateness of price of newly issued securities to be offered to the Purchaser, to be a basis for the shareholders' consideration and approval of the transaction. In this respect, the Company has appointed Advisory Plus Co., Ltd. as the independent financial advisor ("IFA") to render opinion to the Company's shareholders regarding such transaction.

In providing our opinion on such transaction, the IFA has studied information and documents obtained from the Company, including publicly available information such as the Board of Directors' resolutions relevant to the transaction, Capital Increase Report Form and information memorandum relating to the transaction, letter of request for resolution of the shareholders' meeting to approve an acquisition of new securities without making a tender offer for all securities of the business (Form 247-7), annual registration statement (Form 56-1), the auditor report, financial statements, financial projection and relevant assumptions, property appraisal report, Share Subscription Agreement, contracts and licenses relating to the Company's business operation, and information obtained from interviews with the management of the Company and its subsidiaries, as well as assessment of relevant industry situations and economic factors, as a basis for the analysis and rendering of opinion on such transaction.

The opinion expressed herein is based on the assumption that all information and documents obtained from the Company and other concerned parties, publicly available information, other relevant information and information derived from the interviews with the management of the Company and its subsidiaries are true, correct and complete without any material change therein, and that there is no incident having occurred, currently occurring or likely to occur which may significantly affect the Company's business performance and financial status. Moreover, our consideration has been made based solely on the economic environment and the information prevailing at the time of conducting this study. As such, if there is any significant change in these factors, it will likely pose a material impact on the transaction described herein and also on the Company and the shareholders' decision. Therefore, we may not affirm as to whether there will be any material impact on the Company and its shareholders in the future. Our objective is merely to render an opinion to the shareholders regarding the entry into the transaction as described above. The decision whether to vote in favor of the transaction depends primarily on the shareholders' individual judgment. In providing opinion for the shareholders, we take into account the reasonableness, price and conditions for the transaction together with all relevant factors. We have considered such information thoroughly and reasonably according to the professional standards.

Our opinion is as follows:

Executive Summary

The Board of Directors' Meeting of the Company No. 6/2016, held on November 24, 2016, passed the resolution to propose that the shareholders' meeting consider and approve the significant matters which are (1) the increase of the Company's registered capital, the allocation and offering of the Company's newly issued ordinary shares on a private placement basis, which constitutes a connected transaction, and the offering of the Company's newly issued ordinary shares on a private placement basis at the offering price with a discount of more than 10% of the market price, whereby the Company will increase its registered capital by Baht 200,000,000 from the existing registered capital of Baht 219,999,865 to Baht 419,999,865, by issuing 200,000,000 new ordinary shares, with a par value of Baht 1.00 per share, to be allocated and offered to Vadhanabhakdi Co., Ltd. by Mr. Thapana Sirivadhanabhakdi and Mr. Panote Sirivadhanabhakdi ("Purchaser" or "Applicant"), at an offering price of Baht 4.25 per share and in the total sum of Baht 850,000,000; and (2) the waiver of the Purchaser from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders' meeting (Whitewash).

The said allocation and offering of the Company's newly issued ordinary shares to the Purchaser constitutes a listed company connected transaction because the transaction will be entered into with a juristic entity whose major shareholders will be nominated as the Company's executives or controlling persons (executives are inclusive of directors of the Company) pursuant to the Connected Transaction Notifications. The total size of the connected transaction is 122.36% of the net tangible assets (NTA) of the Company and its subsidiaries, calculated based on their consolidated financial statements for the nine-month period ended September 30, 2016, which is higher than Baht 20 million and exceeds 3% of the NTA of the Company and its subsidiaries. Therefore, the Company is required to prepare and disclose a report on the connected transaction to the SET and seek approval for entering into the transaction from the shareholders' meeting with a vote of not less than three-fourths of the votes of the shareholders attending such meeting and having the right to vote.

The allocation and offering of the Company's newly issued ordinary shares to the Purchaser at the offering price of Baht 4.25 per share is an offering of newly issued ordinary shares with a discount of 43.11% of the market price, which is **an offering price with a discount of more than 10%** of the market price pursuant to the TorChor. 72/2558 Notification. Therefore, the said allocation and offering of the Company's newly issued ordinary shares to the Purchaser must be approved at the shareholders' meeting of the Company with a vote of not less than three-fourths of the votes of the shareholders attending such meeting and having the right to vote and without any objection by the shareholders holding an aggregate of 10% or more of the total votes of the shareholders attending such meeting and having the right to vote on the offering of shares at such offering price. In addition, the Company must obtain approval for the offering of newly issued ordinary shares on a private placement basis from the SEC before the allocation and offering of the Company's newly issued ordinary shares to the Purchaser.

In the case that the offering price of the Company's newly issued ordinary shares is lower than 90% of the market price during 7-15 business days prior to the offering to the Purchaser, the Company will prohibit the Purchaser, which has been allocated the entire newly issued ordinary shares, from selling those shares within one year from the first day on which the Company's newly issued ordinary shares are traded on the SET (Silent Period). Nonetheless, the Purchaser may sell not more than 25% of the lock-up shares after the Company's newly issued ordinary shares have been traded on the SET for six months. This is in line with the provisions under the SET Notification Re: Rules, Conditions and Procedures Governing the Listing of Ordinary or Preferred Shares Issued for Capital Increase B.E. 2558. The Company must ensure that the prohibition of the Purchaser from selling the allocated shares is duly effected before the SET approves the acceptance of its newly issued ordinary shares as listed securities.

Besides, the allocation of 200,000,000 newly issued ordinary shares of the Company to the Purchaser will result in the Purchaser acquiring 47.62% of the Company's total issued shares and total voting rights (following registration of the Company's paid-up capital), which crosses the trigger point of 25% of the Company's total issued shares and total voting rights. As a result, the Purchaser is required to make a tender offer for all securities of the Company pursuant to the SEC Act and the TorChor. 12/2554 Notification. However, the Purchaser does not wish to make a tender offer for all securities of the Company, but wishes to file an application to the SEC for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders' meeting (Whitewash) according to the SorChor. 36/2546 Notification. In this regard, the Purchaser will be granted the whitewash waiver only after an approval is obtained from the shareholders' meeting of the Company for the issue and allocation of new ordinary shares for offering to the Purchaser and approval for the waiver of the Purchaser from the requirement to make a tender offer for all securities of the Company after having acquired the Company's ordinary shares in the amount specified above, with a vote of not less than three-fourths of the votes of the shareholders attending such meeting and having the right to vote, excluding the votes of the shareholders who have a conflict of interest.

The connected transaction in the allocation and offering of newly issued ordinary shares of the Company on a private placement basis to a specific investor, namely Vadhanabhakdi Co., Ltd. by Mr. Thapana Sirivadhanabhakdi and Mr. Panote Sirivadhanabhakdi, is considered appropriate and beneficial to the Company. This is because, given its present circumstances, the Company has an urgent need to use funds obtainable from such shares offering for meeting its working capital requirement in business operation and for repaying a huge amount of due debt under all obligations. The Company has been ridden with a substantial amount of successive loss incurred from operation of the digital TV business by its subsidiary, ATV, for almost the past three years. As shown on its consolidated financial statements for 2014-2015 and the first nine months of 2016, the Company and its subsidiaries recorded a net loss of Baht (91.46) million, Baht (416.41) million and Baht (468.93) million respectively.

The said successive loss incurred by the Company resulted from the huge amount of loss from operation of the digital TV business by its subsidiary, which carried high costs and expenses such as amortization of the Digital TV License, Network Service Fee, depreciation of studio equipment, cost of employees and personnel in supporting function divisions, cost of program production, selling and administrative expenses, finance cost from borrowing from financial institutions to pay the Digital TV License, etc., most of which are fixed costs already borne by ATV. At the same time, service income from airtime rental, mainly consisting of advertising fee and occupancy rate, could not meet the projection due primarily to changes in consumer behaviors which are shifting away from advertising media via television, radio and printed materials to out-of-home media and the Internet in line with consumers' greater preference for online media. Moreover, consumers have a limited access to digital TV as the authority is still unable to achieve the digital TV network development to cover all areas as planned. The emergence of as many as 24 digital TV channels has intensified competition in this business. Meanwhile, the program development of ATV still cannot respond to demand from all target groups and its rating remains unsatisfactory, thus failing to attract advertising expenditure as projected. Under the stagnant economic condition without a clear sign of recovery, advertising expenditure of business sectors, which are the Company's major income sources, has accordingly grown at a decelerating rate, thereby causing the Company's income generating ability and expected growth in the digital TV business to fail to meet the projection. As a consequence, ATV has suffered from a huge amount of loss from Q2/2014 up to the present period and began to show negative net worth in Q2/2015. As of June 30, 2016 and September 30, 2016, ATV recorded negative net worth of Baht (164.78) million and Baht (331.68) million respectively.

The enormous amount of successive loss has adversely affected the Company's financial position, liquidity and cash flow used in its overall business operation. Furthermore, ATV will in the near future have to pay a large sum of obligations by the due dates set forth in the agreements, including the fourth payment of the Digital TV License by May 2017 in the amount of Baht 513 million (of which approximately Baht 410 million is expected to be covered by loans from financial institutions), repayment of principal for the loans from financial institutions in an average amount of

Baht 23 million a month (for loan repayment due in 2017), and payment of Network Service Fee of Baht 14.16 million per month (VAT excluded), while still requiring working capital in business operation. As of September 30, 2016, ATV had cash and cash equivalents of only Baht 18.84 million, which is insufficient to meet its needs of working capital and payment of all obligations under the agreements although it can draw down loans from financial institutions. As for the Company, it has cash and cash equivalents of Baht 291.03 million which must be reserved for the operation of its other lines of business. Without raising additional funds from external sources, the Company itself has not enough funds to support the business operation of ATV.

As a result, it is necessary for the Company to seek additional funding for all operations urgently to ensure its subsidiary company's business continuity in the future. Moreover, due to its huge debt burden, the Company's debt to equity (D/E) ratio according to its consolidated financial statements as at September 30, 2016 was as high as 4.32 times. (Under the financial covenants set forth in the loan agreements made with financial institutions, the Company must maintain the D/E ratio at not over 2 times, which the financial lenders will measure from the Company's yearly consolidated financial statements. Therefore, the Company is currently negotiating with the financial institutions for a relaxation of such condition, the outcome of which is expected in February 2017.) As of the end of 2015, its D/E ratio stood at 2.66 times and the Company was unofficially granted a relaxation of such financial covenants from the financial institutions. Since it is likely that the ratio, calculated from its consolidated financial statements for 2016, will increase further, the Company is prone to risk of default on the loan agreements given that the relaxation is not approved by the financial institutions. Besides, the high D/E ratio will dampen its ability to raise additional loans from financial institutions.

As a result, fund raising by way of capital increase is deemed appropriate and beneficial to the Company and will help improve its capital structure, leading its D/E ratio to decline from 4.32 times to 2.25 times (calculated from its financial position under the consolidated financial statements as at September 30, 2016: total liabilities / (shareholders' equity + capital increase funds from offering of newly issued ordinary shares to the Purchaser) = 3,994.96 / (925.67 + 850.00)). Therefore, the Company believes that this will help ease its negotiation with the financial institutions for relaxation of the financial covenants.

The Company will use funds receivable from the said offering of newly issued ordinary shares partly for repaying loans from financial institutions due in 2017 and will repay the remaining loans with funds to be obtained from its future operation. If such funds from its future operation are inadequate, the Company may consider increasing its registered capital by offering newly issued ordinary shares to its existing shareholders or to specific investors so as to secure sufficient cash flow for making loan repayment to financial institutions.

When compared with other options of share allocation, if the Company offers the newly issued ordinary shares to other specific investor who is not the Purchaser or to its existing shareholders, it may risk failing to sell the full amount of shares and at a reasonable price or the investor may impose other conditions that are unacceptable to the Company. In addition, it may take a longer time in the negotiation or implementation process. Likewise, the offering of newly issued shares to the public involves a more lengthy process. As such, the Company will be unable to timely and adequately secure the desired amount of funds, which may affect the subsidiary's business continuity and ability to repay loans and relatively have an impact on the Company, as the parent and loan guarantor of the subsidiary.

By entering into this transaction, the Company will be able to mobilize the desired amount of funds promptly and completely. Besides, the capital increase will help strengthen its financial position from increase in shareholders' equity and significantly reduce its D/E ratio. The Purchaser will become its major shareholder and has no plan or policy either to materially change the Company's objectives and business management plan or to delist the Company's securities from the SET. Thus, the Company will be able to continuously operate its business and partner with a strategic shareholder who could help enhance the long-term business capability since the new partner has experience and expertise in diverse fields of business, particularly the business related to retail consumers, media and advertising, and also has a strong financial status and good business connections. This will help enhance confidence in the Company among investors and all groups of stakeholders and further strengthen the Company's potential and competitiveness in the future.

Nonetheless, entering into such transaction will at the same time create impacts and risks to the Company. Its existing shareholders will suffer control dilution from the current 100.00% to 52.38% and significant price dilution of 20.48% after registration of the Company's paid-up capital due to the fact that such offering of newly issued ordinary shares of the Company will be made at the offering price which is lower than the market price. Meanwhile, no earnings dilution will occur because after the capital increase, the Company's shares will increase and the value of loss per share of the Company will decrease under the same assumptions using the same net loss amount. However, if in the future the Company's net loss increases to a certain level, the capital increase may not enable the Company to decrease such loss per share. Loss incurred by the Company has resulted from the substantial amount of loss from the business operation of ATV which earned a considerably low income from advertising fee but carried high operation costs and expenses. Its expenses mainly were fixed costs from amortization of Digital TV License, Network Service Fee, together with high finance costs from a large amount of borrowing, cost of program production, and selling and administrative expenses during the start-up phase of the digital TV business. If ATV cannot grow its revenues in the future, the Company will likely suffer a greater amount of net loss.

After acquisition of the newly issued ordinary shares, the Purchaser will hold 47.62% of the Company's total issued shares (after capital increase), which does not constitute a majority vote. However, if at any shareholders' meeting there are any shareholders, other than the Purchaser, being absent or appointing no proxy, the number of votes cast by the Purchaser may then exceed a half of the votes of the shareholders attending such meeting and having the right to vote, thereby leading the Purchaser to be able to control all resolutions required to be passed by a majority vote. Other shareholders will therefore be unable to gather sufficient votes to exercise checks and balances against the Purchaser. In the event that the number of votes cast by the Purchaser reaches or exceeds 75% of the total voting rights, the Purchaser will be able to totally control all resolutions, including some matters required by law to obtain affirmative votes of not less than three-fourths of the total voting rights.

Besides, the issue and offering of new ordinary shares of the Company at the offering price which is lower than the market price of the Company's shares falls into the financial reporting standard on share-based payments, under which the Company is required to record the different result between the offering price and the fair value of those shares as expense from the share-based payment, thus possibly leading the Company to incur a higher net loss from operation. However, in view of the rationale and necessity of the Company to raise a huge amount of funds timely and sufficiently to cover all expenses arising from the existing obligations in the digital TV business operation without affecting its other business lines and under the present circumstances where the Company has successively incurred a large amount of loss, the country's overall economy has been slackening and the digital TV industry has been highly competitive, the allocation and offering of newly issued ordinary shares to the Purchaser under this transaction is therefore deemed more beneficial to the Company when compared with the aforementioned effects.

Regarding the offering price of the newly issued ordinary shares of the Company to the connected person at Baht 4.25 per share, we deem that **it is a reasonable price** because such price is in the range of the fair value we have measured by the discounted cash flow approach at Baht 4.06 - 4.28 per share and is in the share price range derived from the sensitivity analysis of Baht 2.35 - 5.99 per share. We did not select book value approach, adjusted book value approach and price to book value approach for valuation of AMARIN shares because those methods did not focus on the future performance, profitability and competitive potential of the Company and its subsidiaries, or the overall economic and industrial trend. Moreover, there is limitation to the share valuation by the approaches that are based on the Company's book value in the present circumstances where the

Company and its subsidiaries have successively incurred a huge amount of loss which will likely increase further and will accordingly lead its book value in the near term to decline amid the ongoing slowdown in the economy and the related industries. At the same time, the Company is short of funds for business development or expansion to enhance its competitiveness and improve its performance, while still facing a high level of risk from liquidity crunch and a substantial amount of debts and obligations. We did not select market value approach since this method cannot fairly reflect the true value of the Company's shares due to the thin trading and low daily turnover of its shares on the stock market.

In addition, we view that the conditions for the transaction in the allocation and offering of newly issued ordinary shares of the Company to the connected person are appropriate because they are consistent with the general business practices or are based on the negotiation and agreement between the relevant agreement parties with respect primarily to appropriateness and the Company’s interest without causing the Company to lose any benefit.

We are of the opinion that the allocation and offering of newly issued ordinary shares of the Company on a private placement basis to a specific investor, namely Vadhanabhakdi Co., Ltd. by Mr. Thapana Sirivadhanabhakdi and Mr. Panote Sirivadhanabhakdi, which constitutes a connected transaction, is reasonable with a fair price and fair conditions. The Company and the shareholders will gain benefits from this transaction. Thus, we recommend that the shareholders should vote to approve the allocation and offering of newly issued ordinary shares of the Company on a private placement basis to a specific investor.

As regards the application for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders’ meeting (Whitewash), the Purchaser intends to acquire 200,000,000 newly issued ordinary shares of the Company at the offering price of Baht 4.25 per share, which will result in the Purchaser holding 47.62% of the Company’s total issued shares (following registration of the Company’s paid-up capital). Such percentage of shareholding crosses the trigger point of 25% of the Company’s total voting rights which requires the Purchaser to make a tender offer for all securities of the Company. However, the Purchaser does not wish to make a tender offer, but wishes to file an application for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders’ meeting (Whitewash).

In our opinion, the allocation and offering of newly issued ordinary shares of the Company to the Purchaser is appropriate and beneficial to the Company since it will enable the Company to secure a huge amount of funds within a short period of time. The Company plans to use funds obtainable from the offering of its newly issued ordinary shares to the Purchaser for making the fourth payment of the Digital TV License in the amount net of the loan drawdown under the loan agreement, repaying loans to financial institutions, and as working capital in the business operation to cover Network Service Fee, program production cost, etc., which will help to increase its income and profit in the future.

Moreover, the Purchaser will hold a majority of shares in the Company as a strategic shareholder who has readily available funds, experience and expertise in diverse fields of business especially with respect to retail consumers, media and advertising. The Purchaser is famous and widely accepted, with good relationship with various business groups and financial institutions that will help enhance confidence in the Company among investors and all groups of stakeholders. The Purchaser has no plan to materially change the Company’s business operation policy during the next 12 months. Therefore, the Company will continue to operate its business as usual, but with a stronger financial position and an opportunity to expand business and to grow and improve its performance in the future, which will further allow for its shareholders to gain a higher return and share of profit from investment in the Company in the future.

However, entering into this transaction will cause control dilution and price dilution effects on the Company’s existing shareholders. Besides, the issue and offering of new ordinary shares of the

Company at the offering price which is lower than the market price of the Company's shares falls into the financial reporting standard on share-based payments, under which the Company is required to record the different result between the offering price and the fair value of those shares as expense from the share-based payment, thus possibly leading the Company to incur a higher net loss from operation. Moreover, the Purchaser's acquisition of a significant percentage of shares which exceeds 25% of the Company's total voting rights will enable the Purchaser to exercise a block vote on crucial matters that require affirmative votes of not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote. The Purchaser will nominate not more than three representatives as the Company's directors to participate in determining policy and plan on business management in the Company.

The offering price of the Company's newly issued ordinary shares to the Purchaser of Baht 4.25 per share is considered **a reasonable price** as discussed above.

We are of the opinion that the transaction is reasonable and the transaction price and conditions are fair. The Company and the shareholders will gain benefits from this transaction. Therefore, we recommend that the shareholders should vote to approve the connected transaction in the allocation and offering of newly issued ordinary shares of the Company on a private placement basis to a specific investor and the waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders' meeting (Whitewash).

In deciding whether to approve or not approve the entry into the transactions described above, the shareholders can consider the reasons and opinion provided herein by the IFA. However, the final decision depends primarily on the shareholders' individual judgment.

1. Connected transaction in the allocation and offering of newly issued ordinary shares of the Company on a private placement basis

1.1 Nature and details of the transaction

1.1.1 Nature of the transaction

The Board of Directors' Meeting of the Company No. 6/2016, held on November 24, 2016, passed the resolution to propose that the shareholders' meeting consider and approve the increase of the Company's registered capital by Baht 200,000,000 from the existing registered capital of Baht 219,999,865 to Baht 419,999,865 by issuing 200,000,000 new ordinary shares, with a par value of Baht 1.00 per share, to be allocated and offered to the Purchaser at an offering price of Baht 4.25 per share and in the total sum of Baht 850,000,000. Such offering price is lower than the weighted average market price of the Company's ordinary shares traded on the SET during seven consecutive business days prior to the date on which the Company's Board of Directors passed a resolution to propose the said offering of the Company's newly issued ordinary shares to the Purchaser for approval at the Extraordinary General Meeting of Shareholders No. 1/2017, i.e. from November 15, 2016 to November 23, 2016, which was equivalent to Baht 7.47 per share.

In its present circumstances, the Company has been ridden with loss from operation during the past two to three years. In 2014-2015 and the first nine months of 2016, the Company recorded a net loss of Baht 91.46 million, Baht 416.40 million and Baht 468.93 million respectively, which has affected its liquidity and adequacy of cash flow used in business operation. At the same time, its debt to equity ratio edged up, standing at as high as 4.32 times as of September 30, 2016. (Under the financial covenants set forth in the loan agreements made with financial institutions, the Company must maintain the D/E ratio at not over 2 times.) Although the Company was unofficially granted a relaxation of such financial covenants from the financial institutions, its high debt burden will dampen its ability to secure additional funding for its future business operation.

The huge amount of successive loss stemmed from loss incurred from the digital TV business operated by its subsidiary, Amarin Television Co., Ltd. ("ATV"). ATV was awarded the license to use allocated frequencies for national commercial digital television services and made the first digital TV broadcasting on May 23, 2014 on Amarin TV HD Channel 24. ATV has since then carried high operation costs, arising from fee for the license to use the frequency spectrum for digital television services (the "Digital TV License"), monthly digital TV network service fee ("Network Service Fee"), capital expenditure on investment in studio equipment, cost of program production, cost of employees and personnel in supporting function divisions, and remarkably higher finance cost from borrowing from financial institutions to finance the acquisition of the digital TV license. Some of these expenses are fixed costs already borne by ATV. At the same time, service income from airtime rental, mainly consisting of advertising fee and occupancy rate, could not meet the projection probably due to the fact that the authority is still unable to achieve the digital TV network development to cover all areas as planned. Meanwhile, the program content of ATV still cannot respond to demand from all target groups and its rating remains unsatisfactory. Competition in the digital TV business has been intense, whereas advertising expenditure, which is the main income source of ATV, hinges directly on economic situation. As a result, ATV has continuously operated at a loss to the extent eventually leading it to show negative net worth on its financial statements for Q2 period ended June 30, 2016 and Q3 period ended September 30, 2016 in the amount of Baht (164.78) million and Baht (331.68) million respectively.

The said loss has gravely hurt the Company's liquidity to meet its working capital needs in business operation. To ensure availability of funding for uninterrupted operation, the allocation and offering of the Company's newly issued ordinary shares to the Purchaser is a method that will timely satisfy the Company's fund requirements in the desired amount to carry on the business operation. Moreover, the Company will secure funding for continuation of the digital TV business, which is in the start-up phase and has high operation costs, in order to pay the fee for the license to use the frequency spectrum for digital television services (the "Digital TV License"), to pay the monthly digital TV network service fee, to repay loans to financial institutions, and to use as working capital for the Company's business operation, e.g. production of television programs. The funds raised from this capital increase will help enhance the Company's capability in business operation and continuous income generation, unless there is any material fluctuation in the economic condition and the industries related to the digital TV business which is an uncontrollable external factor and will cause the Company's cash flow to deviate from its projection. The Company will also partner with a strategic partner who has readily available funds and a strong financial status, as well as expertise in diverse fields of business, particularly the business related to retail consumers, media and advertising, and also has maintained good business connections. This will enable the Company to acquire the desired amount of funds and help enhance confidence in business operation. Having the Purchaser as its strategic partner and major shareholder will reinforce the Company's strength in the digital TV business. The Purchaser's solid financial position and good business relationship will help improve the Company's competitive potential in the digital TV business.

1.1.2 Type and size of the transaction

The allocation and offering of the Company's newly issued ordinary shares to the Purchaser involves a total offering value of Baht 850,000,000, following which the Purchaser will become a major shareholder holding 47.62% of the Company's total issued shares and total voting rights (after registration of the Company's paid-up capital). This constitutes a listed company connected transaction because the transaction will be entered into with a juristic entity whose major shareholders will be nominated as the Company's executives or controlling persons (executives are inclusive of directors of the Company) pursuant to the Connected Transaction Notifications. The total size of the connected transaction is 122.36% of the net tangible assets (NTA) of the Company and its subsidiaries as at September 30, 2016, the calculation of which is as follows:

Issue and offering of the Company's new ordinary shares		
Size of connected transaction	=	(850.00 x 100) / 694.66 (Baht million)
	=	122.36% of the Company's NTA
Note: The Company's NTA	=	Total assets - Intangible assets - Liabilities - Minority interest
	=	4,920.62 - 231.00 - 3,994.96 - 0 (Baht million)
	=	Baht 694.66 million

The total size of the said connected transaction is higher than Baht 20 million and exceeds 3% of the NTA of the Company and its subsidiaries. Therefore, the Company is required to prepare and disclose a report on the connected transaction to the SET and seek approval for entering into the transaction from the shareholders' meeting with a vote of not less than three-fourths of the votes of the shareholders attending such meeting and having the right to vote, excluding the votes of the shareholders who have a conflict of interest. However, none of the shareholders have any vested interest in such transaction.

The allocation and offering of the Company's newly issued ordinary shares to the Purchaser at the offering price of Baht 4.25 per share is an offering of newly issued ordinary shares with a discount of 43.11% of the market price, which is an offering price with a discount of more than 10% of the market price pursuant to the TorChor. 72/2558 Notification. Therefore, the said allocation and offering of the Company's newly issued ordinary shares to the Purchaser must be approved at the shareholders' meeting of the Company with a vote of not less than three-fourths of the votes of the shareholders attending such meeting and having the right to vote and without any objection by the shareholders holding an aggregate of 10% or more of the total votes of the shareholders attending such meeting and having the right to vote on the offering of shares at such offering price. In addition, the Company must obtain approval from the SEC before the allocation and offering of its newly issued ordinary shares to the Purchaser.

Besides, the allocation and offering of the Company's newly issued ordinary shares to the Purchaser will result in the Purchaser acquiring 47.62% of the Company's total issued shares and total voting rights (following registration of the Company's paid-up capital). As a result, the Purchaser is required to make a tender offer for all securities of the Company pursuant to the SEC Act and the TorChor. 12/2554 Notification. However, the Purchaser does not wish to make a tender offer for all securities of the Company, but wishes to apply for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders' meeting of the Company (Whitewash) according to the SorChor. 36/2546 Notification. In this regard, the consideration and approval of the waiver from the requirement to make a tender offer for all securities under the rules on application for the whitewash waiver is subject to an approval obtained by the Company from the shareholders' meeting with a vote of not less than three-fourths of the votes of the shareholders attending such meeting and having the right to vote.

1.1.3 Value of consideration and basis for determination of the value of consideration

In the offering of its 200,000,000 newly issued ordinary shares to the Purchaser at the offering price of Baht 4.25 per share and in the total sum of Baht 850,000,000, the Company will receive payment for those shares entirely in cash, details of which are as tabulated below:

Type of assets	Subscriber	Value of consideration (Baht)	Basis for determination of value of consideration
1. 200,000,000 ordinary shares with a par value of Baht 1.00 per share at the offering price of Baht 4.25 per share	Vadhanabhakdi Co., Ltd. by Mr. Thapana Sirivadhanabhakdi and Mr. Panote Sirivadhanabhakdi	850,000,000	The offering price of the Company's newly issued ordinary shares at Baht 4.25 per share is a price with discount of the market price and is based on the negotiation and agreement between the Company and the Purchaser. Such offering price for the newly issued ordinary shares with a discount of the market price is in the fair value range of the Company's shares assessed by the Company's Financial Advisor, which is in a range of Baht 1.89 - 6.43 per share with the base fair value of Baht 4.02 per share.

In the case that the shareholders' meeting approves the entry into the connected transaction and the waiver of the Purchaser from the tender offer requirement as well as other related matters, the Company expects to arrange for the Purchaser to subscribe and make payment for the newly issued ordinary shares and to list those newly issued shares as its additional listed securities on the SET by the first quarter of 2017.

Moreover, under the financial reporting standard on share-based payments, the entity that issues and sells its shares at a price lower than the fair value is required to record the different result between the offering price and the fair value of those shares, multiplied by number of shares issued and offered for sale, as expense in the statement of comprehensive income and record the share premium from the share-based payment in the statement of financial position. The fair value shall be based on:

(1) Market price as of the date of rights granting, i.e. the date on which the shareholders' meeting approves the issue and offering of new ordinary shares of the Company in this transaction; *or*

(2) Fair value of the Company's ordinary shares as assessed by the Company's Financial Advisor.

As a consequence, the allocation and offering of the Company's newly issued ordinary shares to the Purchaser at the offering price of Baht 4.25 per share could create accounting impacts under the financial reporting standard on share-based payments, whereby the Company will have to record expense in the statement of comprehensive income and share premium from the share-based payment in the statement of financial position in the approximate amount as follows:

(1) By basing on the weighted average market price during seven days before the date of the Board of Directors' meeting instead of the market price as of the rights granting date, the potential accounting effect is estimated at Baht 3.22 per share (7.47 - 4.25) or Baht 644,000,000 (200,000,000 shares x Baht 3.22 per share). However, the actual amount of such accounting effect may be either higher or lower than such estimation. The said effect that will appear in the financial statements depends on the market price as of the rights granting date, i.e. the date on which the shareholders' meeting approves the allocation and offering of the Company's newly issued ordinary shares to the Purchaser.

(2) By basing on the fair value of the Company's ordinary shares as assessed by the Company's Financial Advisor, there will be no impact created from the share-based payment.

Such expense may cause the statement of comprehensive income to show a net loss during the period the transaction is taking place, given that the expense arising from the share-based payment is greater than the profit normally generated by the Company from its operation, and could also affect its ability to pay dividend. However, the Company and the auditor are currently discussing about a guideline on such accounting treatment.

1.1.4 Connected persons and nature of relationship

- *Parties concerned*

Share Issuer and Offerer	:	Amarin Printing and Publishing Plc. ("the Company")
Allottee	:	Vadhanabhakdi Co., Ltd. by Mr. Thapana Sirivadhanabhakdi and Mr. Panote Sirivadhanabhakdi ("Purchaser")

- *Relationship of concerned parties and scope of interest of connected person*

At present, the Purchaser does not have any relationship with the Company, its management, controlling persons, or major shareholders, and the Company does not have the same management, controlling persons, or major shareholders as the Purchaser. However, after the allocation and offering of the Company's newly issued ordinary shares to the Purchaser, the Purchaser will become a major shareholder of the Company, with its shareholding of 47.62% of the Company's total issued shares (following registration of the Company's paid-up capital), and will nominate not more than three directors to hold office in the Company.

List of the Board of Directors of the Company before and after the capital increase and the allocation of newly issued ordinary shares on a private placement basis

- The Company's Board of Directors as at December 30, 2016 is composed of the following members:

Name	Position
1. Mrs. Metta Utakapan	Chairperson of the Board/President
2. Mrs. Rarin Utakapan Punjarungroj	Director/Chief Executive Officer
3. Mr. Cheewapat Nathalang	Director
4. Mrs. Suphap Noi-Um	Director
5. Mr. Chokchai Punjarungroj	Director
6. Mr. Somchai Phagaphasvivat	Independent Director/Chairman of the Audit Committee
7. Mr. Charoenchit Nasongkhla	Independent Director/Member of the Audit Committee
8. Mr. Smat Ruangnarong	Independent Director
9. Mr. Ampon Ruayfupant	Independent Director/Member of the Audit Committee

The authorized directors are either Mrs. Metta Utakapan or Mrs. Rarin Utakapan Punjarungroj, being authorized to sign with the Company's seal affixed; or any two of Mrs. Suphap Noi-Um, Mr. Cheewapat Nathalang and Mr. Chokchai Punjarungroj, being authorized to co-sign with the Company's seal affixed.

If the Extraordinary General Meeting of Shareholders No. 1/2017, to be held on February 10, 2017, approves the waiver of the Purchaser from the requirement to make a tender offer for all securities of the business by virtue of the resolution of the shareholders' meeting (Whitewash) and after the Purchaser has acquired the new securities of the Company, the Purchaser will nominate no more than three representatives to serve on the Board of Directors in replacement of the directors who will tender resignation, including:

1. Two directors who will resign after the Purchaser has acquired the new securities of the Company, namely Mrs. Suphap Noi-Um and Mr. Smat Ruangnarong, and will be replaced by Mr. Khumpol Poonsonee and Mr. Nararat Limnararat to be nominated by the Purchaser; and

2. One director who will resign within 15 business days after the completion date of the New Shares subscription and will be replaced by the person to be nominated by the Purchaser on such date.

   The post-acquisition Board structure will not affect the number of director seats of the Utakapan family which is the Company's existing major shareholder and management. Nonetheless, the Company will change its authorized signatories in order to fit with the revised shareholding and Board structure following the acquisition of shares in the Company by the Purchaser.

Shareholding structure of the Company before and after the capital increase and the allocation of newly issued ordinary shares on a private placement basis

	Name	Before allocation of newly issued ordinary shares		After allocation of newly issued ordinary shares	
		No. of shares	% of total shares	No. of shares	% of total shares
1.	Vadhanabhakdi Co., Ltd.	-	-	200,000,000	47.62
2.	Mrs. Rarin Utakapan Punjarungroj [1/]	54,387,052	24.72	54,387,052	12.95
3.	Mr. Rapee Utakapan [1/]	40,415,672	18.37	40,415,672	9.62
4.	Mrs. Metta Utakapan [1/]	36,671,791	16.67	36,671,791	8.73
5.	Bangkok Commercial Asset Management Plc.	6,449,473	2.93	6,449,473	1.54
6.	His Majesty King Bhumibol Adulyadej	3,473,684	1.58	3,473,684	0.83

	Name	Before allocation of newly issued ordinary shares		After allocation of newly issued ordinary shares	
		No. of shares	**% of total shares**	**No. of shares**	**% of total shares**
7.	Mr. Niti Osathanugrah	3,016,414	1.37	3,016,414	0.72
8.	Mr. Chaloempol Sophonkitjakan	2,311,011	1.05	2,311,011	0.55
9.	Miss Nisa Noi-Um	2,055,857	0.93	2,055,857	0.49
10.	HRH Princess Maha Chakri Sirindhorn	1,389,473	0.63	1,389,473	0.33
11.	Mrs. Wilaiwan Arunyadech	1,250,000	0.57	1,250,000	0.30
	Total of top 10 shareholders	**151,420,427**	**68.83**	**351,420,427**	**83.67**
	Other shareholders	68,579,438	31.17	68,579,438	16.33
	Total	**219,999,865**	**100.00**	**419,999,865**	**100.00**

Note: Based on the Company's shareholding information as of December 13, 2016

[1/] By classifying shareholders no. 2 – 4 as the same group, their combined shareholding will be equal to 59.76% before the allocation of newly issued ordinary shares and 31.30% after the said share allocation. Such grouping is for the sole purpose of demonstrating the shareholding by family, and does not mean that they are persons under Section 258 of the SEC Act or concert parties.

However, pursuant to the SET Notification Re: Rules, Conditions and Procedures Governing the Listing of Ordinary or Preferred Shares Issued for Capital Increase B.E. 2558, if the offering price of shares offered for sale on a private placement basis is lower than 90% of the market price before the SET has approved the shares issued for capital increase as listed securities, the Company must prohibit the Purchaser, as the investor, from selling those shares within one year from the first day on which the shares are traded on the SET. Upon completion of six-month period of trading of such shares issued for capital increase on the SET, the investor can gradually sell the shares that are subject to the prohibition of sale at 25% of the total number of those lock-up shares, or equivalent to 50,000,000 shares or 11.90% of the Company's total issued shares (after this paid-up capital increase).

1.1.5 Details of the connected person

Profile of Vadhanabhakdi Co., Ltd.

1) Nature of business operation

Vadhanabhakdi Co., Ltd. was incorporated on November 28, 2016 with the objective to invest in various entities. Currently, it has not yet started operation.

2) Board of Directors and shareholders

- The Board of Directors as per the latest director registration is as follows:

	Name	Position
1.	Mr. Thapana Sirivadhanabhakdi	Director
2.	Mr. Panote Sirivadhanabhakdi	Director
3.	Mrs. Paphatchya Sirivadhanabhakdi	Director
4.	ML Trinuch Sirivadhanabhakdi	Director
5.	Mr. Sithichai Chaikriangkrai	Director
6.	Mrs. Nidda Thirawathanachai	Director
7.	Mr. Khumpol Poonsonee	Director

The authorized director is either Mr. Thapana Sirivadhanabhakdi or Mr. Panote Sirivadhanabhakdi, being authorized to sign with the company's seal affixed.

- Shareholders

As of November 28, 2016, Vadhanabhakdi Co., Ltd. had a registered capital of Baht 9,000,000, divided into 900,000 ordinary shares with a par value of Baht 10.00 per share, and an issued and paid-up capital of Baht 2,250,000, divided into 225,000 ordinary shares with a par value of Baht 10.00 per share or representing 25% of the registered capital. After the shareholders' meeting of the Company has approved the capital increase, the allocation and offering of newly issued ordinary shares and the waiver of the Purchaser from the requirement to make a tender offer for all securities of the Company from the subscription of the newly issued ordinary shares, the Purchaser will call the rest share payment to reach the full amount of Baht 9,000,000 and increase its registered capital by another Baht 900,000,000, thus bringing its total registered capital to Baht 909,000,000. Details of its shareholders are as follows:

	Name	**No. of shares**	**% of total shares**	**% of total voting rights**
1.	Mr. Thapana Sirivadhanabhakdi	449,999	50.00	50.00
2.	Mr. Panote Sirivadhanabhakdi	449,999	50.00	50.00
3.	Mrs. Paphatchya Sirivadhanabhakdi	1	0.00	0.00
4.	ML Trinuch Sirivadhanabhakdi	1	0.00	0.00
	Total	**900,000**	**100.00**	**100.00**

3) Summary of operating results and financial position

Vadhanabhakdi Co., Ltd. does not have any records on its operating results and financial position since it is a newly established company.

1.1.6 Agreements and significant conditions

Summary of significant conditions under the Share Subscription Agreement

The Purchaser and the Company have signed an agreement on subscription for the Company's shares dated December 18, 2016 ("**Share Subscription Agreement**"). Significant conditions under such agreement are as follows:

Signing date	December 18, 2016
Agreement parties	(1) Vadhanabhakdi Co., Ltd. as subscriber ("**the Purchaser**") (2) Amarin Printing and Publishing Plc. as share issuer ("**the Company**")
Number of newly issued ordinary shares	200,000,000 newly issued ordinary shares of the Company with a par value of Baht 1 per share ("**New Shares**")
Offering price	Baht 4.25 per share
Conditions precedent	1. The Purchaser's obligation to subscribe and make payment for the New Shares at the New Shares' subscription price and the Company's obligation to issue the New Shares shall be contingent upon fulfillment of all of the following conditions (except where the Purchaser or the Company, as the case may be, has waived the right to any of the conditions hereunder in writing):

	(a) From the signing date of this Agreement until the completion date of the share subscription, there must not be any incident that has a material adverse impact on the Company's financial condition, properties or business operation. (b) The Company obtains resolution, approval, consent or relaxation from the counterparty or the third party under any significant agreement, to which the Company is a party, with respect to a change of its shareholding structure. (c) The shareholders' meeting of the Company resolves to approve all matters as required. (d) The SEC approves the Company's offering of the New Shares to the Purchaser. (e) The SEC grants a waiver to the Purchaser from the requirement to make a tender offer for all securities. (f) There is neither any incident or change in the relevant laws, rules or regulations which could hinder lawful implementation of such share subscription, nor any change in the relevant laws, rules or regulations which could have a material adverse impact on the Purchaser's business operation or financial condition. (g) All licenses held by the Company and its affiliates shall remain in full force and effect. (h) There must not be any material event of default caused by an act or omission of an act by any of the party hereto as specified herein. 2. Each of the parties hereto may waive the right to the conditions precedent to the subscription and payment for the New Shares at the New Shares' subscription price on the completion date of the share subscription, as specified in Clause 1, at any time by giving a written notice thereof to the other party. 3. The Company and the Purchaser agree to use their best effort to designate the conditions precedent to the subscription and payment for the New Shares at the New Shares' subscription price as the responsibility of both parties duly before or by the completion date of the share subscription. 4. In the case where the conditions precedent to the subscription and payment for the New Shares at the New Shares' subscription price as specified in Clause 1 cannot be fulfilled by the completion date of the share subscription and the party, which is entiled to waive the right to the conditions precedent, does not waive such right, the party entiled to waive the right to the conditions precedent may consider extending the period for the other party to fulfill the said conditions precedent as it deems fit. If the conditions precedent to the subscription and payment for the New Shares at the New Shares' subscription price as specified in Clause 1 cannot be fulfilled by the completion date of the share subscription and the right to the conditions precedent is not waived, whereas the period to fulfill the conditions precedent is not extended, it shall be deemed that the rights, duties and obligations of each party hereto are terminated and each party shall have no right to claim for any damage from the other party, except for the damage caused by failure by any of the parties hereto to fulfill the conditions precedent for which they are responsible as specified in Clause 1.

Significant conditions	1. According to the conditions precedent set forth in the Share Subscription Agreement, the Purchaser's obligation to subscribe and make payment for the New Shares shall be subject to other conditions precedent which is a normal condition that is successfully implemented, including seeking of significant resolutions from the Extraordinary General Meeting of Shareholders of the Company, which will be held on February 10, 2017, as follows: (1) Approval for the Company's capital increase by issuing the New Shares in an amount equal to approximately 47.62% of the Company's total issued shares (after the capital increase by issuing the New Shares), whereby after such capital increase, the Company will have a registered capital of Baht 419,999,865, divided into 419,999,865 ordinary shares with a par value of Baht 1 per share; (2) Approval for the Company's issue and offering of the New Shares to the Purchaser, which is deemed as an offering of the New Shares to a specific investor (Private Placement); and (3) Approval for a waiver of the Purchaser from the requirement to make a tender offer for all securities of the business. 2. Within 15 business days from the date of completion of the subscription for the New Shares, the Company shall appoint not more than three new directors nominated by the Purchaser to replace the existing directors who will tender resignation. 3. Within three business days from the date of completion of the subscription for the New Shares, the Company shall file an application for approval from the SET (according to the guidelines set forth in the SET regulations and the applicable laws) to accept the New Shares as listed securities on the Exchange.

1.2 Profile of Amarin Printing and Publishing Plc.

Please refer to Attachment 1 of this report.

1.3 Reasonableness and benefits of the transaction to the listed company

1.3.1 Objectives and necessity of the transaction

The Company has been operating at a substantial loss incurred from the digital TV business, which is run by its subsidiary (Amarin Television Co., Ltd. or ATV), over almost the past three years. In the consolidated financial statements for 2014 - 2015 and the first nine months of 2016, the Company and its subsidiaries recorded a net loss of Baht 91.46 million, Baht 416.41 million and Baht 468.93 million respectively.

The operating results of the Company and its subsidiaries according to the consolidated financial statements for 2013 - 2015 and the nine-month period ended September 30, 2016 can be summed up as follows:

(Unit: Baht million)	2013	2014	2015	Jan-Sep 2016
Total revenues	2,088.63	1,913.97	2,003.86	1,249.09
Total costs and expenses	1,731.37	2,026.77	2,449.44	1,706.59
Total income (loss) for the period	285.07	(89.70)	(417.14)	(468.93)
Total comprehensive income (loss) for the period	285.07	(91.46)	(416.41)	(468.93)
Total liabilities	467.14	3,406.70	3,705.53	3,994.95
Shareholders' equity	2,058.69	1,965.00	1,394.60	925.67

The said successive loss incurred by the Company resulted from the huge amount of loss from operation of the digital TV business by its subsidiary, which carried high costs and expenses such as amortization of the Digital TV License, Network Service Fee, depreciation of studio equipment, cost of employees and personnel in supporting function divisions, cost of program production, selling and administrative expenses, finance cost from borrowing from financial institutions to pay the Digital TV License, etc., most of which are fixed costs already borne by ATV. At the same time, service income from airtime rental, mainly consisting of advertising fee and occupancy rate, could not meet the projection due primarily to changes in consumer behaviors which are shifting away from advertising media via television, radio and printed materials to out-of-home media and the Internet in line with consumers' greater preference for online media.

Moreover, consumers have a limited access to digital TV as the authority is still unable to achieve the digital TV network development to cover all areas as planned. The emergence of as many as 24 digital TV channels has intensified competition in this business. Meanwhile, the program development of ATV still cannot respond to demand from all target groups and its rating remains unsatisfactory, thus failing to attract advertising expenditure as projected. Under the stagnant economic condition without a clear sign of recovery, advertising expenditure of business sectors, which are the Company's major income sources, has accordingly grown at a decelerating rate, thereby impeding the Company's income generating ability and expected growth in the digital TV business. As a consequence, ATV has suffered from a huge amount of loss from Q2/2014 up to the present period and began to show negative net worth in Q2/2015. As of June 30, 2016 and September 30, 2016, ATV recorded negative net worth of Baht (164.78) million and Baht (331.68) million respectively.

The said huge amount of successive loss has subsequently hurt its financial position, liquidity and cash flow used in the overall business operation. Furthermore, ATV will in the near future have to pay a large sum of obligations by the due dates set forth in the agreements, including the fourth payment of the Digital TV License by May 2017 in the amount of Baht 513 million[2] (of which approximately Baht 410 million is expected to be covered by loans from financial institutions), repayment of principal for the loans from financial institutions in an average amount of Baht 23 million a month (for loan repayment due in 2017), and payment of Network Service Fee of Baht 14.16 million per month (VAT excluded), while still requiring working capital in business operation. As of September 30, 2016, ATV had cash and cash equivalents of only Baht 18.84 million, which is insufficient to meet its needs of working capital and payment of all obligations under the agreements although it can draw down loans from financial institutions. As for the Company, it has cash and cash equivalents of Baht 291.03 million which must be reserved for the operation of its other lines of business. Without raising additional funds from external sources, the Company itself has not enough funds to support the business operation of ATV.

[2] The Company may revise the payment plan for the remaining Digital TV License fees after the NBTC has issued a practice guideline in response to the Order of the Head of the National Council for Peace and Order No. 76/2559 and may also revise the loan repayment schedule and the amount of working capital required for business operation as deemed appropriate for the Company's business condition. The Company believes that this will not pose any material impact on its business operation.

Table summarizing the obligation to pay the Digital TV License under the NBTC Notification Re: Rules, Conditions and Procedures for Auction of the Allocated Frequencies for National Commercial Digital Television Service B.E. 2556

Installment no.	Payment terms	License fee * (Baht)		
		The reserve price	The excess of reserve price	Total fees
1	Within 30 days of receiving letter confirming auction results	755,000,000	181,000,000	936,000,000
2	Within 30 days after completion of one year from License date	453,000,000	181,000,000	634,000,000
3	Within 30 days after completion of two years from License date	151,000,000	362,000,000	513,000,000
4	Within 30 days after completion of three years from License date	151,000,000	362,000,000	513,000,000
5	Within 30 days after completion of four years from License date	-	362,000,000	362,000,000
6	Within 30 days after completion of five years from License date	-	362,000,000	362,000,000
	Total fees	**1,510,000,000**	**1,810,000,000**	**3,320,000,000**

Note: License fee for fourth to sixth payments due in May 2017-2019, respectively.

Table showing the outstanding loans and loan repayment of ATV during 2015-2022

(Unit: Baht million)	Actual			Projected					
	2015	2016 Jan-Sep	2016 Oct-Dec	2017	2018	2019	2020	2021	2022
Short-term loans from financial institutions	**400**	**450**	**450**	**450**	**450**	**450**	**450**	**450**	**450**
Short-term loans from the Company	**130**	**570**	**670**	**70**[1/]	**70**	**70**	**70**	**70**	**70**
Long-term loans from financial institutions									
Beginning balance	470	980	1,355	1,340	1,480	1,433	1,280	694	94
Added [2/]	510	410	-	410	345	345	-	-	-
Repayment [3/]	-	(35)	(15)	(270)	(392)	(498)	(586)	(600)	(94)
Ending balance	**980**	**1,355**	**1,340**	**1,480**	**1,433**	**1,280**	**694**	**94**	**-**
Total outstanding loans of ATV	**1,510**	**2,375**	**2,460**	**2,000**	**1,953**	**1,800**	**1,214**	**614**	**520**

Note: [1/] By Q1/2017, ATV will make a capital restructuring by conversion of the short-term loan of Baht 600 million borrowed from the Company, as its parent, entirely into the registered capital, whereby ATV will increase its paid-up capital by another Baht 600 million from the current paid-up capital of Baht 1,200 million to Baht 1,800 million in order to use the capital increase fund for repayment of the said short-term loan.

[2/] The additional loan draw-down is in line with the loan agreement conditions made with financial institutions under the Digital TV License fee payment structure pursuant to the NBTC Notification Re: Rules, Conditions and Procedures for Auction of the Allocated Frequencies for National Commercial Digital Television Service B.E. 2556.

[3/] For the loan repayment, the IFA has referred to information obtained from the Company which has been granted a relaxation of principal repayment conditions from financial institutions.

As a result, it is necessary for the Company to seek additional funding for all operations urgently to ensure its subsidiary company's business continuity in the future. Moreover, due to its huge debt burden, the Company's debt to equity (D/E) ratio according to its consolidated financial statements as at September 30, 2016 was as high as 4.32 times. (Under the financial covenants set forth in the loan agreements made with financial institutions, the Company must maintain the D/E ratio at not over 2 times, which the financial lenders will measure from the Company's yearly consolidated financial statements. Therefore, the Company is currently negotiating with the financial institutions for a relaxation of such condition, the outcome of which is expected in February 2017.) As of the end of 2015, its D/E ratio stood at 2.66 times and the Company was unofficially granted a relaxation of such financial covenants from the financial institutions. Since it is likely that the ratio, calculated from its consolidated financial statements for 2016, will increase further, the Company is prone to risk of default on the loan agreements given that the relaxation is not approved by the financial institutions. Besides, the high D/E ratio will dampen its ability to raise additional funds by borrowing from financial institutions.

As a result, fund raising by way of capital increase is deemed appropriate and beneficial to the Company and will help improve its capital structure, leading its D/E ratio to decline from 4.32 times to 2.25 times (calculated from its financial position under the consolidated financial statements as at September 30, 2016: total liabilities / (shareholders' equity + capital increase funds from offering of newly issued ordinary shares to the Purchaser) = 3,994.96 / (925.67 + 850.00)). Therefore, the Company believes that this will help ease its negotiation with the financial institutions for relaxation of the financial covenants.

The Company will use funds receivable from the said offering of newly issued ordinary shares partly for repaying loans from financial institutions due in 2017 and will repay the remaining loans with funds to be obtained from its future operation. If such funds from its future operation are inadequate, the Company may consider increasing its registered capital by offering newly issued ordinary shares to its existing shareholders or to specific investors so as to secure sufficient cash flow for making loan repayment to financial institutions.

When compared with other options of share allocation, if the Company offers the newly issued ordinary shares to other specific investor who is not the Purchaser or to its existing shareholders, it may risk failing to sell the full amount of shares and at a reasonable price or the investor may impose other conditions that are unacceptable to the Company. In addition, it may take a longer time in the negotiation or implementation process. Likewise, the offering of newly issued shares to the public involves a more lengthy process. As such, the Company will be unable to timely and adequately secure the desired amount of funds, which may affect the subsidiary's business continuity and ability to repay loans and relatively have an impact on the Company, as the parent and loan guarantor of the subsidiary.

The capital increase will be made by issuing 200,000,000 new ordinary shares for allocation and offering to the Purchaser, which is Vadhanabhakdi Co., Ltd. by Mr. Thapana Sirivadhanabhakdi and Mr. Panote Sirivadhanabhakdi, at the offering price of Baht 4.25 per share or in the total sum of Baht 850 million.

The Company plans to use funds receivable from the allocation and offering of its newly issued ordinary shares to the Purchaser for additional investment in the digital TV business, including payment of the Digital TV License and the digital TV network service fee and repayment of loans to financial institutions. On January 13, 2014, the subsidiary won the bid for the digital TV business license with the bidding price of Baht 3,320 million (VAT excluded) for a period of 15 years from April 25, 2014 to April 24, 2029, which debuted in May 23, 2014 in the name AMARIN HD TV on channel 34, and also entered into the Agreement for Lease of High-Definition Territorial Television Network with the Royal Thai Army Radio and Television for a period of 14 years and 5 months (from January 17, 2014 to May 31, 2028). Pursuant to the Notification of the National Broadcasting and Telecommunications Commission ("NBTC") Re: Rules, Conditions and Procedures for Auction of the Allocated Frequencies for National Commercial Digital Television Service B.E. 2556, the subsidiary is obligated to pay the Digital TV License in six yearly installments (2014-2019). It has thus far already paid the first three installments totaling Baht 2,083 million, with the fourth to the sixth installments due in 2017-2019 in the amount of Baht 513 million, Baht 362 million and Baht 362 million respectively,[3] making Baht 1,237 million in total. However, the said fourth to sixth payments of the Digital TV License can be rescheduled and decreased in the amount payable per installment according to the Order of the Head of the National Council for Peace and Order No. 76/2559, which may help lessen the burden on cash flow for fee payment to some extent. Still, if the subsidiary is unable to grow its service income from airtime rental or increase the advertising fee, it will remain vulnerable to liquidity problem in the future. The subsidiary must also pay the digital TV network service fee of Baht 14.16 million per month (VAT excluded).

The Company has a plan for utilizing funds receivable from the said offering of newly issued ordinary shares as follows:

Plans for utilizing funds from the capital increase	Approx. amount (Baht million)	Tentative timeline
1. Fourth payment of the Digital TV License in the amount net of the loan drawdown under the loan agreement	150[1/]	By May 2017
2. Repayment of loans to financial institutions	300	By 2017
3. Use as working capital in the business operation to cover Network Service Fee, TV program production cost, etc.	400	By 2017

Note: The Company may adjust the loan repayment schedule and working capital requirement so as to fit with its business condition and, in doing so, the Company believes that there will be no material impact on its business operation.

[1/] The Company may revise plan for the fourth payment of the Digital TV License after the NBTC has issued a practice guideline in response to the Order of the Head of the National Council for Peace and Order No. 76/2559 and may also revise the loan repayment schedule and the amount of working capital required for business operation as deemed fit with its business condition. The Company believes that this will not pose any material impact on its business operation.

From such capital increase and offering of its newly issued shares, the Company will receive payment in cash in a total sum of Baht 850 million, which will enable it to secure sufficient funding in a timely manner for various objectives such as for continuous business operation of the subsidiary, for loan repayment to financial institutions, for payment of the Digital TV License, and for operation under all objectives to timely meet its needs, and will have additional working capital for business operation without imposing a burden to seek additional funds from other sources. Besides, the

[3] Pursuant to the Order of the Head of the National Council for Peace and Order No. 76/2559 Re: Measures to Promote Broadcasting and Telecommunication Business for Public Interest dated December 20, 2016, if a licensee of the frequency spectrum is unable to pay the license fee by the due date originally specified in the NBTC's Notification Re: Rules, Conditions and Procedures for Auction of the Allocated Frequencies for National Commercial Digital Television Service B.E. 2556, it may then submit a letter to inform the NBTC that it will make payment for the Digital TV License according to the rescheduling terms under this Order. For AMARIN, its fourth to sixth payments originally due in 2017-2019 in the amount of Baht 513 million, Baht 362 million and Baht 362 million respectively shall be rescheduled as follows: payment of Baht 256.50 million in 2017, Baht 256.50 million in 2018 and Baht 181 million per year during 2019-2022, with interest charged from the original due date at the same rate as the policy rate announced by the BOT's Monetary Policy Committee as of the payment date.

Company will have a stronger financial position with its debt to equity ratio after the capital increase dropping from 4.32 to 2.25 times approximately. The allocation and offering of newly issued ordinary shares to the Purchaser is deemed appropriate since the Purchaser is a strategic shareholder who has readily available funds and expertise in diverse fields especially with respect to retail consumers, media and advertising and has maintained good relationship with various business groups and financial institutions, which will help strengthen the Company's competitive potential in the digital TV business and printed material business in the long run.

The allocation and offering of newly issued ordinary shares to the Purchaser at a price discounted from the market price will create price dilution and control dilution effects on the existing shareholders of the Company. However, it is reasonable and necessary for the Company to raise a huge amount of funds in a limited time particularly to pay for all expenses under its existing obligations arising from the digital TV business operation in a sufficient and timely manner without affecting the operation of its other businesses. Meanwhile, the Company has faced financial limitations as it has successively incurred a substantial amount of loss. In view of restriction in debt to equity ratio from financial institutions and the country's sluggish economic situation and tough competition in the digital TV industry, the allocation and offering of newly issued ordinary shares to the Purchaser is therefore deemed more beneficial to the Company when compared with the aforementioned effects.

1.3.2 Advantages and disadvantages between entering and not entering into the transaction

(1) Advantages of entering into the transaction

1) Availability of funds for business operation

From the issue and offering of its new ordinary shares to the Purchaser, the Company will receive cash payment of Baht 850 million which will be used for sufficiently and timely meeting various objectives essential to its digital TV business operation, including expenses under the obligations that must be paid on due dates as specified in all relevant agreements such as repayment of loans to financial institutions and payment of the Digital TV License in the amount net of the loan drawdown under the loan agreement. The Company will also have additional working capital available for its business operation, especially for the digital TV business which is still in the start-up phase and requires a huge amount of investment funds.

As at September 30, 2016, the subsidiary recorded liabilities under the license to operate digital television of Baht 1,237 million, following the subsidiary's winning of the bid for the license to use allocated frequencies for digital television services with the bidding price of Baht 3,320 million. It then has to pay the Digital TV License to the NBTC for five years (2014-2019). The subsidiary has thus far paid a total of Baht 2,083 million due for such license, leaving **an unpaid balance of Baht 1,237 million** payable in the rest three yearly installments due in 2017, 2018 and 2019 in an amount of Baht 513 million, Baht 362 million and Baht 362 million respectively. The subsidiary placed a letter of guarantee (L/G) as security for the agreement. As of September 30, 2016, the outstanding L/G amount was Baht 1,323.59 million. Source of funds for the license fee payment partly comes from loans from financial institutions under the loan agreement already executed by the Company, whereby the Company has provided guarantee for the subsidiary against its repayment of debts under such loan agreement.

Failure by the subsidiary to pay the remaining Digital TV License fees to the NBTC by the scheduled date will result in the NBTC being entitled to demand the guarantor bank to make such payment on behalf of the subsidiary in accordance with the L/G issued by the guarantor bank to the NBTC. Once the bank has settled the said license fee to the NBTC, the bank shall have the right to demand the Company, as the subsidiary's guarantor, to pay the license fee including expenses and other damages (if any) according to the terms and conditions agreed upon with the bank.

The subsidiary also bears operation expenses from use of the digital frequency terrestrial television network leased from the Royal Thai Army Radio and Television with service fee of Baht 14.16 million per month, and has to repay loans on due dates incurred from borrowing to finance the operation of digital TV business, together with working capital required for further business operation.

The expenses and contingent liabilities that involve a huge amount and are due in the near future include the third installment of the Digital TV License of Baht 513 million payable in May 2017 and the loan repayment to financial institutions due in 2017 of Baht 270 million, etc. Considering their liquidity problem and large amount of successive loss, the Company and its subsidiary are unable to secure internal funding to pay all such expenses and liabilities by the due dates.

Therefore, the capital increase through such allocation and offering of newly issued ordinary shares to the Purchaser will provide the Company with a funding source to support the digital TV business operation of its subsidiary in line with the objectives and necessity to sufficiently and timely meet its needs so that the subsidiary could carry on the business uninterruptedly without affecting the working capital reserved by the Company for its future business plan. At the same time, the subsidiary will have additional working capital for production of new TV programs as planned. AMARIN itself already has some well-recognized brands and a good corporate image and owns plenty of copyrights to articles, publications and galleries, which are readily available for media production in various formats by focusing on quality and interesting content in a bid to expand the audience base and increase rating. Currently, the digital TV channel of its subsidiary has gained increasing popularity and been upgraded to be among the Top 10 channels in 2016. As such, the Company will likely be able to attract more sponsors and a greater amount of advertising expenditure, which is the main income source of the digital TV business and will thereby help enhance its revenue growth and competitive potential in the future.

Besides, the Company is confident that the digital TV business operation of its subsidiary can create a synergy with its media and publishing businesses to ensure a fully integrated operation. It will then have a competitive edge by being able to offer more diverse options of advertising media to respond to customers' needs and better reach the target groups, hence an ability to generate higher income and profit in the future.

2) *Ability to repay loans to financial institutions as scheduled*

As at September 30, 2016, the Company has short-term loan from financial institutions of Baht 100 million, bill of exchange of Baht 199 million, debentures of Baht 100 million which will mature on December 3, 2016, and debentures of Baht 100 million which will mature on March 3, 2019. The subsidiary has short-term loan from financial institutions of Baht 450 million and has been granted a total credit line of Baht 2,490 million from financial institutions. The long-term loan amount drawn down was Baht 1,390 million, with an outstanding long-term loan of Baht 1,355 million of which Baht 207 million is due within one year (October 1, 2016 - September 30, 2017).

The outstanding loans, bills of exchange and debentures of the Company and its subsidiary and the repayment projection for 2017

(Unit: Baht million)	Outstanding				Repayment projection for 2017	Remark
	As at Sep 30, 2016			As at Dec 31, 2016		
	AMARIN	Subsidiary	AMARIN and subsidiary	AMARIN and subsidiary	AMARIN and subsidiary	
Short-term loans from financial institutions	100	450	550	550	550	Expected to be rolled over

(Unit: Baht million)	Outstanding				Repayment projection for 2017	Remark
	As at Sep 30, 2016			As at Dec 31, 2016		
	AMARIN	Subsidiary	AMARIN and subsidiary	AMARIN and subsidiary	AMARIN and subsidiary	
Bills of exchange	199	-	199	199	199	Expected to issue new instruments to repay B/E
Long-term loans from financial institutions due within one year	-	207	207	270	270	
Long-term debentures due within one year	100	-	100	-	-	Debenture No. 1/2014 due for redemption on Dec 3, 2016
Long-term loans	-	1,148	1,148	1,070	-	
Long-term debentures	100	-	100	200	-	Debenture No. 1/2016 due for redemption on Mar 3, 2018 Debenture No. 2/2016 due for redemption on Dec 13, 2018
Total	**599**	**1,805**	**2,304**	**2,289**	**1,019**	

The total liabilities due in 2017 of the Company and its subsidiary of Baht 1,019 million include loans of the subsidiary totaling Baht 720 million, comprised of long-term loans from financial institutions of Baht 270 million and short-term loans from financial institutions due within one year of Baht 450 million, and loans of the Company totaling Baht 299 million, consisting of short-term loans of Baht 100 million and bills of exchange of Baht 199 million. By excluding the above mentioned short-term loans of the Company and its subsidiary of Baht 749 million which they plan to either replace with various types of debt instruments or roll over to meet their working capital needs, it is thus expected that they will have total long-term loans from financial institutions due in 2017 of Baht 270 million.

Meanwhile, the subsidiary as of September 30, 2016 had cash and cash equivalents of only Baht 18.84 million, which is not sufficient to repay the loan that will become due in the near future. Although the cash and cash equivalents after combining with those of the Company will reach Baht 291.03 million, the Company has to reserve such cash for the operation of other businesses. As such, the internal funds of the Company and its subsidiary may be inadequate for timely repaying the loans to financial institutions. The funds from capital increase by the Company will be partly used for the subsidiary's loan repayment. The subsidiary's default on the loans could jeopardize the reputation and image of the Company and lead to an inability to draw down the remainder of the loans to further operate the digital TV business.

3) Improved and stronger financial position

The capital increase will help improve the Company's financial position with a significant decline in its debt to equity ratio. Based on the consolidated financial statements as at September 30, 2016, the Company had total liabilities of Baht 3,994.96 million and shareholders' equity of Baht 925.67 million, representing a debt to equity ratio of 4.32 times. After the offering of its newly issued ordinary shares to the Purchaser, its debt to equity ratio will drop to around 2.25 times (calculated from its financial position under the consolidated financial statements as at September 30, 2016: total liabilities / (shareholders' equity + funds from capital increase by offering of newly issued ordinary shares to the Purchaser) = 3,994.96 / (925.67 + 850.00)). The financial lender has preliminarily consented to a relaxation on such ratio and is currently making consideration and approval thereof, the result of which is expected by mid-February 2017.

4) *Ability to continue business operation without any impact from change in policy or plan on business management of the Company*

In becoming a major shareholder holding 47.62% of the Company's total paid-up shares (after the increase of the Company's paid-up registered capital), the Purchaser indicates its strong intention in the application for the waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders' meeting (Whitewash) that, within 12 months from the date of acquiring the Company's shares under this transaction, the Purchaser has no plan or policy to materially change the objectives of the Company and its subsidiaries. The Purchaser plans to have the Company and its subsidiaries continue their business operations in printing business, publishing business and other businesses such as fairs and events and digital TV business of its subsidiary.

In addition, the Purchaser has no policy to delist the Company's securities from the SET. After the Purchaser has acquired the newly issued ordinary shares of the Company, it is expected that the Company will still meet the SET's free float requirement according to the criteria for maintaining the listed company status, by having no fewer than 150 minority shareholders whose aggregate shareholding must not be less than 15% of the paid-up capital. As at March 11, 2016 (the date of shareholder register book closing to determine rights to attend the 2016 Annual General Meeting of Shareholders), the Company had 2,130 minority shareholders who altogether held 39.49% of its paid-up capital (source: set.or.th). Therefore, assuming that the said minority shareholding remains unchanged, after the Purchaser's acquisition of the Company's newly issued ordinary shares, the Company's minority shareholding will be diluted to approximately 20.69% of the Company's paid-up capital, which still exceeds the minimum free float requirement.

As such, after the Purchaser has become its major shareholder, there will be no impact on the Company from any significant change in its business administration and internal management and the Company and its subsidiaries will continue to operate the media business and digital TV business. However, an adjustment to its strategy under the future business plan is expected to help grow its revenues and generate favorable returns for the Company and its other shareholders in the long term.

5) *Partnership with a strategic shareholder who has readily available funds and expertise in various business fields*

The Company will benefit from having the Purchaser as its strategic shareholder who could help enhance the long-term business capability since the new partner has experience and expertise in diverse fields of business, particularly the business related to retail consumers, media and advertising, and also has a strong financial status and good business connections, which will help boost confidence in the Company among investors and all groups of stakeholders of the Company.

6) *Sufficient and prompt raising of funds*

Under this transaction, the newly issued shares will be offered on a private placement basis to the Purchaser who has readily available funds as well as experience and expertise in various fields of business especially with respect to retail consumers, media and advertising and familiarity with the type of business run by the Company. As a result, this huge fund raising can be made promptly and completely as desired by the Company in order to fulfill its needs and correspond to its business plans and objectives. When compared with other funding options such as *additional borrowing from financial institutions*, there are limitations on this method such that the Company and its subsidiaries currently have a D/E ratio of as high as 4.32 times, stemming largely from debts of a subsidiary of as much as Baht 1,805 million, and, besides, they have already had a substantial amount of outstanding loans owed to financial institutions. Another alternative, *the offering of newly issued shares to the public*, involves a more complicated and lengthy process and higher operation expenses, as well as risk from failure to timely and fully secure the desired amount of funds. As for *the rights offering to* *existing shareholders*, there are uncertainties as to whether the shares will be fully subscribed by the shareholders to the desired amount.

Given that the Extraordinary General Meeting of Shareholders No. 1/2017, to be held on February 10, 2017, resolves to approve the capital increase and the offering of newly issued ordinary shares to the Purchaser as well as approve the application for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders' meeting (Whitewash) and other related matters that are conditional upon one another such as the reduction of the registered capital by canceling 135 authorized but unissued shares of the Company and the amendment to Clause 4 of the Memorandum of Association to be in line with the reduction and the increase of the Company's registered capital, the Company will then be able to completely secure the desired amount of funds and expects to fulfill such fund raising within 3 months after obtaining approval for the capital increase and the offering of newly issued ordinary shares from the said shareholders' meeting. Such funding is deemed timely, complete and consistent with the Company's needs. After completion of the capital increase and use of funds to meet all established objectives, it is expected that the Company will have a more solid financial position with high financial flexibility and stronger long-term business stability.

(2) Disadvantages of entering into the transaction

1) Dilution effects on existing shareholders from the allocation of newly issued ordinary shares to a specific investor

The issue and offering of new ordinary shares of the Company to the Purchaser on a private placement basis in the amount of 200,000,000 shares at the offering price of Baht 4.25 per share will create control dilution and price dilution effects on the existing shareholders of the Company, details of which are as follows:

1.1) Control dilution

AMARIN shareholders	Before capital increase		After capital increase		
	No. of shares held	%	No. of shares held	%	Increase/ (Decrease) (%)
Existing shareholders					
1. Utakapan family	131,474,515	59.76	131,474,515	31.30	(28.46)
2. Minority shareholders	88,525,350	40.24	88,525,350	21.08	(19.16)
Total	**219,999,865**	**100.00**	**219,999,865**	**52.38**	**(47.62)**
New shareholder					
1. The Purchaser	-	-	200,000,000	47.62	47.62
Grand total	**219,999,865**	**100.00**	**419,999,865**	**100.00**	**-**

The offering of newly issued ordinary shares to the Purchaser will result in a control dilution effect on the Company's existing shareholders from 100.00% to 52.38% of the Company's total voting rights after the capital increase. At the same time, the Purchaser will acquire 47.62% of the Company's total voting rights after the increase of the paid-up registered capital.

Such acquisition of 47.62% of the Company's total voting rights by the Purchaser is deemed a significant percentage of shareholding, considering that the Purchaser has previously never held any shares in the Company. Although it will not have a majority control over voting at a shareholders' meeting, the Purchaser may exercise a block vote on certain matters that are required by law or by the Company's Articles of Association to obtain affirmative votes of not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote, including matters such as capital increase or decrease, acquisition or disposal of assets, entering into a connected transaction, acquisition or acceptance of transfer of business, disposal or transfer of business, merger, application for a waiver from the requirement to make a tender offer for all securities of a business by virtue of the resolution of the shareholders' meeting (Whitewash), delisting of securities, etc.

If being granted the whitewash waiver, the Purchaser will in the future be able to acquire additional shares in the Company by less than 2.38% of the Company's total voting rights so that it would not be required to make a tender offer for all securities of the Company or its shareholding would not reach or cross the trigger point of 50% of the Company's total voting rights.

The impact of the allocation of newly issued shares to the Purchaser will be a drop in number of the Company's free floating shares. A sample calculation of such effect can be made based on the information on minority shareholding as at March 11, 2016 (the date of shareholder register book closing to determine rights to attend the 2016 Annual General Meeting of Shareholders), which showed that, as of such date, the Company had 2,130 minority shareholders who altogether held 39.49% of its paid-up capital, while after the capital increase the Company's minority shareholding will be diluted to approximately 20.69% of its paid-up capital. However, this diluted shareholding still exceeds the SET's free float requirement under the criteria for maintaining the listed company status, stipulating that a listed entity must have no fewer than 150 minority shareholders whose aggregate shareholding must not be less than 15% of the paid-up capital.

1.2) Price dilution

Price dilution = $(P_0 - P_1) / P_0$

P_0 = Market price of ordinary shares before offering of newly issued ordinary shares (calculated from weighted average market price of AMARIN shares traded on the SET over seven business days before the date of the Board of Directors' approval of the issue and offering of new ordinary shares (November 15 - 23, 2016), which is equal to Baht 7.47 per share

P_1 = Market price after offering of newly issued shares = $(P_0Q_0 + P_1Q_1) / (Q_0 + Q_1)$

Where: P_0 = Market price of ordinary shares before offering of newly issued ordinary shares, equal to Baht 7.47 per share

Q_0 = Number of paid-up shares before offering of newly issued ordinary shares, equal to 219,999,865 shares

P_1 = Offering price of newly issued ordinary shares, equal to Baht 4.25 per share

Q_1 = Number of newly issued ordinary shares offered for sale, equal to 200,000,000 shares

P_1 = [(7.47 x 219,999,865) + (4.25 x 200,000,000)] / (219,999,865 + 200,000,000)

= Baht 5.94 per share

Therefore, price dilution = (7.47 - 5.94) / 7.47

= 20.48%

The capital increase will cause a significant price dilution effect on the existing shareholders of the Company because the offering price of the newly issued ordinary shares of Baht 4.25 per share is lower than market price that is based on the weighted average market price of the Company's shares traded on the SET over seven consecutive business days before the date on which the Board of

Directors' Meeting No. 6/2016 on November 24, 2016 resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2017 to approve the issue and offering of new ordinary shares under this transaction, which is equal to Baht 7.47 per share. This results in a price dilution effect of 20.48% after the capital increase.

In addition, by acquiring the newly issued ordinary shares at a price significantly lower than the market price, the Purchaser may reap the benefit from the difference between the market price and the offering price at which it has acquired the shares. Nonetheless, this is less likely to happen since the Company's shares traded on the market are considerably less liquid than the industry's (please see details of comparison of average daily turnover value of the Company, related industry group/sector and the SET in Section 1, Item 1.4.1 Fairness of transaction price, Sub-item d) Market Value Approach of this report). Moreover, due to a substantial amount of successive loss incurred by the Company, its shares are less attractive to investors. After all, in acquiring the Company's shares, the Purchaser has an intention to enter a joint venture as a strategic partner of the Company in the long term, rather than making such investment for a short-term profit taking from the share trading.

In the case that the offering price of the Company's newly issued ordinary shares is lower than 90% of the market price during 7-15 business days prior to the offering to the Purchaser, the Purchaser will not sell the Company's newly issued ordinary shares within one year from the first day on which the Company's newly issued ordinary shares are traded on the SET (Silent Period). Nonetheless, the Purchaser may sell not more than 25% of the lock-up shares after the Company's newly issued ordinary shares have been traded on the SET for six months. As such, there will not be any impact from share selling by the Purchaser during the silent period.

Furthermore, the offering price of the newly issued ordinary shares of Baht 4.25 per share is higher than the shares' book value as shown on the consolidated financial statements for the latest accounting period as at September 30, 2016, which is equal to Baht 4.21 per share, thus creating no dilution effect on the book value of the Company's shares.

Nevertheless, the capital increase and the offering of newly issued ordinary shares to the Purchaser from the calculation of earnings dilution **will not cause any earnings dilution effect** since it is anticipated that, after the capital increase, the Company's shares will increase and the loss per share of the Company will decline under the same assumptions using the same net loss amount, as seen from the following sample calculation:

Earnings dilution = $(EPS_0 - EPS_1) / EPS_0$

Where: EPS_0 = Earnings per share before offering of newly issued ordinary shares, equal to Baht (2.3049) per share*

EPS_1 = Earnings (Loss) per share after offering of newly issued ordinary shares

$$= \frac{\text{Net profit (loss) for the period*}}{\text{No. of shares after offering of newly issued ordinary shares}}$$

$$= \frac{(507.08) \quad \text{(Baht million)*}}{219{,}999{,}865 + 200{,}000{,}000 \text{ (million shares)}}$$

$= (1.2073)$

Note: Net profit (loss) for previous four quarters up to September 30, 2016*

Therefore, earnings dilution = ((2.3049) - (1.2073)) / (2.3049)
= 47.62%

The capital increase under this transaction will not create any earnings per share dilution effect due to a decrease in loss per share after the offering of newly issued shares. In this regard, the earnings (loss) per share are calculated based on the actual net profit (loss) recorded by the Company (from its performance in the previous four quarters, by taking no account of an increase or decrease in the net profit (loss) which is expected to increase in the future) and the total number of shares of the Company after the capital increase.

However, if in the future the Company's net loss increases to a certain level, the capital increase may not enable the Company to decrease such loss per share. Loss incurred by the Company has resulted from the substantial amount of loss from the business operation of ATV which earned a considerably low income from advertising fee but carried high operation costs and expenses. Its expenses mainly were fixed costs from amortization of Digital TV License, Network Service Fee, together with high finance costs from a large amount of borrowing, cost of program production, and selling and administrative expenses during the start-up phase of the digital TV business. If ATV cannot grow its revenues in the future, the Company will likely suffer a greater amount of net loss.

1.2) Accounting effect under financial reporting standard on share-based payments

The issue and allocation of 200,000,000 new ordinary shares to the Purchaser at the offering price of Baht 4.25 per share which is lower than the market price of the Company's shares may fall into the financial reporting standard on share-based payments. Under such standard, the entity that issues and sells its shares at a price lower than the fair value is required to record the different result between the offering price and the fair value of those shares as expense in the statement of comprehensive income and record the share premium from the share-based payment in the statement of financial position. The fair value shall be based on either the market price of those shares as of the date of rights granting or the fair value of the Company's ordinary shares as assessed by its Financial Advisor, multiplied by number of shares issued and offered for sale.

Therefore, the Company has to consider the fair value of shares and record the different result between the offering price of newly issued shares and the fair value according to the above mentioned financial reporting standard. To calculate the maximum impact on the Company's financial statements in case it has to record such expense from the share-based payment, by using the fair value of the Company's shares based on the weighted average market price during seven days before the date on which the Board of Directors' meeting approved this transaction, which was equal to Baht 7.47 per share, the potential accounting effect is estimated at Baht 3.22 per share or a total sum of Baht 644,000,000. The record of such difference as expense from the share-based payment could lead the Company to incur a higher net loss from operation and hinder its dividend payment.

However, by using the fair value of the Company's ordinary shares as assessed by its Financial Advisor, Thanachart Securities Plc., at Baht 4.02 per share which is lower than the offering price to the Purchaser of Baht 4.25 per share, there will be no expense incurred from the share-based payment. Currently, the Company and the auditor are making joint consideration on a guideline to determine the fair value of shares.

(3) Advantages of not entering into the transaction

1) If there is no capital increase and offering of newly issued ordinary shares on a private placement basis at a price lower than market price, the Company's existing shareholders will not face the control dilution and price dilution effects.

2) The Company will not be affected by the transaction that may be deemed as share-based payments.

3) There will be no expenses incurred from the transaction such as financial advisory fee, independent financial advisory fee, legal counseling fee, and other relevant specialist fees. Hence, the

Company will not have to take risk from a waste of such money in case it is unable to successfully enter into the transaction due to failure to satisfy the conditions precedent.

(4) Disadvantages of not entering into the transaction

1) The Company will risk failing to timely and sufficiently secure funds to meet its needs of funding for the digital TV business to ensure uninterrupted operation in the future.

2) The Company will risk failing to repay loans to financial institutions by due dates and, thus, being unable to draw down the remaining loans to carry on its business operation. It will also risk facing a legal action due to loan defaults.

3) The Company's debt to equity ratio will remain high and exceed the threshold acceptable to financial lenders.

1.3.3 Advantages and disadvantages between entering into the transaction with a connected person and that with a third party, necessity for entering into the transaction with a connected person and reasons for not entering into the transaction with a third party

The Company will mobilize funds by issuing and offering its 200,000,000 new ordinary shares on a private placement basis to the Purchaser at the offering price of Baht 4.25 per share or a total sum of Baht 850 million. As at present, the Purchaser does not have any relationship with the Company, its executives, controlling persons or major shareholders. However, after acquisition of the newly issued ordinary shares of the Company, the Purchaser will become a major shareholder holding 47.62% of the Company's total paid-up shares (after the increase of the Company's paid-up registered capital) and will nominate not more than three representatives to serve as the Company's directors. This is considered the entering into transaction with a connected person as defined in the Connected Transaction Notifications.

Alternatively, the Company may also raise funds by other methods such as borrowing from financial institutions, allocation of shares for rights offering to its existing shareholders or public offering or offering to specific investors or a combination of the aforementioned methods. However, there are limitations under the current circumstances where the country's economy remains stagnant and the Company itself has suffered from a substantial amount of loss from operation with a high D/E ratio (based on the consolidated financial statements of the Company and its subsidiaries as of September 30, 2016, they have total liabilities of Baht 3,994.96 million and shareholders' equity of Baht 925.67 million with D/E ratio of 4.32 times), which could hinder it from obtaining additional credit facilities from financial institutions. Besides, mobilizing funds via debt financing in a huge amount will heighten financial risk due to the overly high leverage together with a considerable increase in interest expenses, which could hurt its debt service ability in the future. Given that the Company offers the newly issued ordinary shares to other third party on a private placement basis or to its existing shareholders, it may risk failing to fully sell the desired amount of shares and at a reasonable price, or the investor may impose other conditions unacceptable to the Company, not to mention the lengthier negotiation process or implementation procedure. Similarly, the public offering also involves a time-consuming process. As such, the Company may be unable to secure funds sufficiently and timely to meet its needs, which could relatively affect its business continuity and ability to repay debts. The Company will also be impacted in its capacity as the parent company and guarantor for loan to its subsidiary.

After offering its newly issued ordinary shares to the Purchaser, the Company will receive cash payment fully upfront, which will be used in business operation of its subsidiary to ensure business continuity including loan repayment to financial institutions, and also for payment of the Digital TV License and for other objectives to timely meet its needs and by the due dates set forth in relevant agreements. Moreover, the subsidiary will have additional working capital to further operate the digital TV business efficiently by, for example, producing new TV programs and enhancing the program content or introducing new interesting content to attract more advertising expenditure, which will help strengthen its revenue growth and competitive potential in the future. At the same time, the Company expects to gain benefit from shareholding by the Purchaser in terms of their strategic partnership. The Purchaser has readily available funds and expertise in diverse fields of business, is famous and widely accepted, and has maintained good relationship with various business groups and financial institutions, which will help boost confidence in the Company among investors and all groups of stakeholders of the Company and enhance its potential and competitiveness in the future. When compared with other funding options such as rights offering or public offering or offering to a specific investor who is not a strategic shareholder, the Company may receive only cash payment from the capital increase, but not the opportunity to form strategic partnership or receive business support as expected in the case of the offering of shares to the Purchaser. Besides, the Company has never approached or been contacted by any other investors who are interested in the joint venture with it and offer the conditions and investment size comparable to those proposed by the Purchaser who is deemed as a connected person in this transaction.

The allocation of newly issued ordinary shares to the Purchaser will not affect the existing business management policy of the Company and its subsidiaries. This is because, after the acquisition of shares in the Company by the Purchaser, the Utakapan family will continue to be among the major shareholders of the Company although their shareholding will be diluted to the amount of less than 50% but still exceeding 25% of the Company's total voting rights, the percentage of which could allow them to maintain checks and balances on certain matters that are required by law or by the Company's Articles of Association to obtain affirmative votes of not less than three-fourths of the total votes of the shareholders who have the right to vote. Meanwhile, the Purchaser will hold 47.62% of the Company's total voting rights, which do not constitute a majority vote to control the Company in all matters but will enable it to exercise a block vote on certain matters.

After the Purchaser has become its major shareholder, the Company will continue to operate business as usual and will receive business cooperation from the Purchaser as its strategic shareholder. The Purchaser will nominate not more than three representatives to serve as the Company's directors so as to participate in significant business management at the policy level. During the period of 12 months from the acquisition of newly issued ordinary shares in the Company, the Purchaser has no plan or policy to materially change the objectives or main policy on business operation of the Company and its subsidiaries. The Purchaser will have the Company and its subsidiaries continue their existing business operation and has no policy to make significant change to the Company's management plan, organization structure and financial structure, nor to dispose of the core operating assets of the Company and its subsidiaries, except the asset disposal in the usual course of business operation which will be implemented on an arm's-length basis or in line with the business plan that already exists or is under consideration of the Company or its subsidiaries. The Purchaser also has no plan to change the dividend policy or delist the Company's securities from the SET after the acquisition of the Company's shares under this transaction. However, if in the future it is deemed necessary to change any business management policy and plan to enhance efficiency and competitive potential of AMARIN Group to suit the economic condition and business environment at that time by paying attention primarily to the Company's benefit and if there is a material change from that indicated by the Purchaser, the Purchaser will then seek approval from the Board of Directors and the shareholders of the Company in accordance with the relevant rules and regulations.

However, the entry into this connected transaction may give rise to doubt about whether there is any other hidden benefit such as a conflict of interest to the related person, which could affect the determination of terms and conditions as well as the offering price of the newly issued ordinary shares of the Company which is significantly lower than the market price. Taking into account all benefits obtainable by the Company and all impacts from the transaction, the entry into this transaction is deemed necessary and appropriate. The Company has made careful consideration on such connected transaction to ensure reasonableness of the transaction and fairness of price that neither gives advantage to nor allows for benefit transfer to any person, and has strictly adhered to the Connected Transaction Notifications.

In view of the advantages and disadvantages of entering into the transaction with the connected person compared with the third party as discussed above, the IFA is of the opinion that the entering into the transaction with the connected person is appropriate and considerably essential to the business operation. It will augur well for the overall business operation, financial position and stronger liquidity of the Company under the present circumstances where the Company requires a huge amount of additional funds for use in the digital TV business operation of the subsidiary so that it could carry on the business uninterruptedly and strengthen revenue growth and operating performance in the future. Besides, the transaction is considered fair and reasonable and is not conducive to benefit transfer to the connected person.

1.4 Fairness of price and conditions for the transaction

To determine the appropriateness of the value of this transaction, we have measured a fair value of AMARIN shares by the following approaches:

a) Book Value Approach
b) Adjusted Book Value Approach
c) Price to Book Value Approach
d) Market Value Approach
e) Discounted Cash Flow Approach

In this share valuation, we have not employed the price to earnings ratio approach because the Company recorded a net loss in the previous four quarters and the enterprise value to EBITDA approach because the Company's EBITDA in the previous four quarters (from fourth quarter of 2015 to third quarter of 2016) was Baht 21.03 million and the Company carries a large amount of interest-bearing debts. Under the enterprise value to EBITDA approach, the shares are appraised by using the average EV/EBITDA of the Peer Group, multiplied by the Company's EBITDA to arrive at the Company's EV of Baht 416.07 million - Baht 426.59 million. After deducted by its liabilities as of September 30, 2016 of Baht 3,403.74 million, the Company's EV turns negative. Therefore, the share value cannot be measured by this approach.

Details of the valuation of AMARIN shares by the different approaches are as follows:

a) Book Value Approach

By this approach, the share value is appraised based on the book value of the Company and its subsidiaries according to the consolidated financial statements of the Company and its subsidiaries as at September 30, 2016 which were reviewed by Mr. Poj Atsawasantichai, an auditor of Dharmniti Auditing Co., Ltd., which is on the SEC's approved list. Details are summarized as follows:

Particulars, as of September 30, 2016	Amount (Baht million)
Issued and paid-up share capital	220.00
Share premium	270.00
Retained earnings	
Appropriated - legal reserve	25.00
Unappropriated	410.67

Particulars, as of September 30, 2016	Amount (Baht million)
Total shareholders' equity of the Company	**925.67**
Par value (Baht/share)	1.00
Total number of paid-up shares (million shares)	220.00
Book value per share (Baht)	**4.21**

The book value approach reflects the financial position of the Company and its subsidiaries and the book value of assets and liabilities recorded as of September 30, 2016, but does not reflect the market value of some assets such as investment and land. It also does not focus on the future performance, profitability and competitive potential of the Company and its subsidiaries, or the overall economic and industrial trend.

By the book value approach, AMARIN shares are appraised at Baht 4.21 per share, which is lower than the offering price of the newly issued ordinary shares to the Purchaser of Baht 4.25 per share by Baht 0.04 per share or by 0.94% of the said offering price.

b) Adjusted Book Value Approach

Under this method, the shares are valued by adjustment of the book value of some items appearing in the financial statements of the Company and its subsidiaries as of September 30, 2016 in order to reflect the market value or the fair value of such assets, including other long-term investments, land, etc., which is closer to the present value or the true value of the Company's shares. Details of the adjustment are as follows:

1. Other long-term investments: These include investment in Amarin Book Center Co., Ltd. of 19.0% of paid-up capital and investment in WPS (Thailand) Co., Ltd. of 0.5% of paid-up capital. Such investments had a book value as at September 30, 2016 equal to Baht 1.90 million and Baht 2.50 million respectively or totaling Baht 4.40 million, representing 0.09% of the Company's total assets.

To obtain a fair value closest to the present value, we have adjusted the fair value of such other long-term investments based on the net asset value of the above entities as of December 31, 2015 from the latest financial statements duly audited by their respective auditors, which was equal to Baht 21.93 million and Baht 3.26 million respectively or totaling Baht 25.19 million. The said adjustment results in a net increase of approximately Baht 20.79 million in value of other long-term investments of the Company.

2. Property, plant and equipment: The property, plant and equipment used in business operation of the Company and its subsidiaries consist of premises for the headquarters, Publishing Business Division, Printing Business Division and warehouse of the Company, located on Chaiyaphruek Road, Taling Chan Sub-district/District, Bangkok, and digital television station of the subsidiary, located on Soi Arun Amarin 37, Arun Amarin Road, Bangkok Noi District, Bangkok, having a total book value as at September 30, 2016 of Baht 826.23 million or equal to 16.79% of the Company's total assets. As at present, the Company has not engaged any independent appraiser to assess market value of these properties for public purpose.

During 1990-2014, the Company recorded the price of land on which the above properties are located at the acquisition cost, details of which are as tabulated below:

Land location	Main purpose of land use	Land area	Book value as at Sep 30, 2016		Appraisal by independent appraiser
			Baht million	As % of total assets	
1. Chaiyaphruek Road, Taling Chan District, Bangkok	As the Company's head office, printing house and warehouse	21-3-55.90 rai	166.63	3.39	-None-
2. Arun Amarin Road, Bangkok Noi District, Bangkok	As the subsidiary's digital TV station	0-3-18.6 rai	18.08	0.37	Based on the independent appraiser's appraisal report dated June 30, 2015, the land was appraised at Baht 23.90 million and the buildings and constructions at Baht 68.96 million.

Note: The land and office buildings on Arun Amarin Road, which are rented by the Company to its subsidiary for use as the digital television station, were recorded separately as **investment property** in the separate financial statements and as part of property, plant and equipment in the consolidated financial statements of the Company. In preparing the financial reports, the Company determined market value of such investment property based on revaluation by an independent appraiser dated June 30, 2015, **for the sole purpose of accounting to identify any indicator of impairment of assets, but not for public purpose**.

In determining a fair value of land as a basis for share valuation by the adjusted book value approach, the IFA generally uses the value appraised by an SEC-approved independent appraiser for public purpose. The independent appraiser, by upholding professional practices, mainly employs the market approach to measure a fair value of land by comparison with market data derived from a survey of a similar type of property in terms of size, shape, location, accessibility, environment that will affect price, potential of property use, while also taking into account the economic factors that may affect the real estate market. This is a process of property appraisal by the independent appraiser to determine a fair value or actual market price of any such land.

However, the Company has not had its land revalued for public purpose to derive a fair value for use in this share valuation by the adjusted book value approach. We believe that the market value of the Company's land is higher than both the book value and the value according to the Official Land Appraisals. Therefore, to identify a probable market value of the land, we have additionally studied and analyzed data on market prices of vacant land in nearby areas that have been posted for sale via various websites on the Internet or additional data on those plots of land derived from inquiries by phone only. The market prices obtained are non-negotiated prices and are not the actual sale and purchase prices at present. Moreover, we have neither taken other factors into account nor adjusted the relevant factors to be used in the land valuation as in the appraisal under professional practices by the independent appraisers, due to our limitations in terms of knowledge, experience and expertise in property appraisal which requires a specialized professional skill. As such, the market value of land derived from our study and compilation of market data may not be used as a reference price for any purposes other than for determining a probable market price range of the Company's land as additional information for the share valuation by the adjusted book value approach. We therefore may not be held accountable for the use of the market value of land derived from our survey and compilation of market data as presented in this report for any other purposes.

Table showing market data of land derived from study and compilation by the IFA

Market data	Land area	Selling price (Baht/sqw)	Remark
1. **Data 1** Vacant land on Chaiyaphruek Road, Soi Chaiyaphruek 25, Taling	1 rai	60,000 - 80,000	Data obtained from inquiries by phone with two brokers

Market data	Land area	Selling price (Baht/sqw)	Remark
Chan Sub-district/District, already filled, 65 meters in depth			
2. **Data 2** Vacant land on Chaiyaphruek Road, Soi Chaiyaphruek 16, Taling Chan Sub-district/District	100 sqw	40,000	Source: http://www.pantipmarket.com/items/16053849 (as of Dec 31, 2016)
3. **Data 3** Vacant land on Chaiyaphruek Road, Soi Chaiyaphruek 21, Taling Chan Sub-district/District	206 sqw	40,000	Source: http://landforsell.blogspot.com/2016/08/21-206.html (as of Aug 1, 2016)
	Average price	**50,000**	

Note: The plots of land nearby the Company's land mostly are of a small size and are suitable for development into residential property or commercial building. Thus, the selling prices of those land plots may not fairly reflect the market value of the Company's land.

Comparison of market price and book value of land on which the Company's head office, printing house and warehouse are located

(Unit: Baht million)	Market price[1/]	Book value	Surplus on book value
1. Land on Chaiyaphruek Road, Taling Chan District, Bangkok	437.80	166.63	271.07

Note: [1/] Market price is derived from the study and compilation by the IFA.

As for the land on which the subsidiary's digital TV station is located, we have adjusted value of the investment property to closely reflect its present value by basing on the appraisal report dated June 30, 2015 prepared by UK Valuations and Agency Co., Ltd., an SEC-approved independent appraiser, which revalued properties such as land, buildings and construction. We have adjusted the land's book value based on the appraised value obtained from such independent appraiser's appraisal report. Although the said property revaluation was conducted about one year and six months ago, we believe that the market value of such land will not differ significantly from the appraised value obtained from such report.

However, considering that the report was prepared about one year and six months ago, a period too long for appropriate share valuation which in general should not exceed six months, we may not use the said appraisal for adjusting the book value of such land. We have instead adjusted the book value of the land, which is investment property, by basing on the Official Land Appraisals, as described above.

Table showing comparison between market price and book value of land on which the subsidiary's digital TV station is located

(Unit: Baht million)	Market price[1/]	Book value	Surplus on book value
1. Land on Arun Amarin Road, Bangkok Noi District, Bangkok	23.90	18.08	5.82

Note: [1/]Market price is based on appraised value by the independent appraiser as of June 30, 2015.

However, to ensure the said properties reflect a price closer to the market price, particularly the land that has been stated at cost through the accounting periods of 1990-2014, we have adjusted the book value of land based on the official land appraisals for fiscal years 2016-2019 announced by the Treasury Department under the Ministry of Finance on January 1, 2016 ("Official Land Appraisals"). As of September 30, 2016, the Company's land had a book value of Baht 184.70 million and value according to the Official Land Appraisals of Baht 232.48 million. Then, we applied the difference between the land value according to the Official Land Appraisals and the book value of such land of Baht 47.78 million to adjust the book value in the consolidated financial statements of the Company as at September 30, 2016.

As for other properties such as buildings, building improvements and equipment, etc., of which the Company has not arranged for property revaluation by an independent appraiser, these properties were stated in the financial statements at cost, less accumulated depreciation and allowance for impairment (if any), which can suitably reflect the fair value. Therefore, we have not made any adjustment to the book value of this item.

3. Land awaiting development: The Company has land held for development to accommodate its future plant expansion. It has since 2010 suspended the said expansion plan and is currently in the process of assessing the suitable economic situation. The land is located in Lam Pho Sub-district, Bang Bua Thong District, Nonthaburi Province, covering a total area of 29-3-51 rai, filled already. It has been stated at cost through the accounting years of 2008-2010, having book value as at September 30, 2016 equal to Baht 77.41 million or 1.57% of the Company's total assets. The Company has not engaged any independent appraiser to assess market value of such land for any purpose. By using the same method as the book value adjustment of land in Item 2 above to adjust such land value with the Official Land Appraisals of Baht 33.26 million or Baht 2,000 - 3,000 per square wah, there will be a difference between the land value according to the Official Land Appraisals and the book value of such land of Baht (44.15) million.

As mentioned in Clause 2 above, in determining a fair value of land as a basis for share valuation by the adjusted book value approach, the IFA generally uses the value appraised by an SEC-approved independent appraiser for public purpose.

However, the Company has not had its land awaiting development revalued to derive a fair value for use in this share valuation by the adjusted book value approach. We believe that the market value of such land awaiting development is higher than both the book value and the value according to the Official Land Appraisals. Therefore, to obtain additional information on market value of the land awaiting development, we have studied and analyzed data on market prices of vacant land in nearby areas, as described in Clause 2 above.

Table showing market data of land awaiting development derived from study and compilation by the IFA

Market data	Land area	Selling price (Baht/sqw)	Remark
1. **Data 1** Vacant land next to Soi on both sides, accessible via Ayutthaya – Bang Pa-in Road, about 800 meters into the Soi; and via Road No. 345, on Soi Wat Lam Pho, Pathum Thani Province	80 rai	11,250 - 12,500 or Baht 4.5 million - 5.0 million per rai	Data obtained from inquiries by phone with two brokers
2. **Data 2** Vacant land on Road No. 345, Bang Khu Wat Junction, Pathum Thani Province	41 rai	11,250	Source: http://www.teedin108.com/land/view/910267/ (as of Dec 15, 2016)
	Average price	**11,562.50**	

Comparison of market price and book value of land awaiting development

(Unit: Baht million)	Market price[1/]	Book value	Surplus on book value
Land awaiting development located at Lam Pho Sub-district, Bang Bua Thong District, Nonthaburi Province	138.18	77.41	60.77

Note: [1/] Market price is derived from the study and compilation by the IFA.

Due to the limitations in identifying market value of such land awaiting development, the market value of land derived from our study and compilation of market data may not be used as a reference price for any purposes other than for determining a probable market price range of the said land awaiting development as additional information for the share valuation by the adjusted book value approach. We therefore may not be held accountable for the use of the market value of land derived from our survey and compilation of market data as presented in this report for any other purposes.

Other assets of the Company and its subsidiaries are composed largely of intangible assets, which as of September 30, 2016 amounted to Baht 2,635.24 million or 53.56% of total assets of the Company and its subsidiaries. The major item was the Digital TV License, which was stated in cash equivalents by discounting the payable amount to present value with a discount rate based on market rate and was also stated at cost less accumulated amortization and impairment loss (if any). This item was recorded according to the financial reporting standards to ensure compliance with generally accepted accounting principles. Other assets also include trade and other receivables, which as of September 30, 2016 accounted for Baht 401.63 million or 8.16% of total assets of the Company and its subsidiaries. For trade accounts receivable, which are the obligations of the Company and its subsidiaries with third parties in their business operation, an allowance for doubtful accounts has already been set aside according to the established principles.

Total liabilities of the Company and its subsidiaries mainly consist of short-term loans from financial institutions, long-term loans from financial institutions, bill of exchange and debentures, which as of September 30, 2016 totaled Baht 550.00 million, Baht 1,355.00 million, Baht 198.64 million and Baht 200.00 million respectively, representing 57.66% of total liabilities, and liabilities under the license to operate digital television of Baht 1,094.48 million representing 27.40% of total liabilities, which were the obligations of the Company and its subsidiaries with third parties in their business transactions. We have not made any adjustment to these items since the Company and its subsidiaries already recorded the items at their actual value.

By the adjusted book value approach, we have added/(deducted) the above adjustment items to/from the book value of shares derived from the financial statements of the Company and its subsidiaries as of September 30, 2016. The book value adjustment of the Company and its subsidiaries can be shown as follows:

	Unit: Baht million
Shareholders' equity of the Company as of September 30, 2016	925.67
Adjustment items	
Add Surplus from adjustment to other long-term investments	20.79
Net book value after adjustment	**946.46**
Total number of issued shares (million shares)	220.00
Share value by the adjusted book value approach (Baht/share)	4.30

However, from our additional analysis of market prices of the Company's land and land awaiting development, as described above, to determine a probable market price range of the said land as additional information for the share valuation by the adjusted book value approach, the Company's shares can be valued as follows:

	Amount (Baht million)
Shareholders' equity as of September 30, 2016	925.67
Adjustment items	
Add Surplus from adjustment to other long-term investments	20.79
Add Revaluation surplus on land where the Company's head office is located	271.07
Add Revaluation surplus on land where the subsidiary's digital TV station is located	5.82
Less Revaluation surplus on the Company's land awaiting development	60.77
Net book value after adjustment	**1,284.12**
Total number of issued shares (million shares)	220.00
Share value by the adjusted book value approach (Baht/share)	**5.84**

The adjusted book value approach can reflect net present value of the assets better than the book value approach. However, this method does not focus on the future performance, profitability and competitive potential of the Company and its subsidiaries, or the overall economic and industrial trend.

By the adjusted book value approach, AMARIN shares are appraised in a range of Baht 4.30 - 5.84 per share, which is higher than the offering price of the newly issued ordinary shares to the Purchaser of Baht 4.25 per share by Baht 0.05 - 1.59 per share or by 1.18% - 37.41% of the said offering price.

c) Price to Book Value Approach

Under this approach, the shares are valued by basing on the average price to book value (P/BV) ratio of the listed companies in the SET's Services Industry Group, Media & Publishing Sector, which operate about the same type of business as AMARIN ("Peer Group"), prevailing over different time periods up to the cut-off date of November 23, 2016 which was the last business day before the date the Board of Directors' meeting resolved to propose the Extraordinary General Meeting of Shareholders No. 1/2017 to consider and approve the offering of newly issued ordinary shares on a private placement basis to a specific investor (the Purchaser).

The Peer Group includes the following listed entities:

Name	Symbol
1. Amarin Printing and Publishing Plc.	AMARIN
2. BEC World Plc.	BEC
3. Eastern Printing Plc.	EPCO
4. GMM Grammy Plc.	GRAMMY
5. Matichon Plc.	MATI
6. MCOT Plc.	MCOT
7. Mono Technology Plc.	MONO
8. Nation Broadcasting Corporation Plc.	NBC
9. Nation International Edutainment Plc.	NINE
10. Nation Multimedia Group Plc.	NMG
11. The Post Publishing Plc.	POST

Name	Symbol
12. RS Plc.	RS
13. SE-Education Plc.	SE-ED
14. Siam Inter Multimedia Plc.	SMM
15. Siam Sport Syndicate Plc.	SPORT
16. Workpoint Entertainment Plc.	WORK

Table showing financial highlights of the Peer Group and AMARIN for the year ended December 31, 2015:

(Unit: Baht million)	2015							
	AMARIN	BEC	EPCO	GRAMMY	MATI	MCOT	MONO	NBC
Total revenues	2,003.86	16,017.91	889.99	9,370.36	1,076.48	3,839.61	1,925.14	846.15
Net profit	(417.15)	3,032.21	247.32	(1,135.23)	(103.34)	43.67	(486.57)	(20.56)
Total assets	5,100.13	14,957.57	2,578.54	7,589.62	1,835.62	11,641.72	5,277.74	2,439.77
Total liabilities	3,705.53	6,769.49	1,197.56	5,555.94	402.14	4,260.22	2,854.17	1,123.27
Total shareholders' equity	1,394.60	8,188.08	1,380.98	2,033.67	1,433.47	7,381.50	2,423.56	1,316.50

(Unit: Baht million)	2015							
	NINE	NMG	POST	RS	SE-ED	SMM	SPORT	WORK
Total revenues	227.62	3,165.36	2,211.59	3,779.51	4,544.28	514.03	2,053.71	2,468.51
Net profit	(18.53)	26.96	(241.30)	132.11	76.51	(36.80)	(34.71)	164.43
Total assets	659.40	8,237.22	3,074.58	4,843.93	2,588.84	1,122.43	2,141.62	5,613.88
Total liabilities	172.37	3,882.87	2,089.62	3,116.77	1,595.20	659.96	1,569.97	2,786.32
Total shareholders' equity	487.03	4,354.35	984.96	1,727.16	993.64	462.47	571.65	2,827.56

Source: www.setsmart.com

Table showing financial highlights of the Peer Group and AMARIN for the nine-month period ended September 30, 2016:

(Unit: Baht million)	Nine-month period ended September 30, 2016							
	AMARIN	BEC	EPCO	GRAMMY	MATI	MCOT	MONO	NBC
Total revenues	1,249.09	10,492.80	706.66	5,627.93	722.20	2,210.16	1,706.38	403.63
Net profit	(468.93)	245.43	208.78	(266.93)	(86.70)	(476.99)	(56.99)	(174.39)
Total assets	4,920.62	14,793.05	6,588.05	7,681.18	1,770.86	10,643.69	5,586.09	1,990.56
Total liabilities	3,994.96	7,602.88	4,431.19	5,916.32	427.21	3,785.48	3,026.73	909.72
Total shareholders' equity	925.67	7,190.17	2,156.86	1,764.86	1,343.65	6,858.20	2,559.36	1,080.84

(Unit: Baht million)	Nine-month period ended September 30, 2016							
	NINE	NMG	POST	RS	SE-ED	SMM	SPORT	WORK
Total revenues	132.43	1,686.05	1,402.44	2,693.42	3,223.95	333.55	847.70	2,175.10
Net profit	(177.30)	(720.61)	(154.69)	(39.00)	26.42	(79.00)	(208.00)	279.20
Total assets	433.07	7,556.69	2,745.57	4,426.57	2,543.11	1,103.11	1,848.40	5,546.67
Total liabilities	129.39	4,045.78	1,907.57	3,303.81	1,572.56	720.10	1,484.75	2,512.17
Total shareholders' equity	303.68	3,510.91	838.00	1,122.76	970.55	383.01	363.65	3,034.50

Source: www.setsmart.com

Under the price to book value approach, the shares are valued by basing on the Company's book value as of September 30, 2016 of Baht 4.21 per share, multiplied by the average P/BV ratio of the listed companies in the SET's Services Industry Group, Media & Publishing Sector, which operate about the same type of business as AMARIN ("Peer Group"), prevailing over different time periods of three months, six months, nine months and 12 months up to the cut-off date of November 23, 2016 which was the last business day before the date the Board of Directors' meeting resolved to propose the Extraordinary General Meeting of Shareholders No. 1/2017 to consider and approve the offering of newly issued ordinary shares on a private placement basis.

Average P/BV of Peer Group

Period	AMARIN	EPCO	GRAMMY	MATI	MCOT	MONO	NBC
Average of past 3 months	1.62	2.62	4.23	0.77	1.25	3.65	0.88
Average of past 6 months	1.53	2.60	4.14	0.73	1.15	3.90	0.88
Average of past 9 months	1.45	2.66	3.94	0.74	1.06	3.59	0.92
Average of past 12 months	1.42	2.76	3.49	0.75	0.99	3.30	0.94

Period	NINE	NMG	PORT	SE-ED	SMM	SPORT	Average
Average of past 3 months	1.01	1.32	2.68	1.86	1.07	1.30	**1.87**
Average of past 6 months	0.95	1.30	2.86	1.89	1.03	1.44	**1.88**
Average of past 9 months	0.92	1.35	3.08	1.92	1.01	1.45	**1.85**
Average of past 12 months	0.90	1.37	4.18	1.98	0.97	1.43	**1.88**

Note: Excluding average P/BV of BEC, RS and WORK

Source: www.setsmart.com

We have excluded the average P/BV of BEC, RS and WORK, which was in a range of 5.65 - 6.90 times, 6.36 - 6.84 times, and 5.36 - 5.67 times respectively, from the above calculation of average P/BV of Peer Group because they are considered an outlier among the Peer Group.

Conclusion of share valuation by P/BV approach

Period	Average P/BV of Peer Group	AMARIN share price (Baht/share)
Average of past 3 months	1.87	7.87
Average of past 6 months	1.88	7.91
Average of past 9 months	1.85	7.79
Average of past 12 months	1.88	7.91

The share valuation by this approach is based on the Company's book value which reflects its performance and financial position at a certain period of time, but does not focus on the future performance, profitability and competitive potential of the Company and its subsidiaries, or the overall economic and industrial trend.

By the price to book value approach, AMARIN shares are appraised in a range of Baht 7.79 - 7.91 per share, which is higher than the offering price of the newly issued ordinary shares to the Purchaser of Baht 4.25 per share by Baht 3.54 - 3.66 per share or by 83.29% - 86.21% of the said offering price.

d) Market Value Approach

Under this method, the shares are appraised based on the weighted average market price (trading value/trading volume) of AMARIN shares traded on the SET over different periods. Here, we have adopted the market price in different time periods over one year up to November 23, 2016 which was the last business day before the date the Board of Directors' meeting resolved to propose the shareholders' meeting of the Company to approve the offering of newly issued ordinary shares on a private placement basis to a specific investor (the Purchaser), as follows:

Conclusion of share valuation by market value approach

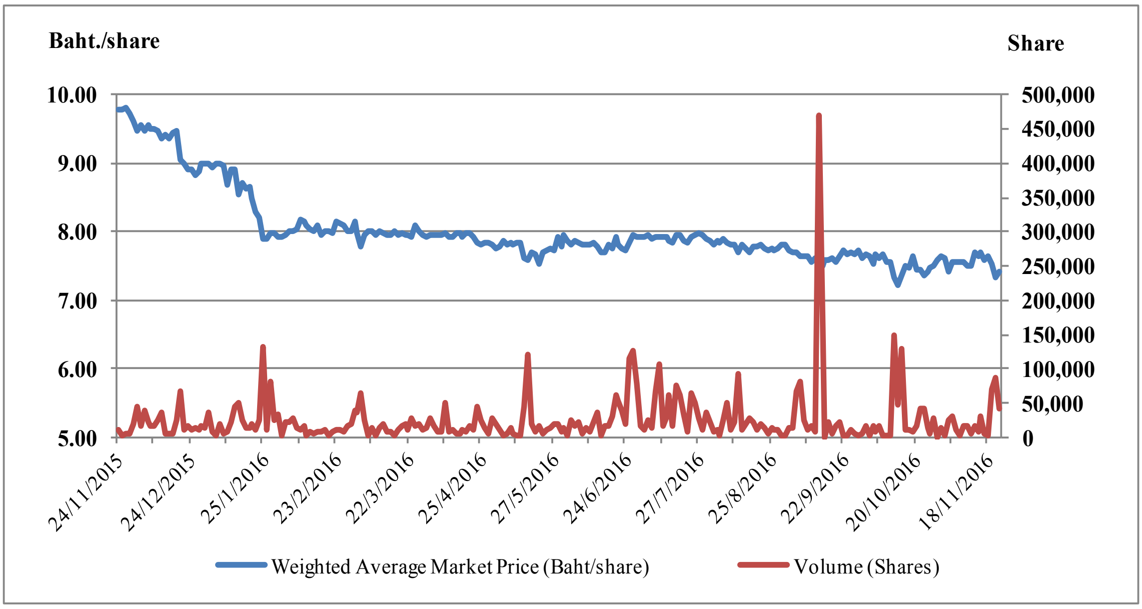
Period	Average daily trading		Weighted average market price (Baht/share)
	Volume (shares)	Value (Baht)	
Average of past 3 months	29,851	223,951	7.50
Average of past 6 months	30,179	231,810	7.68
Average of past 9 months	26,314	203,093	7.72
Average of past 12 months	24,708	195,420	7.91

Source: www.setsmart.com

However, we have not factored into the share valuation the latest market price prevailing after notification of the Board of Directors' resolution on the capital increase and the offering of newly issued ordinary shares to the Purchaser because during such period the market price of AMARIN shares might be affected by news about such capital increase and offering of shares of the Company.

Graph illustrating weighted average market price and trading volume of AMARIN shares in previous one year

(November 24, 2015 - November 23, 2016)



The trading volume of AMARIN shares in different retroactive periods of three months, six months, nine months and 12 months was in a range of 24,708 shares - 30,179 shares per day or roughly 0.01% of its total issued shares, and the total trading volume over the previous 12 months amounted to 6,028,639 shares or 2.74% of its total issued shares.

Table showing average daily turnover volume of AMARIN, related industry group/sector and the SET

Period	Average daily turnover volume (%)			
	AMARIN	Media & Publishing	Services	SET
Average of past 3 months	0.01	0.45	0.53	0.53
Average of past 6 months	0.01	0.48	0.59	0.53
Average of past 9 months	0.01	0.42	0.52	0.51
Average of past 12 months	0.01	0.36	0.49	0.48

Source: www.setsmart.com

In view of the average daily turnover volume of shares in the retroactive periods of three months, six months, nine months and 12 months, it is apparent that the trading liquidity of AMARIN shares has been significantly lower than the industry's. That is, the average turnover of the Company's shares in the 12-month period up to November 23, 2016 of 0.01% is substantially low when compared with the average turnover volume of shares in the Media & Publishing Sector of 0.36% - 0.48%, the Services Industry Group of 0.49% - 0.59%, and the SET of 0.48% - 0.53%.

Table showing average daily turnover value of AMARIN, related industry group/sector and the SET

Period	Average daily turnover value (%)[1/]			
	AMARIN	Media & Publishing	Services	SET
Average of past 3 months	0.01	0.30	0.33	0.40
Average of past 6 months	0.01	0.31	0.34	0.39
Average of past 9 months	0.01	0.28	0.32	0.38
Average of past 12 months	0.01	0.26	0.30	0.37

Note: [1/] Average daily turnover value is calculated from average daily trading value, divided by average daily market cap.

Source: www.setsmart.com

In terms of the average daily turnover value of AMARIN shares in the retroactive periods of three months, six months, nine months and 12 months up to November 23, 2016 of 0.01%, it is also extremely low when compared with the average daily turnover value of shares in the Media & Publishing Sector of 0.26% - 0.31%, the Services Industry Group of 0.30% - 0.34%, and the SET of 0.37% - 0.40%. Therefore, considering the said trading liquidity or trading volume and value of AMARIN shares in the stock market, the valuation of its shares by basing on such market value may not fairly reflect the true value of the Company's shares.

By the market value approach, AMARIN shares are appraised in a range of Baht 7.50 - 7.91 per share, which is higher than the offering price of the newly issued ordinary shares to the Purchaser of Baht 4.25 per share by Baht 3.25 - 3.66 per share or by 76.47% - 86.21% of the said offering price.

e) Discounted Cash Flow Approach

Under this approach, which focuses on future profitability prospect of the Company and its subsidiaries, the shares are appraised by an estimation of net present value of free cash flow expected from future operation under a financial projection. The projection is based on assumption that the

Company and its subsidiaries continue operation on a going concern basis without any material change, and is also based on the prevailing economic condition and the present circumstances where the business operation is under the current management team by taking no account of the benefits expected to be received by the Company from shareholding acquired by Vadhanabhakdi Co., Ltd. from the allocation of newly issued ordinary shares of the Company.

We have prepared the financial projection for valuation of AMARIN shares by this approach and also applied the sum of the parts methodology by calculating the total sum of value of the individual business units in order to measure a fair value of the shares. The financial projection for each business line has been made based upon information and assumptions obtained from the Company and from study of the actual historical financial data or ratios, statistical records of industries related to business operation of the Company and its subsidiaries, including information derived from interviews with the management of the Company and its subsidiaries.

The assumptions for financial projection preparation have been set under the present economic environment. Thus, if there is a material change in the economic condition and other external factors that have an impact on the Company's operation, including change in the Company's situation, from the assumptions established herein, the fair value of the Company's shares measured by this approach will change as well.

Under the sum of the parts valuation, we have identified the enterprise value of the Company's different business lines, including media and publishing business, which is operated by the Company, and digital TV business, which is run by its subsidiary, Amarin Television Co., Ltd., and then aggregated the value of the two businesses. Moreover, the Company has a long-term investment in other entities, comprised of investment in Amarin Book Center Co., Ltd. (ABOOK) which operates distribution of books business and investment in WPS (Thailand) Co., Ltd. (WPS) which operates multimedia and printing services business, in proportion of 19% and 0.5% of each entity's paid-up shares respectively. The Company also has investment in KADOKAWA Amarin Co., Ltd. (KADOKAWA) which operates production and distribution of comic books business in proportion of 46% of such associated company which was newly established and has not yet had any operating results and any clear business plans to be used for forecast of its future performance. Therefore, we have incorporated value of such long-term investment and value of investment in the newly established associated company according to the percentage of shareholding by AMARIN at cost of investment (book value) into the total enterprise value of the Company as appraised under the above methodology.

Details of the share valuation are as follows:

Appraisal of Part 1 Business: Media and Publishing Business which is operated by AMARIN

1. Revenues from sales and services

Revenues from sales and services of AMARIN are categorized into (1) revenues from publishing business such as revenues from sales of magazines and books and revenues from printing services; and (2) revenues from non-publishing business such as fairs and events, including Amarin Baby & Kids Fair, Health, Cuisine & Beauty Festival, Good Life Fair, Baan Lae Suan Fair, etc., and revenues from rendering of services such as website designing and production, e-magazine, e-book, etc.

Actual revenues from sales and services of AMARIN recorded in 2013-2015 and the first nine months of 2016 (9M/2016) and projection for 2016-2021 are as follows:

(Unit: Baht million)	Actual				Projected						
	2013	2014	2015	Jan-Sep 2016	Oct-Dec 2016	2016	2017	2018	2019	2020	2021
Revenues from sales and services											
- Publishing business	1,717.15	1,570.76	1,547.58	951.59	471.62	1,423.21	1,399.04	1,417.83	1,437.00	1,456.56	1,476.50
Growth rate (%)	*n.a.*	*(8.52)*	*(1.48)*	*(15.50)*	*11.90*	*(8.04)*	*(1.70)*	*1.34*	*1.35*	*1.36*	*1.37*
- Non-publishing business	347.33	310.75	319.18	121.66	207.61	329.27	378.66	397.59	417.47	438.35	460.26
Growth rate (%)	*n.a.*	*(10.53)*	*2.72*	*3.61*	*2.90*	*3.16*	*15.00*	*5.00*	*5.00*	*5.00*	*5.00*
Total revenues from sales and services	**2,064.47**	**1,881.51**	**1,866.77**	**1,073.25**	**679.23**	**1,752.48**	**1,777.70**	**1,815.42**	**1,854.48**	**1,894.90**	**1,936.77**
Growth rate (%)	*(3.81)*	*(8.86)*	*(0.78)*	*(13.69)*	*8.99*	*(6.12)*	*1.44*	*2.12*	*2.15*	*2.18*	*2.21*

In 2014 and 2015, total revenues from sales and services of AMARIN dropped year-on-year by 8.86% and 0.78% respectively, due mainly to a decrease in revenues from publishing business caused by changing behaviors of readers who are increasingly shifting away from books and magazines in print to online news and content available from their mobile phones and the Internet, resulting in a decline in sales of books and magazines of AMARIN.

For 2016, total revenues from sales and services are projected to contract by 6.12% from 2015 based on the growth rate of each category of revenues from sales and services actually recorded in 9M/2016 as follows:

1) *Publishing business:* Revenues from sales and services in 2016 are forecast to fall by 8.04% based on the growth rate of actual revenues from sales and services of each type of publishing products in 2015 and 9M/2016. This stemmed primarily from a continuous decrease in advertising expenditure for printed media, a drop in sales of books and magazines due to consumers' increased preference for digital media, and the economic slowdown. Presently, AMARIN has a total of 11 magazine titles (compared with 13 titles in 2015).

2) *Non-publishing business:* Revenues from sales and services in 2016 are projected to grow by 3.16% based on the growth rate of actual revenues from sales and services of non-publishing business in 2015 and 9M/2016. Such revenue growth is contributed by fairs organized by AMARIN Group during Q4/2016 which have received positive response from both magazine readers and the general public.

Projection of revenues from sales and services for 2017-2021

1) *Publishing business*: Revenues from sales and services of publishing business are projected to shrink by 1.70% in 2017 and then to grow by between 1.34% and 1.37% per year during 2018-2021. Revenues from sales of magazines will drop by 5% per year in 2017 and will witness a 0% growth rate in 2018 and onwards. The magazine industry will likely reach its nadir in 2017. Revenues from sales of books and general printing services are anticipated to grow by 0% in 2017 and then by 2% per year from 2018 onwards. It is predicted that AMARIN will be able to grow its revenues from sales of books and printing services by adopting a comprehensive marketing strategy for printed media business and focusing more on online marketing channels such as social media, application, website, etc. It is also expected that the traditional media such as magazines and printed materials of AMARIN Group will continue to be supported by its customers who are fond of reading books and magazines in print.

2) *Non-publishing business*: Revenues from sales and services are forecast to grow by 15% in 2017 and then by 5% per year from 2018 onwards. Such growth will be driven by the

management's plan to expand AMARIN Group's fairs business, which has been well accepted by consumers, by organizing fairs and events, which currently are concentrated in Bangkok only, in other large cities such as Udon Thani, Chiang Mai, Khon Kaen, Phuket, etc., as well as increasing the areas and duration of fairs organized in Bangkok, which will enable AMARIN to generate higher revenues from rented areas for fairs organizing.

2. Other income

Actual other income recorded in 2013-2015 and 9M/2016 and projection for 2016-2021 is as follows:

(Unit: Baht million)	Actual				Projected						
	2013	2014	2015	Jan-Sep 2016	Oct-Dec 2016	2016	2017	2018	2019	2020	2021
Other income	26.04	34.65	56.11	42.30	9.04	51.34	52.08	53.18	54.33	55.51	56.74

Other income consists of interest income, rental income from office renting, fee income from advisory services in account-finance, job recruitment, product and advertising sales, bill collection agent for subsidiaries, etc. For 2016-2021, other income is estimated at 2.93% of revenues from sales and services based on the average percentage of other income to revenues from sales and service recorded in 2014-2015 and 9M/2016.

3. Cost of sales and services

Actual cost of sales and services recorded in 2013-2015 and 9M/2016 and projection for 2016-2021 is as follows:

(Unit: Baht million)	Actual				Projected						
	2013	2014	2015	Jan-Sep 2016	Oct-Dec 2016	2016	2017	2018	2019	2020	2021
Cost of sales and services											
- **Publishing business**	**1,129.36**	**1,092.66**	**1,132.46**	**699.33**	**354.77**	**1,054.10**	**1,038.19**	**1,052.90**	**1,067.91**	**1,083.22**	**1,098.84**
Cost as % of revenues from publishing business	*65.77%*	*69.56%*	*73.18%*	*73.49%*	*75.22%*	*74.07%*	*74.21%*	*74.26%*	*74.32%*	*74.37%*	*74.42%*
- **Non-publishing business**	**281.92**	**185.78**	**150.74**	**82.19**	**82.45**	**164.63**	**208.26**	**218.68**	**229.61**	**241.09**	**253.14**
Cost as % of revenues from non-publishing business	*81.17%*	*59.78%*	*47.23%*	*67.56%*	*39.71%*	*50.00%*	*55.00%*	*55.00%*	*55.00%*	*55.00%*	*55.00%*
Total cost of sales and services	**1,411.28**	**1,278.44**	**1,283.20**	**781.52**	**437.22**	**1,218.74**	**1,246.45**	**1,271.58**	**1,297.52**	**1,324.31**	**1,351.98**
Cost of sales as % of total revenues from sales and services	*68.36%*	*67.95%*	*68.74%*	*72.82%*	*64.37%*	*69.54%*	*70.12%*	*70.04%*	*69.97%*	*69.89%*	*69.81%*
Gross profit margin (%)	*31.64%*	*32.05%*	*31.26%*	*27.18%*	*35.63%*	*30.46%*	*29.88%*	*29.96%*	*30.03%*	*30.11%*	*30.19%*

Cost of sales and services is mainly comprised of cost of production and distribution of printed media and staff salary and welfare for production division. For ***publishing business***, cost of sales is projected to be in a range of 74.07% - 74.42% of revenues from sales and services of publishing business in 2016-2021 based on the average percentage of cost of sales to revenues from sales and services of each category in 9M/2016, which could reflect the current cost of sales and services of AMARIN.

As regards ***non-publishing business***, cost of sales is forecast at 50% of revenues from sales and services of non-publishing business in 2016 and at 55% from 2017 onwards. The management's business plan to expand fair and event activities more to major provinces in the upcountry from 2017 onwards will incur additional expenses on those activities and accordingly lead to a slight increase in the percentage of cost of sales to revenues from sales and services of non-publishing business compared with that in 2015-2016.

4. Selling and administrative expenses

Actual selling and administrative expenses recorded in 2013-2015 and 9M/2016 and projection for 2016-2021 are as follows:

(Unit: Baht million)	Actual				Projected						
	2013	**2014**	**2015**	**Jan-Sep 2016**	**Oct-Dec 2016**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
Selling expenses	**51.87**	**40.86**	**40.19**	**28.40**	**12.32**	**40.72**	**41.31**	**42.18**	**43.09**	**44.03**	**45.00**
Selling expenses as % of revenues from sales and services	*2.51%*	*2.17%*	*2.15%*	*2.65%*	*1.81%*	*2.32%*	*2.32%*	*2.32%*	*2.32%*	*2.32%*	*2.32%*
Administrative expenses	**267.90**	**276.09**	**294.19**	**213.19**	**90.14**	**303.33**	**313.41**	**318.93**	**326.95**	**335.80**	**333.09**
Administrative expenses as % of total revenues	*12.81%*	*14.41%*	*15.30%*	*19.11%*	*13.10%*	*16.82%*	*17.13%*	*17.07%*	*17.13%*	*17.22%*	*16.71%*
Total selling and administrative expenses	**319.76**	**316.95**	**334.38**	**241.59**	**102.46**	**344.05**	**354.71**	**361.12**	**370.04**	**379.83**	**378.10**
Selling and administrative expenses as % of total revenues	*15.30%*	*16.54%*	*17.39%*	*21.66%*	*14.89%*	*19.07%*	*19.39%*	*19.33%*	*19.39%*	*19.47%*	*18.97%*

- Selling expenses, comprising sales staff salary, commission fee, marketing and public relations expenses, etc., are projected based on the average percentage of selling expenses to revenues from sales and services in 2014-2015 and 9M/2016, equal to 2.32%.

- Administrative expenses can be broken down as follows:

  - *Salary for employees and executives* is projected to increase by 5% annually based on the salary increase rate of AMARIN.
  - *Utilities expenses* are forecast to rise by 2% per year based on the consumer price index (CPI) in the past 10 years (2007-2016).
  - *Other expenses*, including advertising airtime fee, rental fee payable to related companies and directors, etc., are expected to increase by 5% per year close to the average growth rate of other expenses in 2014-2015 and 9M/2016 of 5.62%.
  - *Depreciation and amortization* is forecast by straight line method through the assets' useful life for five years.

5. Income tax

Corporate income tax is set to be 20% of profit before income tax expenses.

6. Working capital

Average collection period	87	days
Average age of inventories	84	days
Average repayment period	70	days

The projection of average collection period, average age of inventories and average repayment period is close to the average collection period, average age of inventories and average repayment period in 2014-2015 and 9M/2016 of AMARIN.

7. Capital expenditure

Capital expenditure for 2016 is estimated at Baht 28.81 million, consisting of investment in new printing machines of Baht 23.57 million and computer software of Baht 5.24 million. For 2017-2021, capital expenditure is expected at Baht 40 million a year for investment, repair and maintenance, and procurement of new printing machines and computer software to replace the items that complete their useful life, details of which are as shown below:

	Projected					
(Unit: Baht million)	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
Capital expenditure*	28.81	40.00	40.00	40.00	40.00	40.00

Note: * Capital expenditure for 2016 is estimated at Baht 28.81 million, which was already used up by AMARIN in 9M/2016. As such, it is projected that there will be no additional capital expenditure incurred in the last three months of 2016.

8. Terminal value

Terminal value from 2022 onwards is projected, on a conservative basis, to grow by 0%.

9. Discount rate

The discount rate used for estimating present value of free cash flow expected to be generated by the Company in the future is equal to 8.52%, which is based on the weighted average cost of capital (WACC).

WACC is calculated using the following formula:

WACC = Ke*(E/V) + Kd*(1-T)*(D/V)

Ke = Shareholders' rate of return, equal to 9.57% per year

Kd = Average loan rate of 4.28% p.a. based on average interest rate as at September 30, 2016

T = Corporate income tax of 20%

E = Shareholders' equity

D = Interest-bearing debt

V = D + E

E/V = Percentage of financing that is equity (equal to 82.97% as at September 30, 2016)

D/V = Percentage of financing that is interest-bearing debt (equal to 17.03% as at September 30, 2016)

Calculation formula for Ke is as follows:

$$\mathbf{Ke} = \mathbf{Rf} + \beta\mathbf{(Rm - Rf)}$$

Where: Risk free rate (Rf) Average bid yield on the government bond with remaining maturity of 30 years as of November 18, 2016, which was the time of valuation of AMARIN's business value by the IFA, equal to 3.158% (source: www.thaibma.or.th)

Beta (β) Coefficient variation between the SET's rate of return and closing price of Peer Group's shares[4] (levered beta) over the past three years (source: Bloomberg, as of November 18, 2016), adjusted by D/E ratio and corporate income tax (20%) of each listed company to obtain unlevered beta of 0.482 and then adjusted by D/E ratio of AMARIN to arrive at beta of 0.560

Rm Average rate of return on the SET over the past 30 years approximately, a period that could reflect investment condition in different time periods better than shorter-term data (from SET data for 1987 – November 30, 2016), equal to 14.60%

Table showing unlevered beta of the Peer Group and AMARIN's beta calculation:

	AMARIN	EPCO	MATI	NINE	NMG	POST	SE-ED	SMM	SPORT
Levered beta (over the past 3 years)		1.068	0.547	0.954	0.887	0.022	0.460	1.163	0.810
Interest bearing debt to equity ratio (times)1/		1.98	-	-	0.38	1.50	0.51	0.95	2.66
Unlevered beta (over the past 3 years)		0.414	0.547	0.954	0.682	0.010	0.328	0.660	0.259
Average unlevered beta (times)	**0.482**								
AMARIN's interest bearing debt to equity ratio (times)1/	0.203								
AMARIN's beta (times)2/	**0.560**								

Sources: Bloomberg (for the Peer Group's levered beta as of November 18, 2016) and www.setsmart.com (for the Peer Group's financial statements as of September 30, 2016)

Note: 1/ Based on AMARIN's separate financial statements as of September 30, 2016, its interest bearing debt totaled Baht 498.64 million and shareholders' equity totaled Baht 2,457.35 million.

2/ AMARIN's beta is calculated using the following formula: Beta = Average Unlevered Beta * [1 + (1-Corporate Tax 20%) * (AMARIN's interest bearing debt to equity ratio)].

[4] Peer Group used in the calculation of unlevered beta consists of eight SET-listed companies in Media & Publishing Sector, namely EPCO, MATI, NINE, NMG, POST, SE-ED, SMM and SPORT. The result of unlevered beta's calculation is in a range of 0.01 - 0.95.

Table summarizing operating results of Part 1 Business (AMARIN) in 2014-2015 and 9M/2016 and projection for 2016-2021

(Unit: Baht million)	Actual				Projected					
	2013	2014	2015	2016 (Jan-Sep)	2016	2017	2018	2019	2020	2021
Revenues from sales	2,064.47	1,881.51	1,866.77	1,073.25	1,752.48	1,777.70	1,815.42	1,854.48	1,894.90	1,936.77
Cost of sales	1,411.28	1,278.44	1,283.20	781.52	1,218.74	1,246.45	1,271.58	1,297.52	1,324.31	1,351.98
Gross profit	**653.19**	**603.08**	**583.57**	**291.72**	**533.74**	**531.25**	**543.85**	**556.95**	**570.59**	**584.79**
Other income	26.04	34.65	56.11	42.30	51.34	52.08	53.18	54.33	55.51	56.74
Selling expenses	51.87	40.86	40.19	28.40	40.72	41.31	42.18	43.09	44.03	45.00
Administrative expenses	267.90	276.09	294.19	213.19	303.33	313.41	318.93	326.95	335.80	333.09
Total selling and administrative expenses	319.76	316.95	334.38	241.59	344.05	354.71	361.12	370.04	379.83	378.10
Profit before finance cost and income tax expenses	**359.47**	**320.77**	**305.30**	**92.43**	**241.03**	**228.61**	**235.91**	**241.24**	**246.27**	**263.42**
Finance cost	0.69	2.73	8.09	13.58	17.97	19.05	19.01	18.96	18.92	18.92
Profit before income tax expenses	358.77	318.04	297.21	78.85	223.06	209.56	216.90	222.28	227.35	244.50
Income tax expenses	72.15	63.25	59.22	15.96	44.61	41.91	43.38	44.46	45.47	48.90
Net profit	**286.62**	**254.80**	**237.99**	**62.89**	**178.45**	**167.65**	**173.52**	**177.82**	**181.88**	**195.60**

Table summarizing cash flow projection of Part 1 Business (AMARIN)

(Unit: Baht million)	Total	2016 (Oct-Dec)	2017	2018	2019	2020	2021
EBIT		148.60	228.61	235.91	241.24	246.27	263.42
Less Corporate income tax		(29.72)	(45.72)	(47.18)	(48.25)	(49.25)	(52.68)
Add Depreciation		37.49	121.30	112.10	107.51	103.38	65.93
Add/(Less) Net change in working capital		(88.06)	(64.53)	(57.19)	(41.47)	(29.90)	(12.47)
Less Capital expenditure[1/]		-	(40.00)	(40.00)	(40.00)	(40.00)	(40.00)
Free cash flow to firm		68.31	199.66	203.64	219.04	230.50	224.19
Terminal value							2,631.45
PV of free cash flow to AMARIN	893.33	66.93	180.26	169.42	167.92	162.84	145.95
PV of terminal value	1,713.06						
Total PV of free cash flow to AMARIN	**2,606.39**						
Add Cash and cash equivalents at at September 30, 2016	272.19						
Add Current investments as at September 30, 2016	-						
Add Long-term investments as at September 30, 2016	10.04[2/]						
Less Interest-bearing debt as at September 30, 2016	(504.26)						
Net cash flow to shareholders	**2,384.37**						

Note: [1/] Capital expenditure for 2016 is estimated at Baht 28.81 million, which was already used up by AMARIN in 9M/2016. As such, it is projected that there will be no additional capital expenditure incurred in the last three months of 2016.

[2/] Investment in debt instrument-held to maturity was in the form of government bond.

Based on the assumptions for projection of free cash flow of Part 1 Business (AMARIN) expected to be generated in the future with WACC of 8.52% used as a discount rate for estimating present value of such cash flow, AMARIN's business value appraised by the discounted cash flow approach is equal to Baht 2,384.37 million.

Appraisal of Part 2 Business: Digital TV Business which is operated by Amarin Television Co., Ltd.

Amarin Television Co., Ltd. ("ATV") was awarded the license to use allocated frequencies for national commercial digital television services in high definition (HD) category on Amarin TV HD Channel from the NBTC for a period of 15 years from April 25, 2014 to April 24, 2029 with the bidding price of Baht 3,320 million. ATV made the first digital TV broadcasting on May 23, 2014 on Channel 34.

The contents of the programs offered around the clock by Amarin TV HD Channel comprise news, entertainment and general knowledge, which represent a combination of in-house production and co-production with other business partners. In 2015, ATV's television programs gained increasing popularity, as proven by it being upgraded to the top 10 highest rating channels in November 2016 according to a survey conducted by AGB Nielsen Media Research (Thailand) Co., Ltd.

The IFA has prepared a financial projection of ATV to measure its business value by estimating cash flow from its digital TV business operation for a period of about 12 years and seven months (October 1, 2016 – April 24, 2029) according to the remaining term of the Digital TV License. The projection has been based on information and assumptions available from ATV and from interviews or inquiries with the Company's management, together with analysis of other information related to the digital TV business operation such as digital TV industry information. Advertising fee and occupancy rate are the key assumptions having a crucial impact on future cash flow projection. These assumptions have been determined based on forecast by the management who deems that the current advertising fee rates do not genuinely reflect the digital TV business structure of ATV and, therefore, the average advertising fee rate from its past performance may not be used as a reference rate. From early 2016 onwards, ATV has recruited a new sales team with strong experience in this industry, leading to an expectation that the advertising fee of Amarin TV HD Channel will edge up after the improvement of its selling and marketing strategies. Moreover, we have adjusted some assumptions such as advertising fee rate, program production cost, etc. to reflect market condition and competition as well as the overall economic situation.

Key assumptions used for the financial projection are as follows:

1. **Service income from airtime rental**

Airtime rental service income is estimated from number of hours of broadcasting per day, minutes of advertising per hour, advertising fee per minute, and occupancy rate. ATV offers a wide variety of quality programs around the clock through satellite TV in C-Band and KU-Band systems, cable TV, smart phone and the Internet, and earns airtime rental service income from broadcasting for 18 hours a day, exclusive of rerun period (24.00 hrs. - 6.00 hrs.). The total amount of advertising airtime in a day cannot exceed an average of 10 minutes per hour, pursuant to the NBTC's notification which stipulates that a commercial service broadcasting business that uses radio frequencies may generate income from advertising and business service provision in the maximum amount of 12 and a half minutes per hour, whereby the total amount of advertising and business service airtime for a whole day shall not exceed an average of 10 minutes per hour.

	2015	2016 (Jan-Sep)	2016 (Oct -Dec)	2016	2017	2018	2019	2020	2021
Growth rate of advertising fee (%)	n.a.	n.a.	0%	n.a.	61%	50%	50%	20%	5%
Occupancy rate (%)	27%	58%	60%	60%	65%	70%	75%	75%	80%
Airtime rental service income (Baht million)	**103.02**	**158.11**	**86.29**	**244.40**	**427.05**	**689.85**	**1,111.73**	**1,330.43**	**1,490.08**

	2022	2023	2024	2025	2026	2027	2028	2029 (Jan-Apr)
Growth rate of advertising fee (%)	5%	5%	5%	5%	5%	5%	5%	0%
Occupancy rate (%)	80%	80%	80%	80%	80%	80%	80%	80%
Airtime rental service income (Baht million)	**1,564.58**	**1,647.31**	**1,724.95**	**1,811.20**	**1,901.76**	**2,002.32**	**2,096.69**	**654.86**

Advertising fee is projected based on the management's forecast that the average advertising fee of ATV in the future will likely increase from the current level, helped by factors such as the new sales team with substantial experience in the industry who joined ATV in early 2016 and the adjustment of selling and marketing strategies with its agencies by gradually adjusting to higher advertising fee. Besides, after expiration of the analog television concession of TV Channel 7 in July 2018 and Channel 3 in March 2020, all digital TV broadcasters will then operate business under the same licensing system and the audience base will become larger. As such, market mechanism will cause advertising fees of all TV operators to be competitive and advertising expenditure will be transferred from the analog TV system and allocated more to the digital TV business. In addition, ATV plans to offer new content that is being selected under the original concept of its TV channel, which is expected to help increase rating among its viewers. Advertising fee is projected for 2016 based on the average selling price for the 9M/2016 period and is set to increase by 60% per year in 2017 due to the low fee base in 2016 and then by 50%, 50% and 20% in 2018-2020 respectively and by a flat rate of 5% per year from 2021 onwards.

Occupancy rate is forecast by the management to be 60% in 2016 based on the actual occupancy rate in 9M/2016 and then to increase by 5% during 2017-2019 and be equal to 75% in 2020 and 80% from 2021 onwards. The gradual increase in occupancy rate will be driven partly by the new sales team who will fine-tune the selling strategies with the agencies and partly by the investment in new interesting content to attract viewers.

2. Cost of services

Cost of services consists of cost of program production, television network service fee payable to the Royal Thai Army Radio and Television (RTA), satellite signal fee for satellite TV broadcasting under the NBTC's Must Carry rule which allows viewers to access TV programs on terrestrial, satellite and cable TV channels, the Digital TV License amortization cost, and staff salary and welfare for production division. It is expected that ATV will still incur a gross loss from operation in the next 2-3 years as revenues will gradually grow in line with the increase in advertising fee and ATV will invest in new content to expand its viewer base. After that, from the management's forecast, ATV's cost of services from 2021 onwards will be around 74% - 83% of airtime rental service income or representing a gross profit margin of 17% - 26%.

	2015	2016 (Jan-Sep)	2016 (Oct -Dec)	2016	2017	2018	2019	2020	2021
Cost of services (Baht million)	669.86	541.39	216.63	758.02	872.24	1,005.64	1,132.55	1,216.15	1,237.91
Airtime rental service income (Baht million)	103.02	158.11	86.29	244.40	427.05	689.85	1,111.73	1,330.43	1,490.08
Cost of services as % of revenues	650.24%	342.41%	251.04%	310.15%	204.25%	145.78%	101.87%	91.41%	83.08%
Gross profit margin (%)	-550.24%	-242.41%	-151.04%	-210.15%	-104.25%	-45.78%	-1.87%	8.59%	16.92%

	2022	2023	2024	2025	2026	2027	2028	2029 (Jan-Apr)
Cost of services (Baht million)	1,278.79	1,321.18	1,365.70	1,410.44	1,454.44	1,498.42	1,543.52	504.86
Airtime rental service income (Baht million)	1,564.58	1,647.31	1,724.95	1,811.20	1,901.76	2,002.32	2,096.69	654.86

	2022	2023	2024	2025	2026	2027	2028	2029 (Jan-Apr)
Cost of services as % of revenues	81.73%	80.20%	79.17%	77.87%	76.48%	74.83%	73.62%	77.10%
Gross profit margin (%)	18.27%	19.80%	20.83%	22.13%	23.52%	25.17%	26.38%	22.90%

- *Cost of program production* is projected for 2016 based on ATV's annual budget and then is set to increase by 50%, 40% and 30% in 2017-2019 respectively, 15.4% in 2020 and 5% per year from 2021 onwards due to investment in new content or production of new programs to expand its viewer base, which will enable ATV to generate more airtime rental service income from sales of advertising. Cost of program production will make up 54% - 58% of total cost of services.

- *Salary and welfare for production division* is estimated to grow by 5% per year according to ATV's salary increase policy.

- *Television network service fee* is forecast, according to the networking service agreement made with the RTA, at Baht 14.16 million per month or Baht 169.92 million a year.

- *Satellite signal fee* for satellite TV broadcasting under the Must Carry rule, payable throughout the Digital TV License term, is projected based on the fee rate expected to be paid to Thaicom Plc. at about Baht 1 million per month or equal to Baht 12 million per year.

- *Digital TV License amortization cost* is estimated based on the bidding price of Baht 3,320 million of the Digital TV License, which will be amortized by straight line method according to the license term of 15 years or equal to approximately Baht 206 million per year.

- The Digital TV License payment is projected for 2017-2022 in accordance with the Order No. 76/2559 of the National Council for Peace and Order Re: Measures to Promote Broadcasting and Telecommunication Business for Public Interest dated December 20, 2016, stipulating that if a licensee of the frequency spectrum is unable to pay the license fee by the due date originally specified in the NBTC's Notification Re: Rules, Conditions and Procedures for Auction of the Allocated Frequencies for National Commercial Digital Television Service B.E. 2556, it may then submit a letter to inform the NBTC that it will make payment for the Digital TV License according to the rescheduling terms under this Order. For AMARIN, its fourth to sixth payments originally due in 2017-2019 in the amount of Baht 513 million, Baht 362 million and Baht 362 million respectively shall be rescheduled as follows: payment of Baht 256.50 million in 2017, Baht 256.50 million in 2018 and Baht 181 million per year during 2019-2022, with interest charged from the original due date at the same rate as the policy rate announced by the Bank of Thailand's Monetary Policy Committee as of the payment date. (At present, the policy rate announced by the Bank of Thailand's Monetary Policy Committee is equal to 1.50% per year.) However, to enhance the Company's liquidity management, the Company will possibly pay the license fee in accordance with the Order No. 76/2559 above.

3. Selling and administrative expenses

Selling and administrative expenses consist of the annual Digital TV License fee and yearly contribution to the NBTC, advertising sales commission, marketing and public relations expenses, salary and welfare, office rental, and depreciation. From the management's forecast, ATV's selling and administrative expenses will be around 14.7% - 15.2% of total revenues from 2020, the year in which its performance will begin to remain stable, onwards. Details of the projection of selling and administrative expenses are as follows:

- *Annual Digital TV License fee and yearly contribution* are projected based on the rates determined by the NBTC. The annual Digital TV License fee is payable at a progressive rate pursuant to the NBTC's Notification Re: Broadcasting License Fee (No. 2), or equal to 0.5% - 2% of revenues before deduction of expenses in each range of income amounts from business operation. At the same time, the yearly contribution to the Broadcasting and Telecommunications Research and Development Fund for the Public Interest is equal to 2% of revenues before expenses directly and indirectly earned from advertisements.

- *Advertising sales commission* is estimated at 2.5% of annual advertising revenues, based on the current sales commission rate of the Company.

- *Salary and welfare* is projected to grow by 5% per year according to ATV's salary increase policy.

- *Office rental* is projected for 2016 based on the rental agreement and, after that, is assumed to increase by 5% a year.

- *Depreciation* of additional assets invested in premises and equipment is made by straight line method for five years.

4. Interest expenses

Interest rate is estimated at 4.33% p.a. based on the average loan rate received from a financial institution.

5. Income tax

Corporate income tax in 2016-2029 is set to be 20% of profit before tax. In any year that ATV incurs a net loss, it can benefit from the tax loss carryforward for up to five accounting years.

6. Working capital

Average collection period	146	days
Average age of inventories	3	days
Average repayment period	19	days

The average collection period, average age of inventories and average repayment period are projected based on the average collection period, average age of inventories and average repayment period recorded in 9M/2016.

7. Capital expenditure

Capital expenditure will be made on assets relevant to refurbishment of studio, such as decorative screen and studio production cost, procurement of equipment and investment in additional content over the next 10 years (2017-2026), estimated at Baht 15 million - 65 million a year. Capital expenditure from 2022 onwards is estimated at Baht 15 million according to the remaining term of the Digital TV License in 2029, The projection for 2016-2026 is as follows:

(Unit: Baht million)	2016*	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Studio refurbishment	45	25	25	25	25	25	25	25	25	25	15
Investment in content	20	20	20	20	20	20	20	20	20	-	-

Note: * Capital expenditure for 2016 is estimated at Baht 65 million, of which about Baht 25 million was already used by ATV in 9M/2016 mainly for additional investment in copyrights of television programs. As such, capital expenditure for the last three months of 2016 is projected at Baht 40 million.

Capital expenditure on premises, studio and content is depreciated by straight line method for five years.

8. Discount rate

The discount rate used for estimating present value of free cash flow of ATV is equal to 11.64%, which is based on the weighted average cost of capital (WACC) under the target capital structure with the debt to equity financing ratio of 2:1 according to the financial covenants set forth in the loan agreement made with financial institutions.

WACC is calculated using the following formula:

WACC = **Ke(E/V) + Kd(1-t)(D/V)**

Ke = Shareholders' rate of return, equal to 28% p.a.

Kd = Loan rate of 4.33% p.a. based on average interest rate received from a financial institution

t = Corporate income tax of 20%

E/V = Percentage of financing that is equity, equal to 33.33%

D/V = Percentage of financing that is debt, equal to 66.67% based on the target capital structure

V = D + E

Calculation formula for Ke is as follows:

Ke = **Rf + β(Rm – Rf)**

Where: Risk free rate (Rf) Average bid yield on the government bond with remaining maturity of 30 years as of November 18, 2016, which was the time of valuation of ATV's business value by the IFA, equal to 3.158% (source: www.thaibma.or.th)

Beta (β) Coefficient variation between the SET's rate of return and closing price of Peer Group's shares[5] (levered beta). Since

[5] Peer Group consists of SET-listed companies in Media & Publishing Sector that have operated television business or been granted a license to use allocated frequencies for terrestrial digital television broadcasting service, namely BEC, GRAMMY, MCOT, MONO, NBC, NMG, RS and WORK. The result of unlevered beta's calculation is in a range of 0.38 - 1.09.

ATV is not listed on the SET, its beta is thus calculated by basing on Peer Group's beta prevailing over the past three years (source: Bloomberg, as of November 18, 2016), adjusted by D/E ratio and corporate income tax to obtain unlevered beta of 0.835 and further adjusted by D/E ratio under the target capital structure of ATV to arrive at beta of ATV of 2.170.

Rm — Average rate of return on the SET over the past 30 years approximately, a period that could reflect investment condition in different time periods better than shorter-term data (from SET data for 1987 – November 30, 2016), equal to 14.60%

Table showing unlevered beta of the Peer Group and ATV's beta calculation:

	ATV	BEC	GRAMMY	MCOT	MONO	NBC	NMG	RS	WORK
Levered beta (over the past 3 years)		0.949	0.795	1.021	1.408	1.085	0.887	1.321	1.304
Interest bearing debt to equity ratio (times)[1/]		0.269	1.344	0.007	0.603	-	0.377	1.043	0.287
Unlevered beta (over the past 3 years)		0.781	0.383	1.015	0.950	1.085	0.682	0.720	1.061
Average unlevered beta (times)	**0.835**								
ATV's interest bearing debt to equity ratio under the target capital structure	2.000								
ATV's beta (times)[2/]	**2.170**								

Sources: Bloomberg (for the Peer Group's levered beta as of November 18, 2016) and www.setsmart.com (for the Peer Group's financial statements as of September 30, 2016)

Note: [1/] Basing on the financial statements as of September 30, 2016

[2/] AMARIN's beta is calculated using the following formula: Beta = Average Unlevered Beta * [1 + (1-Corporate Tax 20%) * (ATV's interest bearing debt to equity ratio under the target capital structure)].

Table summarizing operating results of ATV in 2013-2015 and 9M/2016 and projection for 2016 - April 2029

(Unit: Baht million)	**Actual**				**Projected**					
	2013	**2014**	**2015**	**Jan-Sep 2016**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
Airtime rental service income	42.83	31.28	103.44	158.11	244.40	427.05	689.85	1,111.73	1,330.43	1,490.08
Cost of services	36.02	362.29	669.86	541.39	758.02	872.24	1,005.64	1,132.55	1,216.15	1,237.91
Gross profit (loss)	**6.81**	**(331.01)**	**(566.42)**	**(383.28)**	**(513.62)**	**(445.19)**	**(315.79)**	**(20.82)**	**114.28**	**252.16**
Other income	0.00	0.04	2.76	2.57	2.57	0.17	0.17	0.17	0.17	0.17
Selling expenses	0.01	8.88	17.62	14.47	20.23	30.68	43.25	61.59	77.20	83.39
Administrative expenses	7.57	43.79	64.43	48.55	67.58	77.30	90.79	111.58	125.16	135.01
Profit (Loss) before finance cost and income tax expenses	**(0.76)**	**(383.64)**	**(645.71)**	**(443.73)**	**(598.85)**	**(553.00)**	**(449.66)**	**(193.83)**	**(87.92)**	**33.93**
Finance cost	0.75	47.21	97.08	92.62	116.55	116.82	115.09	106.77	101.08	106.06
Income tax expenses	0.04	(86.35)	(87.65)	(4.53)	(4.53)	-	-	-	-	-
Net profit (loss)	**(1.55)**	**(344.50)**	**(655.14)**	**(531.83)**	**(710.87)**	**(669.83)**	**(564.75)**	**(300.60)**	**(189.00)**	**(72.13)**

(Unit: Baht million)	Projected							
	2022	2023	2024	2025	2026	2027	2028	2029 (Jan-Apr)
Airtime rental service income	1,564.58	1,647.31	1,724.95	1,811.20	1,901.76	2,002.32	2,096.69	654.86
Cost of services	1,278.79	1,321.18	1,365.70	1,410.44	1,454.44	1,498.42	1,543.52	504.86
Gross profit (loss)	**285.79**	**326.13**	**359.25**	**400.76**	**447.31**	**503.90**	**553.16**	**149.99**
Other income	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.05
Selling expenses	87.56	92.05	96.53	101.36	106.43	111.89	117.34	37.66
Administrative expenses	141.88	149.45	157.02	165.16	173.71	182.90	192.11	60.04
Profit (Loss) before finance cost and income tax expenses	**56.52**	**84.80**	**105.87**	**134.41**	**167.35**	**209.28**	**243.88**	**52.34**
Finance cost	67.22	35.58	26.91	21.91	19.48	19.48	19.48	19.48
Income tax expenses	-	-	-	-	13.01	37.96	44.88	6.57
Net profit (loss)	**(10.70)**	**49.22**	**78.96**	**112.50**	**134.86**	**151.84**	**179.52**	**26.29**

Table summarizing cash flow from business operation of ATV in 2016 - April 2029

(Unit: Baht million)	2016 (Sep-Dec)	2017	2018	2019	2020	2021	2022
EBIT	(155.12)	(553.00)	(449.66)	(193.83)	(87.92)	33.93	56.52
Less Income tax expenses	-	-	-	-	-	-	-
Add Depreciation	64.85	272.60	279.99	274.59	267.57	250.88	251.38
Less Capital expenditure	(40.00)	(45.00)	(45.00)	(45.00)	(45.00)	(45.00)	(45.00)
Add/Less Working capital	(19.18)	(69.24)	(100.99)	(165.99)	(85.26)	(63.98)	(28.50)
Free cash flow to firm	**(149.45)**	**(394.64)**	**(315.66)**	**(130.23)**	**49.39**	**175.83**	**234.41**
PV of free cash flow to ATV	**(145.39)**	**(343.89)**	**(246.38)**	**(91.05)**	**30.93**	**98.63**	**117.77**

(Unit: Baht million)	Total	2023	2024	2025	2026	2027	2028	2029 (Jan-Apr)
EBIT		84.80	105.87	134.41	167.35	209.28	243.88	52.34
Less Income tax expenses		-	-	-	13.01	37.96	44.88	6.57
Add Depreciation		251.38	251.38	249.38	244.31	236.76	227.76	77.81
Less Capital expenditure		(45.00)	(45.00)	(25.00)	(15.00)	-	-	-
Add/Less Working capital		(31.78)	(29.61)	(33.10)	(34.89)	(38.96)	(36.39)	13.93
Free cash flow to firm		**259.41**	**282.64**	**325.69**	**374.78**	**445.03**	**480.13**	**150.66**
PV of free cash flow to ATV		**116.74**	**113.93**	**117.60**	**121.21**	**128.92**	**124.58**	**35.02**
Total PV of free cash flow to ATV	**178.61**							
Add Cash on hand and at banks and cash equivalents as of September 30, 2016	18.84							
Less Interest-bearing debt as of September 30, 2016	**(1,805.00)**							
Net cash flow to shareholders	**(1,607.55)**							

Based on the projection of free cash flow of ATV expected to be generated in the future with WACC of 11.64% used as a discount rate for estimating present value of such cash flow, ATV's business value appraised by the discounted cash flow approach is equal to Baht (1,607.55) million.

Conclusion of share valuation by the discounted cash flow approach under the sum of the parts methodology

Business			Baht million	Valuation approach
Part 1	AMARIN		2,384.37	Discounted cash flow approach
Part 2	ATV		(1,607.55)	Discounted cash flow approach
Value of investments in associated companies/other long-term investments				
Part 3	KADOKAWA	Shareholding of 46%	13.80	Book value approach
Part 4	ABOOK	Shareholding of 19%	21.93	Adjusted book value approach
Part 5	WPS	Shareholding of 0.5%	3.26	Adjusted book value approach
Add Value of land awaiting development			77.41	Adjusted book value approach
Total business value of AMARIN			**893.22**	
Total number of issued shares of AMARIN (million shares)			220.00	
AMARIN share value (Baht/share)			**4.06**	

Under the assumptions for calculation of cash flow to the Company and its subsidiaries expected to be received in the future, AMARIN shares are appraised by the discounted cash flow approach at Baht 902.19 million in total or Baht 4.06 per share, which is lower than the offering price of the newly issued ordinary shares to the Purchaser of Baht 4.25 per share by Baht 0.19 per share or by 4.47% of the said offering price.

We have additionally conducted a sensitivity analysis to identify the effect of change in the financial projection on the Company's share value derived from the above base case by increasing/decreasing the base-case WACC by 1% and adjusting up/down the advertising fee and occupancy rate. The outcome is as follows:

Variable factors in sensitivity analysis	% Change	AMARIN share value (Baht/share)
1. WACC	+ / - 1.00%	2.50 - 5.99
2. Occupancy rate from 2021 [1/]	+ / - 5.00%	2.57 - 5.56
3. Advertising fee in 2017 [2/]	+ / - 5.00%	2.35 - 5.80

Note: [1/] In the sensitivity analysis, the IFA has adjusted the occupancy rate up/down from 2021 due to favorable factor from expiration of the analogue television concession of Channel 7 in July 2018 and Channel 3 in March 2020, which will lead all digital TV broadcasters to operate business under the same licensing system and will help expand the audience base. As such, based on market mechanism, the advertising fee rate charged by broadcasters will become more competitive and advertising expenditure will be shifted from the analogue to the digital TV segment.

[2/] In the sensitivity analysis, the IFA has adjusted the advertising fee up/down in 2017 since it is the base year of a significant increase in advertising fee from 2016, which will affect the advertising fee in the following years of the projection.

From the above sensitivity analysis, AMARIN share value appraised by the discounted cash flow approach is in a range of Baht 2.35 - 5.99 per share, which is (lower)/higher than the offering price of the newly issued ordinary shares to the Purchaser of Baht 4.25 per share by Baht (1.90) - 1.74 per share or by (44.71)% - 40.94% of the said offering price. The appraised share value from the sensitivity analysis is in a wide range because the net present value of free cash flow to ATV, which operates the digital TV business, is extremely sensitive to the sensitivity analysis. The Advertising fee and occupancy rate are the key assumptions and have a material impact on the cash flow projection for the business. Variable factor that has an effect on highest outcome to the Company's share value is an increase of the "WACC" factor by 1% from base case, and variable factor that has an effect on lowest outcome to the Company's share value is a downward adjustment of the "advertising fee in 2017" factor by 5% from base case.

Moreover, from the additional information regarding a possible increase in net cash flow in case of adjustment to value of land awaiting development by the market price derived from study and compilation of market data by the IFA based on selling prices posted at various websites on the Internet and also on information derived from inquiries by phone (according to the details presented in the share valuation by the adjusted book value approach),* the Company's share value appraised by the discounted cash flow approach in the base case is in a range of Baht 4.06 - 4.28 per share, as shown below:

	PV of cash flow excl. land awaiting development	Value of land awaiting development	Total enterprise value	Enterprise value per share (Baht)
1. Calculation of value of land awaiting development with book value	815.81	77.41	893.22	4.06
2. Calculation of value of land awaiting development with net market value (net of tax on gain from sale of property) derived from survey and compilation by the IFA*	815.81	126.03	941.84	4.28

Note: * The market price obtained from study and compilation by the IFA is a non-negotiated price and is not the actual sale and purchase price at present. Moreover, the IFA has neither taken other factors into account nor adjusted the relevant factors to be used in the land valuation as in the appraisal under professional practices by the independent appraisers. As such, the market value of land derived from our study and compilation of market data may have limitations and may not be used as a reference price for any purposes other than for determining a probable market price range of the Company's land as additional information for the share valuation. We therefore may not be held accountable for the use of the market value of land derived from our survey and compilation of market data as presented in this report for any other purposes.

In addition, the management has no policy to sell the land awaiting development and expects to use the land in the future.

We are of the opinion that the discounted cash flow approach is more suitable for valuation of AMARIN shares than all other approaches because this approach focuses on business operation and profitability of the Company in the future. The share valuation by this approach is based on present value of free cash flow expected to be received by the Company in the future according to the management's forecast and future business plan, with the assumptions carefully established under the current circumstances, taking into account the overall economic and relevant industrial trend.

Table illustrating comparison of the appraised fair value of AMARIN shares and the transaction price

	Valuation approach	Appraised value (Baht/share)	Offering price to the Purchaser (Baht/share)	Appraised value higher/(lower) than offering price to the Purchaser	
				Baht	%
1	Book value approach	4.21	4.25	(0.04)	(0.94)
2	Adjusted book value approach	4.30 - 5.84	4.25	0.05 - 1.59	1.18 - 37.41
3	Market comparable approach - P/BV ratio	7.79 - 7.91	4.25	3.54 - 3.66	83.29 - 86.12

Valuation approach	Appraised value (Baht/share)	Offering price to the Purchaser (Baht/share)	Appraised value higher/(lower) than offering price to the Purchaser	
			Baht	%
4. Market value approach	7.50 - 7.91	4.25	3.25 - 3.66	76.47 - 86.12
5. Discounted cash flow approach				
5.1 Base case	4.06 - 4.28	4.25	(0.19) - 0.03	(4.47) - 0.71
5.2 Sensitivity analysis	2.35 - 5.99	4.25	(1.90) - 1.74	(44.71) - 40.94

The above valuation approaches have different strengths and weaknesses in identifying a reasonable share value, as described below:

1) **Book value approach** reflects the Company's financial position at a certain point in time and the book value of assets and liabilities, but does not reflect the true market value of immovable properties owned by the Company. It also takes no account of the Company's performance and profitability in the future.

2) **Adjusted book value approach** can reflect net asset value better than the book value approach by adjusting value of other long-term investment and land to arrive at a fair value that is closest to the present value. However, this method does not focus on the future performance and competitive potential of the Company and takes no account of the overall economic and relevant industrial trend.

3) **Price to book value approach** reflects the Company's financial position in a given period of time by comparing with the average of such ratio of the Peer Group, but takes no account of the profitability prospect and business performance of the Company in the future.

However, there is limitation to the share valuation by the approaches that are based on the Company's book value in the present circumstances where the Company and its subsidiaries have successively incurred a huge amount of loss which will likely increase further and will accordingly lead its book value in the near term to decline amid the ongoing slowdown in the economy and the related industries. At the same time, the Company is short of funds for business development or expansion to enhance its competitiveness and improve its performance, while still facing a high level of risk from liquidity crunch and a substantial amount of debts and obligations.

4) **Market value approach** cannot fairly reflect the true value of the Company's shares due to the thin trading and low daily turnover of its shares on the stock market.

5) **Discounted cash flow approach** focuses on future business operation and profitability prospect of the Company and its subsidiaries. The share valuation by this approach is based on present value of expected future free cash flow of the Company and its subsidiaries by assuming the operation under their existing business plan and future forecast, as well as the overall economic and relevant industrial trend.

In our opinion, the discounted cash flow approach is suitable for the valuation of AMARIN shares. The fair value of shares measured by this approach is equal to Baht 4.06 - 4.28 per share in the base case and is in a range of Baht 2.35 - 5.99 per share from the sensitivity analysis. Thus, the offering price of the newly issued shares of Baht 4.25 per share is in the said range of fair value. We therefore consider that the offering price of the Company’s newly issued ordinary shares to the Purchaser of Baht 4.25 per share is a reasonable price.

1.4.2 Fairness of conditions for the transaction

We have determined fairness of conditions for entering into the transaction based on information appearing in the resolutions of the Board of Director's meeting of the Company, Information Memorandum on the Connected Transaction of the Company, Information Memorandum on the Offering of the Newly Issued Ordinary Shares to a Specific Investor, letter of request for resolution of the shareholders’ meeting to approve an acquisition of new securities without making a tender offer for all securities of the business (Form 247-7), Share Subscription Agreement and agreements relating to the transaction. We found that the conditions are in conformity with general practices, requiring the Company to obtain approval for the capital increase, approval for the issue and offering of new ordinary shares to a specific investor, and approval for the waiver of the Purchaser from the requirement to make a tender offer for all securities of the Company in the subscription for the newly issued ordinary shares. Moreover, on the date of completion of the subscription for the newly issued ordinary shares, the Company will appoint three persons nominated by the Purchaser to serve as its new directors to replace the existing directors who will tender resignation and will designate one of those new directors as the authorized director to co-sign with another director on behalf of the Company. We deem that all of such conditions are appropriate.

The Company will receive a consideration for the allocation and offering of its newly issued ordinary shares to the Purchaser entirely in cash on the share subscription date. This condition is also deemed appropriate and compliant with the general condition for payment of consideration for offering of newly issued shares. Besides, the said cash payment is consistent with the Company's financial management as it plans to use such cash for the digital TV business operation, i.e. for making the fourth payment of the Digital TV License in the amount net of the loan drawdown under the loan agreement, repaying loans to financial institutions, and as working capital in the business operation to cover Network Service Fee, program production cost, etc.

The allocation and offering of 200,000,000 newly issued ordinary shares of the Company on a private placement basis to the Purchaser will result in the Purchaser acquiring a significant percentage of shareholding in the Company. That is, after entering into this transaction, the Purchaser will hold 47.62% of the Company’s total issued shares (following registration of the Company’s paid-up capital), which exceeds 25% of the Company’s total issued shares (following registration of the Company’s paid-up capital). As a result, the Purchaser is required to make a tender offer for all securities of the Company pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers, dated May 13, 2011. However, the Purchaser does not wish to make a tender offer for all securities of the Company, but wishes to file an application to the SEC for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders’ meeting (Whitewash) according to the Notification of the SEC No. SorChor. 36/2546 Re: Rules for the Application for a Waiver from the Requirement to Make a Tender Offer for All Securities of the Business by Virtue of the Resolution of the Shareholders’ Meeting of the Business, dated November 17, 2003.

The agenda proposed for approval from the shareholders' meeting include (1) the increase of the Company’s registered capital, the allocation and offering of the Company’s newly issued ordinary shares on a private placement basis, which constitutes a connected transaction, and the offering of the Company’s newly issued ordinary shares on a private placement basis at the offering price with a discount of more than 10% of the market price, (2) the waiver of the Purchaser from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders’ meeting, and other related matters such as the reduction of the registered capital by canceling the authorized but unissued shares of the Company and the amendment to Clause 4 of the Memorandum of Association to be in line with the reduction and the increase of the Company’s registered capital. It is made a condition that these agenda items are related to and conditional upon one another and must be totally approved by the shareholders' meeting. If any of the agenda items is disapproved at the shareholders’ meeting, the other agenda items which have been approved will be cancelled. This is deemed an appropriate condition because the Purchaser does not wish to make a tender offer for all securities of the Company as a result of its acquisition of shares in this transaction. Besides, if the shareholders' meeting does not approve the capital increase as in (1), the whitewash transaction will not take place since the Company will be unable to issue new shares according to the law.

There is another condition for this joint venture by the Purchaser, requiring that, after the allocation of newly issued ordinary shares to the Purchaser, the Purchaser shall not sell those shares within one year from the first day on which the Company's newly issued ordinary shares are traded on the SET. Then, after the shares have been traded on the SET for six months, the Purchaser may sell not more than 25% of the lock-up shares. Such condition is deemed **appropriate** and conforms to regulations of the supervising authorities. It will also help to safeguard against risk from share price decline in case a large volume of the Company's shares are sold on the SET.

We are of the opinion that all conditions set forth for the allocation and offering of newly issued ordinary shares of the Company on a private placement basis to the Purchaser are appropriate and will not cause the Company to lose any benefits.

1.5 Conclusion of the Independent Financial Advisor's opinion on the allocation and offering of newly issued ordinary shares of the Company on a private placement basis to a specific person who is a connected person

The connected transaction in the allocation and offering of newly issued ordinary shares of the Company on a private placement basis to a specific investor, namely Vadhanabhakdi Co., Ltd. by Mr. Thapana Sirivadhanabhakdi and Mr. Panote Sirivadhanabhakdi, is considered appropriate and beneficial to the Company. This is because entering into such transaction will enable the Company to carry on its business uninterruptedly and use funds obtainable from such share offering for boosting its liquidity given its present circumstances where the Company has to repay the maturing debt, as well as for meeting its working capital needs in the digital TV business which is still in the start-up phase and requires huge investment funds. By entering into this transaction, the Company will be able to mobilize the desired amount of funds promptly and completely. Besides, the capital increase will help strengthen its financial position and significantly reduce its D/E ratio. The Purchaser will become its major shareholder and has no plan or policy either to materially change the Company's objectives and business management plan or to delist the Company's securities from the SET. As such, the Company will be able to continuously operate its business and partner with a strategic shareholder who has readily available funds and expertise especially with respect to retail consumers, media and advertising that will help enhance confidence in the Company among investors and all groups of stakeholders and further strengthen the Company's potential and competitiveness in the future.

Nonetheless, entering into such transaction will at the same time create impacts and risks to the Company. Its existing shareholders will suffer control dilution from the current 100.00% to 52.38% and significant price dilution of 20.48% after registration of the Company's paid-up capital due to the fact that such offering of newly issued ordinary shares of the Company will be made at the offering price which is lower than the market price. Meanwhile, no earnings dilution will occur because after the capital increase it is expected that the value of loss per share of the Company will decrease from that before capital increase. Besides, the issue and offering of new ordinary shares of the Company at the offering price which is lower than the market price of the Company's shares falls into the financial reporting standard on share-based payments, under which the Company is required to record the different result between the offering price and the fair value of those shares as expense from the share-based payment, thus possibly leading the Company to incur a higher net loss from operation. However, in view of the rationale and necessity of the Company to raise a huge amount of funds timely and sufficiently to cover all expenses arising from the existing obligations in the digital TV business operation without affecting its other business lines and under the present circumstances where the Company has successively incurred a large amount of loss, the country's overall economy has been slackening and the digital TV industry has been highly competitive, the allocation and offering of newly issued ordinary shares to the Purchaser under this transaction is therefore deemed more beneficial to the Company when compared with the aforementioned effects.

Regarding the offering price of the newly issued ordinary shares of the Company to the connected person at Baht 4.25 per share, we deem that **it is a reasonable price** because such price is in a range of the fair value that we have measured by the discounted cash flow approach at Baht 4.06 - 4.28 per share and is in the share price range derived from the sensitivity analysis of Baht 2.35 - 5.99 per share.

In addition, we view that the conditions for the transaction in the allocation and offering of newly issued ordinary shares of the Company to the connected person are appropriate because they are consistent with the general business practices or are based on the negotiation and agreement between the relevant agreement parties with respect primarily to appropriateness and the Company's interest without causing the Company to lose any benefit.

We are of the opinion that the allocation and offering of newly issued ordinary shares of the Company on a private placement basis to a specific investor, namely Vadhanabhakdi Co., Ltd. by Mr. Thapana Sirivadhanabhakdi and Mr. Panote Sirivadhanabhakdi, which constitutes a connected transaction, is reasonable with a fair price and fair conditions. The Company and the shareholders will gain benefits from this transaction. Thus, we recommend that the shareholders should vote to approve the allocation and offering of newly issued ordinary shares of the Company on a private placement basis to a specific investor.

2. Application for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders' meeting (Whitewash)

2.1 Nature and details of the transaction

2.1.1 Characteristics of related securities and securities offered to the Applicant

The Board of Directors' Meeting of the Company No. 6/2016, held on November 24, 2016, passed the resolution to propose that the shareholders' meeting consider and approve the significant matters which are (1) the increase of the Company's registered capital, the allocation and offering of the Company's newly issued ordinary shares on a private placement basis, which constitutes a connected transaction, and the offering of the Company's newly issued ordinary shares on a private placement basis at the offering price with a discount of more than 10% of the market price, whereby the Company will increase its registered capital by Baht 200,000,000 by issuing 200,000,000 new ordinary shares, with a par value of Baht 1.00 per share, to be allocated and offered on a private placement basis to Vadhanabhakdi Co., Ltd. by Mr. Thapana Sirivadhanabhakdi and Mr. Panote Sirivadhanabhakdi ("Purchaser" or "Applicant"), as the Company's connected person, at an offering price of Baht 4.25 per share and in the total sum of Baht 850,000,000; and (2) the waiver of the Applicant from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders' meeting (Whitewash).

After the allocation of newly issued ordinary shares of the Company to the Purchaser as in (1) above, the Purchaser will hold 47.62% of the Company's total issued shares and total voting rights (following registration of the Company's paid-up capital), which crosses the trigger point of 25% of the Company's total voting rights (after the capital increase). As a result, the Purchaser is required to make a tender offer for all securities of the Company pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers, dated May 13, 2011. However, the Purchaser does not wish to make a tender offer for all securities of the Company, but wishes to file an application to the SEC for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders' meeting (Whitewash) under the Notification of the SEC No. SorChor. 36/2546 Re: Rules for the Application for a Waiver from the Requirement to Make a Tender Offer for All Securities of the Business by Virtue of the Resolution of the Shareholders' Meeting of the Business, dated November 17, 2003.

The acquisition of the Company's newly issued ordinary shares by the Applicant is subject to the significant conditions which are (1) approval for the increase of the Company's registered capital, the allocation and offering of the Company's newly issued ordinary shares on a private placement basis, which constitutes a connected transaction, and the offering of the Company's newly issued ordinary shares on a private placement basis at the offering price with a discount of more than 10% of the market price; and (2) approval for the waiver from the requirement to make a tender offer for all securities of the Company (Whitewash), including other related matters as indicated on the agenda for the Extraordinary General Meeting of Shareholders No. 1/2017, i.e. the reduction of the registered capital by canceling 135 authorized but unissued shares of the Company and the amendment to Clause 4 of the Memorandum of Association to be in line with the reduction and the increase of the Company's registered capital. Since all these agenda items are related to and conditional upon one another, if any of them is disapproved at the shareholders' meeting, the other agenda items which have been approved will be cancelled and there will be no further consideration of the remaining agenda items. In such event, it will be deemed that the matters are disapproved at the shareholders' meeting.

The Board of Directors' Meeting No. 6/2016 on November 24, 2016 resolved to approve the application for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders' meeting (Whitewash) and to propose this matter to the

Extraordinary General Meeting of Shareholders No. 1/2017 to be held on February 10, 2017 for further consideration and approval. In this regard, the Applicant will be granted the waiver from the requirement to make a tender offer for all securities of the Company only after an approval is obtained from the shareholders' meeting of the Company with affirmative votes of not less than three-fourths of the total votes of the shareholders attending such meeting and having the right to vote.

2.1.2 General information of the Applicant

Please see details in Section 1, Item 1.1.5 Details of connected persons, of this report.

2.1.3 General information of the Issuer

Please see details in Attachment 1 of this report.

2.2 Opinion of the Independent Financial Advisor on the application for a waiver from the requirement to make a tender offer for all securities of the Company

2.2.1 Opinion on policy and plan on business management proposed by the Applicant

(a) Policy and plan on business management

After the acquisition of the Company's newly issued ordinary shares, the Applicant will hold 47.62% of the Company's total issued shares, which is deemed a significant percentage of shareholding considering that the Applicant has previously never held any shares in the Company, or is higher than 25% but does not reach or exceed 50% of the Company's total issued shares. The Applicant indicates in the letter of request for resolution of the shareholders' meeting to approve an acquisition of new securities without making a tender offer for all securities of the business (Form 247-7) that, within 12 months from the date of acquiring the Company's newly issued shares under this transaction, the Applicant has no plan or policy to materially change the objectives of business operation, management plan, organization structure and financial structure of the Company and its subsidiaries according to the Company's plan before the Applicant has acquired the Company's securities. Currently, the Company plans to acquire the newly issued shares in Amarin Television Co., Ltd. ("ATV"), its subsidiary, pursuant to the resolution of the Board of Directors' Meeting of the Company No. 7/2016 on December 19, 2016. In this respect, ATV will increase its registered capital by Baht 600,000,000 from Baht 1,200,000,000 to Baht 1,800,000,000 through rights offering to its existing shareholders, as already notified to the SET on December 20, 2016. However, to enhance the Company's efficiency and competitiveness, the Applicant may review and adjust the future management plan, organization structure and financial structure of the Company to suit the changing business condition and financial position of the Company in each period. The Applicant plans to have the Company and its subsidiaries continue their existing business operations (i.e. printing business, publishing business and other businesses such as fairs and events and digital TV business of its subsidiary). Moreover, the Applicant has no plan to delist the Company's shares from the SET during a period of 12 months from the acquisition of the Company's securities unless it is necessary to comply with the relevant rules and regulations.

The Applicant has no policy to dispose of the core operating assets of the Company or its subsidiaries, except the asset disposal in the usual course of business operation which will be implemented on an arm's-length basis or in line with the business plan that already exists or is under consideration of the Company or its subsidiaries. If the Company plans to acquire and/or dispose of the assets, the Applicant will ensure that the Company acts in compliance with the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and the Notification of the SET Board of Governors Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547 ("Acquisition and Disposal Notifications").

In addition, the Applicant has no policy to change the Company's dividend payment policy, under which it is stipulated that, unless there is any other necessity, the Board of Directors has a policy to propose the shareholders' meeting to approve dividend payment to the Company's shareholders at a performance-based rate of not less than 60% of the net profit for each annual accounting period (if any). However, if in the future it is deemed necessary to change any business management policy and plan of the Company or any of its subsidiaries to enhance efficiency and competitive potential of AMARIN Group to suit the economic condition and business environment at that time by paying attention primarily to the Company's benefit and such change may differ significantly from that indicated in Form 247-7, the Applicant will then seek approval from the Board of Directors and the shareholders of the Company in accordance with the relevant rules and regulations.

We are of the opinion that the Company will not be affected by the policy and plan on business management indicated by the Applicant as described above. The Company will continue to operate business as usual. In the said 12-month period, the Company and its shareholders will not face any material impact, but will instead benefit from shareholding by the Applicant which is in line with the joint venture agreement. The Company will secure funding for making the fourth payment of the Digital TV License in the amount net of the loan drawdown under the loan agreement, for repaying loans to financial institutions, and for use as working capital in the business operation to cover Network Service Fee, program production cost, etc. Therefore, after the Applicant has become its major shareholder, the Company will not be affected by any material change in its internal management and administration. On the date of completion of the subscription for the newly issued ordinary shares, the Company will appoint three persons nominated by the Applicant to serve as its new directors to replace the existing directors who will tender resignation and will designate one of those new directors as the authorized director to co-sign with another director on behalf of the Company. The Company will carry on its media and publishing businesses and will adjust its strategies according to the above mentioned future business plan which is expected to help strengthen its revenue growth and generate favorable returns for the Company and its other shareholders in the long term.

(b) Policy on related party transactions

Subsequent to the acquisition of securities, the juristic entities under Section 258 of the Applicant will continue to make the related party transactions with the Company and/or its subsidiaries under the same pricing and regular trade terms and conditions as those offered by the Company to the unrelated parties. The nature, number or value of those transactions may increase, decrease or change depending primarily on future business plans of the individual entities. However, the Applicant expects that the related party transactions between the Applicant Group and the Company in the future will not change significantly from the current transactions.

The related party transactions executed by the juristic entities under Section 258 of the Applicant with the Company and its subsidiaries in 2015 and 9M/2016 included the purchase of advertising media on AMARIN TV Channel and in magazines and the renting of space at fairs, with a total transaction value of Baht 0.36 million in 2015 and Baht 19.46 million in 9M/2016.

The Applicant does not plan to make any material change to the future policy on related party transactions from that originally determined by the Company. The Applicant and the Company have jointly formulated terms and conditions for their future related party transactions to ensure the transactions are made on an arm's-length basis and at market price comparable to the price of transactions made with the unrelated parties, by paying regard to the utmost benefit of the Company and the shareholders in the same manner as the transactions entered into with the unrelated parties on an arm's-length basis.

Moreover, in case there are any related party transactions occurring in the future after the Applicant has become the Company's shareholder, the Applicant will ensure that the Board of

Directors of the Company still follows the Company's policy on related party transactions and the relevant rules and regulations of the SEC and the SET, including the Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and the Rules on Connected Transactions. In this respect, the directors, management or employees who have a conflict of interest in any of such related party transactions shall not participate in the consideration and approval of those transactions. Details of the significant related party transactions must be disclosed in the annual report and the annual registration statement (Form 56-1).

We are of the opinion that the related party transactions of the Company and/or its subsidiaries with the juristic entities under Section 258 of the Applicant will still be carried on in the future in the usual course of business. The Applicant does not plan to make any material change to the future policy on related party transactions from that originally determined by the Company. The related party transactions must be treated equally to the transactions made with the unrelated parties. Policy, rules and procedures for approval of the related party transactions must be established in accordance with the SET's and the SEC's requirements in order to avert any conflict of interest. The Company will abide by the policy on and procedures for corporate governance. At the same time, the Audit Committee will have duty to scrutinize the entry into related party transactions to ensure that they comply with the Notification of the SET Board of Governors Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 and the Notification of the Office of the SEC and/or the Federation of Accounting Professions Regarding the Connected Transactions, as well as to ensure that the related party transactions are necessary and reasonable, generate the utmost benefit to the Company, and are fair to all shareholders.

2.2.2 Total voting rights obtained by the Applicant after the acquisition of securities and to be additionally obtained in the future without the tender offer requirement

As of the date the Applicant submits the whitewash waiver application and a copy of the letter of request for resolution of the shareholders' meeting to approve an acquisition of new securities without making a tender offer for all securities of the business (Form 247-7) to the SEC, the Applicant has not held any shares in the Company. After the allocation of 200,000,000 newly issued ordinary shares, the Applicant will hold ordinary shares in the Company in the amount of 47.62% of the Company's total issued shares and total voting rights.

AMARIN shareholders	Before capital increase		After capital increase		
	No. of shares held	%	No. of shares held	%	Increase/ (Decrease) (%)
Existing shareholders					
3. Utakapan family	131,474,515	59.76	131,474,515	31.30	(28.46)
4. Minority shareholders	88,525,350	40.24	88,525,350	21.08	(19.16)
Total	**219,999,865**	**100.00**	**219,999,865**	**52.38**	**(47.62)**
New shareholder					
2. The Purchaser	-	-	200,000,000	47.62	47.62
Grand total	**219,999,865**	**100.00**	**419,999,865**	**100.00**	**-**

Such acquisition of 47.62% of the Company's total issued shares and total voting rights by the Applicant is deemed a significant percentage of shareholding. Although it will not have a majority control over voting at a shareholders' meeting, the Applicant may exercise a block vote on certain matters that are required by law or by the Company's Articles of Association to obtain affirmative votes of not less than three-fourths of the total votes of the shareholders, including matters such as capital increase or decrease, waiver from the requirement to make a tender offer for all securities of the business, acquisition or disposal of assets, entering into a connected transaction under the SET's Notification, issuance and offering of debentures, etc.

Moreover, if the shareholders' meeting approves the whitewash waiver, the Applicant will be able to acquire additional shares in the Company by less than 2.38% of the Company's total issued shares so that its shareholding would not reach or cross the trigger point of 50% of the Company's total issued shares at which it will be required to make a tender offer for all securities of the Company.

2.2.3 Possible impacts on the Company's shareholders

2.2.3.1 Control dilution, earnings dilution and price dilution

In case the Extraordinary General Meeting of Shareholders No. 1/2017, which will be held on February 10 , 2017, approves the capital increase of 200,000,000 shares by the Company for allocation on a private placement basis to a specific investor, which is the Applicant, and also approves the Applicant's acquisition of the Company's newly issued ordinary shares without the requirement to make a tender offer for all securities by virtue of the resolution of the said shareholders' meeting, the existing shareholders of the Company will then be affected by control dilution and earnings dilution as follows:

Dilution effect	% Diluted
Control dilution	47.62
Price dilution	20.48

Note: Details of the calculation of control dilution and price dilution are provided in Section 1, Sub-item 1.3.2 Advantages and disadvantages between entering and not entering into the transaction, Clause (2) Disadvantages of entering into the transaction, Sub-clause 1) Dilution effects on existing shareholders from the allocation of newly issued ordinary shares to a specific investor, of this report.

The offering of newly issued ordinary shares to the Applicant will cause control dilution effect on the Company's existing shareholders from 40.24% to 21.08% of the Company's total voting rights after the capital increase. However, the Company will gain benefits from the capital increase and can use funds obtainable for making the fourth payment of the Digital TV License in the amount net of the loan drawdown under the loan agreement, repaying loans to financial institutions, and meeting working capital needs in the business operation to cover Network Service Fee, program production cost, etc., which will help increase its revenues and profits in the future.

Furthermore, the offering price of the newly issued ordinary shares is equal to Baht 4.25 per share, which is lower than the weighted average market price of the Company's shares traded on the SET over seven consecutive business days before the date on which the Board of Directors' Meeting No. 6/2016 on November 24, 2016 resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2017 to approve the offering of newly issued ordinary shares to the Applicant, which is equal to Baht 7.47 per share. Such capital increase will accordingly create a price dilution effect of 20.48% on the existing shareholders.

Nevertheless, the capital increase and the offering of newly issued ordinary shares to the Purchaser will not cause any earnings dilution effect since it is anticipated that, after the capital increase, the total shares will increase and the loss per share of the Company will decline based on assumption that the subsidiary company has incurred same amount of net loss from operation.

2.2.3.2 Risk of the Applicant exercising a block vote against the resolution of the shareholders' meeting

As discussed in Sub-item 2.2.3.1, the Applicant will, after being granted the whitewash waiver, hold 47.62% of the Company's total issued shares and total voting rights (after capital increase). Although it will not have a majority vote to almost totally control voting at a shareholders' meeting, such percentage of shareholding, which exceeds 25% of the Company's total issued shares and total voting rights, will allow the Applicant to exercise a block vote on certain matters that are required by law or by the Company's Articles of Association to obtain affirmative votes of not less than three-fourths of the total votes of the shareholders, including matters such as capital increase or decrease, waiver from the requirement to make a tender offer for all securities of the business, acquisition or disposal of assets, entering into a connected transaction under the SET's Notification, issuance and offering of debentures, etc.

However, if at any shareholders' meeting there are any shareholders, other than the Purchaser, being absent or appointing no proxy, the number of votes cast by the Purchaser may then exceed a half of the votes of the shareholders attending such meeting and having the right to vote, thereby leading the Purchaser to be able to control all resolutions required to be passed by a majority vote. Other shareholders will therefore be unable to gather sufficient votes to exercise checks and balances against the Purchaser. In the event that the number of votes cast by the Purchaser reaches or exceeds 75% of the total voting rights, the Purchaser will be able to totally control all resolutions, including some matters required by law to obtain affirmative votes of not less than three-fourths of the total voting rights.

2.2.4 Benefits obtainable by the shareholders from approval of the whitewash waiver

From the allocation of its newly issued ordinary shares to the Applicant, the Company will receive funds in a total sum of Baht 850.00 million which will be used for making the fourth payment of the Digital TV License in the amount net of the loan drawdown under the loan agreement, repaying loans to financial institutions, and meeting working capital needs in the business operation to cover Network Service Fee, program production cost, etc. This will help strengthen the Company's financial position and liquidity. The Company will also benefit from the shareholding by the Applicant and can form strategic partnership with it. For the necessity of the transaction, please see details in Section 1 Objectives and necessity of the transaction, of this report.

By offering newly issued ordinary shares to the Applicant, funds can be raised more quickly and completely to the desired amount than by public offering or rights offering. Moreover, the rate of return will likely increase if in the future the Company can improve its performance from business expansion.

The entrance of the Applicant as the Company's major shareholder will not cause any impact from material change in internal management and administration of the Company since the Company will continue to operate the media and publishing businesses, including printing, publishing, and other businesses such as special activities organized by the Company and the digital TV business run by its subsidiary.

2.2.5 Risk incidental to disapproval of the whitewash waiver

It is made a condition that the agenda items proposed for approval from the shareholders' meeting, which include (1) the capital increase and the issue and offering of new ordinary shares of the Company on a private placement basis to a specific investor, i.e. the Applicant, and (2) the application for a whitewash waiver by the Applicant, shall be related to and conditional upon each other and must both be approved by the shareholders' meeting. If any of the agenda items is disapproved, the other agenda item which has been approved will be cancelled. Since the Applicant does not wish to make a tender offer for all securities of the Company from the acquisition of shares in this transaction. For the necessity of the transaction, please see details in Section 1 Objectives and necessity of the transaction, of this report. If the shareholders' meeting disapproves the whitewash waiver, the Company will then be unable to issue the new shares, which will pose the following impacts or risks to the Company:

1) The Company will risk failing to secure funding sufficiently and timely to meet the need for continuing the digital TV business operation uninterruptedly. The digital TV business which is run by its subsidiary is still in the start-up phase and requires a huge amount of funds to make payment of the Digital TV License and the Network Service Fee, repay loans to financial institutions, and use as working capital in the business operation and production of new TV programs. These are the Company's obligations and involve enormous expenses. The Company must urgently secure sufficient funds for its subsidiary to carry on business operation amid the country's overall economic stagnation and the Company's debt-ridden situation with a considerable amount of successive loss. To have adequate funds available for its activities will help enhance the Company's capability to operate business and strengthen its revenue growth and profitability in the future.

2) The Company will risk defaulting on loan repayment to financial institutions and, thus, being unable to draw down the remaining loans to fund its business operation. It will also risk facing lawsuits due to such loan defaults.

3) The D/E ratio is at a high level and exceeds the threshold set by financial lenders. Moreover, the Company may fail to obtain consent to a relaxation or amendment of such financial covenant from the financial lenders, thus putting it at risk of defaulting on loan conditions with those financial institutions.

2.3 Appropriateness of price of newly issued securities to be offered to the Applicant

The Company will issue and offer not more than 200,000,000 new shares, with a par value of Baht 1.00 per share, to the Applicant at the offering price of Baht 4.25 per share. We have measured a fair value of the Company's shares by different approaches to identify appropriateness of such offering price. Please refer to Section 1, Item 1.4 Fairness of price and conditions for the transaction, Sub-item 1.4.1 Fairness of transaction price, of this report.

Table illustrating comparison of the appraised fair value of AMARIN shares and the transaction price

Valuation approach		Appraised value (Baht/share)	Offering price to the Applicant (Baht/share)	Appraised value higher/(lower) than offering price to the Applicant	
				Baht	%
1.	Book value approach	4.21	4.25	(0.04)	(0.94)
2.	Adjusted book value approach	4.30 - 5.84	4.25	0.05 - 1.59	1.18 - 37.41
3.	Market comparable approach - P/BV ratio	7.79 - 7.91	4.25	3.54 - 3.66	83.29 - 86.12
4.	Market value approach	7.50 - 7.91	4.25	3.25 - 3.66	76.47 - 86.12
5.	Discounted cash flow approach				
	5.1 Base case	4.06 - 4.28	4.25	(0.19) - 0.03	(4.47) - 0.71
	5.2 Sensitivity analysis	2.35 - 5.99	4.25	(1.90) - 1.74	(44.71) - 40.94

In our opinion, the discounted cash flow approach is suitable for the valuation of the Company's shares because this approach focuses on business operation and profitability of the Company in the future. The fair value of shares measured by this approach is equal to Baht 4.06 - 4.28 per share. Thus, the offering price of the newly issued shares of Baht 4.25 per share is in a range of the fair value appraised herein. We therefore consider that the offering price of the Company’s newly issued ordinary shares to the Purchaser of Baht 4.25 per share is a reasonable price.

2.4 Completeness and accuracy of names and number of shares held by related persons under Section 258 of the Applicant

As of the date the Applicant submits the whitewash waiver application and a copy of the letter of request for resolution of the shareholders' meeting to approve an acquisition of new securities without making a tender offer for all securities of the business (Form 247-7) to the SEC, the Applicant does not have the related persons under Section 258 of the Applicant holding any shares in the Company.

2.5 Conclusion of the Independent Financial Advisor's opinion on the application for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders' meeting (Whitewash)

The IFA is of the opinion that the issue and offering of new ordinary shares of the Company to the Applicant is appropriate and beneficial to the Company since it will enable the Company to secure a huge amount of funds within a short period of time in order to expand its capital base. The Company plans to use funds obtainable from the issue and offering of its new ordinary shares to the Applicant for making the fourth payment of the Digital TV License in the amount net of the loan drawdown under the loan agreement, repaying loans to financial institutions, and as working capital in the business operation to cover Network Service Fee, program production cost, etc.

The Applicant has no plan to materially change the Company's business operation policy during the next 12 months. Therefore, the Company will continue to operate its business as usual, but with a stronger financial position and an opportunity to expand business and to grow and improve its performance in the future, which will further allow for its shareholders to gain a higher return and share of profit from investment in the Company given that the Company could achieve better business performance in the future.

However, entering into this transaction will cause control dilution and price dilution effects on other shareholders of the Company. Moreover, the Applicant's acquisition of a significant percentage of shares which exceeds 25% of the Company's total voting rights will enable the Applicant to exercise a block vote on crucial matters that require affirmative votes of not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote.

The offering price of the Company's newly issued ordinary shares to the Applicant of Baht 4.25 per share is considered **a reasonable price** since it is in a range of the fair value measured by the discounted cash flow approach of Baht 4.06 - 4.28 per share in the base case and is in the fair price range derived from the sensitivity analysis of Baht 2.35 - 5.99 per share.

We are of the opinion that the transaction is reasonable and the transaction price and conditions are fair. The Company and the shareholders will gain benefits from this transaction. Therefore, we recommend that the shareholders should vote to approve the connected transaction in the allocation and offering of newly issued ordinary shares to the Purchaser and approve the waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders' meeting (Whitewash).

Conclusion of the Independent Financial Advisor's opinion

The connected transaction in the allocation and offering of newly issued ordinary shares of the Company on a private placement basis to a specific investor, namely Vadhanabhakdi Co., Ltd. by Mr. Thapana Sirivadhanabhakdi and Mr. Panote Sirivadhanabhakdi, is considered appropriate and beneficial to the Company. This is because, given its present circumstances, the Company has an urgent need to use funds obtainable from such shares offering for meeting its working capital requirement in business operation and for repaying a huge amount of due debt under all obligations. The Company has been ridden with a substantial amount of successive loss incurred from operation of the digital TV business by its subsidiary, ATV, for almost the past three years. As shown on its consolidated financial statements for 2014-2015 and the first nine months of 2016, the Company and its subsidiaries recorded a net loss of Baht (91.46) million, Baht (416.41) million and Baht (468.93) million respectively.

The said successive loss incurred by the Company resulted from the huge amount of loss from operation of the digital TV business by its subsidiary, which carried high costs and expenses such as amortization of the Digital TV License, Network Service Fee, depreciation of studio equipment, cost of employees and personnel in supporting function divisions, cost of program production, selling and administrative expenses, finance cost from borrowing from financial institutions to pay the Digital TV License, etc., most of which are fixed costs already borne by ATV. At the same time, service income from airtime rental, mainly consisting of advertising fee and occupancy rate, could not meet the projection due primarily to changes in consumer behaviors which are shifting away from advertising media via television, radio and printed materials to out-of-home media and the Internet in line with consumers' greater preference for online media. Moreover, consumers have a limited access to digital TV as the authority is still unable to achieve the digital TV network development to cover all areas as planned. The emergence of as many as 24 digital TV channels has intensified competition in this business. Meanwhile, the program development of ATV still cannot respond to demand from all target groups and its rating remains unsatisfactory, thus failing to attract advertising expenditure as projected. Under the stagnant economic condition without a clear sign of recovery, advertising expenditure of business sectors, which are the Company's major income sources, has accordingly grown at a decelerating rate, thereby causing the Company's income generating ability and expected growth in the digital TV business to fail to meet the projection. As a consequence, ATV has suffered from a huge amount of loss from Q2/2014 up to the present period and began to show negative net worth in Q2/2015. As of June 30, 2016 and September 30, 2016, ATV recorded negative net worth of Baht (164.78) million and Baht (331.68) million respectively.

The enormous amount of successive loss has adversely affected the Company's financial position, liquidity and cash flow used in its overall business operation. Furthermore, ATV will in the near future have to pay a large sum of obligations by the due dates set forth in the agreements, including the fourth payment of the Digital TV License by May 2017 in the amount of Baht 513 million (of which approximately Baht 410 million is expected to be covered by loans from financial institutions), repayment of principal for the loans from financial institutions in an average amount of Baht 23 million a month (for loan repayment due in 2017), and payment of Network Service Fee of Baht 14.16 million per month (VAT excluded), while still requiring working capital in business operation. As of September 30, 2016, ATV had cash and cash equivalents of only Baht 18.84 million, which is insufficient to meet its needs of working capital and payment of all obligations under the agreements although it can draw down loans from financial institutions. As for the Company, it has cash and cash equivalents of Baht 291.03 million which must be reserved for the operation of its other lines of business. Without raising additional funds from external sources, the Company itself has not enough funds to support the business operation of ATV.

As a result, it is necessary for the Company to seek additional funding for all operations urgently to ensure its subsidiary company's business continuity in the future. Moreover, due to its huge debt burden, the Company's debt to equity (D/E) ratio according to its consolidated financial statements as at September 30, 2016 was as high as 4.32 times. (Under the financial covenants set forth in the loan agreements made with financial institutions, the Company must maintain the D/E ratio at not over 2 times, which the financial lenders will measure from the Company's yearly consolidated financial statements. Therefore, the Company is currently negotiating with the financial institutions for a relaxation of such condition, the outcome of which is expected in February 2017.) As of the end of 2015, its D/E ratio stood at 2.66 times and the Company was unofficially granted a relaxation of such financial covenants from the financial institutions. Since it is likely that the ratio, calculated from its consolidated financial statements for 2016, will increase further, the Company is prone to risk of default on the loan agreements given that the relaxation is not approved by the financial institutions. Besides, the high D/E ratio will dampen its ability to raise additional loans from financial institutions.

As a result, fund raising by way of capital increase is deemed appropriate and beneficial to the Company and will help improve its capital structure, leading its D/E ratio to decline from 4.32 times to 2.25 times (calculated from its financial position under the consolidated financial statements as at September 30, 2016: total liabilities / (shareholders' equity + capital increase funds from offering of newly issued ordinary shares to the Purchaser) = 3,994.96 / (925.67 + 850.00)). Therefore, the Company believes that this will help ease its negotiation with the financial institutions for relaxation of the financial covenants.

The Company will use funds receivable from the said offering of newly issued ordinary shares partly for repaying loans from financial institutions due in 2017 and will repay the remaining loans with funds to be obtained from its future operation. If such funds from its future operation are inadequate, the Company may consider increasing its registered capital by offering newly issued ordinary shares to its existing shareholders or to specific investors so as to secure sufficient cash flow for making loan repayment to financial institutions.

When compared with other options of share allocation, if the Company offers the newly issued ordinary shares to other specific investor who is not the Purchaser or to its existing shareholders, it may risk failing to sell the full amount of shares and at a reasonable price or the investor may impose other conditions that are unacceptable to the Company. In addition, it may take a longer time in the negotiation or implementation process. Likewise, the offering of newly issued shares to the public involves a more lengthy process. As such, the Company will be unable to timely and adequately secure the desired amount of funds, which may affect the subsidiary's business continuity and ability to repay loans and relatively have an impact on the Company, as the parent and loan guarantor of the subsidiary.

By entering into this transaction, the Company will be able to mobilize the desired amount of funds promptly and completely. Besides, the capital increase will help strengthen its financial position from higher shareholder's equity and will help significantly reduce its D/E ratio. The Purchaser will become its major shareholder and has no plan or policy either to materially change the Company's objectives and business management plan or to delist the Company's securities from the SET. As such, the Company will be able to continuously operate its business and partner with a strategic shareholder who has readily available funds and expertise especially with respect to retail consumers, media and advertising that will help enhance confidence in the Company among investors and all groups of stakeholders and further strengthen the Company's potential and competitiveness in the future.

Nonetheless, entering into such transaction will at the same time create impacts and risks to the Company. Its existing shareholders will suffer control dilution from the current 100.00% to 52.38% and significant price dilution of 20.48% after registration of the Company's paid-up capital due to the fact that such offering of newly issued ordinary shares of the Company will be made at the offering price which is lower than the market price. Meanwhile, in terms of the earnings dilution effect calculation, no earnings dilution will occur because the Company's shares will increase after the capital increase. Then, the value of loss per share of the Company will decrease, based on assumption that the subsidiary company has incurred same amount of net loss from operation.

However, if in the future the Company’s net loss increases to a certain level, the capital increase may not enable the Company to decrease such loss per share. Loss incurred by the Company has resulted from the substantial amount of loss from the business operation of ATV which earned a considerably low income from advertising fee but carried high operation costs and expenses. Its expenses mainly were fixed costs from amortization of Digital TV License, Network Service Fee, together with high finance costs from a large amount of borrowing, cost of program production, and selling and administrative expenses during the start-up phase of the digital TV business. If ATV cannot grow its revenues in the future, the Company will likely suffer a greater amount of net loss.

After acquisition of the newly issued ordinary shares, the Purchaser will hold 47.62% of the Company’s total issued shares (after capital increase), which does not constitute a majority vote. However, if at any shareholders’ meeting there are any shareholders, other than the Purchaser, being absent or appointing no proxy, the number of votes cast by the Purchaser may then exceed a half of the votes of the shareholders attending such meeting and having the right to vote, thereby leading the Purchaser to be able to control all resolutions required to be passed by a majority vote. Other shareholders will therefore be unable to gather sufficient votes to exercise checks and balances against the Purchaser. In the event that the number of votes cast by the Purchaser reaches or exceeds 75% of the total voting rights, the Purchaser will be able to totally control all resolutions, including some matters required by law to obtain affirmative votes of not less than three-fourths of the total voting rights.

Besides, the issue and offering of new ordinary shares of the Company at the offering price which is lower than the market price of the Company’s shares falls into the financial reporting standard on share-based payments, under which the Company is required to record the different result between the offering price and the fair value of those shares as expense from the share-based payment, thus possibly leading the Company to incur a higher net loss from operation. However, in view of the rationale and necessity of the Company to raise a huge amount of funds timely and sufficiently to cover all expenses arising from the existing obligations in the digital TV business operation without affecting its other business lines and under the present circumstances where the Company has successively incurred a large amount of loss, the country’s overall economy has been slackening and the digital TV industry has been highly competitive, the allocation and offering of newly issued ordinary shares to the Purchaser under this transaction is therefore deemed more beneficial to the Company when compared with the aforementioned effects.

Regarding the offering price of the newly issued ordinary shares of the Company to the connected person at Baht 4.25 per share, we deem that **it is a reasonable price** because such price is in a range of the fair value we have measured by the discounted cash flow approach at Baht 4.06 - 4.28 per share and is in the share price range derived from the sensitivity analysis of Baht 2.35 - 5.99 per share. We did not select book value approach, adjusted book value approach and price to book value approach for valuation of AMARIN shares because those methods did not focus on the future performance, profitability and competitive potential of the Company and its subsidiaries, or the overall economic and industrial trend. Moreover, there is limitation to the share valuation by the approaches that are based on the Company's book value in the present circumstances where the Company and its subsidiaries have successively incurred a huge amount of loss which will likely increase further and will accordingly lead its book value in the near term to decline amid the ongoing slowdown in the economy and the related industries. At the same time, the Company is short of funds for business development or expansion to enhance its competitiveness and improve its performance, while still facing a high level of risk from liquidity crunch and a substantial amount of debts and obligations. We did not select market value approach since this method cannot fairly reflect the true value of the Company's shares due to the thin trading and low daily turnover of its shares on the stock market.

In addition, we view that the conditions for the transaction in the allocation and offering of newly issued ordinary shares of the Company to the connected person are appropriate because they are consistent with the general business practices or are based on the negotiation and agreement between the relevant agreement parties with respect primarily to appropriateness and the Company's interest without causing the Company to lose any benefit.

We are of the opinion that the allocation and offering of newly issued ordinary shares of the Company on a private placement basis to a specific investor, namely Vadhanabhakdi Co., Ltd. by Mr. Thapana Sirivadhanabhakdi and Mr. Panote Sirivadhanabhakdi, which constitutes a connected transaction, is reasonable with a fair price and fair conditions. The Company and the shareholders will gain benefits from this transaction. Thus, we recommend that the shareholders should vote to approve the allocation and offering of newly issued ordinary shares of the Company on a private placement basis to a specific investor.

As regards the application for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders' meeting (Whitewash), the Purchaser intends to acquire 200,000,000 newly issued ordinary shares of the Company at the offering price of Baht 4.25 per share, which will result in the Purchaser holding 47.62% of the Company's total issued shares (following registration of the Company's paid-up capital). Such percentage of shareholding crosses the trigger point of 25% of the Company's total voting rights which requires the Purchaser to make a tender offer for all securities of the Company. However, the Purchaser does not wish to make a tender offer, but wishes to file an application for a waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders' meeting (Whitewash).

In our opinion, the allocation and offering of newly issued ordinary shares of the Company to the Purchaser is appropriate and beneficial to the Company since it will enable the Company to secure a huge amount of funds within a short period of time. The Company plans to use funds obtainable from the offering of its newly issued ordinary shares to the Purchaser for making the fourth payment of the Digital TV License in the amount net of the loan drawdown under the loan agreement, repaying loans to financial institutions, and as working capital in the business operation to cover Network Service Fee, program production cost, etc., which will help to increase its income and profit in the future.

Moreover, the Purchaser will hold a majority of shares in the Company as a strategic shareholder who has readily available funds and expertise especially with respect to retail consumers, media and advertising and is famous and widely accepted, with good relationship with various business groups and financial institutions that will help enhance confidence in the Company among investors and all groups of stakeholders. The Purchaser has no plan to materially change the Company's business operation policy during the next 12 months. Therefore, the Company will continue to operate its business as usual, but with a stronger financial position and an opportunity to expand business and to grow and improve its performance in the future, which will further allow for its shareholders to gain a higher return and share of profit from investment in the Company in the future.

However, entering into this transaction will cause control dilution and price dilution effects on the Company's existing shareholders. Besides, the issue and offering of new ordinary shares of the Company at the offering price which is lower than the market price of the Company's shares falls into the financial reporting standard on share-based payments, under which the Company is required to record the different result between the offering price and the fair value of those shares as expense from the share-based payment, thus possibly leading the Company to incur a higher net loss from operation. Moreover, the Purchaser's acquisition of a significant percentage of shares which exceeds 25% of the Company's total voting rights will enable the Purchaser to exercise a block vote on crucial matters that require affirmative votes of not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote. The Purchaser will nominate no more than three representatives as the Company's directors to participate in determining policy and plan on business management in the Company.

Moreover, the Purchaser's acquisition of a significant percentage of shares which exceeds 25% of the Company's total voting rights will enable the Purchaser to exercise a block vote on crucial matters that require affirmative votes of not less than three-fourths of the total votes of the shareholders attending the meeting and having the right to vote.

The offering price of the Company's newly issued ordinary shares to the Purchaser of Baht 4.25 per share is considered **a reasonable price** as discussed above.

We are of the opinion that the transaction is reasonable and the transaction price and conditions are fair. The Company and the shareholders will gain benefits from this transaction. Therefore, we recommend that the shareholders should vote to approve the waiver from the requirement to make a tender offer for all securities of the Company by virtue of the resolution of the shareholders' meeting (Whitewash).

In deciding whether to approve or not approve the entry into the transactions described above, the shareholders can consider the reasons and opinion provided herein by the IFA. However, the final decision depends primarily on the shareholders' individual judgment.

We hereby certify that we have rendered opinion with due care and under professional standards by paying regard to the interest of the shareholders.

Yours sincerely,
Advisory Plus Company Limited

- Nisaporn Rerkaram -

(Mrs. Nisaporn Rerkaram)
Managing Director

- Sumalee Tantayaporn -

(Miss Sumalee Tantayaporn)
Operational Controller

Attachment 1

Profile of

Amarin Printing and Publishing Public Company Limited and Subsidiaries

1. Background

Amarin Printing and Publishing Plc. ("AMARIN" or "the Company") started business from merely a modest editorial team formed by Khun Chukiat Utakapan with an ensemble of friends and a few employees to set up Warasarn Baan Lae Suan Part. Ltd. to primarily publish a magazine called "Baan Lae Suan," which debuted in September 1976. At the time, it had to outsource its publication to external printing houses. Amarin Printing Part. Ltd. was founded later to print its own magazines and subsequently provided its printing services to external printing orders. With a small number of staff; though, the small printing and publishing outfit was a great start towards business expansion which later necessitated fund mobilization. It then became listed as a public company on the Stock Exchange of Thailand in 1993 and was renamed "Amarin Printing and Publishing Public Company Limited."

That same year, the Company expanded its business into distribution through the newly established Amarin Book Center Co., Ltd. ("ABOOK") which handles its entire range of publications. At the same time, "Nai In Bookstore," a name His Majesty King Bhumibol Adulyadej graciously designated after his first literary work, "Nai Indra Phoo Pit Thong Lang Phra," was set up separately as the Company's own retail outlets.

From a few reader groups, its readership has grown both in size and diversity. The Company responded by producing other magazines to meet the readers' varied interests, with "Praew" and "Sudsapda" being the magazines for women that emerged to meet market demands. Today, the Company has a total of 11 titles in its magazine portfolio and publishes hundreds of book titles a year as it offers printing services and expands the business to other areas.

On October 11, 2012, the Company established Amarin Television Co., Ltd. ("ATV"), a subsidiary in which it holds a stake of 99.99%, to operate the digital television business. ATV and AMARIN signed a co-operation agreement on the satellite "AMARIN active TV" channel to broadcast a wide variety of entertainment programs for all viewer ages and genders by producing only quality and properly copyrighted contents. Under such agreement, ATV is responsible for broadcasting the programs in C-Band and Ku-Band satellite systems. It has broadcasted this channel since November 2012.

In October 2013, ATV submitted an application to bid for the license to use allocated frequencies for national commercial digital television service B.E. 2556 ("the License") to the National Broadcasting and Telecommunications Commission ("NBTC"). ATV was then notified as a qualified bidder and joined the bid for the License as specified by the NBTC. In January 2014, it was notified as a bid winner for the License of high-definition variety channel with the bidding price of Baht 3,320,000,000 (VAT excluded). As a consequence, AMARIN and ATV signed a memorandum of agreement on January 30, 2014 to terminate the said co-operation agreement and have ceased the satellite channel broadcasting from January 31, 2014 onwards in order to prepare for the digital television channel broadcasting for which ATV had won the bid. It made the first digital TV broadcasting in May 2014 on Channel 34 under the name "AMARIN HD TV."

On September 9, 2016, the Company invested in KADOKAWA Amarin Co., Ltd. ("KADOKAWA"), an entity registered in Thailand and an associated company in which the Company holds a stake of 46.00%, through a joint venture with KADOKAWA Holding Asia Ltd. and Bangkok BTMU Co., Ltd. which hold a stake of 49.00% and 5.00% respectively. KADOKAWA aims to publish and distribute a number of books and printed materials such as light novels, comic books, travel magazines and Walker Magazine, together with e-commerce of printed books, e-books and licensed merchandise, web streaming, and sublicensing of books, movies, animation and other relevant products.

On November 24, 2016, the Board of Directors' Meeting of the Company No. 6/2016 resolved to propose that the Extraordinary General Meeting of Shareholders No. 1/2017, to be held on February 10, 2017, consider and approve the increase of the Company's registered capital by Baht 200,000,000 from the existing registered capital of Baht 219,999,865 to Baht 419,999,865, by issuing 200,000,000 new ordinary shares, with a par value of Baht 1 per share, to be allocated and offered to Vadhanabhakdi Co., Ltd. by Mr. Thapana Sirivadhanabhakdi and Mr. Panote Sirivadhanabhakdi ("Purchaser"), at an offering price of Baht 4.25 per share or in the total sum of Baht 850,000,000, whereby the Purchaser would become a major shareholder after the purchase of such newly issued ordinary shares, holding 47.62% of the Company's total issued shares (following registration of the Company's paid-up capital); and also approve the waiver of the Purchaser from the requirement to make a tender offer for all securities of the business by virtue of the resolution of the shareholders' meeting of the Company (Whitewash).

On December 19, 2016, the Board of Directors' Meeting of the Company No. 7/2016 resolved to approve the Company to subscribed the capital increase ordinary shares in ATV. ATV will increase the registered capital from the existing registered capital of Baht 1,200 million to the registered capital of Baht 1,800 million by issuing 6,000,000 new ordinary shares, par value of 100 Baht per share to be used as working capital, to allot and offer to the existing shareholders under the proportion. Therefore, the Company has subscribed the capital increase ordinary shares in ATV in the totaling amount of 5,999,820 shares, priced at 100 Baht per share, totaling 599,982,000 Baht, which it remains the proportion of shareholding of the Company of ATV in the totaling amount of 17,999,460 shares, equivalent to 99.99% of the registered capital of ATV.

Shareholding structure of AMARIN Group

As at September 30, 2016, the Company's investments in its subsidiaries and related companies were as follows:

Operated by	Type of business	Relationship	Paid-up capital (Baht million)	Shareholding (%)
Amarin Television Co., Ltd. (ATV)	Television	Subsidiary	1,200.00	99.99
KADOKAWA Amarin Co., Ltd. (KADOKAWA)	Production and distribution of comic books	Associated company	30.00	46.00
Amarin Book Center Co., Ltd. (ABOOK)	Distribution of books	Related company	10.00	19.00
WPS (Thailand) Co., Ltd. (WPS)	Multimedia and printing services	Related company	500.00	0.50

Source: Notes to the consolidated financial statements of AMARIN and its subsidiaries for the nine-month period ended September 30, 2016

2. Business overview

2.1 Business operation of the Company

The Company is a large printing and publishing house, operating four lines of business as follows:

1. **General printing service (Printing Business Division)**

Printing Business Division is the core production line of the Company, featuring a fully-fledged production and printing system to support such other divisions as publishing, magazines, books and commercial printing service. The manuscripts are forwarded from the magazines and books divisions to the printing house through a computer network. Then, a modern digital color proof is prepared and a printing block is produced with high-efficiency machines and production system. At the final step, books are bound to the standards of quality and aesthetic.

Printing service is offered in diverse formats and on a fully-integrated basis. The responsible unit, Amarin Publishing Services (APS), undertakes the creative works, ranging from conceptual design to content preparation, artwork design and arrangement, photographing, photo-retouch, and color enhancement. This service is linked to the production process of printed media, digital media and electronic media of different forms. Meanwhile, Digital Publishing Services (DPS) is responsible for quality control and success of new media production such as e-book, digital publishing and tablet publishing within the budget that could delight customers. The Company could therefore fully and extensively address demands from printing service customers, namely government agencies, private organizations and retail clients who value premium quality printing, as well as those in need of varied forms of media.

In addition, Printing Business Division could offer a comprehensive range of printing service such as sheet-fed offset printing that applies industrial engineering technology combined with effective cost control and selected technology that could well respond to demand for premium production quality and efficiency. Its effort in technical research and development and selection of raw materials for quality printing that aligns with market condition and competition at the regional level has earned it a success, as proven by the awards won by Printing Business Division, including the Asian Print Awards, Thailand Print Awards, etc. Last year, it was granted many awards for its printed matters such as Sip Song Muk Det Chang Phap Chana Loet (12 Secrets of Award-Winning Photographer) winning Gold Award in the Category of Book Printing; Elegy winning Gold Award in the Category of Book Printing - Less Than 4 Colors; and Best of the Best Award, all of which bear testimony to its quality printing at the national level. Apart from its product quality, Printing Business Division remains committed to effective production management and services in accordance with ISO-9001 standards.

2. **Publishing (Magazine Business Division and Book Publishing Business Division)**

The Company has amassed years-long experience in publishing business and is seeking to develop its magazine and book publishing of different types to satisfy readers' varied interests, thereby leading the Company to win wide acceptance from readers and have a large editorial team producing top-tier magazines and books. Here are the printed matters classified by type:

<u>Magazines</u> (Magazine Business Division)

With its strong determination throughout four decades since the launch of its first magazine "Baan Lae Suan" in 1976, the Company remains committed to producing quality magazines with subsequent introduction of "Praew" and "Sudsapda," the two magazines for women that have received positive response.

In 1997, the Company launched the production of the health-oriented magazines, "Cheewajit" and "Health & Cuisine." Then in 2001, it was granted the license to publish the Thai edition of "National Geographic." In 2003, "room" was introduced, followed by "WE" in 2004 and the licensed "Real Parenting" in 2005. In 2007, it was granted the license of "InStyle" which was followed by "Secret" in 2008, "my home" in 2010, and the latest magazine, "lemonade," in 2011.

As of September 30, 2016, the Company had a total of 11 monthly and bi-monthly magazine titles in print to meet the diverse interests of the readers. It can be said that AMARIN magazines rank top in terms of total sales compared with those in the same categories and all of them are the country's popular publications.

Books (Book Publishing Business Division)

AMARIN Publishing Group has since 1992 published book series under the operating principle of "***reading is an important foundation***" and continues to develop content in a bid to fulfill customers' desire and provide them with creative experiences of all formats. Today, it boasts a total of 20 imprints including: Praew Books, Arun Books, Spell Books, Rose Books, Praew Children's Friend Books, KIDS Chalard Books, AMARIN Comics Books, Praew Juvenile Books, AMARIN Dharma Books, AMARIN CUISINE Books, AMARIN Health Books, AMARIN Books, AMARIN HOW-TO Books, springbooks, AMARIN Travel Books, STEPS Books, Shortcut Books, Ban Lae Suan Books, National Geographic Books, and Praew Magazine Books. While they each publish books of their specific categories to meet the requirements of all reader genders and ages, together they have been responsible for some 550 covers a year for publications in three main groups, namely Thai and foreign edutainment (fiction), documentary (non-fiction), children & youth and living.

3. Activ Amarin Division

Formerly named Business Development Division set up in 1996, Activ Amarin aims to promote occupation and learning process for subscribers of AMARIN Group magazines and members of the society as a whole. Its major activities include:

Amarin New Media

Having more than a decade of experience in the development of website systems and online content for AMARIN Group's media, Amarin New Media offers creative content in various formats including articles, accompanying photographs, infographics and online video products, all of which differ from those in the print media. These are offered in thematic and presentational styles that fit well with new media consumers, using technology to draw readers' attention and respond to advertisers' requirements. Following its set objective, *Amarain New Media aspires to become the leader in the creation of quality content that responds to consumers of the digital age*. Therefore, in addition to overseeing the range of media and content for AMARIN Group members, it has also engaged in the business of digital media and content development for many corporate clients including the SCG Group of Companies' website and products under Tra Chang, as well as production of online video for property developers, technology service providers, providers of telecommunication networking services, beauty products, goods and services for women, products for children, mothers and families, etc. Moreover, in this era where social media communication plays a pivotal part in public relations and product and service advertising, Amarin New Media accordingly develops short-form content that is appropriate for such social media as Facebook, Instagram, Youtube and Twitter. It also handles the Q&A section on behalf of its clients such as COTTO, Tiger cement, mother and child products of Bayer Thai Group, and so on. At the same time, Amarin New Media develops and applies new technology to the services of AMARIN Group such as data collection on the number of Fair visitors or website visits which are subsequently used for big data analysis or development of second screen system for interactive communication and responses in order to meet the demand for production of interactive programs in conjunction with Amarin HD TV in the future.

Amarin Creative and Events

Amarin Creative and Events provides services in arranging a comprehensive range of marketing activities in the form of fairs and events for magazines and books of AMARIN Group and external clients. Its expertise helps to gain trust from public and private agencies to organize various events for them. In 2016, the Company organized total 8 fairs and events, including Baan Lae Suan Midyear Fair, Baan Lae Suan Fair 2016, the seventh and eighth Amarin Baby & Kids Fair, Good Life Fair 2016 (Queen Sirikit National Convention Center), Good Life Fair 2016 (Impact), the Lemonade Shopping Festa, the Food Night Market. There also have the marketing activities for the company's magazine such as the Sudsapda Handsome Men Do Good Things Project, the Praew Charity and AMARIN run for love. These fairs and events received a good response from both magazine readers and the general public.

2.2 Business operation of a subsidiary (ATV)

ATV is a subsidiary in which the Company directly owns 99.99% of paid-up capital, incorporated on October 11, 2012. In 2013, ATV purchased two bidding pacts for a license to utilize allocated frequencies for digital television services from the NBTC in order to run one standard-definition (SD) frequency channel under general classification and one high-definition (HD) frequency channel under general classification. Then on January 13, 2014, it was informed in writing about the result of such frequency bids that it was awarded the license for HD television operation under general classification for digital television services. It therefore returned the satellite television license to the NBTC with programs terminated at the same time so as to fully operate the digital television service, which debuted in May 2014 in the name AMARIN HD TV on channel 34.

ATV was granted the digital TV license for a period of 15 years from the granting date with the bidding price of Baht 3,320,000,000 (excluding VAT). It has to pay the license fee to the NBTC by yearly installments within five years from the granting date. In addition, ATV must pay a fee for use of the digital frequency terrestrial television network to the Army Radio and Television for a period of 14 years and 5 months from January 17, 2014 to May 31, 2029, involving a total service fee of Baht 2,449,680,000 which is payable by monthly installments of Baht 14,160,000 each (excluding VAT).

- Revenue structure of AMARIN and its subsidiaries for 2013-2015 and the first nine months of 2016 was as follows:

	2013		**2014**		**2015**		**Jan-Sep 2016**	
	Baht million	**%**	**Baht million**	**%**	**Baht million**	**%**	**Baht million**	**%**
1. Revenue from the printing and publishing division	1,717.14	82.21	1,568.28	81.94	1,545.81	77.14	944.17	75.59
2. Revenue from travel business, Cheewajithome, training and seminar, fairs and events, and website	78.40	3.75	294.39	15.38	312.69	15.60	119.79	9.59
3. Revenue from TV program production	268.93	12.88	29.68	1.55	110.13	5.50	153.40	12.28
4. Other revenues	24.16	1.16	21.62	1.13	35.23	1.76	31.73	2.54
Total revenues	**2,088.63**	**100.00**	**1,913.97**	**100.00**	**2,003.86**	**100.00**	**1,249.09**	**100.00**

Source: Consolidated financial statements of AMARIN and its subsidiaries for the years ended December 31, 2014-2015 and the nine-month period ended September 30, 2016

- Board of Directors and shareholders

- The Company's Board of Directors as at December 30, 2016 was composed of the following members:

	Name	Position
1.	Mrs. Metta Utakapan	Chairperson of the Board/President
2.	Mrs. Rarin Utakapan Punjarungroj	Director/Chief Executive Officer
3.	Mr. Cheewapat Nathalang	Director
4.	Mrs. Suphap Noi-Um	Director
5.	Mr. Chokchai Punjarungroj	Director
6.	Mr. Somchai Phagaphasvivat	Independent Director/Chairman of the Audit Committee
7.	Mr. Charoenchit Nasongkhla	Independent Director/Member of the Audit Committee
8.	Mr. Smat Ruangnarong	Independent Director
9.	Mr. Ampon Ruayfupant	Independent Director/Member of the Audit Committee

The authorized directors are either Mrs. Metta Utakapan or Mrs. Rarin Utakapan Punjarungroj, being authorized to sign with the Company's seal affixed; or any two of Mrs. Suphap Noi-Um, Mr. Cheewapat Nathalang and Mr. Chokchai Punjarungroj, being authorized to co-sign with the Company's seal affixed.

If the Extraordinary General Meeting of Shareholders No. 1/2017, to be held on February 10, 2017, approves the waiver of the Purchaser from the requirement to make a tender offer for all securities of the business by virtue of the resolution of the shareholders' meeting (Whitewash) and after the Purchaser has acquired the new securities of the Company, the Purchaser will nominate no more than three representatives to serve on the Board of Directors in replacement of the directors who will tender resignation, including:

1. Two directors who will resign after the Purchaser has acquired the new securities of the Company, namely Mrs. Suphap Noi-Um and Mr. Smat Ruangnarong, and will be replaced by Mr. Khumpol Poonsonee and Mr. Nararat Limnararat to be nominated by the Purchaser; and

2. One director who will resign within 15 business days after the completion date of the New Shares subscription and will be replaced by the person to be nominated by the Purchaser on such date.

   The post-acquisition Board structure will not affect the number of director seats of the Utakapan family which is the Company's existing major shareholder and management. Nonetheless, the Company will change its authorized signatories in order to fit with the revised shareholding and Board structure following the acquisition of shares in the Company by the Purchaser.

- *Shareholders*

As at December 13, 2016 (the latest shareholder register book closing date), the Company had a registered capital of Baht 220,000,000 and issued and paid-up capital of Baht 219,999,865, divided into 219,999,865 ordinary shares with a par value of Baht 1 per share. Details of its shareholders are as follows:

	Name	No. of shares	% of total shares
1.	Mrs. Rarin Utakapan Punjarungroj	54,387,052	24.72
2.	Mr. Rapee Utakapan	40,415,672	18.37
3.	Mrs. Metta Utakapan	36,671,791	16.67
4.	Bangkok Commercial Asset Management Plc.	6,449,473	2.93

	Name	No. of shares	% of total shares
5.	His Majesty King Bhumibol Adulyadej	3,473,684	1.58
6.	Mr. Niti Osathanuklor	3,016,414	1.37
7.	Mr. Chalermphol Sophonkijjakarn	2,311,011	1.05
8.	Ms. Nisa Noi-am	2,055,857	0.93
9.	Her Royal Highness Princess Maha Chakri Sirindhorn	1,389,473	0.63
10.	Mrs. Viliwan Arunyadej	1,250,000	0.57
	Total of top 10 shareholders	**151,420,427**	**68.83**
11.	Other shareholders	68,579,438	31.17
	Total	**219,999,865**	**100.00**

If the Extraordinary General Meeting of Shareholders No. 1/2017, to be held on February 10, 2017, approves the capital increase and the whitewash waiver and after the Purchaser has acquired the new securities of the Company, the shareholding structure of the Company is expected to be as follows (assuming that the shareholding by the top 10 major shareholders as at December 13, 2016 would remain unchanged):

Shareholder structure after capital increase

	Name	No. of shares	% of total shares
1.	Vadhanabhakdi Co., Ltd.	200,000,000	47.62
2.	Mrs. Rarin Utakapan Punjarungroj	54,387,052	12.95
3.	Mr. Rapee Utakapan	40,415,672	9.62
4.	Mrs. Metta Utakapan	36,671,791	8.73
5.	Bangkok Commercial Asset Management Plc.	6,449,473	1.54
6.	His Majesty King Bhumibol Adulyadej	3,473,684	0.83
7.	Mr. Niti Osathanuklor	3,016,414	0.72
8.	Mr. Chalermphol Sophonkijjakarn	2,311,011	0.55
9.	Ms. Nisa Noi-am	2,055,857	0.49
10.	Her Royal Highness Princess Maha Chakri Sirindhorn	1,389,473	0.33
	Total of top 10 shareholders	**350,170,427**	**83.37**
11.	Other shareholders	69,829,438	16.63
	Total	**419,999,865**	**100.00**

- *Summary of financial position and operating results*

  - *Table showing financial position and operating results of AMARIN and its subsidiaries for 2013-2015 and the first nine months of 2016*

Consolidated statements of financial position	As at December 31,						As at September 30, 2016	
	2013		2014 1/		2015			
	Audited		Audited		Audited		Reviewed	
	Baht million	%	Baht million	%	Baht million	%	Baht million	%
Assets								
Current assets								
Cash and cash equivalents	374.57	14.83	215.09	4.00	209.67	4.11	291.03	5.91
Current investments	170.00	6.73	50.00	0.93	-	-	-	-
Trade and other receivables	465.42	18.43	470.46	8.76	477.24	9.36	401.63	8.16
Inventories	281.27	11.14	302.27	5.63	284.78	5.58	263.74	5.36
Bid deposit	189.00	7.48	-	-	-	-	-	-
Other current assets	13.90	0.55	103.31	1.92	101.87	2.00	147.99	3.01
Total current assets	**1,494.16**	**59.16**	**1,141.13**	**21.24**	**1,073.56**	**21.05**	**1,104.39**	**22.44**
Non-current assets								
Long-term investments	10.00	0.40	10.14	0.19	10.08	0.20	10.04	0.20
Investments in associates	-	-	-	-	-	-	13.80	0.28
Other long-term investments	4.40	0.17	4.40	0.08	4.40	0.09	4.40	0.09
Property, plant and equipment	863.07	34.17	1,007.33	18.75	903.52	17.72	826.23	16.79
Land awaiting development	77.41	3.06	77.41	1.44	77.41	1.52	77.41	1.57
Intangible assets	19.42	0.77	2,982.48	55.52	2,785.20	54.61	2,635.24	53.56
Copyright for books	29.93	1.18	25.96	0.48	32.38	0.63	30.91	0.63
Deferred tax assets	26.59	1.05	117.44	2.19	208.45	4.09	213.96	4.35
Other non-current assets	0.85	0.03	5.41	0.10	5.13	0.10	4.24	0.09
Total non-current assets	**1,031.67**	**40.84**	**4,230.57**	**78.76**	**4,026.57**	**78.95**	**3,816.23**	**77.56**
Total assets	**2,525.83**	**100.00**	**5,371.70**	**100.00**	**5,100.13**	**100.00**	**4,920.62**	**100.00**
Liabilities and shareholders' equity								
Current liabilities								
Short-term loans from financial institutions	-	-	150.00	2.79	450.00	8.82	550.00	11.18
Bill of exchange	-	-	-	-	99.50	1.95	198.64	4.04
Trade and other payables	185.17	7.33	204.34	3.80	184.38	3.62	309.63	6.29
Accrued expenses	121.27	4.80	128.59	2.39	128.82	2.53	132.39	2.69
Current portion of long-term loans from financial institutions	-	-	-	-	-	-	207.00	4.21
Current portion of long-term debentures	-	-	-	-	-	-	100.00	2.03
Current portion of liabilities under the license to operate digital television	-	-	610.79	11.37	476.13	9.34	458.70	9.32
Current portion of liabilities under long-term lease contracts	2.81	0.11	2.63	0.05	4.09	0.08	2.42	0.05
Accrued income tax	30.88	1.22	38.78	0.72	31.71	0.62	-	-
Other current liabilities	27.75	1.10	28.89	0.54	33.16	0.65	19.84	0.40
Total current liabilities	**367.88**	**14.56**	**1,164.02**	**21.67**	**1,407.79**	**27.60**	**1,978.62**	**40.21**
Non-current liabilities								
Long-term loans from financial institutions	-	-	470.00	8.75	980.00	19.22	1,148.00	23.33
Debentures	-	-	100.00	1.86	100.00	1.96	100.00	2.03

Consolidated statements of financial position	As at December 31,						As at September 30, 2016	
	2013		2014 [1/]		2015			
	Audited		Audited		Audited		Reviewed	
	Baht million	%	Baht million	%	Baht million	%	Baht million	%
Liabilities under the license to operate digital television	-	-	1,563.03	29.10	1,096.30	21.50	635.78	12.92
Liabilities under long-term lease contracts	5.65	0.22	4.21	0.08	2.53	0.05	3.19	0.06
Deferred tax liabilities	0.04	0.00	-	-	-	-	-	-
Employee benefit obligations	93.57	3.70	104.69	1.95	118.91	2.33	129.36	2.63
Other non-current liabilities	-	-	0.75	0.01	-	-	-	-
Total non-current liabilities	**99.26**	**3.93**	**2,242.68**	**41.75**	**2,297.74**	**45.05**	**2,016.33**	**40.98**
Total liabilities	**467.14**	**18.49**	**3,406.70**	**63.42**	**3,705.53**	**72.66**	**3,994.95**	**81.19**
Shareholders' equity								
Authorized share capital	200.00		220.00		220.00		220.00	
Issued and paid-up share capital - ordinary shares	200.00	7.92	220.00	4.10	220.00	4.31	220.00	4.47
Share premium	270.00	10.69	270.00	5.03	270.00	5.29	270.00	5.49
Retained earnings								
Appropriated - legal reserve	25.00	0.99	25.00	0.47	25.00	0.49	25.00	0.51
Unappropriated	1,563.69	61.91	1,450.00	26.99	879.60	17.25	410.67	8.35
Total shareholders' equity	**2,058.69**	**81.51**	**1,965.00**	**36.58**	**1,394.60**	**27.34**	**925.67**	**18.81**
Total liabilities and shareholders' equity	**2,525.83**	**100.00**	**5,371.70**	**100.00**	**5,100.13**	**100.00**	**4,920.62**	**100.00**

Note: [1/] Financial figures as at December 31, 2014 shown in the above table are based on the restated figures by the auditor for comparison with the financial statement as at December 31, 2015.

Consolidated statements of comprehensive income	For the year ended December 31,						For 9-month period	
	2013		2014		2015		Jan-Sep 2016	
	Audited		Audited		Audited		Reviewed	
	Baht million	%	Baht million	%	Baht million	%	Baht million	%
Revenues from sales and services	2,064.47	100.00	1,892.35	100.00	1,968.63	100.00	1,217.36	100.00
Cost of sales and services	(1,404.47)	(68.03)	(1,624.41)	(85.84)	(1,953.06)	(99.21)	(1,316.08)	(108.11)
Gross profit	**660.00**	**31.97**	**267.94**	**14.16**	**15.57**	**0.79**	**(98.72)**	**(8.11)**
Other income	24.16	1.17	21.62	1.14	35.23	1.79	31.73	2.61
Profit before expenses	**684.16**	**33.14**	**289.56**	**15.30**	**50.80**	**2.58**	**(66.99)**	**(5.50)**
Selling expenses	(51.87)	(2.51)	(45.61)	(2.41)	(56.07)	(2.85)	(35.60)	(2.92)
Administrative expenses	(247.40)	(11.98)	(286.90)	(15.16)	(322.25)	(16.37)	(231.73)	(19.04)
Management benefit expenses	(26.94)	(1.30)	(28.26)	(1.49)	(30.34)	(1.54)	(25.34)	(2.08)
Financial cost	(0.69)	(0.03)	(41.59)	(2.20)	(87.72)	(4.46)	(97.84)	(8.04)
Total expenses	**(326.90)**	**(15.83)**	**(402.36)**	**(21.26)**	**(496.38)**	**(25.21)**	**(390.51)**	**(32.08)**
Profit (Loss) before income tax expenses	**357.26**	**17.31**	**(112.80)**	**(5.96)**	**(445.58)**	**(22.63)**	**(457.50)**	**(37.58)**
Income tax (expenses) income	(72.19)	(3.50)	23.10	1.22	28.44	1.44	(11.43)	(0.94)
Profit (Loss) for the period	**285.07**	**13.81**	**(89.70)**	**(4.74)**	**(417.14)**	**(21.19)**	**(468.93)**	**(38.52)**

Consolidated statements of comprehensive income	For the year ended December 31,						For 9-month period	
	2013		2014		2015		Jan-Sep 2016	
	Audited		Audited		Audited		Reviewed	
	Baht million	%	Baht million	%	Baht million	%	Baht million	%
Other comprehensive income:								
Item not to be reclassified subsequently to profit or loss								
Actuarial gain - net of income tax	-		(1.76)		0.74		-	
Other comprehensive income (loss) for the period	**-**		**(1.76)**		**0.74**		**-**	
Total comprehensive income (loss) for the period	**285.07**		**(91.46)**		**(416.40)**		**(468.93)**	
Basic earnings (loss) per share (Baht per share)	1.43		(0.43)		(1.89)		(2.13)	
Weighted average number of ordinary shares (million shares)	200.00		212.82		220.00		220.00	

Cash flow

Unit: Baht million	2013	2014	2015	Jan-Sep 2016
Net cash provided by (used in) operating activities	467.22	57.61	(31.57)	43.39
Net cash provided by (used in) investing activities	57.68	(893.26)	(672.69)	(58.05)
Net cash provided by (used in) financing activities	(242.88)	676.17	698.84	96.02
Net increase (decrease) in cash and cash equivalents	**282.02**	**(159.48)**	**(5.42)**	**81.36**
Cash and cash equivalents at the beginning of period	92.55	374.57	215.09	209.67
Cash and cash equivalents at the end of period	**374.57**	**215.09**	**209.67**	**291.03**

Note: Financial statements for 2013-2015 were audited by Miss Sulalit Ardsawang, CPA Registration No. 7517, of Dharmniti Auditing Co., Ltd. and interim financial information for the first nine months of 2016 was reviewed by Mr. Poj Atsawasantichai, CPA Registration No. 4891, of Dharmniti Auditing Co., Ltd., being auditors on the approved list of the Office of the Securities and Exchange Commission.

Significant financial ratios

	2013	2014	2015	Jan-Sep 2016
Liquidity ratio				
Current ratio (time)	4.06	0.98	0.76	0.56
Quick ratio (time)	2.75	0.63	0.49	0.35
Liquidity ratio, cash basis (time)	1.24	0.08	(0.02)	0.03 [1/]
Receivables turnover ratio (time)	4.03	4.04	4.15	3.69 [1/]
Average collection period (day)	89.25	89.02	86.65	97.46
Inventory turnover ratio (time)	5.08	5.57	6.65	6.40 [1/]
Inventory turnover period (day)	70.81	64.66	54.10	56.27
Payables turnover ratio (time)	7.81	8.34	10.05	7.10 [1/]
Average payment period (day)	46.10	43.16	35.83	50.67
Cash cycle (day)	113.96	110.52	104.93	103.05
Profitability ratio				
Gross profit margin (%)	31.97	14.16	0.79	(8.11)

	2013	2014	2015	Jan-Sep 2016
Operating profit margin (%)	17.34	(3.76)	(18.18)	(29.54)
Other profit margin (%)	1.16	1.13	1.76	2.54
Cash per profitability ratio (%)	130.53	(80.90)	8.82	(12.06)
Net profit margin (%)	13.65	(4.78)	(20.78)	(37.54)
Return on equity (%)	14.00	(4.55)	(24.79)	(53.89) [1/]
Efficiency ratio				
Return on assets (%)	11.37	(2.32)	(7.95)	(12.48) [1/]
Return on fixed assets (%)	48.30	5.07	(27.81)	(72.29) [1/]
Asset turnover (time)	0.83	0.48	0.38	0.33 [1/]
Financial policy ratio				
Debt to equity ratio (time)	0.23	1.73	2.66	4.32
Interest coverage ratio (time)	829.14	105.06	21.67	N/A
Commitment coverage ratio (time)	0.79	0.04	(0.03)	(0.06)
Payout ratio (%)	0.08	(1.68)	-	-

Note: [1/] Being annualized for comparison purpose

▪ *Analysis of operating results and financial position of AMARIN and its subsidiaries according to the consolidated financial statements for 2013-2015 and the first nine months of 2016*

<u>Operating results in 2013-2015</u>

Revenues

The Company recorded total revenues of Baht 2,088.63 million, Baht 1,913.97 million and Baht 2,003.86 million in 2013-2015 respectively. They primarily came from revenues from sales and services, which accounted for Baht 2,064.47 million, Baht 1,892.35 million and Baht 1,968.63 million or 98.84%, 98.87% and 98.24% of total revenues in 2013-2015 respectively.

Total revenues declined from Baht 2,088.63 million in 2013 by Baht 174.66 million or 8.36% to Baht 1,913.97 million in 2014 due chiefly to a drop in revenues from TV program production business, which plummeted by Baht 239.25 million or 88.96% from Baht 268.93 million in 2013 to Baht 29.68 million in 2014. This was because on January 14, 2014, the subsidiary won the bid for the license and rights to use allocated frequencies for national commercial digital television services in high definition (HD) category, following which the Company accordingly ceased the satellite TV broadcasting business in order to run the digital TV services by launching the first broadcast in May 2014. Besides, revenues from book publishing and distribution fell by Baht 148.86 million or 8.67% from Baht 1,717.14 million in 2013 to Baht 1,568.28 million in 2014 in the wake of world and Thai economic slowdown coupled with internal political turbulence. However, revenues from fairs and events soared sharply by Baht 215.99 million or 275.50% from Baht 78.40 million in 2013 to Baht 294.39 million in 2014 thanks to a boost of fairs organizing business which received positive response from both exhibitors and visitors.

For 2015, total revenues grew from Baht 1,913.97 million in 2014 by Baht 89.89 million or 4.70% to Baht 2,003.86 million, resulting mainly from a surge of Baht 80.45 million or 271.06% in revenues from TV program production business from Baht 29.68 million in 2014 to Baht 110.13 million in 2015. Another contributing factor was an increase of Baht 18.30 million or 6.22% in revenues from fairs and events from Baht 294.39 million in 2014 to Baht 312.69 million in 2015, which was attributed to revenues earned from organizing of events for external parties and agencies including a number of large corporations. This business showed a promising growth prospect.

Cost of sales and services

Cost of sales and services totaled Baht 1,404.47 million in 2013, Baht 1,624.41 million in 2014 and Baht 1,953.06 million in 2015, with gross profit margin of Baht 660.00 million, Baht 267.94 million and Baht 15.57 million or 31.97%, 14.16% and 0.79% respectively. Cost of sales and services increased continually during 2014-2015, springing from an increase in cost of digital TV business operation of the subsidiary.

Selling and administrative expenses

In 2013-2015, the Company recorded selling and administrative expenses of Baht 326.90 million, Baht 402.36 million and Baht 496.38 million respectively, rising by Baht 75.46 million or 23.08% in 2014 and Baht 94.02 million or 23.37% in 2015 due to an increase in cost of digital TV business operation and interest expenses whereas no such expenses were incurred in 2013. For 2015, as the Federation of Accounting Professions introduced a new set of interpretation in cost evaluation, the subsidiary was required to readjust its cost entry of the acquired license for its digital TV operation as cash equivalent based on the discounting method and to enter the difference between cash equivalent price and the total amount paid as financial costs, thus contributing to the increase in total selling and administrative expenses.

Net profit (loss)

The Company posted a net profit (loss) of Baht 285.07 million in 2013, Baht (89.70) million in 2014 and Baht (417.14) million in 2015. Its operational performance weakened and loss was incurred in 2014 in the amount of Baht 89.70 million. In 2015, its loss jumped from a year earlier by Baht 327.44 million or 365.04% due to economic fallout and internal political unrest the impacts of which lingered on from 2013. Moreover, the digital TV business suffered a huge amount of net loss as it is still in the start-up phase, thus leading the overall business performance of the Company to show a higher net loss.

Operating results in the first nine months of 2016 (9M/2016)

The Company recorded total revenues of Baht 1,249.09 million in 9M/2016, declining by Baht 75.56 million or 5.70% from Baht 1,324.65 million in the same period of 2015 which was in line with economic downturn in the first half of 2016. However, revenues from digital TV business, operated by the subsidiary, grew strongly by 149.22% year-on-year.

Cost of sales and services dropped by Baht 70.53 million or 5.09% from Baht 1,386.61 million in 9M/2015 to Baht 1,316.08 million in 9M/2016, while selling and administrative expenses rose by Baht 27.96 million or 7.71% to Baht 390.51 million in 9M/2016 from Baht 362.55 million in the corresponding period of 2015 due primarily to an increase in interest expenses and digital TV business expenses.

The Company incurred a net loss of Baht 468.93 million in 9M/2016, up by Baht 89.93 million or 23.73% from Baht 379.00 million in the same period of 2015 which was ascribed mainly to economic slowdown and loss from digital TV business since it is still at the initial stage of investment.

Financial position of AMARIN and its subsidiaries as at the end of 2013-2015

The Company had total assets of Baht 2,525.83 million, Baht 5,371.70 million and Baht 5,100.13 million as at December 31, 2013-2015 respectively, growing by Baht 2,845.87 million or 112.67% as at the end of 2014 and contracting by Baht 271.57 million or 5.06% as at the end of 2015. The asset growth of Baht 2,845.87 million as at year-end 2014 stemmed primarily from an increase in intangible assets of Baht 2,963.06 million following the subsidiary's winning of the bid for the license and rights to use allocated frequencies for digital television services, with the license fee being recorded after amortization for the year. The decrease in total assets of Baht 271.57 million as at the end of 2015 was caused mainly by a drop in intangible assets of Baht 197.28 million after subtracted amortization expense during the year. Moreover, on February 8, 2015, the Federation of Accounting Professions introduced a new set of interpretation in cost evaluation, whereby the subsidiary was required to readjust its cost entry of the acquired license for its digital TV operation as cash equivalent based on the discounting method which relatively led to a declining cost of the license, and to enter the difference between cash equivalent price and the total amount paid as financial costs.

The Company's total liabilities as at December 31, 2013-2015 amounted to Baht 467.14 million, Baht 3,406.70 million and Baht 3,705.53 million respectively, a surge of Baht 2,939.56 million or 629.27% as at the end of 2014 and Baht 298.83 million or 8.77% as at year-end 2015. The dramatic increase in total liabilities as at the end of 2014 compared with a year earlier was largely attributed to higher liabilities incurred from the digital TV business operation, with liabilities under the license to operate digital television soaring by Baht 2,173.82 million, loans from financial institutions by Baht 620.00 million, and liabilities from debenture issuance by Baht 100.00 million. This was because, in 2014, the subsidiary won the bid for the license and rights to use allocated frequencies for digital television services and, hence, it was necessary to raise loans to cover the license fee payment. The increase in total liabilities as at the end of 2015 of Baht 298.83 million from year-end 2014 resulted mainly from an increase in loans from financial institutions of Baht 810.00 million and also in liabilities under the license to operate digital television of Baht 601.39 million owing to additional borrowing to pay for the license fee that became due.

Total shareholders' equity as at December 31, 2013-2015 stood at Baht 2,058.69 million, Baht 1,965.00 million and Baht 1,394.60 million respectively. The continuous decline in shareholders' equity stemmed primarily from the annual net loss incurred by the Company because of the digital TV business operation which is still in the start-up phase. In 2014, the Company increased its registered capital and issued 20,000,000 new ordinary shares at a par value of Baht 1 per share to accommodate the distribution of stock dividend in a total amount of 19,999,865 shares, thus bringing the total number of issued and paid-up shares from 200,000,000 shares as at the end of 2013 to 219,999,865 shares as of year-end 2014.

Financial position as at September 30, 2016

The Company had total assets of Baht 4,920.62 million as at September 30, 2016, down from the end of 2015 by Baht 179.51 million or 3.52% resulting partly from a drop in intangible assets of Baht 149.96 million due to amortization of the digital TV license fee and partly from a decrease in property, plant and equipment of Baht 77.29 million due to depreciation during the period.

Total liabilities rose from the end of 2015 by Baht 289.42 million or 7.81% to Baht 3,994.95 million as of September 30, 2016 mainly because of an increase in loans from financial institutions of Baht 475.00 million and in current portion of debentures of Baht 100.00 million, net of a decrease in liabilities under the license to operate digital television of Baht 477.95 million owing to additional borrowing to pay for the license fee that became due.

Shareholders' equity as at September 30, 2016 was Baht 925.67 million, declining from the end of 2015 by Baht 468.93 million or 33.62% as a result of loss incurred in the 9M/2016 period.

3. Industry situation related to businesses of the Company and its subsidiaries

2015 witnessed Thai economic growth of more than 3% as propelled by the government sector's stimulus measures and household spending, the advent of ASEAN Economic Community, and tourism that showed a positive signal, while yet remaining threatened by household debts and higher cost of living. In view of these together with external threat such as economic slowdown in China and other economic blocs, the overall businesses would continue to grow at a gradual pace. For

2016, Thai economy will likely improve, fostered by consistent support from the government and private sectors. The Company itself primarily generates income from businesses that are closely linked to the prospects of four industry segments: advertising, publishing, printing and digital TV, as follows:

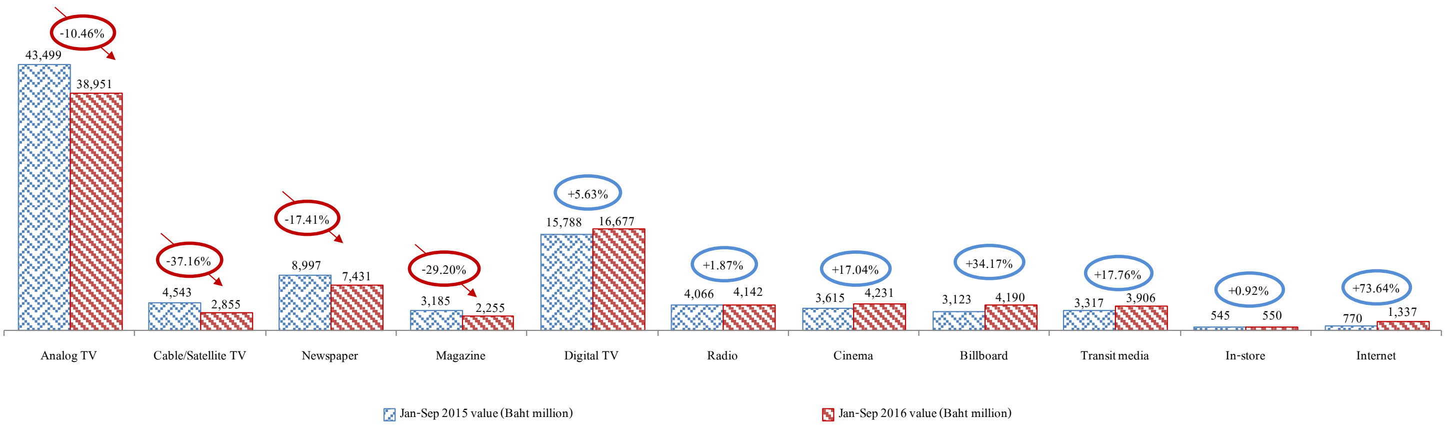
3.1 Advertising industry

The advertising industry in 2015 recorded total spending of around Baht 103.000 billion. Its slowing growth resulted from weak local economy and a decline in consumers' purchasing power, thus prompting business operators to slash their advertising budgets. The expansion of digital media helped to spread advertising budgets to other media. The increasing role of and fast growth in digital media lead the advertising media to likely continue expanding in 2016. The major drivers of growth in the advertising industry include billboard, digital TV and the Internet.

Based on a survey conducted by the Nielsen Company (Thailand) Ltd., advertising budget spending through media in the first nine months of 2016 (9M/2016) totaled Baht 86.526 billion, a drop of 5.38% from Baht 91.448 billion spent in the same period of the previous year. The media with negative growth included analog TV which contracted by 10.46% from Baht 43.499 billion in 9M/2015 to Baht 38.951 billion in 9M/2016; cable and satellite TV plummeting by 37.16% from Baht 4.543 billion to Baht 2.855 billion over the same period; newspaper shrinking by 17.41% from Baht 8.997 billion to Baht 7.431 billion; and magazine which slid 29.20% from Baht 3.185 billion to Baht 2.255 billion.

Against the above backcloth, growth was seen in media such as digital TV which expanded by 5.63% from Baht 15.788 billion in 9M/2015 to Baht 16.677 billion in 9M/2016; radio increasing by 1.87% from Baht 4.066 billion to Baht 4.142 billion; cinema rising by 17.04% from Baht 3.615 billion to Baht 4.231 billion; billboard soaring by 34.17% from Baht 3.123 billion to Baht 4.190 billion; transit media mounting by 17.76% from Baht 3.317 billion to Baht 3.906 billion; in-store media going up by 0.92% from Baht 545 million to Baht 550 million; and the Internet media jumping by 73.64% from Baht 770 million to Baht 1.337 billion.

Advertising budget spending through various media in the first nine months of 2015 and 2016



Source: The Nielsen Company (Thailand) Ltd. and Krungthep Turakij newspaper, October 11, 2016 Issue

3.2 Publishing industry

3.2.1 Magazine business

Despite insignificant growth in 2015, the magazine business developed more fully into the online publishing in alignment with consumers' current behaviors. Factors contributing to growth in the magazine business were the expansion of fashion and beauty industries with launches of new product brands, foreign investments, and emergence of new retail markets and department stores. It can be said that economic condition has had significant impacts on this business operation, whereas the magazine business's success factor lies in the building of popularity among customers and gaining of recognition from advertisers. Another crucial factor is content, which seemingly is the gist of a magazine. Magazine could retain positive response from readers by becoming a content provider with ability to adjust to innovation and new technology and offer digital content on website and e-magazine, as well as introduce additional communication channels through social networks such as Facebook and Instagram.

3.2.2 Book publishing business

The publishing industry performed favorably in 2015. Major contributors to its growth were the public sector's support by promoting "Reading as a National Culture" and the official advent of ASEAN Economic Community (AEC). The impact of this would become more distinct in 2016, the year that will provide a good opportunity for the book industry to serve as an instrument for people to acquaint themselves with the diverse cultures and ways of life in this region.

3.3 Printing industry

The printing industry is likely to follow a positive trend by shifting away more from printed materials to digital printing. The key factors of its growth are the public sector's policy to support the printing industry by promoting "Reading as a National Culture" and the advent of ASEAN Economic Community (AEC). High-definition printing is always in market demand and has the tendency to grow further.

3.4 Digital TV industry

According to the NBTC, competition in the digital TV industry will remain intense in 2016, with an increase in its rating among viewers. The percentage of average TV audience per minute through all media between new channels and existing channels changed from 82:18 in 2014 to 62:38 in 2015, reflecting viewers' greater preference for digital TV. The channels with niche audience will gain a higher rating. Content still is crucial to the enhancement of competitive advantage. For 2016, competition will be more intensified. The channels that are among the top market leaders will speed up their public relations campaigns in a bid to retain their audience in the long term and vie for more advertising budgets. Operators will seek to offer new unique content to attract viewers, especially the new generation, who are keen on visiting and recognizing a new channel. Most ad spending will likely be concentrated with the top five channels and the remainder will spread among the niche channels. It typically takes five years at least for them to earn a profit from operation.

Prompted by the internal economic slowdown, many private firms have cut down their ad spending. This factor, together with impacts from an increasing number of TV channels, failure to acquire the expected channel numbering, and changing viewer behaviors that are shifting away from television to smart phone, gives rise to fiercer competition among players in this industry.