

## SHAREHOLDERS EQUITY

### (after the company reverses the shares taken by creditors and restate the financial statements)

To know true and fair financial position of the company, the rectified financial statements need to be looked at, along with the value of firm by Discounted Cash Flow method (DCF).

1. Shareholders equity per Share comes to **Baht 22.74** (and Baht 26.43 by DCF method) after restating unfair write-downs of assets, made by EPL (Plan Administrator appointed by Creditors) to Assets and Cancellations of equity issued to Creditors at unfair price.
2. Shareholders equity per share was **Baht 17.69 at the end of year 1999**, which was continuously reduced after EPL became Plan Administrator to **only Baht 0.12 by end of year 2002** {Baht 14.91 end of 2000 (2Q), Baht 10.30 end of 2000 (3Q), Baht (-) 12.08 end of 2000, Baht 0.62 end of 2001 and Baht 0.12 end of 2002 (2Q)} and then started upwards to Baht 1.59 at the end of 2003 (increase by 1,194%) after removal of EPL.
3. The EPL wrote-down shareholders equity by writing down value of assets, swapping Accrued interest (from 1998 to 2000) to equity (5,849 million shares or 75% stake) at hefty discount, charging sky-high restructuring fees and making net operating losses (caused by their inexperience in running fully integrated petrochemical complex) as below:
  - Write-down of assets by Baht 41,839 million
  - Issue of equity to Creditors at discount by Baht 71,819 million
  - Charging the restructuring fees of Baht 2,192 million
  - Made Net operating losses of Baht 23,576 million

Besides the above, there were opportunity losses estimated at Baht 13,511 million caused by running the refinery at lower capacity (39%) and other operational mismanagements (not included in this reinstatement).

4. The buy-back of Creditors equity is priced at Baht 1.59 (book value at the end of 2003), below the issue price Baht 5.52, to charge them with part of the losses made by irresponsible Plan Administrator (EPL) appointed by them.