

Market Value Assessment

Myanma Agricultural & General Development Public Co. Ltd (MAGDPL)

For Registration Application in Yangon Stock Exchange (YSX)

CB Securities Limited.

March 2024

1. Scope of Work

CB Securities Ltd. (“CB Securities”) has been appointed by Myanmar Agricultural & General Development Public Co. Ltd (“MAGDPL” or “the Company”) as the lead securities company to advise and support MAGDPL for successful registration and trading of its outstanding shares on the Yangon Stock Exchange. During this process, CB Securities is required to perform market value assessment (interchangeably used as valuation) to determine the initial registration price of shares for MAGDPL in accordance with the guidelines of the Securities & Exchange Commission of Myanmar (SECM) and the YSX.

2. Information Relied Upon

The management of MAGDPL has provided the following information to CB Securities:

- Annual Report of MAGDPL for 2020-21, 2021-22 and 2022-23
- CB Securities has also participated in discussions with members of the senior management team of MAGDPL regarding their assessment of the past and current business operations and financial condition

All the statements, projections and documents outlined above have been vetted by the management of MAGDPL. We have also relied upon the information provided during the meetings and other correspondences with the management of MAGDPL throughout the process.

3. Market Value Assessment Methodology

To determine the value of MAGDPL, CB Securities employs the following valuation methods:

(i) Book Value Method

For the book value method, we utilized the book value of MAGDPL's net assets from the 2022-23 audited financial statement. This method helps us derive a relevant and conservative estimate of the company's value based on the historical cost of its assets.

(ii) Comparable Company Method

For comparable company method, companies that are similar to MAGDPL from the neighboring countries such as Philippine and India, are selected for the analysis. Based on the nature of the Company's businesses and industry, we have focused on Price to Book Value Ratio ("P/BV Ratio") to establish the valuation range of MAGDPL.

(iii) Precedent Transaction Method

For precedent transaction method, we used the weighted average historical prices of MAGDPL that happened over the counter (OTC) market during the past two years.

4. Conclusion

For the market value estimation of the Company's shares on the registration day, two out of three valuation methods are deployed i) Book Value Method, ii) Comparable Company Method. After conducting two valuation methods, we considered that equal weight should be given to Book Value method and market comparison method in order to derive the fair valuation. Considering all the above key elements and after extensive discussion with the Company, we recommend a value of 20,000 MMK per share for MAGDPL's market value assessment.

Disclaimer

1. The Market Value Assessment Report ("Report") for Myanma Agricultural & General Development Public Co. Ltd ("MAGDPL" or "the Company") has been prepared by CB Securities Limited ("CB Securities") from the information provided by the management of MAGDPL. The Report cannot be distributed, published, reproduced or used without the prior written consent of CB Securities.
2. CB Securities has relied on the factual data and business details which MAGDPL has provided. While the information provided herein is believed to be true and reliable to the best of our knowledge and belief.
3. The scope of work by CB Securities does not include verification of data submitted by the management of MAGDPL and CB Securities has relied upon the data so submitted. The Report is not an audit of financial statements or other financial information including financial projections and, therefore, cannot give the same level of assurance as an audit.
4. CB Securities reserves the right to amend or replace the Report at any time. The information contained herein is based on certain assumptions and analysis of information provided by the management of MAGDPL, available at the time the Report was prepared.
5. The Report highlights the alternative approaches to value assessment, identifies various factors affecting the assessment, summarizes the methodology adopted keeping in view the circumstances of MAGDPL, and arrives at the value of MAGDPL.
6. Market value assessment is a highly subjective exercise and the opinion on assessment may differ from one firm to another depending on the individual perception of the attendant circumstances. At best, it is an expression of opinion or a recommendation based on certain assumptions.
7. Market value assessment does not include the auditing of financial data provided by the management of MAGDPL, and therefore CB Securities does not take any responsibility for its accuracy and completeness.
8. Market value assessment should not be considered as an opinion on the achievability of financial projections either mentioned in, or relied upon for this Report.
9. While all reasonable care has been taken to ensure that the advice given in the Report is fair and equitable, neither CB Securities nor its constituents including its partners & others shall in any way be responsible for any inadvertent error or any such inaccuracies in this Report pursuant to data provided by management of MAGDPL.
10. The Report is to be read in whole and together with the Recommendation Letter for registration approval.

For and On Behalf of CB Securities Limited,



Signature



Company Seal

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Position : Managing Director

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