



บริษัท เนชั่น กรุ๊ป (ไทยแลนด์) จำกัด (มหาชน)

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2 December 2022

Subject: Sale of ordinary shares in Nation Digital Content Company Limited

To: Shareholders

Enclosure: Information Memorandum on the Disposal of Assets of Nation Group (Thailand) Public Company Limited via QR Code

The Board of Directors' Meeting No. 8/2022 of Nation Group (Thailand) Public Company Limited (the "Company") held on 14 November 2022 resolved to approve the sale of 149,999,998 ordinary shares or equivalent to 100 percent of the total number of shares in Nation Digital Content Company Limited ("NDI") to Mr. Patarawut Nuntagowat (the "Purchaser") at the total purchase price up to THB 11.95 million. In this regard, the sale of the shares in NDI is a disposal of all of the Company's ordinary shares in NDI. As a result, NDI will no longer be a subsidiary of the Company when such transaction is complete.

Since such transaction constitutes a Class 2 Transaction pursuant to 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 Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Asset B.E. 2547 (as amended), i.e., a transaction whose transaction size is equal to or higher than 15 percent but lower than 50 percent, the Company is required to disclose information on such transaction to the Stock Exchange of Thailand (the "SET") and send a circular to the shareholders within 21 days from the date of information disclosure to the SET. As such, the Company is sending the enclosed Information Memorandum via QR Code to all shareholders of record as of the latest book closing date on 19 October 2022.

Please be informed accordingly.

Sincerely yours,

(Mrs. Warangkana Kalayanapradit)

Deputy Chairman

Nation Group (Thailand) Public Co., Ltd.

1854 Debaratna Road, Bangna-Tai Sub-District, Bangna District, Bangkok 10260 Tel 02-338-3333

[Translation]

Information Memorandum on the Disposal of Assets of Nation Group (Thailand) Public Company Limited

The Board of Directors' Meeting No. 8/2022 of Nation Group (Thailand) Public Company Limited (the "Company") held on 14 November 2022 resolved to approve the sale of 149,999,998 ordinary shares or equivalent to 100 percent of the total number of shares in Nation Digital Content Company Limited ("NDI") to Mr. Patarawut Nuntagowat (the "Purchaser") at the total purchase price up to THB 11.95 million. In this regard, the sale of the shares in NDI is a disposal of all of the Company's ordinary shares in NDI. As a result, NDI will no longer be a subsidiary of the Company when such transaction is complete.

The transaction does not constitute a connected transaction pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transaction and the 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 (the "Connected Transactions Notifications"). Nevertheless, such transaction constitutes a disposal of assets pursuant to 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 Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Asset B.E. 2547 (as amended) (the "Acquisition or Disposal Notifications"). The transaction size of such transaction calculated based on the reviewed consolidated financial statements of the Company for the nine months ended 30 September 2022 and the audited financial statements of NDI for the year ended 31 December 2021, and the net profit from operating results criterion, which gives the highest transaction value, is equivalent to 1.55 percent, which, after combination with the Company's other disposals of assets within the past six months (i.e., the disposal of 90 million ordinary shares or equivalent to 8 percent of the total number of shares in Nation Broadcasting Corporation Public Company Limited ("NBC") whose transaction size is 14.16 percent and the disposal of 22.33 ordinary shares or equivalent to 1.99 percent of the total number of shares in NBC whose transaction size is 5.14 percent based on the total value of consideration criterion), amounts to a total transaction size of 20.48 percent under the total value of consideration criterion, which gives the highest transaction value.

Therefore, such transaction constitutes a Class 2 Transaction pursuant to the Acquisition or Disposal Notifications, i.e., a transaction whose transaction size is equal to or higher than 15 percent but lower than 50 percent, where the Company is required to disclose information on such transaction to the Stock Exchange of Thailand (the "SET") and send a circular to the shareholders within 21 days from the date of information disclosure to the SET.

The Company would like to disclose information on the entry into such transaction to the SET in accordance with the Acquisition or Disposal as follows:

1. Information Disclosure under List 1

1.1 Transaction Date

After the meeting of the Board of Directors resolved to approve the entry into the transaction, the Company expects that a share sale and purchase agreement will be executed within the fourth quarter of 2022 and that completion of the transaction will take place within the fourth quarter of 2022 after all completion obligations are undertaken as specified under the relevant share sale and purchase agreement.

1.2 Parties Involved and Relationship with the Company

Seller	:	The Company
Purchaser	:	Mr. Patarawut Nuntagawat
Relationship with the Company	:	The Purchaser and the Purchaser's related persons do not have any relationship with the Company and are not the Company's connected persons. Therefore, the transaction does not constitute a connected transaction under the Connected Transactions Notifications.

1.3 General Characteristics of the Transaction and Transaction Size

1.3.1 General Characteristics of the Transaction

The Company will sell the shares in NDI to the Purchaser subject to the following key conditions precedent:

Key conditions precedent	:	1) NDI has released the Company from its indebtedness of THB 9.9 million.
		2) There is no material adverse event having an impact on NDI.

1.3.2 Transaction Size

The Company will sell the shares in NDI to the Purchaser at the total purchase price up to THB 11.95 million. The Company has calculated the transaction size according to the Acquisition or Disposal Notifications based on the reviewed consolidated financial statements of the Company for the nine months ended 30

September 2022 and the audited financial statements of NDI for the year ended 31 December 2021, the details of which are as follows:

Calculation Criterion	Calculation Method
1. The net tangible asset (NTA) value criterion	Not applicable as the NTA of NDI is negative.
2. The net profit from operating results criterion	= (Proportion of assets disposed x Net profit from operating results of NDI) x 100 / Net profit from operating results of the Company
	= (100 percent x THB 6.85 million) x 100 / THB 443.11 million
	= 1.55 percent
3. The total value of consideration criterion	= Total value of consideration received x 100 / Total assets of the Company
	= THB 11.95 million x 100 / THB 1,015.65 million
	= 1.18 percent
4. The equity issued as consideration for the assets criterion	Not applicable as the transaction is a disposal of assets.

The transaction size of such transaction, after combination with the Company's other disposals of assets within the past six months (i.e., the disposal of 90 million ordinary shares or equivalent to 8 percent of the total number of shares in NBC whose transaction size is 14.16 percent and the disposal of 22.33 ordinary shares or equivalent to 1.99 percent of the total number of shares in NBC whose transaction size is 5.14 percent based on the total value of consideration criterion), amounts to a total transaction size of 20.48 percent under the total value of consideration criterion, which gives the highest transaction value. Details on such previous disposals of assets within the past six months are as follows:

Date	Transaction	Transaction Size (percent)			
		NTA value criterion	Net profit criterion	Value of consideration criterion	Value of equity criterion
15 May 2022	Disposal of 90 million ordinary shares in NBC	N/A	N/A	14.16	N/A
26 Sep 2022	Disposal of 22.33 million ordinary shares in NBC	1.52	N/A	5.14	N/A
Total		1.52	N/A	19.30	N/A

Therefore, such transaction constitutes a Class 2 Transaction pursuant to the Acquisition or Disposal Notifications, i.e., a transaction whose transaction size is equal to or higher than 15 percent but lower than 50 percent, where the Company is required to disclose information on such transaction to the SET and send a circular to the shareholders within 21 days from the date of information disclosure to the SET.

1.4 Details of the Disposed Assets

The sale of the shares in NDI is a disposal of all of the Company's ordinary shares in NDI. As a result, NDI will no longer be a subsidiary of the Company when such transaction is complete. Details on NDI are as follows:

1.4.1 General Information

Name of the company	Nation Digital Content Company Limited
Date of incorporation	30 November 2012
Juristic person registration number	0105555177398
Business type	Engaging in the advertising business.
Head office	1854 7/F Debaratana Road, Bang Na Tai Sub-district, Bang Na District, Bangkok
Registered capital	THB 1,500,000,000, comprising 150,000,000 ordinary shares, with a par value of THB 10 per share
Paid-up capital	THB 1,500,000,000

1.4.2 Key Financial Information

Key financial information of NDI based on the audited financial statements of NDI for the years ended 31 December 2019, 2020, and 2021 and the management account of NDI for the nine months ended 30 September 2022 can be summarized as follows:

Key information from the statements of financial position

Unit: THB millions	For the year ended 31 Dec 2019	For the year ended 31 Dec 2020	For the year ended 31 Dec 2021	For the nine months ended 30 Sep 2022
Cash and cash equivalents	4.36	1.00	2.01	0.96
Temporary investments	0.80	0.81	0.81	-
Trade receivables and other receivables	37.95	9.02	16.37	9.00
Deferred income	17.08	3.87	4.99	-
Current portion of income taxes	5.89	7.66	2.46	0.11
Total current assets	66.08	22.36	26.64	10.07

Unit: THB millions	For the year ended 31 Dec 2019	For the year ended 31 Dec 2020	For the year ended 31 Dec 2021	For the nine months ended 30 Sep 2022
Improvements of leased property and equipment	3.47	7.03	3.80	-
Intangible assets	1.14	23.26	19.97	-
Revenue Department receivable	124.43	120.79	-	-
Withholding taxes	35.09	27.49	18.92	1.95
Other non-current assets	5.28	0.25	0.22	-
Total non-current assets	169.41	178.82	42.91	1.95
Total assets	235.49	201.18	69.55	12.02
Trade payables and other payables	317.93	347.88	51.39	-
Accrued expenses	49.76	8.22	2.49	0.17
Other current liabilities	3.47	1.14	1.50	0.02
Total current liabilities	371.16	357.24	55.38	0.19
Employee benefit obligations	21.68	1.37	2.18	-
Total non-current liabilities	21.68	1.37	2.18	-
Total liabilities	392.84	358.61	57.56	0.19
Paid-up share capital	1,500.00	1,500.00	1,500.00	1,500.00
Equity from release of indebtedness by the parent company	-	-	162.57	162.57
Retained earnings	(1,657.35)	(1,657.43)	(1,650.58)	(1,650.74)
Total shareholders' equity	(157.35)	(157.43)	11.99	11.83
Total liabilities and shareholders' equity	235.49	201.18	69.55	12.02

Key information from the statements of comprehensive income

Unit: THB millions	For the year ended 31 Dec 2019	For the year ended 31 Dec 2020	For the year ended 31 Dec 2021	For the nine months ended 30 Sep 2022
Income from services	259.63	116.59	61.56	0.05
Cost of services	(331.45)	(108.62)	(55.61)	(0.26)
Gross profit(loss)	(71.82)	7.97	5.95	(0.21)
Difference from compensation for return of license	331.35	-	-	-
Income from release of indebtedness	-	-	20.48	-
Other income	40.03	22.01	2.42	0.25
Profit (loss) before expenses	299.56	29.98	28.85	0.04
Sales expenses	35.20	14.01	8.04	0.07
Administration expenses	48.71	14.94	13.58	0.12
(Reversal of) loss from impairment of license	(643.66)	-	-	-
Doubtful accounts and reversals	16.31	0.82	0.32	-
Total expenses	(543.44)	29.77	21.94	0.19
Profit (loss) before finance costs and income tax expenses	843.00	0.21	6.91	(0.15)
Finance costs	(11.59)	(0.29)	(0.06)	(0.01)
Profit (loss) before income tax expenses	831.41	(0.08)	6.85	(0.16)
Income tax expenses	-	-	-	-
Profit (loss) for the year	831.41	(0.08)	6.85	(0.16)

1.4.3 Board of Directors and Shareholders

Board of Directors

Pre-transaction Board of Directors	Post-transaction Board of Directors
1. Mr. Somchai Meesen	1. Mr. Patarawut Nuntagowat
2. Ms. Warangkana Kalayanapradit	
3. Mr. Supawat Sanguanngam	

Shareholders

Name	Pre-transaction shareholders		Post-transaction shareholders	
	Number of shares	Percent	Number of shares	Percent
1. The Company	149,999,998	100.00	-	-
2. Ms. Warangkana Kalayanapradit	1	0	-	-
3. Mr. Somchai Meesen	1	0	-	-
4. Mr. Patarawut Nuntagowat	-	-	149,999,998	100.00
5. Mr. Boonchoo Chaengchit	-	-	1	0
6. Mr. Siriwat Boonkong	-	-	1	0
Total	150,000,000	100.00	150,000,000	100.00

1.5 Total Value of Consideration and Payment Conditions

1.5.1 Total Value of Consideration

The total value of consideration will be up to THB 11.95 million as detailed in Clause 1.3.2.

1.5.2 Payment Conditions

The Company will receive cash payment of THB 10 million from the Purchaser upon completion of the sale and purchase and will receive the remaining cash payment of THB 1.95 million from the Purchaser in case NDR receives a refund of withholding taxes from the Revenue Department within the period and in accordance with the conditions under the share sale and purchase agreement.

1.6 Value of Disposed Assets

The value of disposed assets based on the reviewed consolidated financial statement of the Company for the nine months ended 30 September 2022 is equal to THB 11,835,227.

1.7 Basis Used to Determine the Value of Consideration

The value of consideration is derived from the negotiations and agreement between the Company and the Purchaser as well as the book value of NDI.

1.8 Expected Benefits of the Company

The Company expects that the entry into such transaction will provide the benefits to the Company as follows:

1. The Company will receive cash from the entry into the transaction, resulting in increased liquidity, thereby further strengthening its financial position.
2. The Company will have better capital structure since the profits received from the entry into the transaction will result in its higher shareholders' equity.

1.9 Use of Proceeds from the Disposal of Assets

The Company's current liquidity is still sufficient, and the Company has yet to determine the use of proceeds from the entry into such transaction. Furthermore, as the current economic conditions have not recovered, the fact that the Company is able to hold additional cash as current assets is conducive to a stronger financial position.

1.10 Opinion of the Board of Directors

After taking into account the value of consideration as detailed in Clause 1.7 above, the Board of Directors unanimously resolved to approve the entry into the transaction as it viewed that such entry into the transaction and the value of consideration were appropriate, reasonable, and beneficial to the Company and all shareholders of the Company in the long run as per the reasons specified in Clause 1.8 above.

1.11 Opinion of the Audit Committee

The opinion of the Audit Committee is not different from the Board of Directors as stated in Clause 1.10 above.

2. Information Disclosure under List 2

2.1 Board of Directors' Responsibility on the Information Disclosed to the Shareholders

The Board of Directors has reviewed the information provided to it with due care and was responsible for the information disclosure as stated in this document. In this regard, the Board of Directors affirms that the information contained in this document is correct and complete without any material misstatements or

concealment of material facts required to be disclosed pursuant to Section 89/20 of the Securities and Exchange Act B.E. 2535 (as amended).

2.2 Opinion of an Independent Expert

-None-

2.3 Financial Projection for the Present Year (if any)

-None-

2.4 Pending Material Legal Actions or Disputes

As at 14 November 2022, the Company had no pending material legal action or dispute.

2.5 Benefits or Related Party Transactions between the Company and the Directors, Executives, and Shareholders with a Direct or Indirect Shareholding of 10% or More

The benefits or related party transactions between the Company and the directors, executives, and shareholders with a direct or indirect shareholding of 10% or more for the nine months ended 30 September 2022 and 2021 can be summarized as follows:

Related Party and Relationship	Types of Transaction	Transaction Value (Unit: THB millions)	
		For the nine months ended 30 Sep 2022	For the nine months ended 30 Sep 2021
1. Major shareholder	Short-term loan	-	12.50
	Loan-term loan	-	-
	Interest paid	0.49	-
