

L-WAVE ENT 6/2022

28 February 2022

Subject Disposal of shares in Jeffer Restaurant Company Limited

To President
The Stock Exchange of Thailand

Wave Entertainment Public Company Limited (the “**Company**”) would like to inform that the Board of Directors meeting no. 7/2021 held on 3 December 2021 has resolved to approved WAVE Food Group Company Limited (“**WAVE Food**”) (100% stake held by Company) disposal of the shares of Jeffer Restaurant Company Limited (“**Jeffer**”), an indirect subsidiary of the Company. The Company has 100% shareholding in Jeffer, holding through WAVE Food , by offering the shares of 10,098,000 in aggregate (Common stock 10,049,000 shares and Preferred stock 49,000 shares) at par value at THB 10 each, equal to 100% of total registered and paid-up common shares and preferred shares of Jeffer at the selling price not over 1 million Baht with Mrs. Sudarat Supapongtewasakul (the “**Purchaser**”) and resolved to approve the Chief Executive Officer or any person authorized by the Chief Executive Officer to have the power to negotiate and determine the details, terms and conditions and other procedures for the benefits of the disposal of shares and the entry into shares purchase agreement and any other documents related thereto and the power to perform any acts which are necessary and appropriate for the above matter. After the disposal of such shares, WAVE Food will not hold any shares in Jeffer and Jeffer will not be the subsidiary of the Company.

In this regard, the transaction size of the disposal of such assets pursuant to the Notification of Capital Market Supervisory Board No. Tor. Jor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated 31 August 2008, 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 Disposal of Assets B.E. 2547 (2004) dated 29 October 2004 (as amended) (“**Acquisition and Disposal of Assets Notifications**”) has the highest value of 0.11% based on the consideration method. In addition, during the past 6 months, the Company did not have any other disposal transactions of other assets before the date of entry into this transaction. This transaction is considered as a disposal of assets with the value of lower than 15% and the Company, therefore, will not subject to the obligation to comply with the Acquisition and Disposal of Assets Notification. However, the Company would like to disclose the significant information of such transaction to the shareholders, the details are as follows:

1. Date/ Month/ Year of the transaction

WAVE Food will enter into the shares purchase agreement with the Purchaser for disposal of the shares of 10,098,000 in aggregate (par value at THB 10 each), equal to 100% of total registered and paid-up common shares and preferred shares of Jeffer is estimated to complete within March 2022

2. Parties involved and the relation with the listed company

Seller : WAVE Food Group Company Limited (“**WAVE Food**”)
Purchaser : Mrs. Sudarat Supapongtewasakul (the “**Purchaser**”)

Relationship with the Company : The Purchaser is no relationship with the major shareholders, directors and executives of the Company. Therefore, such disposal is not considered an entry into the transaction with the Company's connected person. Thus, it is not regarded as the connected transaction pursuant to Notification of the Capital Market Advisory Board No. Tor Jor. 21/2551, Re: Rules on Connected Transactions dated 31 August 2008, and the Notification of the Board of Governors of the Stock Exchange of Thailand, re: Disclosure and Acts of Listed Companies on Connected Transactions B.E. 2546 (2003) dated 19 November 2003.

3. Transaction Size

This transaction is considered as a disposal of assets pursuant to the Notification of Capital Market Supervisory Board No. Tor. Jor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated 31 August 2008, 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 Disposal of Assets B.E. 2547 (2004) dated 29 October 2004 (as amended) where the calculation of transaction size will be based on (1) the consolidated financial statements of the Company ended 31 December 2021 and (2) the financial statements of Jeffer for the year ended 31 December 2020 which were audited by the Auditor, the details of the calculation of transaction size of each method are as follows:

	Method	Calculation Formula	Transaction Size
1.	Net tangible assets method	$\frac{\text{Net tangible asset of the disposed company} \times 100}{\text{Net tangible asset of the Company}}$	N/A ¹
2.	Net profit method	$\frac{\text{Net profit of the disposed company} \times 100}{\text{Net profit of the Company}}$	N/A ²
3.	Consideration method	$\frac{\text{Total consideration paid} \times 100}{\text{Total assets of the Company}}$ $= \frac{\text{Baht 1 million} \times 100}{\text{Baht 877.23 million}}$	0.11%
4.	Value of newly issued shares as consideration method	$\frac{\text{Number of shares issued as consideration} \times 100}{\text{Number of issued and paid-up shares of the Company}}$	N/A ³
		The highest transaction size	0.11%

Remark: ¹ Unable to calculate this method as the Company had the negative NTA according to the consolidated financial statements of the Company ended 30 December 2021.

² Unable to calculate this method as the Company incurred net loss according to the consolidated financial statements of the Company ended 30 December 2021.

³ Unable to calculate this method as the Purchaser does not issue any shares as consideration for the Company.

4. Details of Transaction

The Company would like to inform the significant information of such transaction as follows:

Disposed Asset : The shares of 10,098,000 in aggregate (par value at THB 10 each), equal to 100% of total registered and paid-up common shares and preferred shares of Jeffer

General Information of Asset : Jeffer Restaurant Company Limited

Located at No. 3199 Maleenont Tower, 16th Floor, Rama IV Road, Klongton Sub-district, Klongtoey District, Bangkok 10110, having the registered and paid-up capital of Baht 100,098,000 and the objectives of the company, to Purchase and procurement of raw materials and equipment for conducting food and beverages business and Restaurant business including sale of food and beverages.

Existing Directors of Jeffer nominated by the Company : The existing directors of Jeffer nominated by the Company are 1) Mr. Matthew Kichodhan, 2) Ms. Cathleen Maleenont and 3) Mrs. Angkanee Rerksirisuk

After the completion of this transaction, those three directors nominated by the Company will resigned.

Financial Information of Jeffer : Summary of financial status and performance, for the period ending 31 December of 2019 – 2020 as follows:

Unit: Baht Million	31 December 2019	31 December 2020
Total Assets	277.82	169.81
Total Liabilities	379.40	270.83
Total Equity	(101.58)	(101.02)
Total Revenues	511.02	246.21
Cost of Sale	(183.33)	(92.22)
Expenses on Sale and Administrative	(384.35)	(234.96)
Financial Costs	(14.05)	(8.98)
(Expenses) tax	(2.12)	0.00
(Loss) for period	(72.83)	(89.94)

5. Total Consideration and Basis used to determine the Consideration

WAVE Food will receive the payment for the sale of shares in the amount not exceeding 1 million Baht. In addition, the value of consideration is derived from negotiation between the parties based on the net book asset value. The Purchaser will have obligations and liabilities in all outstanding debts of Jeffer as shown in the statement of financial position above.

6. Opinion of the Board of Directors on the Entry into the Transaction

The Board of Directors' meeting No. 7/2021 held on 3 December 2021, considered that the transaction is reasonable and beneficial to the Company and the shareholders.

Please be informed accordingly.

Your sincerely,

- Mr. Matthew Kichodhan -

(Mr. Matthew Kichodhan)

Chairman and CEO

Wave Entertainment Public Company Limited