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-Translation-

Ref. W-AD028/2022

21 November 2022

Subject Notification on Information Memorandum on the Disposal of Assets namely on (1) Shares in Domino Asia Pacific Company Limited (2) Shares in DK Wow Venture Company Limited and (3) Assets in Macaron business under the La Lune brand including related trademarks and the cessation of the subsidiaries of the Company ([amendment](#))

To President
The Stock Exchange of Thailand

Wow Factor Public Company Limited (the “Company” or “W”), hereby notifies to the Stock Exchange of Thailand (the “SET”) that the Board Directors’ Special Meeting No. 2/2022, which was held on 17 November 2022¹ has resolved to approve the Company on disposal of 3 assets and the Company has signed and completed the share purchase agreements and the asset purchase agreement on 18 November 2022. The details of the disposed assets are as follows;

(1) [The investment](#) in Domino Asia Pacific Company Limited (“DMN”), (a subsidiary of the Company) which operates the business of sale of food and beverages, which the main menu is pizza under the Domino's Pizza brand [is consisted of the followings](#):

A. [Shares of DMN held by the Company in the amount of 9,209,605 shares, which represent 91.18 percent of the total shares of DMN. Those shares have not been fully paid with the total paid-up value of THB 810,346,500 and the outstanding value of THB 110,614,000 \(“Current Outstanding Share Value”\).](#)

B. [The loan that the Company gave DMN in the amount of approximately THB 570,441,507.74 \(“Unpaid Loan”\) divided into the remaining principal of THB 529,718,830.38 and accrued interest](#)

¹ According to the Board of Director’s Special Meeting on 17 November 2022, the Company is in the process of negotiating and agreeing on the terms of the Share Purchase Agreements and the Asset purchase Agreement. Disposal of assets above are still uncertain, if the related information be disclosed immediately, it might affect the value of the Company’s securities and investor decisions. Therefore, the Company hereby discloses the information when the Company has duly entered into the relevant agreements.



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in the amount of THB 32,076,574.96 (6% interest rate calculated until 25 November 2022) and accrued management fee in the amount of THB 8,646,102.40.

The Company will sell such investment to Mr. Sirutt Ratanapaitoon (the Former CEO of the Company and the Company's director who resigned on 31 October 2022) or the person/juristic person designated by Mr. Sirutt Ratanapaitoon who is not a connected person of the Company

Nevertheless, the debts and liabilities of DMN incurred from the performance of DMN which continually loss. Although, the Company and the management have contributed their best effort to manage DMN to be in good performance with profit, the business of DMN got affected from uncontrollable factors, and thus its performance has been under expectation and gained operating loss. DMN therefore needs to take on a loan from the Company to use as working capital continuously. And the Company currently has insufficient cash flow for the business operation of DMN and other subsidiaries. Therefore, the Company wishes to sell DMN shares, which is considered as a non-profitable asset. In this regard, Mr. Sirutt Ratanapaitoon has provided an offer to purchase DMN shares from the Company, whereby the sale and purchase price of DMN shares was negotiated under the debt-free condition under the conversion of debts to equity. This is because the Buyer views that DMN has gained high loss from its operation which the Buyer would need to procure additional investment fund and working capital for DMN after purchased DMN shares. In addition, such loan and liabilities of DMN consist of high amount of principal of loan and the accrued interest which shall be under the responsibilities of the Company and the management of the Company. The Buyer and the Seller, therefore, have negotiated on the sale and purchase price of DMN shares, and mutually on the sale and purchase condition. In this regard, the Company, as the Seller, has considered the competitiveness of this business industry, specifically in terms of cost and expense, and opined that the disposal of DMN shares, would be more benefits to overall of the Company's business.

Therefore, the Company and the Buyers have agreed that the Buyers intend to purchase such investment only the shares of DMN without intending to purchase investments in the form of the outstanding loans. Since the loan that DMN has with the Company is the principal amount of THB 529,718,830.38, which is a relatively high amount and continuously accrued interest. So, the Buyer do not want to incur higher interest burdens on DMN from such principal amount. Therefore, the Company and DMN have to implement the debt to equity conversion scheme, which after



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implementation, the debt that the Company lends to DMN in the amount of approximately THB 570,441,507.74 will be divided into two amounts as follows

- A. Take the debt in the amount of THB 107, 250,000 to pay for 4,290,000 shares, which is the partial paid up shares (such shares are held by the Company before the capital increase of DMN).
- B. Take the remaining debt in the amount of THB 469,386,000 to convert such debt to equity of DMN. The process and procedures will be in accordance with the relevant laws.

In order to comply with the condition under item B., the Company as a shareholder of DMN has approved that DMN increases its registered capital in the amount of THB 580,000,000 by partially paying the capital increase shares in the amount of THB 469,386,000 and there would be an unpaid share price of THB 110,614,000. After such action, DMN shares will be increased from 4,300,000 shares to 10,100,000 shares (the par value of THB 100 per share) with total paid-up shares of THB 899,386,000 (the previous paid-up amount was THB 322,750,000). However, such capital increase is in accordance with the debt to equity conversion scheme, therefore, the Company would not pay DMN any cash for the shares issued from the capital increase, and thereafter, DMN would have no outstanding debt with the Company anymore.

Details of the capital increase of DMN for debt and capital restructuring can be summarized in the following table:

Shareholding Structure and Registered Capital of DMN before Disposal of DMN Shares

DMN's Shareholders	Current registered capital THB 430,000,000			Registered capital after capital increase THB 1,010,000,000		
	No. of shares	Paid up shares per (THB)	Total share payment paid to DMN	No. of shares	Paid up shares per (THB)	Total share payment paid to DMN
1. Wow Factor Public Company Limited	9,997	100	999,700	9,997	100	999,700
	4,290,000	75	321,750,000	4,290,000	100	429,000,000
				5,800,000	80.93	469,386,000
2. Mr. Sirutt Ratanapaitoon	1	100	100	1	100	100
3. Mr. Kritsada Pruitipat	1	100	100	1	100	100



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4. Miss Vimol Hanpanichkitkarn	1	100	100	1	100	100
Total	4,300,000		322,750,000	10,100,000		899,386,000

Remark: In present, the Company has already paid for the shares in DMN in the amount of THB 322,749,700 and the Company will restructure the debt and capital of DMN by the mentioned conversion of the debt to equity before the completion of the sale and purchase of DMN shares in accordance with the Share Sale and Purchase Agreement in DMN (which will take place within November 2022). In this regard, the Company will not pay for the newly issued shares in cash and DMN would have no outstanding debt with the Company anymore after the implementation of such conversion of the debt to equity scheme.

In this regard, shares in DMN that the Company has agreed to sell is in the proportion of 91.18 percent of the total shares in DMN or equal to 9,209,605 shares with the par value at THB 100 per share, with the total paid up value of THB 810,346,500 with the sale and purchase price of THB 248,000,000 (the “Disposal of the Investment in DMN”) with the purchase price THB 26.93 per share.

After Disposal of DMN Shares

DMN's Shareholders	Registered capital after Capital Increase THB 1,010,000,000		
	No. of shares	Paid up shares per (THB)	Total share payment paid to DMN
1. Wow Factor Public Company Limited	890,392	100	89,039,200
2. Mr. Sirutt Ratanapaitoon	1	100	100
	3,409,605	100	340,960,500
	5,800,000	80.93	469,386,000
3. Mr. Kritsada Pruitipat	1	100	100
4. Miss Vimol Hanpanichkitkarn	1	100	100
Total	10,100,000		899,386,000



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In this regard, after the Disposal of the Investment in DMN in the amount of 9,209,605 shares the Company would still have 890,392 shares (after DMN's capital increase) or representing 8.82 percent of all shares in DMN. Therefore, DMN would cease to be the Company's subsidiary, which will result in the better performance of the Company as shown in its consolidated financial statements because the loss from DMN would no longer be included. However, the Company cannot sell all of its shares to Mr. Sirutt Ratanapaitoon (as the Buyer). As Mr. Sirutt Ratanapaitoon (as the Buyer) wish to buy shares in DMN at only 91.18 percent of all shares of DMN, which is the number of shares that cause DMN to cease from being a subsidiary of the Company. Therefore, Company will continually hold parts of DMN shares, where the performance of DMN in the future will not affect the Company's financial statements since it holds shares in the proportion not exceeding 10%. In this regard, the fair value evaluated by a financial advisor of all DMN shares is between THB 251.38 – 279.03 million. This process will allow the Company to hold the remaining of 890,382 DMN shares, which the Company will have to record such shares as other investments. After this the Company will continue to recruit other investors or buyers who are interested in purchasing the remaining shares.

In this regard, the Company (as the Seller) has signed the DMN Share Sale and Purchase Agreement with Mr. Sirutt Ratanapaitoon (as the Buyer) the "DMN Share Sale and Purchase Agreement") on 18 November 2022. The Disposal of the Investment in DMN will be completed within November 2022. However, the Seller and the Buyer can agree in writing to postpone the completion date. However, if the parties agree to postpone the completion date of the sale of shares, it will not affect the cause of termination of the agreement² which have been specified in the DMN Share Purchase Agreement.

- (2) The ordinary shares in DK Wow Venture Company Limited ("DKW"), which the Company indirectly holds shares in DKW through Crepes & Co. Development Company Limited ("CND"), which holds 160,998 shares in DKW, representing 69.99 percent of the total ordinary shares in DKW, a subsidiary

² The DMN Share Sale and Purchase Agreement and the DKW Share Sale and Purchase Agreement specify the events of termination of the agreement with key conditions which could be summarized as follows;

- (1) Any party breaches the agreement in material matters and do not amend within 30 days from the date of the notice of the other party. The non-breaching party has the right to terminate the contract by giving notice to the party who is default.
- (2) Any party becomes bankrupt, absolute receivership, rehabilitate or allow others to manage all their own assets, the other party has the right to terminate the agreement.
- (3) When both parties mutually agree to terminate this agreement in writing.
- (4) In the event that there are laws or regulations of government agencies which result in (1) being unable to comply with any of the terms of the agreement, provided that such agreement is an essential clause of the agreement; or (2) The seller cannot sell shares traded under the terms and conditions set forth in the agreement or (3) the buyer cannot purchase shares traded under the terms and conditions set forth in the agreement.

When the aforementioned occur, either party has the right to terminate this agreement by giving notice to the other party.



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of the Company, which operates the business of sale of food and beverages. DKW operates the restaurant namely Jardin Du Boeuf which distributes food and beverages at SOMERSET RAMA 9 Hotel and Kinki Restaurant, which will be open for food and beverages distribution at Ascott Thonglor Hotel, to Mr. Sirutt Ratanapaitoon or the person/juristic person designated by Mr. Sirutt Ratanapaitoon who is not a connected person of the Company, in the amount of 160,998 shares with a par value of THB 100 per share, representing 69.99 percent of the total shares in DKW, with the sale and purchase price including outstanding debts owe to the Group Company, at THB 20,500,000 (the “**Disposal of the Investment in DKW**”). [Such sale and purchase price is the value of shares at THB 17,151,092.38 and the value of liabilities which consists of a loan with a remaining principal of THB 500,000 and accrued interest in the amount of THB 10,210.68 \(interest rate of 6 percent calculated until 21 November 2022\), advance expenses paid by the group companies for DKW in the amount of THB 1,853,761.93 and accrued management fees of THB 984,935.00, totaling THB 3,348,907.62.](#) However, after the disposal of the investment in DKW, the Company has no outstanding shares in DKW and DKW would cease to be the Company's subsidiary.

In this regard, the Company (as the Seller) has signed the DKW Share Sale and Purchase Agreement with Mr. Sirutt Ratanapaitoon (as the Buyer) (the “**DKW Share Sale and Purchase Agreement**”) on 18 November 2022. The Company expects that the Disposal of the Investment in DKW will be completed within December 2022. However, the Buyer and Seller can agree in writing to postpone the completion date. [However, if the parties agree to postpone the completion date of the sale of shares, it will not affect the cause of termination of the agreement² which have been specified in the DKW Share Purchase Agreement.](#)

- (3) Assets in the dessert business unit on macaron under La Lune brand (“La Lune”) including related trademarks which is one of business of Bake Cheese Tart (Thailand) Company Limited (“BCT”) (a subsidiary of the Company), which operates a business of Japanese imported confectionery brands Bake, Zaku Zaku, Rapl and La Lune. The Company intends to sell assets related to La Lune business including related trademarks and inventories as of the date of completion to Mr. Sirutt Ratanapaitoon or the person/juristic person designated by Mr. Sirutt Ratanapaitoon who is not a connected person of the Company at sale and purchase price of THB 6,500,000 (VAT included) (“**the Disposal of Assets in La Lune Business Unit**”). However, after the Disposal of La Lune Business Unit, BCT would continually operate its other businesses.



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In this regard, the Company (as the Seller) has signed the Assets Sale and Purchase Agreement in macaron business unit under La Lune brand including related trademarks and inventories with Mr. Sirutt Ratanapaitoon (as the Buyer) (the “La Lune Assets Sale and Purchase Agreement”) on 18 November 2022. The Company expects that the Disposal of Assets in La Lune Business Unit will be completed within December 2022. However, the Seller and the Buyer can agree in writing to postpone the completion date. However, if the parties agree to postpone the completion date of the sale of assets, it will not affect the termination of the agreement³ specified in the La Lune Assets Sale and Purchase Agreement.

In addition, after such disposal of assets, the Company as a holding company will choose another subsidiary i.e. Eastern Cuisine (Thailand) Co., Ltd. (“ECT”), in which the Company holds 100% shares, to be a subsidiary that operate the core business in place of DMN. As ECT operates shabu buffet restaurant namely KAGONOYA, which is currently operated in department stores and community malls with more than 12 branches around Bangkok. Since ECT is the second-highest-grossing business, after DMN, in the group, which can continuously generate cash flow for the Company in the past. Even though ECT's operations are loss, it is a slight loss compared to DMN that has a loss of over THB 226 million in the same period. The Company expects that ECT will be able to return to profit from opening more stores. Because such loss of ECT incurred from the total profit of all branches is still insufficient to cover the central administrative expenses. Therefore, in the future when the Company's financial position is at stable level, the Company plans to expand more ECT branches, which will result in economies of scale on fixed costs and ECT can generate profits to the Company. Moreover, the Company will invest more in ECT's marketing to attract new customers and retain existing customers. In this regard, after the sale of all 3 assets, the Company would have 4 subsidiaries consisting of 1) Eastern Cuisine (Thailand) Co., Ltd which operates Japanese food i.e. shabu buffet under KAGONOYA brand 2) Bake Cheese Tart (Thailand) Co., Ltd., which operates an imported dessert shop from Japan under the brand Bake, Zaku Zaku, Rapl 3) Crepes & Co. Development Co., Ltd., which operates European-style restaurant business under Le Boeuf and Creps & Co.,

³ Due to the disposition of assets under the asset sale and purchase agreement of the La Lune business, it is a disposition of assets in the macaron confectionery business which is a different type of asset from the shares in DMN and DKW. Therefore, the cause of the termination of the asset purchase agreement in the La Lune business is different from the share purchase agreement. Which can be summarized as follows:

- (1) Both parties agree in writing to terminate the agreement.
- (2) When either party breaches the agreement without rectifying such default event within 30 (thirty) days from the date of written notice by the non-breaching party and the party who did not breach the agreement sent a notice of termination to the other party who did not breach the agreement .
- (3) When the parties are unable to agree on an amendment to the list of assets to be traded which is material assets and/or the amendment to the list of assets to be sold affects the purchase price and either party sends a notice of termination of this agreement to the other party. However, the agreement shall be deemed terminated without any breach of contract by either party.

The termination of this agreement for any reason, it will not affect the rights, remedies, duties or liabilities of the parties. Each party arising before the date of termination of this agreement includes claims for damages arising from breach of contract preceding or on the day the agreement expires.



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and 4) Food Holding Company Limited, which its business is to invest in the food business (the Company's subsidiary which is being a holding company).

The disposal of the assets i.e. (1) the Disposal of the Investment in DMN (2) the Disposal of the Investment in DKW and (3) the Disposal of Assets in La Lune Business Unit is regarded as a disposal of assets pursuant to the Notification of the Capital Market Supervisory Board No. TorJor.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 or Disposition of Assets B.E. 2547 (2004) (collectively, the “**Notifications on Acquisition or Disposition of Assets**”). Upon review of the transaction size used in the calculation of the maximum value of the transaction based on the reviewed financial statements of the Company ended 30 September 2022 by various approaches under the Notifications on Acquisition or Disposition of Assets, the Company has no disposal of asset transaction for the past 6 months prior to this transaction which has not been approved by the Shareholders' meeting, and found that by entering into such transactions, the size of the transactions are as follows:

- (1) Disposal of the Investment in DMN at the sale and purchase price of THB 248,000,000, the transaction size is equal to 17.23 percent based on the total value of consideration criteria.
- (2) Disposal of the Investment in DKW at the sale and purchase price, included with the liabilities that DKW still owes to the Group Company, of THB 20,500,000, which such sale and purchase price is the value of shares at THB 17,151,092.38 and the value of liabilities which consists of a loan with a remaining principal of THB 500,000 and accrued interest of THB 10,210.68 (interest rate of 6 percent calculated until November 21, 2022), advance expenses paid by the group companies for of DKW in the amount of THB 1,853,761.93 and accrued management fees of THB 984,935.00, totaling THB 3,348,907.62. The transaction size is equal to 1.42 percent based on the total value of consideration criteria.
- (3) Disposal of Assets in La Lune Business Unit at the sale and purchase price of THB 6,500,000, the transaction size is equal to 0.45 percent based on the total value of consideration criteria.

When including the disposition of assets above, entering into such transactions, the maximum value of all transactions is equal to 19.10 percent according to value of consideration criteria. Therefore, the transaction is regarded as the Type 2 i.e. the transaction size which equal to 15 percent or higher, but lower than 50 percent.



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Therefore, The Company is obliged to proceed according to the Notifications on Acquisition or Disposition of Assets including the following obligations:

- 1) Report and disclose an information memorandum on such transaction to SET, which must at least contain the information as required in List (1) attached to the Notifications on Acquisition or Disposition of Assets.
- 2) Send a notice to the shareholders within 21 days from the date of disclosure of information memorandum of entering into such transaction to SET, which must at least contain the information as required in List (2) 1, 2, 3, 5 (3), 7, and 8 attached to the Notifications on Acquisition or Disposition of Assets.

In this regard, the disposal of the assets in those subsidiaries are not regarded as a connected transaction under the Notification of the Capital Market Supervisory Board No. Tor.Jor. 21/2551 Re: Rules on Connected Transactions 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 (2003) (including its amendment) (the "Notification on Connected Transaction").

Moreover, the Board of Directors' meeting has resolved to approve the Board of Directors of the Company or the Executive Committee or the authorized directors or a person assigned by the Board of Directors of the Company or the Executive Committee or the authorized directors, to act on behalf of the Company to take any actions related or necessary in the transactions of (1) Disposal of investment in DMN (2) Disposal of investment in DKW and (3) Disposal of Assets in La Lune Unit Business, including negotiating, entering into, signing, amending the DMN Share Sale and Purchase Agreement and the DKW Share Sale and Purchase Agreement, and the La Lune Asset Sale and Purchase Agreement, agreements, contracts, and other documents necessary and relevant to the transactions i.e. (1) the Disposal of the Investment in DMN (2) the Disposal of the Investment in DKW and (3) Disposal of Assets in La Lune Business, determination of criteria, conditions and other details necessary and related to such transactions as necessary and reasonable under applicable laws.

In this regard, the details related to the Disposal of the Investment are as follows:

(1) Disposal of the Investments in DMN

Date of the Transaction : The Company and Mr. Sirutt Ratanapaitoon (as the Buyer) has signed the DMN Share Sale and Purchase Agreement on 18 November 2022. The Company expects



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that the Disposal of the Investment in DMN will be completed within November 2022. However, the Company and the buyer can agree in writing to postpone the completion date. [If there is a change in the transaction date, the company will inform later.](#)

Relevant Parties : Seller : Wow Factor Public Company Limited

Buyer: Mr. Sirutt Ratanapaitoon or the person/juristic person designated by Mr. Sirutt Ratanapaitoon who is not a connected person of the Company.

Relationship with the Company : As of the date of disclosure of this information, the Buyer is not a connected person of the Company. Therefore, it is not considered as a connected transaction according to the Notification on Connected Transactions.

General Description of the Transaction : [Investments in Domino Asia Pacific Co., Ltd. \("DMN"\) \(a subsidiary of the Company which operates food and beverage distribution business having pizza as the main menu under the brand Domino's Pizza\) which consists of:](#)

A. [Shares of DMN held by the Company in the amount of 9,209,605 shares, representing 91.18 percent of the total shares, with a total paid-up value of THB 810,346,500.,](#)

B. [The loan that the Company gave DMN in the amount of approximately THB 570,441,507.74 divided into the remaining principal of THB 529,718,830.38 and accrued interest in the amount of THB 32,076,574.96 \(6% interest rate calculated until November 25, 2022\) and accrued management fee in the amount of THB 8,646,102.40.](#)

[The Company will sell such investment to Mr. Sirutt Ratanapaitoon or the person/juristic person designated by Mr. Sirutt Ratanapaitoon who is not a connected person of the Company.](#)

[In addition, the Company as a shareholder of DMN has approved DMN to increase its registered capital in the amount of THB 580,000,000 by partially paying the capital increase shares in the amount of THB 469,386,000 and there is an unpaid share price of THB 110,614,000. After the capital increase, DMN's shares will be increased from 4,300,000 shares to 10,100,000 shares \(the par value of THB 100 per share\)](#)



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with total paid-up shares equal to THB 899,386,000 (the previous share paid-up value at THB 322,750,000). However, such capital increase is in accordance with the debt to equity conversion scheme, thus the Company would not pay cash to DMN for the capital increase shares, and after that DMN would have no outstanding debt with the Company anymore.

After the implementation of such debt to equity conversion scheme, the Company will sell shares in its subsidiary which is DMN in the amount of 9,209,605 shares with the total paid up at THB 810,346,500. In this regard, such shares represent 91.18 percent of total issued shares in DMN after the capital increase of DMN. . Under the Debt to Equity Conversion Scheme, the parties agreed with the total purchase price of shares in DMN at THB 248,000,000, which is the price agreed between the Buyer and the Seller according to the terms and conditions under the DMN Share Sale and Purchase Agreement. However, after the Disposal of the Investment in DMN which is a subsidiary, the Company will continue to hold the 890,392 shares in DMN (after the capital increase) or 8.82 percent of the total shares in the DMN. DMN would cease to be the Company's subsidiary.

Calculation of the Transaction Size

: The Disposal of the Investment in DMN is considered as disposal of the Company's assets in accordance with Notifications on Acquisition or Disposition of Assets. The Company uses the reviewed Company's financial statements, as of 30 September 2022, to calculate the transaction size, the details are as follows:

Basis of Transaction Size Calculation	Transaction Size (percent)
1. Net Tangible Assets*	Unable to calculate because the NTA of W and DMN is negative.
2. Net Operating Profits*	Unable to calculate due to the company's operating loss
3. Total Value of Consideration	17.23
4. Value of Securities issued for the payment of assets	This is not applicable because the Company issues no securities.



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*Remark * The financial information of DMN is used to calculate the transaction size based on the ending financial statements as of 31 December 2021, which have been audited by a certified public accountant. For the financial information as of 30 September 2022 have been prepared by the management of DMN.*

Details of Disposed Assets : The Company wishes to sell all shares in the Subsidiary of the Company which is DMN in the amount of 9,209,605 shares with the total paid up at THB 810,346,500. In this regard, such shares represent 91.18 percent of total issued shares in DMN. The amount of shares that the Company intends to sell is the amount after DMN increase its capital for capital and debt restructuring of DMN. However, after capital and debt restructuring by DMN's capital increase, DMN will no longer have any outstanding debts owe to the Company. The total sale and purchase price of DMN shares is at THB 248,000,000. The details of DMN are as follows:

(1) General information of DMN

Name of the company	Domino Asia Pacific Company Limited
Nature of business	Restaurant business (Pizza)
Head Office's Address	77/1 Soi. Ruam Sirimit Chom Phon, Chatuchak, Bangkok
Name of Directors	1. Mr. Kritsada Pruitipat 2. Miss Vimol Hanpanishkitkarn 3. Mr. Sithipong Netiphat 4. Miss Saowanee Khaoubol



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(2) List of the DMN's shareholders before and after transaction

Shareholders's structure and the registered capital of DMN before the disposal of DMN shares

DMN's Shareholders	Current registered capital THB 430,000,000			Registered capital after capital increase THB 1,010,000,000		
	No. of shares	Paid up shares per (THB)	Total share payment paid to DMN	No. of shares	Paid up shares per (THB)	Total share payment paid to DMN
1. Wow Factor Public Company Limited	9,997	100	999,700	9,997	100	999,700
	4,290,000	75	321,750,000	4,290,000	100	429,000,000
				5,800,000	80.93	469,386,000
2. Mr. Sirutt Ratanapaitoon	1	100	100	1	100	100
3. Mr. Kritsada Pruitipat	1	100	100	1	100	100
4. Miss Vimol Hanpanishkitkam	1	100	100	1	100	100
Total	4,300,000		322,750,000	10,100,000		899,386,000

Remark: At present, the Company has already paid for shares in DMN in the amount of THB 322,749,700 and will pay additional of share payment for 4,290,000 shares in the amount of THB 107,250,000 and will pay DMN for 5,800,000 shares to be issued from the capital increase for capital restructuring in DMN in the amount of THB 469,386,000 before selling DMN shares to Mr. Sirutt Ratanapaitoon.



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After the disposal of DMN Shares

DMN's Shareholders	Registered capital after capital increase THB 1,010,000,000		
	No. of shares	Paid up shares per (THB)	Total share payment paid to DMN
1. Wow Factor Public Company Limited	890,392	100	89,039,200
2. Mr. Sirutt Ratanapaitoon	1	100	100
	3,409,605	100	340,960,500
	5,800,000	80.93	469,386,000
3. Mr. Kritsada Pruitipat	1	100	100
4. Miss Vimol Hanpanishkitkarn	1	100	100
Total	10,100,000		899,386,000

After the sale of shares in DMN 9,209,605 shares, which is representing 91.18 percent of the total shares in DMN (after capital increase) to Mr. Sirutt Ratanapaitoon, the Company will continue to hold 890,392 shares in DMN or in the proportion of 8.82 percent of the total shares in DMN .

(3) Nature of Business of DMN

Selling of food and beverages which the main menu is pizza under the Domino's Pizza brand. DMN is the sole licensee in Thailand who is authorized to open, manage, and develop pizza business under Domino's Pizza with the same system and standards as Domino's Pizza in the USA



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(4) Summary of financial information of DMN

Financial Statement (THB)	Ended as of 30 September 2022*	Ended as of 31 December 2021	Ended as of 31 December 2020	Ended as of 31 December 2019
Total assets	532,718,124	502,477,785	458,059,616	251,068
Intangible assets (excluding the main revenue-generating	343,749,447	354,772,010	373,956,357	-
Total liabilities	672,608,884	416,220,759	180,804,698	46,660
Total shareholders' equity	(139,890,760)	86,257,026	277,254,918	204,408
Sales revenue	209,005,017	158,415,415	25,132,368	-
Net Profit (loss)	(226,147,788)	(190,997,892)	(45,449,490)	(45,592)

**Remark: information of financial statements which have been prepared by the management of the DMN.*

Total Value of : The sale and purchase price of THB 248,000,000 for 9,209,605 shares which such
 Consideration and shares represent 91.18 percent of the total shares of DMN, in the amount of THB
 Payment 248,000,000. Such sale and purchase price is the sale and purchase price agreed
 between the Buyer and the Seller according to the terms and conditions of the DMN
 Share Sale and Purchase Agreement. The Company will receive a payment for the
 purchase price of such shares from the Buyer, the payment terms are divided into 2
 instalments as follows:

- (1) Payment of the deposit of THB 145,000,000 within seven business days from the date of signing the DMN Share Sale and Purchase Agreement or any other date as agreed by the Company and the Buyer. The deposit is deemed as part of the total the sale and purchase price, which on 22 November 2022. The Company received the payment of THB 145,000,000 from Mr. Sirutt Ratanapaitoon.



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(2) The last instalment payment of THB 103,000,000 which is due within 31 December 2022 or any other date as agreed by the Company and the buyer.

However, the Company will transfer the shares in DMN in the amount of 9,209,605 shares (after the capital increase) to Mr. Sirutt Ratanapaitoon after the completion of DMN's capital increase within November 2022. In this regard, Mr. Sirutt Ratanapaitoon will pledge the shares in DMN in the proportion of 41.53 percent of total sale shares, which is in the amount of 3,365,552 shares with the total paid up at THB 100 per share to the Company as a guarantee for the last instalment payment of the sale and purchase price of DMN shares.

In this regard, the process of transferring shares' objective is to cease the Company's subsidiary and remove the DMN from the Company's consolidated financial statements immediately. This is because DMN's performance greatly affects the Company's finance position and operation causing the company's continued losses in the future and until in the present. The Company has shareholders' equity less than half of the paid-up capital after this operation. DMN's loss will no longer affect the Company's financial statements in the future. Since the Company will hold shares in DMN in the proportion of not more than 10 percent of the total shares of DMN.

As the Company has clarified above, the Company requires the Buyer, Mr. Sirutt Ratanapaitoon, to provide the collateral in the amount of THB 145,000,000 in order to prevent the termination of the agreement. However, to prevent the risk of not receiving the remaining payment of THB 103,000,000 for the sale shares, the Company requires Mr. Sirutt Ratanapaitoon to pledge DMN shares as collateral for the outstanding value of sale and purchase price that the Buyer has not made to the Company. If Mr. Sirutt Ratanapaitoon, (as a Buyer) does not pay the remaining share payment, the Company has the right to enforce the pledge of such shares under the rules prescribed by the applicable law. In addition, If the DMN Share Sale and Purchase Agreement is terminated without the fault of the Company as the Seller, the Company has the right to claim damages arising from the Buyer's breach of the DMN Share Sale and Purchase Agreement, which may be more beneficial to the Company comparing to the value of collateral, which is DMN shares in the



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proportion of 41.53 of the number of shares to be traded, which the fair value of such shares may be lower in the future when assessed from future performance.

Total Value of Acquired or Disposed Assets : Shares in DMN in the amount of 9,209,605 shares with the total paid up at THB 810,346,500. In this regard, such shares represent 91.18 percent of total issued shares in DMN.

Basis of Determination of the Value of Consideration : Price agreed between the Buyer and the Seller. In this regard, the Company has considered the value of the sale shares using the Discounted Cash Flow Approach based on the assumptions of the valuation of the business operation conducted by Orion Advisory Company Limited, which is the Company's financial advisor. The financial advisor has evaluated the business value as of 16 November 2022 according to the internal financial statements of DMN ended 30 September 2022 with the fair value of 100 percent of DMN and the value of Enterprise Value is at THB 249.23 – 276.88 million, which as of 30 September 2022 is at THB 2.26 million and there is no debt as per the result of the conversion of debt to equity. Therefore, the Equity Value of all shares is at THB 251.38 – 279.03 million and the fair value of 91.18 percent of DMN is in the range of THB 229.22 - 254.43 million with the assumption of cash flow projections of 18 years according to the term of the franchise agreement, after the implementation of conversion of debt to equity. The discount rate of DMN is in the range of 8.78 - 9.78 percent by taking into account the potential of business plan that will increase product prices and boost sales, cost adjustment, opening additional branches that would affect the ability to compete including DMN's future growth. This valuation is based on the assumption of the past negative performance and is considered in conjunction with the Company's future business plan. However, in the case of the operation does not go according to the business plan, causing the decrease of fair value of DMN, in the event that the sales per order is lower than the expected target about 5 percent, DMN will have equity value of the proportion of 91.18 percent decreased to THB 54.04 – 66.59 million, under other assumptions that are the same as normal cases. In the case that the number of orders from customers is approximately 10% lower than the expected target, DMN will have the equity value of 91.18 percent at THB (94.13) – (93.69) million under



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other assumptions that are the same as normal cases, where the equity value is negative from insufficient cash flow in the business operation.

In this regard, such appraisal is the valuation of the entire business based on its operating results by discounting cash flows from business operations which is in accordance with the debt to equity conversion scheme. Therefore, the Company would not pay cash to DMN for the capital increase and after that DMN would no longer have outstanding debt with the Company.

Expected Benefits to the Company : After the Company has acquired DMN, DMN has implemented a proactive marketing plan to increase distribution channels, improve the quality of products and services including research and development of new products as announced in the information memorandum on the acquisition of assets by transferring of the pizza restaurant business under the trade name "Domino's Pizza". However, due to the long period of the epidemic of the new strain of Coronavirus 2019 (COVID-19), and this situation is out of control of the Company. Moreover, Thailand's economy has been in the recession period which materially affect the purchasing power of consumers, especially the middle-income classes, which are DMN's target customers. The situation leads to a discrepancy in the estimation of average sales, previously estimated of 0.56 – 0.94 million per month per branch during May 2020 – December 2021 would be at THB 0.30 – 0.400 million per month per branch as the number of orders from its customers are lower than the expectation around 26 percent to 50 percent.

Moreover, due to the high competition in the pizza industry in terms of both price and marketing strategies, DMN, therefore, in the early stages of its operations has chosen an aggressive marketing strategy to build brand awareness. Although, DMN has estimated its marketing expense for such aggressive marketing strategy, the actual marketing expenses are higher than the estimation.

In addition, DMN has created sales channels through aggregator including adding more branches to cover the targeted areas to cover its target customers. DMN has also tried to build a customer base in the country with products and services that are at the same level as in the United States, which is the country of origin. Therefore,



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personal expenses related to training and development of employees' abilities including expenses related to delivery costs are very high. In addition, DMN has fixed affordable sale price of its products, so the average gross profit margin was 3% lower than expected. Moreover, supply chain crisis resulted from the reduction of production capacity in the manufacturing sector in many countries together with and national lockdown measures around the world affecting the transportation sector which causes the increase of raw materials cost. Furthermore, DMN is also facing cost pressures from rising inflation and fluctuating exchange rates, which this situation is uncontrollable by DMN.

According to the performance of DMN in the past (as shown in the below table) reflected that the sale cost of DMN in 2020, 2021 and 2022 (9 months) is in the proportion of 56 percent, 58.22 percent, and 61 percent of the sale revenue, respectively, which such sale cost is higher than expected. As the sale revenue does not meet the target, due to those uncontrollable situations as earlier mentioned, so the sale expense and marketing expense are both very high (around 96 - 148 percent of the sale revenue). This is because DMN has used such an aggressive marketing strategy together with its attempt to create brand awareness since 2021 as it expected that the sale revenue would increase but the result is not as expected as explained above.

The previous performance of DMN could be summarised are as follows:

(Unit: (THB) million)

Revenue	In 2020	In 2021	9 months ended in 30 September 2022
Revenues from selling	25	158	209
Other revenues	-	4	3
Total revenue	25	162	212



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Expenses	In 2020		In 2021		9 months ended in 30 September 2022	
	THB	Sale Revenue in percentage	THB	Sale Revenue in percentage	THB	Sale Revenue in percentage
Cost of sale	(14)	56%	(92)	58%	(127)	60%
Selling expenses	(37)	148%	(157)	99%	(202)	97%
Administrative expenses	(18)	72%	(91)	58%	(90)	43%
Total expense	(69)	276%	(340)	215%	(419)	200%
Loss before Tax and Interest	(44)	176%	(178)	113%	(207)	99%
Interest	(1)	4%	(13)	8%	(19)	9%
Loss in this period	(45)	180%	(191)	121%	(226)	108%
Loss from operations before depreciation, amortization, taxes and interest (EBITDA)	(29)	116%	(135)	85%	(165)	89%

These factors have resulted in DMN's operations to continually gain retained losses, which in 2021 to the 9-month period of 2022, DMN's EBITDA after deducting office expenses, the retained losses in 2019, 2020 and 2021 is at THB 29 million, THB 135 million and THB 165 million respectively. Although the DMN has tried to expand its sale channels, create marketing plans for every channels and several methods to promote the sales, and DMN has tried to negotiated with its suppliers to fix raw material costs, but the cash flow in the business remains negative until now at the average of THB 15 - 20 million per month (excluding additional investments). Thus, DMN needs to obtain financial support from the Company and this become the Company's obligation to conduct fund raising and provide cash flow through various channels to support DMN's operations.

For the aforementioned reasons, the Company has considered solutions to solve problems with DMN's ongoing losses, as well as such negative cash flow from operating business. The Company, therefore, engaged a financial advisor to provide solutions for such financial problems, and among the provided solutions, writing off



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the investment to reduce the impact from such financial problems may be the most suitable option. The management of the Company, therefore, has engaged a financial advisor to reappraise the financial value to determine the possible sale and purchase price and to write off the investment to reduce the impact of uncertain operations that resulting such negative cash flow for the Company.

Based on financial forecast and the new business plan of DMN, there are 3 main related factors as follows:

(1) Increasing product prices and sales

DMN has been running sales promotions continuously during the past. As a result, the gross profit margins are low. The purpose of the price increase is to more concretely reflect DMN's cost. However, the adjusted price will remain as an affordable level to customers but the increased cost also has been taken into account.

However, the increase amount of orders and sales per order are from marketing through several marketing channels. So, the Company has reduced marketing expense but more tried to build brand awareness and directly approach to key customer groups in order to improve the quality of service so that customers receive services at a level of their satisfaction and come back to use the service again, as customers would get better food quality and faster food delivery, which impress customers. In addition, DMN has adjusted and added new flavors of products to create food variety and to meet the needs of customer groups.

(2) Raw material cost management

From branch expansion during the past 2 years and future expansion plans, DMN has more bargaining power from the increasing purchase volume. In addition, DMN has been able to find new sources of raw materials from both domestic and overseas. As a result, the cost tends



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to decrease while the raw materials still meet the specified quality standards.

(3) Branches expansion

DMN plans to expand its stores to 75 stores, which will result in additional cash flow from new stores to support DMN's performance under the condition of the Master Franchise Agreement.

From the assumptions mentioned above, it can be summarized as the number of branches, sales revenue and EBITDA are as follows:

(Unit: (THB) million)

Financial statement information	2563A	2564A	3rd Quarter in 2022	2566F - 2572F	2573F - 2582F
Number of branches	26 – 27	25 - 31	31 - 38	38 - 75	75 - 55
Revenue from selling	25	158	209	418 to 1,154	1,168 to 952
Profit (loss) from operations before depreciation, amortization, taxes and interest (EBITDA)	(29)	(135)	(165)	(93) to 113	112 to (23)
Net Profit (Loss)	(45)	(191)	(226)	(152) to 51	67 to (23)

Based on the financial forecast according to the above business plan of the Company it is found that during 2023 – 2025, there will be a net loss between THB -152 and THB -21 million, where DMN will start to gain profit (loss) from operations before depreciation, amortization, taxes and positive interest (EBITDA) in 2026. Therefore, DMN still needs to receive financial support from the Company at least approximately THB 390 million in the next 2 - 3 years to be used for (1) supporting



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negative cash flow from business operations of approximately THB 110 million and (2) branch expansion according to the Company's business plan of approximately THB 280 million, therefore, the Company needs to raise additional funds in the current slowdown economic. In such case, it will directly affect the Company's cash flow management that is not in accordance with the appraisal of the asset acquisition transaction by acquiring the business of pizza restaurant under the trade name "Domino's Pizza" as the Board of Directors' meeting of Wow Factor Company Limited No. 5/2020, held on 22 June 2020, had forecasted that the retained profit (loss) from operations before depreciation, amortization, taxes and interest (EBITDA) of the business would become profitable in 2022. In this regard, after the Company acquired the DMN business in 2020 with an investment of approximately THB 400 million which was the price evaluated from the business plan under the assumption that the COVID situation will return to be better and will have a total loss of not more than THB 120 million (after the acquisition of DMN shares). However, profit (loss) when considering from operations of profit (loss) from the current performance of the 9-month period of 2022, it can be seen that the company had loss at THB 226 million, which causes negative cash flow that is higher than the Company's expectation and resulted in the current appraisal value of DMN business reduced to THB 251.38 - 279.03 million. In addition, the Company needs to procure additional investment in the very high amount for DMN to have positive cash flow in its business, and to expand more branches as per the business plan. If the business operation in term of sales or number of customers does not meet the expectation, the evaluated fair value under the same assumption will be decreased to THB 54.04– 66.59 million or there may be a negative value from the negative cash flow from the business operation.

In this short-term cash flow management, although the Company has plans to increase its own capital, there would be time consuming for the related actions required until the Company receive funds from investors. Therefore, the Company needs to seek other source of fund to support DMN's negative cash flow during this short term period, before the Company's capital increase. Due to the current high debt to equity ratio of the Company, therefore, there is a risk that the Company will



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not be able to obtain funds in any soon and insufficient capital to operate DMN's business to be profitable in a short period of time.

Nevertheless, in the long term, the Disposal of Investment in DMN is considered as a write-off of investment that would reduce the impact of uncertain operations that results in negative cash flow. This directly affects the risk of cash flow management of the Company. Therefore, the Disposal of the Investment in DMN is a solution for the restructuring of the Company's business group by writing off the business that will incur a loss. In present, the Company has a high level of accumulated loss and DMN causes the highest accumulated loss to the Company, and as a result, the Company's current shareholders' equity is less than half of the Company's paid-up capital. Moreover, the Disposal of the Investment in DMN will add liquidity to the business operation of the Company i.e. the Company would be able to utilize money received from the Disposal of the Investment in DMN to repay the Company's loans and reduce financial costs that tend to increase according to the loan amount. In addition, the Company will have funding sources to expand the related and continuing businesses with the Company's current business and/or its subsidiaries with low business risks and have positive cash flow from operations to increase income and ability to compete and expanding the business of the company in order for the Company to have better operating results.

In the past, the Company has consulted several financial advisors and has study many methods of financial feasibility since the fourth quarter of the year 2021 to assess the value of the business and looking for investors who are interested in the business of DMN and other subsidiaries until now. However, no investors have expressed interest in acquiring DMN and other businesses of the Company. However, Mr. Sirutt Ratanapaitoon who is a former executive of the Company is the only investor interested in DMN business. Mr. Sirutt Ratanapaitoon has opinion that the business of DMN can continue to grow, but it just takes time to process. Therefore, he proposed to buy DMN's business out of the Company which the Company considers that the divestment of investment in DMN is to reduce the impact from DMN on the Company's current and future operations.



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- Plan for Utilization of Proceeds from the Disposal of Asset : The Company plans to utilize funds received from the Disposal of the Investment in DMN to increase financial liquidity and utilize such fund as a working capital for the core business operations including business expansion to other potential business scope in the future.
- Interested directors and/or connected persons who were not present in the consideration and voting : -None-
- Opinions of the Board of Directors : The Board of Directors has considered the Disposal of the Investment in DMN, a subsidiary company, which is deemed that this transaction is an appropriate, reasonable transaction and would provide the most benefits to the Company and the shareholders as explained in this Information of Memorandum. In addition, the Board of Directors is of the opinion that the share sale and price under the Disposal of the Investment in DMN as evaluated by the financial advisor is a reasonable by considering the previous operating performance of DMN that incurred accumulated losses in the past and there will be an increase in capital according to the debt to equity conversion scheme. Therefore, the Company does not need additional cash flow to operate. Based on future financial projection of DMN, which are subject to the use of substantial additional funds in order to return DMN's business to profitability. This will take time to process and it is also a burden for the Company and its shareholders to find additional capital. However, with the debt and interest cost that the Company has to third parties, together with the current performance of the Company that has received the "C" sign, which will affect investor confidence and the Company's ability to raise funds in future as well as risks from external factors that may affect the operation according to the business plan in the future. This will further result in the fair value appraised by the financial advisor being lower than the current value that may decrease to only THB 54.04 - 66.59 million to a negative value in the future. After the Company has spent additional investment according to the business plan in the amount of THB 390 million, which came from the cash flow



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reserve due to the negative from business operations of approximately THB 110 million and the expansion of new branches, according to the business plan of the Company, approximately THB 280 million for DMN to return profit according to the original business plan. Under uncertainty from environmental factors that result in sales or number of customers which do not meet the target, this will decrease the fair value of DMN and incur significant losses to the Company, which is more detrimental to the Company in the long run. Although such sales of DMN shares will be amortized at a loss but when considering the long-term negative effects mentioned above, the write-off of investment in DMN at loss will benefit the Company in the long term. The Board of Directors has resolved to approve the sale of DMN in order to restructure the Company's business to benefit the operating results in future including reducing the burden of obtaining additional investments and able to repay debts to third parties that are currently outstanding and reduce the pressure to renew various debts of the Company, which will benefit both the Company and its shareholders in present and in the future.

Opinion of the Audit Committee and/or director which is different from the Company's Board of Directors : The Audit Committee's opinions are not different from those of the Board of Directors.

(2) Disposal of the Investment in DKW

Date of the Transaction : The Company (as the Seller) has signed the Share Purchase Agreement with Mr. Sirutt Ratanapaitoon (as the Buyer) on 18 November 2022. The Company expects the Disposal of the Investment in DKW will be completed within December 2022. However, the Company and the Seller can agree in writing to postpone the completion date. *If there is a change in the transaction date, the Company will inform later.*

Relevant Parties : Seller : Wow Factor Public Company Limited



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Buyer : Mr. Sirutt Ratanapaitoon or the person/juristic person designated by
Mr. Sirutt Ratanapaitoon who is not a connected person of the Company

Relationship with the Company : As of the date of disclosure of this information, the Buyer is not a connected person of the Company. Therefore, it is not considered as a connected transaction according to the Notification on Connected Transactions.

General Description of the Transaction : The Company will enter into the sale of shares in the subsidiary which is DKW in the amount of 160,998 shares with a par value of THB 100 per share representing 69.99 percent of the total issued and paid-up shares in DKW with the value of the purchase price of shares, includes all outstanding debts, of THB 20,500,000 which is the purchase price agreed between the Buyer and the Seller according to the terms and conditions of the DKW Share Sale and Purchase Agreement. In this regard, after the Disposal of the Investment in DKW, the Company would have no outstanding shares in DKW. Therefore, DKW would cease to be the Company's subsidiary.

Calculation of the Transaction Size : The Disposal of the Investment in DKW, a subsidiary of the Company, is considered as the disposal of the Company's assets in accordance with Notifications on Acquisition or Disposition of Assets. The Company uses the reviewed Company's quarterly financial statements, as of 30 September 2022.



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Basis of Transaction Size Calculation	Transaction Size (percent)
1. Net Tangible Assets*	Unable to calculate since DKW was established in 2022, so there is no audited financial statement yet.
2. Net Operating Profits*	Unable to calculate since DKW was established in 2022, so there is no audited financial statement yet.
3. Total Value of Consideration	1.42
4. Value of Securities issued for the payment of assets	This is not applicable because the Company issues no securities.

Remark * Since DKW was established in 2022, there is no financial statement yet to be used as financial information of DKW used to calculate the transaction size.

Details of Disposed Assets : The Company wishes to sell all shares in the Subsidiary of the Company which is DKW in the amount of 160,998 shares with a par value of THB 100 per share representing 69.99 percent of the total issued shares in DKW at the sale and purchase price, includes all outstanding liabilities, of THB 20,500,000. The details are as follows:

(1) General information in DKW

Name of Company	DK Wow Venture Company Limited
Nature of business	Selling food and beverages at the restaurant namely Jardin Du Boeuf in SOMERSET RAMA 9 Hotel and Kinki Restaurant, which will be open for food and beverage distribution at Ascott Thonglor Hotel in the end of the year.
Head Office's Address	42 Soi. Hatsadisewee Huai Khwang, Huai Khwang, Bangkok



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Registered Capital and Paid-up Capital	THB 23,000,000 divided into 230,000 ordinary shares with a par value of THB 100 per share, which are fully paid up.
Name of Directors	<ol style="list-style-type: none"> 1. Mr. Kritsada Pruitipat 2. Miss Vimol Hanpanishkitkarn 3. Miss Theeradaporn Phuwapaphabun 4. Mr. Deepanker Khosla 5. Miss Saowanee Khaoubol

(2) List of the shareholders of DKW before and after transaction

DKW's Shareholders	Paid-up Capital THB 23,000,000	
	The amount of shares prior to the Disposal of the Investment in DKW (shares)	The amount of shares after Disposal of the Investment in DKW (shares)
1. Crepes & Co. Development Company Limited	160,998	-
2. Mr. Sirutt Ratanapaitoon or the person/juristic person designated by Mr. Sirutt Ratanapaitoon who is not a connected person of the Company	-	160,998
3. ONE INDRIYA COMPANY LIMITED	69,000	69,000
4. Mr. Sirutt Ratanapaitoon	1	1
5. Miss Vimol Hanpanichkitkarn	1	1
Total	230,000	230,000



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(3) Nature of Business of DKW

Selling food and beverages at the restaurant namely Jardin Du Boeuf in SOMERSET RAMA 9 Hotel and and Kinki Restaurant, which will be open for food and beverage distribution at Ascott Thonglor Hotel.

(4) Summary of financial information of DKW

Financial Statement* (THB)	Ended as of 30 September 2022	Ended as of 31 August 2022	Ended as of 31 July 2022	Ended as of 30 June 2022	Ended as of 31 May 2022	Ended as of 30 April 2022	Ended as of 31 March 2022*
Total assets	25,774,403.28	25,757,885.93	22,139,425.25	17,858,495.33	5,557,127.30	1,565,749.79	1,160,829.58
Intangible assets (excluding the main revenue-generating assets)	56,127.22	57,804.26	59,537.21	61,270.16	62,500.00	-	-
Total liabilities	8,745,744.52	7,759,852.02	14,381,848.13	9,496,535.56	7,114,300.89	2,020,982.67	918,129.58
Total shareholders' equity	17,028,658.76	17,998,033.91	7,757,577.12	8,361,959.77	(1,557,173.59)	(455,232.88)	242,700.00
Sales revenue	3,180,112.17	2,840,391.54	2,694,378.81	980,193.90	659,986.11	-	-
Net Profit (loss)	(969,375.15)	(759,543.21)	(604,382.65)	(1,830,866.64)	(1,101,940.71)	(697,932.88)	(7,300.00)

**Remark: Financial Information have not been prepared by the management of DKW.*

Total Value of Consideration and Payment : Purchasing price for DKW shares in the amount of 160,998 shares with a par value of THB 100 per share, including the outstanding debts, at THB 20,500,000 which is the purchase price agreed between the Buyer and the Seller according to the terms and conditions of the Share Sale and Purchase Agreement in DKW.

Nevertheless, subject to the completion as specified under the DKW Share Sale and Purchase Agreement, the Buyer agrees to accept rights, duties, and



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obligations of DKW which would be incurred from the business operations of DKW, including but not limited to assets, liabilities, accounting profits or losses from the business operation of DKW and business status of DKW from 1 December 2022 onwards.

Total Value of Acquired or Disposed Assets : Shares in DKW in the amount of 160,998 shares with a par value of THB 100 per share, which is equivalent to 69.99 percent of the total issued and paid-up shares in DKW.

Basis of Determination of the Value of Consideration : Price agreed between the Buyer and the Seller. In this regard, the Company has considered the value of the sale shares using the Discounted Cash Flow Approach based on the assumptions of the valuation of business operation conducted by Orion Advisory Company Limited, which is the Company's financial advisor. [The financial advisor has evaluated the business value as of 16 November 2022 according to the internal financial statements of DKW which ended on 30 September 2022.](#) In this regard, the fair value of 100 percent of DKW as assessed from the aforementioned method is in the range of THB 23.71 - 26.80 million and the fair value of 69.99 percent of DKW is in the range of THB 16.59 - 18.76 million with the assumption of cash flow projections of 5 years. The discount rate of DKW is in the range of 8.78 -9.78 percent. When taking into account the potential business plan competitiveness including the future growth of DKW.

Expected Benefits to the Company : The restaurant of DKW has generated the main revenue from selling breakfast meals to the customers who stay at the hotel, which hotel room users are uncertain from the change in tourist groups and also relying on the tourism industry. However, it can be seen that the recovery of the tourism industry and the number of tourists are still uncertain from factors that pressure inflation and lower consumer purchasing power due to fragile economic conditions. As a result, it affects the number of tourists who will use the hotel service and the rate of tourism spending. At the time that the Company was making the decision to invest in this business, the Company expected that the epidemic of the new strain of Coronavirus 2019 (COVID-19) which the situation became better and improved, so it should not materially affect such investment in DKW. However, as this situation is out of the Company's control, [when examining DKW's internal financial statements, it was](#)



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found that the total monthly income was lower than about 15 percent during such epidemic, the SOMERSET RAMA 9 Hotel was used as an alternative state quarantine, which caused the postponement of the opening of Jardin Du Boeuf restaurant and that resulted in the increase of construction and decoration cost of the restaurant from the cost that the Company estimated (Cost Overrun). In addition, in order to open new branch, the Company needs more investment for construction at least THB 10 million per new branch, and additional budget for marketing and building brand awareness which the Company's current performance has insufficient liquidity to carry out the long-term plans that have been laid out and continuously postponed the opening of the Kinki project. Moreover, Thailand's economy has been in the recession period which is the key fact that impact amount of customers staying in the hotel more than the Company's estimation, as the increase amount of tourists is uncertain.

The above factors resulting the performance of DKW from the past incurred loss to the Company until present and is likely to take more time than anticipated in operation until capital return. If it continues to operate, the Company has to suffer further losses from uncertain external factors, especially the revitalization of the tourism industry. Under the circumstances that the Company has a large amount of debt with third parties and the past fundraising plans did not go as expected. In addition, the Company needs cash flow to repay debt in situations where the operating results of many businesses have losses. Therefore, the sale of ordinary shares in DKW will allow the Company to increase financial liquidity for the Company's business operations and to repay debts with third parties including reduce risk related to tourism industry and the Company would obtain funds for expanding of the related and continuing businesses with the Company's current business and/or its subsidiaries to increase revenue and competitiveness, as well as to expand the Company's business operations for the better business performance.

In the past, Investors have explore various businesses within the group of companies to evaluate the business value and study the possibility of investing. However, no investor has expressed interest in investing in La Lune business other



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than Mr. Sirutt Ratanapaitoon (Former CEO of the Company and the director of the Company) expressed interest in DKW's business and proposed to buy DKW business from the Company which DKW is a joint venture between the Company and One Indriya Co., Ltd. ("DK") in which Mr. Sirutt Ratanapaitoon, as the former Chief Executive Officer of the Company, has contacted to negotiate a joint-investment and proceed with the establishment of DKW in the past. If the Company will continue to do business with DK, there may be additional limitations in the interactions and business combinations. When the company has thoroughly considered the proposal and the above reasons. It is of the opinion that the sale of DKW will be in the best interests of the Company in the long run.

Plan for Utilization of Proceeds from the Disposal of Asset : The Company plans to utilize funds received from the Disposal of the Investment in DKW to increase financial liquidity, pay the outstanding debts and utilize such fund as a working capital for the core business operations including business expansion to other potential business scope in the future.

Interested directors and/or connected persons who were not present in the consideration and voting : -None-

Opinions of the Board of Directors : The Board of Directors considered the Disposal of the Investment in DKW which is the subsidiary of the company and deemed that this transaction is an appropriate, reasonable transaction and would provide the most benefits to the Company and the shareholders as clarified in this Information of Memorandum and from the consolation of the financial advisor. In addition, the Board of Directors is of the opinion that the share price under the Disposal of the Investment in DKW is a reasonable price as evaluated by the financial advisor as clarified in this Information of Memorandum and as explained by the financial advisor by considering the current operating result of DKW. In this regard, the Company has invested in DKW according to the shareholding proportion at 69.9991 percent. If calculated from the registered capital of THB 23,000,000, the company has spent funds with DKW in



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the amount of THB 16,100,000 and the money that DKW borrows from the Company in the amount of THB 3,348,907.62 (which consists of a loan with a remaining principal of THB 500,000 and accrued interest of THB 10,210.68 (interest rate of 6 percent calculated until 21 November 2022), advance expenses paid i by the group companies for DKW in the amount of THB 1,853,761.93 and an accrued management fee in the amount of THB 984,935.00) totaling THB 19,448,907.62, which the sale price is at THB 20,500,000. This will make the Company has a profit from selling assets and will not have to bear the burden of additional capital required for business development. Due to the loan that DKW borrowed from the Company in the amount of THB 3,348,907.62, the interest burden from such loan is not as high as DMN's case. Therefore, the Buyer and the Company opine that DKW does not need to carry out a debt-to-equity conversion as in the case of DMN. At present, the Company does not have enough liquidity to carry out the business plan and considering the debts and interests that the Company owed to third parties, and the current performance of the Company that has received the "C" sign, which will affect investor confidence and the Company's ability to raise funds in the future. Therefore, it is necessary to sell for short-term liquidity. Moreover, the Disposal of the Investment in DKW would be the restructuring of the Company's business group for the benefit of operations and future performance of the Company and repay loans to third parties

Opinion of the Audit Committee and/or director which is different from the Company's Board of Directors : The Audit Committee's opinions are not different from those of the Board of Directors.

(3) Disposal of Assets in La Lune Unit Business

Date of the Transaction : The Company (as the Seller) has signed the La Lune Assets Sale and Purchase Agreement to sell assets in La Lune Business Unit including related trademarks with Mr. Sirutt Ratanapaitoon (as the Buyer) on 18 November 2022. The Company expects the Disposal of Assets in La Lune Business Unit would be completed within



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December 2022. However, the Company and the Buyer can agree in writing to postpone the completion date. [If there is a change in the transaction date, the Company will inform later.](#)

- Relevant Parties : Seller: Wow Factor Public Company Limited
Buyer: Mr. Sirutt Ratanapaitoon or the person/juristic person designated by Mr. Sirutt Ratanapaitoon who is not a connected person of the Company
- Relationship with the Company : As of the date of disclosure of this information, the Buyer is not a connected person of the Company. Therefore, it is not considered as a connected transaction according to the Notification on Connected Transactions.
- General Description of the Transaction : The Company will enter into a disposal of assets related to the La Lune business unit, including related trademarks. There are consisted of main assets such as (1) deposit for rental of macaron dessert shop under La Lune brand (2) assets under construction (3) assets used in pop-up stores and branches and (4) Trademarks. La Lune Business Unit is a business of BCT, a subsidiary of the Company. The total purchase and sale price of such assets and trademarks is THB 6,500,000 (VAT included) which is the purchase price agreed between the Buyer and the Seller according to the terms and conditions under the asset sale and purchase agreement of the La Lune business. After Disposal of Assets in La Lune Business Unit, BCT will continue to operate its other businesses.
- Calculation of the Transaction Size : The Disposal of Assets in La Lune Business Unit is considered as disposal of the Company's assets in BCT in accordance with Notifications on Acquisition or Disposition of Assets. The Company uses the reviewed Company's financial statements, as of 30 September 2022, to calculate the transaction size, the details as follows:



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Basis of Transaction Size Calculation	Transaction Size (percent)
1. Net Tangible Assets*	N/A
2. Net Operating Profits*	N/A
3. Total Value of Consideration	0.45
4. Value of Securities issued for the payment of assets	This is not applicable because the Company issues no securities.

Remark The financial information of BCT is used to calculate the transaction size based on the financial statements ended in 31 December 2021, which have been audited by a certified public accountant.*

Details of Disposed Assets : Dispose of assets including trademarks related to the La Lune business, which is macaron dessert brand operating by BCT, a subsidiary of the Company. The main types of assets to be disposed of by the Company can be categorized as follows:

1. Deposit for rental of macaron dessert shop under La Lune brand
2. Assets under construction
3. Assets used in both Pop Up stores and branches are:
 - 3.1 Shop improvement
 - 3.2 Kitchen equipment
 - 3.3 Computer and equipment
 - 3.4 Software Program
 - 3.5 Office equipment
4. Trademarks



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Total Value of Consideration and Payment : The Company will enter into the sale of assets related to the La Lune business unit, including related trademarks, totaling THB 6,500,000 (VAT included), which is the price agreed between the Buyer and the Seller. According to the terms and conditions under the La Lune Assets Sale and Purchase Agreement. The Company will receive payment for the purchase price of such assets from the buyer which is the Buyer within December 2022 or any other date as agreed by the Company and the Buyer.

Nevertheless, subject to the completion as specified under the La Lune Assets Sale and Purchase Agreement, the Buyer agrees to accept rights to claim related to the assets in La Lune business unit or any warranty from manufacturer(s) including accounting profits or losses from the operation of macaron dessert business under La Lune brand from 1 December 2022 onwards.

Total Value of Acquired or Disposed Assets : Assets related to the La Lune business unit, including related trademarks with total value of THB 6,500,000 (VAT included) which is share purchase price of La Lune business unit.

Basis of Determination of the Value of Consideration : Price agreed between the Buyer and the Seller. In addition, the Company has considered the value of the shares using the Discounted Cash Flow Approach based on the assumptions from valuation of La Lune business unit conducted by Orion Advisory Company Limited, which is the Company's financial advisor. [The financial advisor has evaluated the business value of La lune as of 16 November 2022 according to the internal financial statements of BCT ended on 30 September 2022.](#) In this regard, the fair value of 100 percent of La Lune business unit as assessed from the aforementioned method is in the range of THB 5.61 - 5.81 million with the assumption of cash flow projections of 5 years. The discount rate is in the range of 8.78 - 9.78 percent. When taking into account the potential business plan competitiveness including the future growth of La Lune unit business.

Expected Benefits to the Company : Macaron dessert business under La Lune brand is the brand that the Company has created and managed after the Company was engaged to manage the same type of dessert (macaron) under other brand. After the expiration of such engagement agreement, the Company viewed that during the terms that the Company provided



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the service to manage of other macaron brand, consumers' trends in macaron dessert was very high. The Company, therefore, created its own brand i.e. La Lune with the expectation that it would generate sales and has the same performance as it managed other macaron brand. However, consumers' trends in macaron dessert is a short term trend and rapidly decreased. Therefore, if the Company would like to remain customers base and sales in La Lune business unit, more investment for marketing and building of brand awareness including construction of permanent shop in addition to pop up stores. In this regard, after the Company obtained an interesting offer, the Company, therefore, would like to dispose of assets in La Lune unit business to reduce investment obligation in the future and in order to utilize funds received from the disposal to expand other brands that are stronger in term of marketing and more popular than La Lune brand. Currently, the Company has invested in assets for business operations and deposit for branch rental with the total amount of more than THB 4.4 million (cost price) and selling assets at a price of THB 6.07 million (from the price including VAT at THB 6.5 million). Therefore, the selling price generates profits from the sale of the Company's assets. In addition, the forecast of La Lune operation tends to incur loss due to uncertainty of the economy and purchasing power of consumers. While the Company is under the situation that the company has a lot of debt with third parties and the previous fundraising plans did not go as expected. In addition, the company needs cash flow to repay debt in situations where the operating results of many businesses have losses.

Although the La lune business is a business unit that the company has been operating for a relatively short time, but the Company received an offer to purchase the La Lune from Mr. Sirutt Ratanapaitoon (former CEO of the Company) at an attractive price and condition. The assets of the La Lune business were sold at a price that would allow the Company to profit from the sale of the assets. According to the terms of the La Lune Asset Sale and Purchase Agreement, the Company is not restricted to operate the macaron dessert business. Therefore, after the sale of the La Lune business, the Company will continue to operate the macaron confectionery business under other brands to replace La Lune in the future. The Company, therefore, sees that the disposition of the La Lune business will provide



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liquidity to its business operations. The Company will receive fund to increase financial liquidity for the Company's business operations and can be used to repay debts to third parties of the Company to restructure the Company's debt including expanding of the related and continuing businesses with the Company's current business and/or its subsidiaries to increase revenue and competitiveness, as well as to expand the Company's business operations for the better business performance.

Plan for Utilization of Proceeds from the Disposal of Asset : The Company plans to utilize funds received from the Disposal of Assets in La Lune Unit Business to increase financial liquidity and utilize such fund as a working capital for the core business operations including business expansion to other potential business scope in the future.

Interested directors and/or connected persons who were not present in the consideration and voting : -None-

Opinions of the Board of Directors : The Board of Directors considered the Disposal of Assets in La Lune Business Unit including related trademarks and deemed that this transaction is an appropriate, reasonable transaction and would provide the most benefits to the Company and the shareholders as clarified in this Information of Memorandum, together with the opinion of the financial advisor. In addition, the Board of Directors is of the opinion that the purchase price of assets under the Disposal of Assets in La Lune Business Unit and related trademarks, as evaluated by the financial advisor is reasonable based on the current performance of the La Lune business unit, which is a new brand of BCT that has been operating since July 2022. Thus, it is the business that still needs funds to expand its business in terms of marketing, building brand awareness including branch expansion, in order to keep customer base and sales. The Company currently does not have enough liquidity to carry out the business



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plan, however, with the debt and interest costs that the Company has to third parties and the current performance of the company that has received the “C” sign. It will affect investor confidence and the company's ability to raise funds in the future. Therefore, it is necessary to sell such La Lune Assets for short-term liquidity. In addition, the price offered by the Buyer is the profitable price. Although the company has been operating La Lune for a short time. Therefore, in order to reduce the capital burden that must be reserved by the Company for business operation, the Disposal of Assets in La Lune Business Unit to increase cash flow is an alternative to do business during the period that the Company needs financial liquidity.

The Disposal of Assets in La Lune Business Unit will result in a better overall of financial position and increase liquidity and can be used to repay loans to third parties so that the Company have more funding from the disposal of such assets as working capital for the Company's main business operations as well as being a source of funds for expanding the Company's business to other potential businesses in the future.

Opinion of the Audit Committee and/or director which is different from the Company's Board of Directors : The Audit Committee's opinions are not different from those of the Board of Directors.



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Please be informed accordingly,

Sincerely yours,

Wow Factor Public Company Limited

-signed-

(Miss Saowanee Khaoubol)

Director / Acting Chief Executive Officer
and Deputy Chief Executive Officer