



SET.001/2023

3 January 2023

Re: Notification of the resolution of the Board of Directors' Meeting No. 15/2022 re: the acquisition of ordinary shares in Pico Solution (Thailand) Company Limited.

To: President

The Stock Exchange of Thailand

Enclosure: Information Memorandum on the Acquisition of Assets by AQ Estate Public Company Limited

AQ Estate Public Company Limited (the “**Company**”) would like to notify the resolution of the Board of Directors' Meeting No. 15/2022, held on 30 December 2022, resolved to approve the acquisition of ordinary shares in Pico Solution (Thailand) Company Limited. (“**PICO**”), a limited company incorporated in Thailand, which engages in a provincial retail credit provision service which is under supervision and other loan provision. The Company, or Allied Technologies International Co., Ltd., the Company's subsidiary in which the Company holds a 100 percent of the total shares, will purchase 324,014 existing shares, representing 10.80 percent of the shares of PICO from NOVA Asia Company Limited, which is a current shareholder and/or the juristic person designated by the current shareholders (“**Seller**”), at the purchase price of THB 152 per share, which is equivalent to THB 49,250,128 (“**Share Purchase Price**”). NOVA Asia Company Limited is a subsidiary of META Corporation Public Company Limited, which holds 99.99 percent of the total shares of NOVA Asia Company Limited.

The proposed transaction does not constitute a connected transaction under the Notification of the Capital Market Supervisory Board No. TorChor. 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 Transaction B.E. 2546 (as amended) (“**Connected Transaction Notifications**”), but it constitutes an acquisition of assets, pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed to be an Acquisition or a 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 (as amended) (“**Acquisition or Disposition Notifications**”). The transaction size of such transaction, calculated based on the reviewed consolidated financial statements of

the Company for a period of nine months ending on 30 September 2022, based on the total value of consideration criterion, which gives the highest transaction value, is 0.79 percent. However, the Company also had two other asset acquisition transactions over the past six months, prior to the date on which the Board of Directors resolved to approve the subject transaction, as follows:

1. The acquisition of 500,000 ordinary shares in MSCW Company Limited, representing 100 percent of its total shares. The investment amount did not exceed THB 175,000,000, and the transaction size calculated based on the net tangible asset value criterion was 3.62 percent;
2. The acquisition of 1,000,000 ordinary shares in Egronix Company Limited, representing 100 percent of its total shares. The investment amount was THB 1,200,000, and the transaction size calculated based on the total consideration value criterion was 19.39 percent;

In this regard, as the aggregate transaction size of the subject transaction, and the above two assets acquisition transactions, calculated based on the total consideration value criterion, which gives the highest transaction value, is 23.09 percent, the subject transaction is deemed a Class 2 transaction under the Acquisition or Disposition Notifications, i.e. a transaction in which the transaction size is equal to or more than 15 percent, but less than 50 percent. The Company is therefore required to disclose information on the transaction to the Stock Exchange of Thailand (“SET”), and send a circular to the shareholders within 21 days from the date of such information disclosure to the SET.

The Company would like to disclose information on the subject transaction to the SET, in accordance with the Acquisition or Disposition Notifications, as detailed in the Enclosure.

Please be informed accordingly.

Sincerely yours

(Mr.Chamnarn Wangtal)

Director

(Mr.Voravut Laithuamthaweekul)

Director

A Q E S T A T E

**INFORMATION MEMORANDUM ON THE ACQUISITION OF ASSETS
BY AQ ESTATE PUBLIC COMPANY LIMITED**

The Board of Directors' Meeting No. 15/2022 of AQ Estate Public Company Limited ("**Company**"), held on 30 December 2022, resolved to approve the acquisition of ordinary shares in Pico Solution (Thailand) Company Limited. ("**PICO**"), a limited company incorporated in Thailand, which engages in a provincial retail credit provision service which is under supervision and other loan provision. The Company, or Allied Technologies International Co., Ltd., the Company's subsidiary in which the Company holds a 100 percent of the total shares, will purchase 324,014 existing shares, representing 10.80 percent of the shares of PICO from NOVA Asia Company Limited, which is a current shareholder and/or the juristic person designated by the current shareholders ("**Seller**"), at the purchase price of THB 152 per share, which is equivalent to THB 49,250,128 ("**Share Purchase Price**"). NOVA Asia Company Limited is a subsidiary of META Corporation Public Company Limited, which holds 99.99 percent of the total shares of NOVA Asia Company Limited.

The proposed transaction does not constitute a connected transaction under the Notification of the Capital Market Supervisory Board No. TorChor. 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 Transaction B.E. 2546 (as amended) ("**Connected Transaction Notifications**"), but it constitutes an acquisition of assets, pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed to be an Acquisition or a 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 (as amended) ("**Acquisition or Disposition Notifications**"). The transaction size of such transaction, calculated based on the reviewed consolidated financial statements of the Company for a period of nine months ending on 30 September 2022, based on the total value of consideration criterion, which gives the highest transaction value, is 0.79 percent. However, the Company also had two other asset acquisition transactions over the past six months, prior to the date on which the Board of Directors resolved to approve the subject transaction, as follows:

1. The acquisition of 500,000 ordinary shares in MSCW Company Limited, representing 100 percent of its total shares. The investment amount did not exceed THB 175,000,000, and the transaction size calculated based on the net tangible asset value criterion was 3.62 percent;
2. The acquisition of 1,000,000 ordinary shares in Egronix Company Limited, representing 100 percent of its total shares. The investment amount was THB 1,200,000, and the transaction size calculated based on the total consideration value criterion was 19.39 percent;

In this regard, as the aggregate transaction size of the subject transaction, and the above two assets acquisition transactions, calculated based on the total consideration value criterion, which gives the highest transaction value, is 23.09 percent, the subject transaction is deemed a Class 2 transaction under the Acquisition or Disposition Notifications, i.e. a transaction in which the transaction size is equal to or more than 15 percent, but less than 50 percent. The Company is therefore required to disclose information on the transaction to the Stock Exchange of Thailand (“SET”), and send a circular to the shareholders within 21 days from the date of such information disclosure to the SET.

The Company would like to disclose information on the subject transaction to the SET, in accordance with the Acquisition or Disposition Notifications, as follows:

1. Information Disclosed per List 1

1.1 Date, Month and Year in which the Transaction Occurs

After the meeting of the Board of Directors has approved entry into the transaction, the Company, or its subsidiary, will execute a share purchase agreement (“SPA”) with the Seller within December 2022. The completion of the transaction is expected to take place within March 2023 after all the conditions precedent under the SPA are fulfilled, or waived, by the relevant parties, and the completion obligations under the SPA have been undertaken (“Completion Date”).

The Company or its subsidiary will acquire 324,014 ordinary shares of PICO, resulting in the Company or its subsidiary holding shares in PICO in the amount of 10.80 percent of the total shares in PICO.

1.2 Contractual Parties and their Relationships with the Company

Purchaser	:	AQ Estate Public Company Limited, or the subsidiary designated by the Company
Seller	:	NOVA Asia Company Limited, and/or the juristic person designated by NOVA Asia Company Limited
Relationship with the Company	:	The Seller does not have any relationship with the Company, and nor is it the Company’s connected person. The Seller is a subsidiary of META Corporation Public Company Limited, which holds 99.99 percent of the total shares of NOVA Asia Company Limited.

1.3 General Characteristics and Transaction Size

1.3.1 General Characteristics

The Company or its subsidiary will purchase 324,014 ordinary shares, representing 10.80 percent of the total shares in PICO from the Seller. The key terms and conditions of the drafted SPA are set out below.

- Key Conditions Precedent** : 1) There must be no event having, or capable of having, a material adverse change to the business operations or financial condition of PICO.
- 2) There is no law or governmental action forbidding the sale and purchase of the shares.
- 3) The sale and purchase transaction must obtain approval from its Board of Directors..

1.3.2 Transaction Size

According to the draft SPA, the Company, or its subsidiary, and the Seller have agreed to fix the Share Purchase Price at THB 152 per share, which is equivalent to THB 49,250,128 in total.

The Company has calculated the transaction size of the subject transaction under the Acquisition or Disposition Notifications, based on the reviewed financial statements of the Company for a period of nine months ending on 30 September 2022. The details are as follows:

Calculation Criterion	Calculation Method
1. The net tangible asset (NTA) value criterion	= (NTA of the investments in PICO × proportion acquired) × 100 / NTA of the Company
	= 0.37%
2. The net profit from operating results criterion	= (Net operating profit of PICO × proportion acquired) × 100 / Net operating profit of the Company
	= Can not be calculated
3. The total consideration value criterion	= Total value of consideration paid × 100 / Total assets of the Company

Calculation Criterion	Calculation Method
	= 0.79%
4. The equity issued as consideration for the assets criterion	= Number of shares issued as consideration for the assets × 100 / Number of paid-up shares of the Company
	= This criterion is not applicable, as the Company is not issuing any equity as consideration for the assets.

The transaction size of such transaction, calculated based on the total consideration value criterion, which gives the highest transaction value, is equivalent to 0.79 percent. However, the Company had two other assets acquisition transactions within the past six months, prior to the date on which the Board of Directors resolved to approve such transaction, as follows:

1. The acquisition of 500,000 ordinary shares in MSCW Company Limited, representing 100 percent of its total shares. The investment amount did not exceed THB 175,000,000, and the transaction size, calculated based on the net tangible asset value criterion, was 3.62 percent;

2. The acquisition of 1,000,000 ordinary shares in Egronix Company Limited, representing 100 percent of its total shares. The investment amount was THB 1,200,000, and the transaction size, calculated based the total consideration value criterion, was 19.39 percent;

In this regard, as the aggregate transaction size of the subject transaction and the above two assets acquisition transactions, calculated based on the total consideration value criterion, which gives the highest transaction value, is 23.09 percent, the subject transaction is deemed a class 2 transaction under the Acquisition or Disposition Notifications, i.e. a transaction in which the transaction size is equal to or more than 15 percent, but less than 50 percent. The Company is therefore required to disclose information on the transaction to the SET, and send a circular to the shareholders within 21 days from the date of such information disclosure to the SET.

1.4 Details of the Assets Acquired

Upon completion of the transaction, the Company, or its subsidiary, will hold 324,014 ordinary shares, representing 10.80 percent of the total shares in PICO. The key information about PICO is as follows:

Name	Pico Solution (Thailand) Co., Ltd.
Date of incorporation	1 September 2017
Registration number	0105560147850
Type of business	Engaging in a credit provision business, which has been authorized by the Finance Ministry
Registered address	The Ninth Towers Grand Rama 9, Tower A, 36th Floor, 33/4 Huay Khwang Subdistrict, Huay Khwang District, Bangkok
Registered capital	THB 300,000,000
Paid-up capital	THB 300,000,000, divided into 3,000,000 ordinary shares, with a par value of THB 100 per share

1.4.1 Nature of the Business

PICO is a limited company incorporated in Thailand. Its core business is to engage in a provincial retail credit provision service under supervision and other credit provision. PICO has obtained a permit to engage in a provincial retail credit under supervision business, in accordance with the Notification of the Finance Ministry Re: Business Subject to Approval According to Clause 5 of the Revolutionary Council Decree No. 58 (Re: Provincial Personal Loans under Supervision), dated 4 October 2016.

1.4.2 Key Financial Information

The key financial information of PICO is based on its audited financial statements for the years ending on 31 December 2019, 2020 and 2021, whereby the details can be summarized as follows:

Summary of the statement of the financial position

Unit: THB million	The year ending on 31 December		
	2019	2020	2021
Assets			
Current assets	80.92	97.59	111.99
Non-current assets	20.19	13.20	14.64
Total Assets	101.10	110.79	126.63
Liabilities			
Current liabilities	43.78	52.67	22.83
Non-current liabilities	1.17	1.71	1.29

Unit: THB million	The year ending on 31 December		
	2019	2020	2021
Total liabilities	44.95	54.39	24.12
Total shareholder equity	56.16	56.40	102.51

Summary of the profit-loss statement

Unit: THB million	The year ending on 31 December		
	2019	2020	2021
Revenues			
Revenues from interest income	24.45	17.01	17.88
Other incomes	1.60	0.23	0.50
Total revenues	26.05	17.24	18.38
Expenses			
Cost of services	1.68	1.63	2.99
Administrative expenses	11.98	8.34	9.83
Total expenses	13.66	9.97	12.83
Profit (Loss) before finance cost and income tax	12.39	7.27	5.55
Finance cost	(11.65)	(6.76)	(4.20)
Profit (Loss) before income tax	0.74	0.51	1.35
Income tax	(0.09)	(0.04)	(0.24)
Net Profit	0.65	0.46	1.11

1.4.3 Board of Directors and Shareholders

Board of Directors

1. Mr. Kittinan Mutitanon
2. Mr. Pongkrit Soontrarachoon
3. Mr. Sanga Tantiamornpong
4. Mr. Supatat Jindawanich

Shareholders

Name	Before the transaction		After the transaction	
	No. of Shares	Percent	No. of Shares	Percent
1. NOVA Asia Company Limited	2,999,998	100	2,675,984	89.20
2. Mr. Supatat chindavanich	1	0	1	0

Name	Before the transaction		After the transaction	
	No. of Shares	Percent	No. of Shares	Percent
3. Mr. Supasit pokinjaruras	1	0	1	0
4. The Company	-	-	324,014	10.80
Total		100.00		100.00

1.5 Total Value of Consideration and Payment Terms

1.5.1 Total Value of Consideration

The total value of consideration for the transaction will not exceed THB 49,250,128.

1.5.2 Payment Terms

1.6 The Company has agreed to pay the Share Purchase Price to the Seller and will deem that the deposit already placed is part of the Share Purchase Price on the Completion Date. Value of the Assets Acquired

The value of the shares in PICO acquired by the Company as a result of the transaction will be equivalent to the total value of consideration as detailed in Item 1.5.1.

1.7 Basis Used to Determine the Value of Consideration

The basis used to determine the value of consideration for the transaction is derived from the purchase price negotiated and agreed between the Company and the Seller. Moreover, the Company has determined the Share Purchase Price by Net Present Value of Cashflow according to the opinion of the financial advisor as it is the method that take into consideration of the past operation result and the business operation of PICO and the continue trend of the condition of the economy to the future. The Net Present Value of Cashflow of the ordinary shares on PICO is equal to THB 491.49 million or value of share of THB 163.82 per share.

1.8 Expected Benefits of the Company

It is expected that the transaction will allow the Company to obtain the following benefits:

1. Increase the opportunity to generate revenues and returns to the Company in the long run, since PICO's business has the potential and opportunity to grow and create value for the Company in the future.

2. Diversify the Company's investment risks from the Company's core business, which is a real estate and hotel business, which has been severely affected by the COVID-19 pandemic, to a credit business. This

transaction will result in a synergy with MSCW Company Limited, which operates a personal loan business, which has been authorized by the Finance Ministry and is supervised by the Bank of Thailand. The transaction will help promote the Company's potential to create stability for its business operations, and generate returns and benefits for all shareholders of the Company in the long run.

1.9 Risks involved with the Transaction

1. Risks from PICO's failure to achieve the expected operating results. However, the Company has already invested in the lending business which has expertise and able to manage well. Therefore, the Company can monitor PICO's performance closely which the risk can be minimized as well.
2. Competitive risk is regarded as a normal business risk because there are various competitors in lending businesses such as financial institutions, private businesses and informal loans which cause the competition to be quite high.

1.10 Source of Funds

The Company will use its own internal funds, or its working capital, in this transaction.

1.11 Conditions of the Transaction

The conditions of the transaction are detailed in Item 1.3 of this Information Memorandum.

1.12 Opinion of the Board of Directors

At the Board of Directors' Meeting No. 15/2022, the Board of Directors was of the opinion that the acquisition of ordinary shares in PICO would increase the Company's opportunity to generate revenue and returns in the long run, and diversity the Company's investment risks from a real estate and hotel business to a credit business, after the synergy with MSCW Company Limited. After taking into consideration the Share Purchase Price appraised by the financial advisor of the Company, as detailed in Item 1.7, the Board of Directors unanimously resolved to approve the transaction since it considered and viewed that the transaction and the value of consideration was appropriate, reasonable, and beneficial to the Company and its shareholders in the long run.

1.13 Opinion of the Audit Committee

The Audit Committee did not have a different opinion from that of the Board of Directors mentioned in Item 1.12 above.