



L-WAVE ENT 15/2566

10 March 2023

**Subject** Information on the sales of ordinary shares of The Megawatt Company Limited (Pursuant to Schedule 1 and 2)

**Attention** The President  
The Stock Exchange of Thailand

Wave Entertainment Public Company Limited (the "**Company**") would like to inform that the Board of Directors meeting no. 03/2023 held on 10 March 2023 has resolved to approved the 12.15% sales of the Megawatt Co., Ltd ("**Megawatt**") ordinary shares, a total of 2,850,000 shares with Par price 100 Baht, at a selling price of 115 Baht per share, a total value of 327,750,000 Baht to Begistics Public Company Limited ("**Purchaser**"). This transaction is under the condition that Purchaser needs to make full amount of payment in cash and the fund is from the issuance of newly issued ordinary shares of the purchaser which will need the approval from Purchaser's Annual General Meeting of Shareholders to issue newly issued ordinary shares **or** other source of funds the purchaser could find to make this transaction payment. After the Company received the payment, the Company will proceed shares transfer process according to share purchase agreement.

Hence, the Board of Director has resolved to approve the Executive Committee and/or the Chief Executive Officer and/or any person authorized by the Chief Executive Officer to have the power to negotiate and determine the details, terms and conditions and other procedures for the benefits of the sales of shares and the entry into shares purchase agreement and any other documents related thereto and the power to perform any acts which are necessary and appropriate for the above matter.

This transaction is considered as a sale of assets pursuant to the Notification of Capital Market Supervisory Board No. Tor. Jor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated 31 August 2008, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposal of Assets B.E. 2547 (2004) dated 29 October 2004 (as amended) ("**Acquisition and Disposal of Assets Notifications**") has the highest value of 27.0875% based on the consideration method. In addition, during the past 6 months, the Company had one disposal transaction which equals to 0.0968%. This transaction is considered as a disposal of assets with the value exceed 15% but lower than 50%. The total value of transaction including transaction in the past 6 months is 28.18%, therefore, the Company is subject to the obligation to comply with the Acquisition and Disposal of Assets

Notifications to report information and disclose to the Stock Exchange of Thailand (“SET”) and send the circular notice to shareholders within 21 days from the day that the company has notified SET with required minimum information.

Before enter into this transaction, in the past 6 months, the Company has 1 sale of assets transaction value 0.0968%

No.	Description of sale of assets transaction	Transaction Size
1.	The Board of Directors' Meeting of the Company No.9/2022, which was held on 15 December 2022 had the resolution to approve a sale of Wave ESG Co., LTD's ordinary shares of 74,950,200 or 90% of its registered and paid up capital with the value of Baht 649,900	0.0968

	Method	Calculation Formula	Transaction Size
1.	Net tangible assets method	$\frac{\text{Net tangible asset of the disposed company} \times 100}{\text{Net tangible asset of the Company}} = \frac{12.15 \times 892,806,189}{217,525,497} \times 100$	16.69%
2.	Net profit method	$\frac{\text{Net profit of the disposed company} \times 100}{\text{Net profit of the Company}}$	N/A <sup>1</sup>
3.	Consideration Method	$\frac{\text{Total consideration paid} \times 100}{\text{Total assets of the Company}} = \frac{327,750,000 \text{ Baht} \times 100}{1,209.97 \text{ Million Baht}}$	27.0875%
4.	Value of newly issued shares as consideration method	$\frac{\text{Number of shares issued as consideration} \times 100}{\text{Number of issued and paid-up shares of the Company}}$	N/A <sup>2</sup>
		<b>The highest transaction size</b>	<b>28.0875%</b>

Remark <sup>1</sup> Unable to calculate this method as the Company incurred net loss according to the consolidated financial statements of the Company ended 31 December 2022

<sup>2</sup> Unable to calculate this method as the Company does not issue any new shares.

The Company would like to notify the Information of such transaction as follows:

#### 1. Information disclosed under the Notification on Acquisition or Disposition of Account 1.

##### (1) Date of Entering into the transaction

The Company will enter into the share purchase agreement with the purchaser which expected to be completed by the end of 2023

##### (2) Related Contractual Parties and Relationship with the Listed Company

Parties : Begistics Public Company Limited

Disposal Asset : 2,850,000 Ordinary Shares with par value of 100 Baht. A total of 12.15% of Megawatt's paid-up share capital, selling at 115 Baht per share, a total value of 327,750,000 Baht

Relationships with buyers and sellers : The Purchaser and the Company have no relationship to be considered as a connected person according to Notification of the Capital Market Advisory Board No. Tor Jor. 21/2551, Re: Rules on Connected Transactions dated 31 August 2008, and the Notification of the Board of Governors of the Stock Exchange of Thailand, re: Disclosure and Acts of Listed Companies on Connected Transactions B.E. 2546 (2003) dated 19 November 2003 (and as amend).

#### 2.1 General Information of Begistics Public Company Limited As of March 10, 2023

Company Name	Begistics Public Company Limited
Industry Group	The Company provide comprehensive logistics services including berths, warehouses, cargo handling, road transport, crane rental services. International Freight Forwarding Services and customs clearance services
Company Address	52 Thaniya Plaza Building 28th Floor, Silom Road, Suriyawongse, Bangrak Bangkok
Registration Number	0107545000357
Registration Date	19 November 2002
Registered Capital (Baht)	3,093,442,070.20
Paid-up Capital (Baht)	2,352,976,255.32

#### 2.2 List of Begistics Public Company Limited's Shareholders As of 29 August 2022

No.	Name - Surname	Number of Shares (Par 100 Baht/Share)	% of total shares
1	Ms. Tanika Tangpoonphonvivat	244,834,699	7.08
2	Millcon Steel Public Company Limited	194,768,833	5.63
3	Mr. Sittichai Leeswadtrakul	108,233,333	3.13
4	Mrs. Areerat Leeswadtrakul	101,737,000	2.94
5	Thai NVDR Co., Ltd	56,384,249	1.63
6	Mr. Narongchai Simaroj	43,000,000	1.24
7	Mr. Kamjad Ramakul	42,550,000	1.23
8	Mr. Thananon Triamchanchai	40,400,000	1.17
9	Mr. Manit Chatsuwavilai	24,797,900	0.72
10	Mr. Dhavaj Tantimedh	23,000,000	0.66
	<b>Total</b>	<b>879,706,014</b>	<b>25</b>

2.3 List of Begistics Public Company Limited's Director As of March 10, 2023

No.	Name - Surname	Position
1	Pol.Lt.Gen. Somkid Boontanom	CHAIRMAN OF THE BOARD
2	Ms. Suttirat Leeswadtrakul	1ST VICE CHAIRMAN
3	Mr. Panya Boonyapiwat	CHAIRMAN OF THE EXECUTIVE COMMITTEE, CHIEF EXECUTIVE OFFICER, DIRECTOR
4	Mr. Pairoj Waiwanijchakij	DIRECTOR
5	Mr. Smith Leammanee	INDEPENDENT DIRECTOR, AUDIT COMMITTEE
6	POL. MAJ. GEN. Prapass Piyamongkol	2ND VICE CHAIRMAN, INDEPENDENT DIRECTOR, CHAIRMAN OF THE AUDIT COMMITTEE
7	Mr. Jakkarat Lertopas	INDEPENDENT DIRECTOR
8	Ms. Chayasinee Tientong	INDEPENDENT DIRECTOR, AUDIT COMMITTEE

2.4 Financial Highlight

Unit : Thousand Baht

Balance Sheet			
	For the year ended 31 December		
	2022	2021	2020
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6,541	19,705	6,394
Trade and other current receivables - net	218,863	166,529	159,927
Installment accounts receivable within 1 year	1,999	-	-
Short-term loans to unrelated parties and interest receivable - net	6,109	200	97,030
Current tax assets	-	-	5,338
Other current financial assets	-	-	9,000
Other current assets	6,888	5,971	785
<b>Total Current Assets</b>	<b>240,400</b>	<b>192,405</b>	<b>278,474</b>
<b>Non-Current Assets</b>			
Other non-current financial assets	50,000	50,000	150,182
Bank deposits with restriction	1,623	1,695	47,788
Investment in associate	1,263,776	435,891	52,931
Long term loans and interest to associate	-	109,085	-

<b>Balance Sheet</b>			
	<b>For the year ended 31 December</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
Long-term loans and accrued interest to other companies	141,040	-	-
Installment accounts receivable	8,774	-	-
Investment properties	58,365	58,365	58,365
Property, plant and equipment - net	280,182	340,391	173,760
Right of use assets - net	189,502	994	153,389
Intangible assets - net	99,463	84,048	1,113
Other non-current assets	80,377	80,354	20,726
<b>Total Non-Current Assets</b>	<b>2,173,102</b>	<b>1,160,824</b>	<b>658,254</b>
<b>Total Assets</b>	<b>2,413,502</b>	<b>1,353,229</b>	<b>936,728</b>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other current payables	110,424	37,104	56,582
Current portion of lease liabilities	31,902	27,521	45,885
Other current liabilities	2,646	2,781	966
<b>Total Current Liabilities</b>	<b>144,972</b>	<b>67,406</b>	<b>103,433</b>
<b>Non-Current Liabilities</b>			
Lease liabilities - net	72,059	82,000	207,093
Employee benefit obligation	1,938	1,735	1,315
Other non-current liabilities	26,977	27,037	300
<b>Total Non-Current Liabilities</b>	<b>100,974</b>	<b>110,772</b>	<b>208,708</b>
<b>Total Liabilities</b>	<b>245,946</b>	<b>178,178</b>	<b>312,141</b>
<b>Equity</b>			
Share Capital			
Authorized share capital	3,093,442	1,743,079	1,475,536
Issued and paid-up share capital	2,352,976	1,437,832	904,020
Share (discount) premium	(272,294)	(267,007)	(97,025)
Retained earnings (deficits)			

<b>Balance Sheet</b>			
	<b>For the year ended 31 December</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
Appropriated - legal reserve	-	-	-
Unappropriated retained deficits	17,802	(53,905)	(182,421)
Other components of equity	-	-	13
Non-controlling interests	69,072	58,131	-
<b>Total equity</b>	<b>2,167,556</b>	<b>1,175,051</b>	<b>624,587</b>
<b>Total liabilities and equity</b>	<b>2,413,502</b>	<b>1,353,229</b>	<b>936,728</b>

Unit : Thousand Baht

<b>Income Statement</b>			
	<b>For the year ended 31 December</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>REVENUES</b>			
Revenue from services	214,522	216,758	340,832
Interest income	2,873	1,193	4,426
Gain on disposal of fixed assets	12,582	13,580	
Gain on sales of investments in associated companies	82,258	-	-
Gain on disposal of lease rights of a harbour	-	99,727	-
Gain on exchange rate	11,285	17,639	-
Other income	6,688	11,999	4,284
<b>Total revenues</b>	<b>330,208</b>	<b>360,896</b>	<b>349,542</b>
<b>Expenses</b>			
Cost of services	(180,392)	(177,658)	(307,955)
Selling expenses	(761)	(533)	-
Administrative expenses	(89,009)	(82,745)	(68,957)
Doubtful debt	(5,337)	(645)	(4,852)
Financial costs	(5,695)	(8,551)	(12,098)
<b>Total expenses</b>	<b>(281,194)</b>	<b>(270,132)</b>	<b>(393,862)</b>
<b>Shares of profit of associates</b>	<b>19,108</b>	<b>27,456</b>	<b>(12,750)</b>
Profit (loss) before tax	68,122	118,220	(57,070)

<b>Income Statement</b>			
	<b>For the year ended 31 December</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
Income tax (expense) income	(486)	(2,082)	(24)
<b>Net profit (loss) for the year</b>	<b>67,636</b>	<b>116,138</b>	<b>(57,094)</b>
<b>Total income (loss) attributable to :</b>			
Owners of the parent	71,395	116,268	(57,094)
Non-controlling interests	(3,759)	(130)	-
	67,636	116,138	(57,094)

### **(3) The General Characteristics of the Transaction**

#### **3.1 The General Characteristics of the Transaction**

The Company will sell the ordinary shares of Megawatt, a total of 2,850,200 shares with Par price 100 Baht or 12.15% of the paid-up share capital, a total value of 327,750,000 Baht to Begistics Public Company Limited. The size of this transaction has the highest value of 27.0875% based on the consideration method. In addition, during the past 6 months, the Company had one disposal transaction which equals to 0.0968. This transaction is considered as a disposal of assets with the value exceed 15% but lower than 50%. The total value of transaction including transaction in the past 6 months is 28.18%, therefore, the Company is subject to the obligation to comply with the Acquisition and Disposal of Assets Notifications to report information and disclose to the Stock Exchange of Thailand ("SET") and send the circular notice to shareholders within 21 days from the day that the company has notified SET with required minimum information.

#### **3.2 The condition for this Transaction**

Begistics Public Company Limited will make a payment for ordinary share of Megawatt in total value of 327,750,000 Baht by Cash only. Their source of funds is from the issuance of newly issue ordinary share of their company which need an approval from their Annual General Meeting or the other source of fund they could find. When the Company receive full amount of cash, the Company will proceed shares transfer process according to the share purchase agreement.

### **(4) Details of Disposal Assets**

This transaction's disposal asset is the ordinary share of Megawatt. A total of of 2,850,200 shares with Par price 100 Baht or 12.15% of the paid-up share capital, at the value of 115 Baht per share, the total value of 327,750,000 Baht. On March 10, 2023, Megawatt has registered capital of 2,346,000,000 Baht which all amount had been paid-up.

4.1 General Information of The Megawatt Company Limited As of 10 March 2023

Company Name	The Megawatt Company Limited
Industry Group	Alternative energy business in domestic and international
Company Address	52 Thaniya Plaza Building 28th Floor, Silom Road, Suriyawongse, Bangrak Bangkok
Registration Number	0105563058262
Registration Date	03 April 2020
Registered Capital (Baht)	2,346,000,000 (all paid-up)

4.2 List of The Megawatt Company Limited's Shareholders As of 10 March 2023

No.	Name - Surname	Number of Shares (Par 100 Baht/Share)	% of total shares
1	Begistics Public Company Limited	11,500,000	49.02
2	Wave Entertainment Public Company Limited	2,850,000	12.15
3	Suntech Recycle and Decarbon Company Limited	7,000,000	29.84
4	Energy Sources Investment Pte. Ltd.	1,910,000	8.14
5	The Brooker Group Public Company Limited	200,000	0.85
	<b>Total</b>	<b>23,460,000</b>	<b>100.00</b>

4.3 List of The Megawatt Company Limited's Directors As of 10 March 2023

No.	Name – Surname	Position
1	Mr. Jukr Boonlong	Independent Director / Chairman of the Board
2	General Chaiwat Satondee	Independent Director
3	Mr. Sakchai Tanaboonchai	Independent Director
4	Mr. Thammarat Sangchan	Director / Non-Executive Director
5	Ms. Jureerat Lapanavanich	Representative Director from Millcon Steel Public Company Limited
6	Mr. Tawan Boonyawat	Director / Executive Director
7	Ms. Peeraya Pothiprasart	Representative Director from Begistics Public Company Limited
8	Mr. Pairoj Waiwanijchakij	Representative Director from Begistics Public Company Limited



#### 4.4 Financial Highlight

##### (4.4.1) The Megawatt Company Limited

Unit : Baht

Balance Sheet	31-Dec-22
<b>Asset</b>	
<b>Current Assets</b>	
Cash and cash equivalents	23,465,290
Restricted cash at financial Institution	18,251,386
Trade accounts receivable	83,052,496
Other current receivables	53,488,521
Current contract asset	7,446,564
Short term loan to	278,136,736
Other current assets	34,520,781
Real Estate Development Cost	21,564,785
Asset held for sale	145,872,601
<b>Total Current Assets</b>	<b>665,799,159</b>
<b>Non-Current Assets</b>	
Investment in Associate	10,380,159
Advance payment for equity	543,620,000
Property plant and equipment	1,758,469,100
Restricted cash at financial Institution - NCA	4,120,362
Investment properties	129,221,577
Right of use assets	1,462,392
Right to produce electricity	307,785,654
Advance Deposit for Contract	28,000
Other non-current assets	6,820,661
Goodwill	1,537,262,589
<b>Total Non-Current Assets</b>	<b>4,299,170,493</b>
<b>Total Assets</b>	<b>4,964,969,652</b>

Balance Sheet	31-Dec-22
<b><u>Liabilities</u></b>	
<b>Current Liabilities</b>	
Trade accounts payable	42,063,879
Other current payables	59,182,007
Other current liabilities	21,923,142
Current portion lease liabilities	1,119,891
Current portion of long-term loans from financial institutions	235,364,411
Current portion Liabilities under debt restructuring	11,000,000
Short term loan from	370,037,018
Accrued tax	4,646,922
Unbilled Costs of Constructions	523,523
<b>Total Current Liabilities</b>	<b>745,860,792</b>
<b>Non-Current Liabilities</b>	
Long-term loans from financial institutions	1,623,560,421
Lease liabilities	390,018
Employee benefit obligations	1,035,107
Liabilities under debt restructuring	39,594,200
Deferred Tax liabilities	116,177,282
<b>Total Non-Current Liabilities</b>	<b>1,780,757,029</b>
<b>Total Liabilities</b>	<b>2,526,617,821</b>
<b><u>Equity</u></b>	
<b>Share Capital</b>	<b>2,183,500,000</b>
<b>Authorized share capital</b>	
<b>Share Capital - Ordinary Shares</b>	<b>2,183,500,000</b>
Share (discount) premium	-
<b>Retained earnings (deficits)</b>	
Appropriated - legal reserve	-
Unappropriated retained deficits	247,967,175
Minority Interest	6,884,656
<b>Total equity</b>	<b>2,438,351,831</b>
<b>Total liabilities and equity</b>	<b>4,964,969,652</b>

**Income Statement**

Unit : Baht

<b>Income Statement</b>	<b>31-Dec-22</b>
Income	385,969,983
Revenue from Constructions Contracts	33,678,734
Other Income	19,845,012
Gain on foreign exchange	3,364,628
<b>Total Income</b>	<b>442,858,358</b>
<b>Expense</b>	
Selling expenses & Administrative expenses	54,709,299
Cost of sales of goods	134,083,463
Cost of construction	30,079,354
Profit share from a company associates	(1,472,626)
<b>Total Expenses</b>	<b>217,399,490</b>
<b>Profit (Loss) before Financial cost</b>	<b>225,458,868</b>
Financial cost	66,277,348
<b>Profit (Loss) before income tax expense</b>	<b>159,181,520</b>
Income tax expense	11,211,913
<b>Profit (Loss) for the period</b>	<b>147,969,606</b>
<b>Other comprehensive income</b>	-
Defined benefit plan actuarial gains (losses)	-
Income tax on other comprehensive income	-
<b>Profit for the year</b>	<b>147,969,606</b>

(4.4.2) Wave Entertainment Public Company Limited

Unit : Baht

<b>Balance Sheet</b>			
	<b>For the year ended 31 December</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	279,350,821	6,354,998	14,085,878
Financial assets measured at fair value through profit or loss	-	5,000,000	67,002,925

<b>Balance Sheet</b>			
	<b>For the year ended 31 December</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
Financial assets measured at fair value through other comprehensive income	313,350,000	-	-
Trade and other receivables	25,881,273	11,643,307	27,092,321
Prepayment for carbon credit	204,426,552	-	-
Inventories	1,564,190	434,689	10,598,140
Other current assets	21,259,870	10,469,677	23,829,416
Non-current assets classified as held-for-sale	-	196,524,837	295,727,250
<b>Total Current Assets</b>	<b>845,832,706</b>	<b>230,427,508</b>	<b>438,335,930</b>
<b>Non-Current Assets</b>			
Deposits at bank used as collateral	20,250,000	20,250,000	20,500,000
Investments in an associate	-	308,531,732	283,275,601
Building improvement and equipment	44,861,460	25,917,184	71,474,483
Right-of-use assets	57,235,937	66,554,885	160,266,254
Intangible assets	36,554,800	21,369,344	155,219,501
Goodwill	180,000,000	180,000,000	698,143,184
Deferred tax assets	970,697	970,697	33,826,455
Other non-current assets	24,261,217	23,204,988	67,929,906
<b>Total Non-Current Assets</b>	<b>364,134,111</b>	<b>646,798,830</b>	<b>1,490,635,384</b>
<b>Total Assets</b>	<b>1,209,966,817</b>	<b>877,226,338</b>	<b>1,928,971,314</b>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Bank overdrafts	19,053,200	69,262,421	63,512,737
Trade and other payables	46,393,800	37,907,547	96,162,873
Unearned revenue	158,700,284	96,791,653	149,813,364
Accrued expenses	42,901,025	27,286,122	45,834,314
Short-term borrowing from third party		17,500,000	64,500,000

<b>Balance Sheet</b>			
	<b>For the year ended 31 December</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
Current portion of lease liabilities	31,458,233	41,487,964	114,678,390
Current portion of long-term borrowings		125,346,088	203,810,249
Accrued income tax	32,635	20,672	7,854
Other current liabilities	13,103,720	20,097,475	25,380,106
Liabilities related to assets classified	-	208,282,028	-
<b>Total Current Liabilities</b>	<b>311,642,897</b>	<b>643,981,970</b>	<b>763,699,887</b>
<b>Non-Current Liabilities</b>			
Non-current portion of unearned revenue	1,116,164	1,326,392	-
Lease liabilities	27,201,174	26,644,902	54,886,699
Long-term borrowings from financial institutions		59,422,776	241,812,630
Employee benefit obligations	2,325,754	15,580,611	15,829,277
Deferred tax liabilities	-	-	24,355,359
Other non-current liabilities	-	-	9,241,049
<b>Total Non-Current Liabilities</b>	<b>30,643,092</b>	<b>102,974,681</b>	<b>346,125,014</b>
<b>Total Liabilities</b>	<b>342,285,989</b>	<b>746,956,651</b>	<b>1,109,824,901</b>
<b>Equity</b>			
Share Capital			
Authorized share capital	6,406,026,518	1,415,000,000	1,520,842,672
Issued and paid-up share capital	4,318,936,902	785,261,701	<b>785,261,701</b>
Share (discount) premium	(3,141,044,841)	353,617,102	353,617,102
Retained earnings (deficits)			
Appropriated - legal reserve	-	46,795,718	46,795,718
Unappropriated retained deficits	(303,949,872)	(1,045,072,865)	(351,227,734)
Other components of equity	(6,261,361)	(10,331,969)	(15,300,374)
<b>Total equity</b>	<b>867,680,828</b>	<b>130,269,687</b>	<b>819,146,413</b>
<b>Total liabilities and equity</b>	<b>1,209,966,817</b>	<b>877,226,338</b>	<b>1,928,971,314</b>

## Income Statement

Unit : Baht

Income Statement			
	For the year ended 31 December		
	2022	2021	2020
<b>Income</b>			
Revenue from rendering of services	286,095,980	286,037,237	454,976,507
Costs of rendering of services	(247,974,143)	(214,286,349)	(291,265,640)
<b>Gross profit</b>	<b>38,121,837</b>	<b>71,750,888</b>	<b>163,710,867</b>
Other income	14,738,125	46,502,679	7,836,840
Selling expenses	(38,240,180)	(28,926,442)	(39,696,864)
Administrative expenses	(187,797,253)	(102,711,126)	(147,353,052)
Other (loss) income	(13,887,926)	(644,417,663)	(99,275,287)
Finance cost	(13,956,401)	(22,958,240)	(26,459,721)
Share of profit from an associate	10,016,390	25,256,131	(1,724,399)
(Loss) profit before income tax expense	(191,005,408)	(655,503,773)	(142,961,616)
Income tax expense	(58,119)	(32,878,126)	25,184,362
(Loss) profit for the year from continuing operations, net from income tax	(191,063,527)	(688,381,899)	(117,777,254)
Profit (loss) from discontinued operations,	125,255,733	(4,382,669)	(108,979,895)
(Loss) profit for the year	<b>(65,807,794)</b>	<b>(692,764,568)</b>	<b>(226,757,149)</b>

### (5) Total Consideration Value and Payment Condition

After the execution of the share purchase agreement which the parties have successfully agreed, The Company will receive full payment in cash from Begistics Public Company Limited in total value of 327,750,000 Baht. In addition, their source of fund could come from, the newly issue ordinary share of Begistics Public Company Limited which will need the approval from Begistics Public Company Limited's The 2023 Annual General Meeting of Shareholders or other sources of fund. Then, The Company will transfer Megawatt's ordinary shares, A total of 2,850,200 shares with Par price 100 Baht or 12.15% of the paid-up share capital, at the value of 115 Baht per share, the total of 327,750,000 Baht to Begistics Public Company Limited when the condition is completed.

**(6) The Criteria of Determine Consideration Value**

The Company will receive cash amount of 327,750,000 Baht in return for selling 2,850,000 ordinary share of Megawatt. The selling price is not lower than the book value. This investment cost is 285,000,000 Baht. According to the financial statement, the book value of this investment in Megawatt in the Company's Financial statement as of 31 December 2022 is 313,350,000 Baht. Hence, calculating from investment cost, the company will receive total profit of 42,750,000 baht or 15%

**(7) Expected Benefits for the Company from the Transaction**

The Company expected to received full payment amount in cash from the purchaser. Moreover, it will benefit in the income statement as the selling price is higher than the book value. The received fund will be used as a working capital of the Company and carbon credits business.

**(8) Plans for using fund from the payment**

The Company plan to use cash amount of 327,750,000 Baht to use as a working capital and funding to the business of the Company including the full-service carbon credit business consultation for carbon credit buyer and seller, consultation service for developing climate projects assistance in registering carbon credit, internally evaluating service for reducing greenhouse gas and carbon credit trading business, also will procure carbon credit for organizations in Thai and Southeast Asia for their internal offset and developing innovation and climate technology and sustainability technology.

**(9) Opinion of the Board of Directors on the transaction**

The Board of Directors' meeting no 03/2023 on March 10, 2023 considered that the Company will be benefits from this transaction as the Company will receive fund to use in term of working capital and to use in the new business. This transaction will lead the Company to have more income and benefits to the Company's shareholders in long term. The Board of Directors agreed that this transaction will be beneficial to the Company and shareholders of the Company. Therefore, the Board of Directors has resolved to approved the transaction.

**(10) Opinion of the Board of Directors and/or the Audit Committee which is difference from that of the**

**Board of Directors**

The Audit Committee and the Company's Directors did not have any different opinions from those of the Board of Directors as mentioned above.

**2. The Responsibility of Directors with respect to the Information Memorandum sent to the Shareholders.**

The Board of Directors is responsible for the information stated in this Information Memorandum and certify that all of information in this Information Memorandum is accurate and complete in all respects and does not cause any person to misunderstand according to the best acknowledge of potential on the information obtained by that Board of Directors.

### 3. The Qualification of the Independent Financial Advisor.

- None -

### 4. Liabilities of the Company

4.1. The total amount of debt instruments having been issued and those not having been issued pursuant to the resolution of the shareholders' meeting which authorizes the board of directors of the Company to consider issuing them for sale as it deems appropriate.

- None - (As of 31 December 2022)

Remark The Company's Extraordinary General Meeting of Shareholders no. 1/2023 which was held on February 28, 2023 has the resolutions to approve the issuance and offering of debentures in the total amount not exceeding Baht 1,000,000,000

4.2. The total amount of loans with specified repayment period of the Company and its subsidiaries as of December 31, 2022, including the liability to place assets as collateral.

Unit : Baht

Liabilities	Consolidated Financial Statement			Collateral As of 31 Dec 2022
	As of	As of	As of	
	31 Dec 2022	31 Dec 2021	31 Dec 2020	
Current portion of lease liabilities	31,458,233	41,487,964	114,678,390	None
Current portion of long-term borrowings	-	125,346,088	203,810,249	None
<b>Total</b>	<b>31,458,233</b>	<b>166,834,052</b>	<b>318,488,639</b>	

4.3. The total value of debts in other categories, including overdrafts of the Company and its subsidiaries as of December 31, 2022, indicating the liability to place assets as collateral.

Unit : Baht

Liabilities	Consolidated Financial Statement			Collateral As of 31 Dec 2022
	As of	As of	As of	
	31 Dec 2022	31 Dec 2021	31 Dec 2020	
Bank overdrafts	19,053,200	69,262,421	63,512,737	Cash 20.25 million baht
Trade and other payables	46,393,800	37,907,547	96,162,873	None
Unearned revenue	158,700,284	96,791,653	149,813,364	None
Accrued expenses	42,901,025	27,286,122	45,834,314	None
Short-term borrowing from third party	-	17,500,000	64,500,000	None



Liabilities	Consolidated Financial Statement			Collateral As of 31 Dec 2022
	As of	As of	As of	
	31 Dec 2022	31 Dec 2021	31 Dec 2020	
Accrued income tax	32,635	20,672	7,854	None
Other current liabilities	13,103,720	20,097,475	25,380,106	None
Liabilities related to assets classified	-	208,282,028	-	None
Non-current portion of unearned revenue	1,116,164	1,326,392	-	None
Lease liabilities	27,201,174	26,644,902	54,886,699	None
Long-term borrowings from financial institutions	-	59,422,776	241,812,630	None
Employee benefit obligations	2,325,754	15,580,611	15,829,277	None
Deferred tax liabilities	-	-	24,355,359	None
Other non-current liabilities	-	-	9,241,049	None
<b>Total</b>	<b>310,827,756</b>	<b>580,122,599</b>	<b>791,336,262</b>	

#### 4.4. Indebtedness to be incurred in the future.

##### 4.4.1. Contractual obligations

###### Commitment for franchise fees

As at 31 December 2022, the Group has the following commitments to pay on-going fees for operations of language institutions

- On-going fee at fixed rate of the gross revenue of its language institution
- On-going fee at fixed rate of the gross revenue of its language institution's franchisee

###### Operating lease commitments - where the Group is the lessee

As at 31 December 2022, the Group entered into short term lease agreements to lease spaces in department stores. The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

Unit : Baht

	Consolidated financial statements		
	As of	As of	As of
	31 Dec 2022	31 Dec 2021	31 Dec 2020
Not later than 1 year	2,422,219	14,218,739	2,408,106
Later than 1 year but not later than 5 years	-	75,000	-
<b>Total</b>	<b>2,422,219</b>	<b>14,293,739</b>	2,408,106

#### Emission reduction purchase agreement

As at 31 December 2022, the Group has emission reduction agreements.

The future aggregate minimum payments under non-cancellable agreements are as follows:

Unit : Baht

	Consolidated financial statements		
	As of	As of	As of
	31 Dec 2022	31 Dec 2021	31 Dec 2020
Not later than 1 year	65,278,364	-	-
Later than 1 year but not later than 5 years	195,835,091	-	-
<b>Total</b>	<b>261,113,455</b>	-	-

#### 4.4.2. Obligations from the bank's letter of bank guarantee

As at 31 December 2022, there are outstanding bank guarantee given on behalf of the Group to the third parties in respect of business operation amounting to Baht 0.25 million (2021: Baht 0.50 million).

## 5. Information regarding the Company.

### 5.1 Information relating to the nature of business operations of the Company.

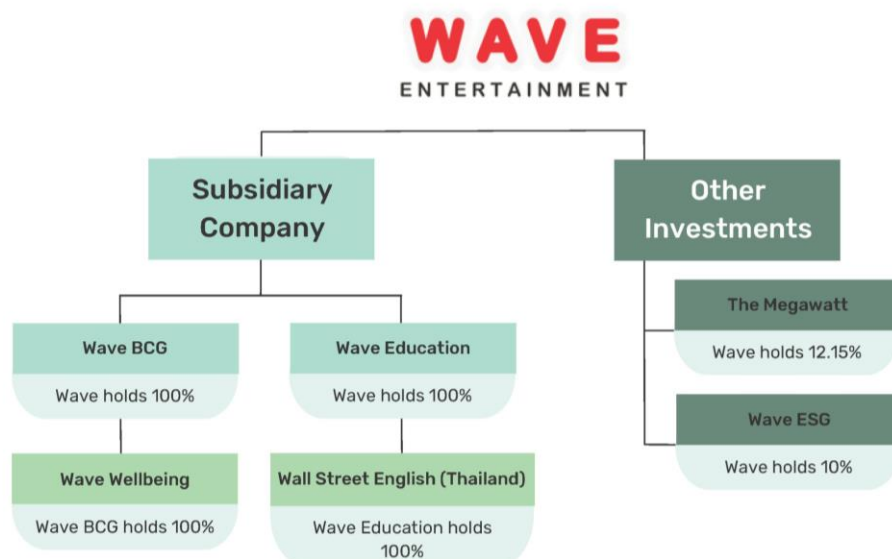
#### 5.1.1 Nature of the Company's business

Wave Entertainment Public Company Limited is running a service business and investment in businesses. The Company aims to be the world's leader in supporting and provide convenient through services development and product quality assurance. Starting from education, wellness center, solution for the world's pollution and services for climate change situation.

#### Business Overview

Wave Entertainment Public Company Limited is running a service business and investment in businesses.

The Company's shareholding structure as of 31 December 2022 can be summarized as follows:



As of 31 December 2022, the Company group operates under the Company, subsidiaries company and other investments total 6 companies which can be divided in to 4 categories as follows;

1. Education Business

- Wave Education group Company Limited (“EDU”) is a subsidiary company which the Company holds 100%
- Wall Street English (Thailand) Company Limited, an indirect subsidiary of the Company, is held 100% by EDU

2. Consulting, verifying and trading Carbon Credit Business

- Wave BCG Company Limited (“BCG”) is a subsidiary company which the Company holds 100%

3. Lifestyle and Wellness

- Wave Wellbeing Company Limited, an indirect subsidiary of the Company, is held 100% by BCG

4. Other Investments

- The Megawatt Company Limited which the Company holds 12.15% (The investment to be sold according to this article.)
- Wave ESG Company Limited which the Company holds 10% (Currently processing share purchase agreement according to the board of director's meeting no. 9/2022 resolution, the process is expected to be completed within the year 2023)

### **5.1.2 The Company's product**

The core business of the Company including (1) education services in the English teaching under Wall Street English, (2) Consulting, verifying and trading Carbon Credit Business under Wave BCG Co., Ltd and (3) Lifestyle and wellness Wave Wellbeing Co., Ltd

#### **Types of Services**

##### **Education Business**

Wall Street English (Thailand) Co., Ltd ("WSE") operates and provides English language courses and services for adult learners under the name "Wall Street English". Its products and services are operated under copyright of WSE Hong Kong Limited. In addition, WSE is a licensed operator in Thailand under the Private School Act B.E. 2550 (2007).

At the international level, WSE has been an English language institute with over 50 years of experience, 320 centers in 31 countries worldwide and over 3 million alumni students. In Thailand, WSE which is the subsidiary company of Wave Education Group that owns the copyright to operate the institute in the country. WSE has been operating for more than 19 years in Thailand since 2003 with over 100,000 graduates, and in 2022, WSE has 8,200 current students. Currently, WSE has 10 centers in Bangkok and its perimeters plus 2 centers in the economic provincial region of Chiangmai at the Central Festival Mall and in Passione Shopping Destination, Rayong. Consequently, WSE currently has 12 centers spread across the country.

Around the end of 2022, WSE closed 1 center which is the mall Bangkok center as the mall Bangkok is now closed and under construction for renovation so the lease agreement came to an end.

Besides The company's expansion plan, Wave Education Group which is the parent company and the entrepreneur that owns copyright of Master Franchise Agreement to operate English school business under the name Wall Street English in Thailand, Kingdom of Cambodia, and Lao People's Democratic Republic. Therefore, Wave Education Group can operate the business by itself and/or by subsidiary company or associated company. Also, Wave Education Group has the right to give permission to other entity (Sub Franchisee) to operate English School business under the name of Wall Street English via Franchise system. With the plan of expanding centers via Franchise system, we aim to increase service bases and open more business to various areas in Thailand. In 2019, we opened 1 center by Franchisee in Khon Kaen province in northeastern region of Thailand and in 2022, we opened 1 center by Franchisee in Udon Thani. Therefore, the number of centers which operated by the Company and by Franchise is in total of 14 centers.

Furthermore, business expansion plans via Franchise system both domestically and internationally. WSE plan to expand its growth in 2023 by franchising which will rapidly expand WSE's business after the spread of COVID-19 become normal situation.

Furthermore, the copyright owner makes a continuous development in the learning method by investing in technology aspect to develop online learning to become more up to date which make the course more interesting and meet the students' needs even more. In 2021, the learning format was developed to be All access which students can choose 2 options to study. The first one is studying both in-center and online while the second one is studying online only. Both options successfully met target groups' needs and were appropriate to the situation of the COVID-19 outbreak that took place in 2021. In addition, to fulfill extra needs for certain groups

of students, WSE also provides a special one-on-one course (VIP Course) with native teachers to ensure quickest success of learners.

Besides the main course that is mentioned above, WSE has developed test preparation courses IELTS Course. They are the international test programs which their results are accepted by several organizations worldwide and used to submit for university admission. Or it can use to submit for visa application to countries under The British Commonwealth of Nations and also opportunity to work at the leading companies. The courses have been designed and taught by the teachers who are specialized in these tests. Blending the learning method and doing Mock Test will help students to know about their progress and also which skills that they need to practice more before they do the actual test. Also, there are extra activities for students to get ready and gain more confidence in doing the test such as Essay Marking Service and English Corner.

To assure in education standard under the control of Ministry of Education, WSE has been certified in quality assurance by Project Quality Assurance managed by Non-formal Education of Office of the National Primary Education Commission, Ministry of Education since 2013. The first center that certified quality assurance was WSE Fashion Island in year 2013. The next was WSE Mega Bangna which certified in excellent level as well. Nevertheless, WSE determines to manage all centers to enter the quality assurance process and be certified according to the policy and law regulations controlled by Ministry of Education. So that students and consumers are confident that WSE has excellent standards in both product and service.

### **Consulting, verifying and trading Carbon Credit Business**

Wave BCG Co., Ltd. (formerly Wave Picture Co., Ltd.) in 2022 undergoes a new business restructuring to become a comprehensive End-to-End Solution and support Thai companies to achieve carbon neutral goals (Carbon Neutral) and net zero greenhouse gas emissions (Net Zero) to bring Thai organizations to the world standard in term of ESG, conducting business related to Carbon Credit, environmental, social and governance work. (Environmental, Social, and Governance: ESG)

The company's goal is to encourage the private sector and the government to reduce the organization's carbon footprint by developing ecosystems including Greenhouse gas emission reduction services as follows;

- To consult buyers to calculate the Carbon Footprint of the organization for a baseline and Carbon Footprint of products. Creating an analysis to reduce greenhouse gas emissions and formulate a strategic plan for carbon reduction. Providing technology or Energy Efficiency innovation as well as providing a Carbon Credit certificate to offset carbon emissions excess.
- To consult sellers to develop a Carbon Credits project be and able to register the Carbon Credits project.
- Organized and develop a project for organizations that need to reduce greenhouse gas emissions, such as reforestation or agricultural projects to reduce greenhouse gas emissions, carbon-neutral events to support the MICE industry, and seminar designed to improve knowledge of organizations who want to reduce or compensate for their greenhouse gas emissions.
- To support Carbon Credit registration, providing technology to reduce greenhouse gas emissions and advise on Auditing and/or examine Carbon Credits usage to reduce the carbon footprint of the organization.

- Carbon Credit procurement and trading as well as carbon offsets for organizations.
- Develop technologies and innovations to prevent global warming (Climate tech), including applications involving the public sector.

BCG aim to develop, promoting knowledge, technology, and carbon Credit projects to improve the capacity of Thai organizations to be able to compete international market and achieve the 2050 goal of sustainable carbon neutrality.

### Lifestyle and wellness

Wave Wellbeing Co., Ltd. (Wave TV Co., Ltd.) has a restructure a business and aim to operate business related to health and other related business. The objective of the Company is to focus on wellness for people at every ages to offer healthcare products and services according to current lifestyle trend.

## 5.2 Summary of financial statements as well as an analysis of financial condition and operating result including risk factors which may affect the profit of the Company.

### 5.2.1. Summary of financial statements.

#### Statement of Financial Position (Balance Sheet)

Unit: Baht

<b>Balance Sheet</b>			
	<b>As of December 31,</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	279,350,821	6,354,998	14,085,878
Financial assets measured at fair value through profit or loss	-	5,000,000	67,002,925
Financial assets measured at fair value through other comprehensive income	313,350,000	-	-
Trade and other receivables	25,881,273	11,643,307	27,092,321
Prepayment for carbon credit	204,426,552	-	-
Inventories	1,564,190	434,689	10,598,140
Other current assets	21,259,870	10,469,677	23,829,416
Non-current assets classified as held-for-sale	-	196,524,837	295,727,250
<b>Total Current Assets</b>	<b>845,832,706</b>	<b>230,427,508</b>	<b>438,335,930</b>

<b>Balance Sheet</b>			
	<b>As of December 31,</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Non-Current Assets</b>			
Deposits at bank used as collateral	20,250,000	20,250,000	20,500,000
Investments in an associate	-	308,531,732	283,275,601
Building improvement and equipment	44,861,460	25,917,184	71,474,483
Right-of-use assets	57,235,937	66,554,885	160,266,254
Intangible assets	36,554,800	21,369,344	155,219,501
Goodwill	180,000,000	180,000,000	698,143,184
Deferred tax assets	970,697	970,697	33,826,455
Other non-current assets	24,261,217	23,204,988	67,929,906
<b>Total Non-Current Assets</b>	<b>364,134,111</b>	<b>646,798,830</b>	<b>1,490,635,384</b>
<b>Total Assets</b>	<b>1,209,966,817</b>	<b>877,226,338</b>	<b>1,928,971,314</b>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Bank overdrafts	19,053,200	69,262,421	63,512,737
Trade and other payables	46,393,800	37,907,547	96,162,873
Unearned revenue	158,700,284	96,791,653	149,813,364
Accrued expenses	42,901,025	27,286,122	45,834,314
Short-term borrowing from third party		17,500,000	64,500,000
Current portion of lease liabilities	31,458,233	41,487,964	114,678,390
Current portion of long-term borrowings		125,346,088	203,810,249
Accrued income tax	32,635	20,672	7,854
Other current liabilities	13,103,720	20,097,475	25,380,106
Liabilities related to assets classified	-	208,282,028	-
<b>Total Current Liabilities</b>	<b>311,642,897</b>	<b>643,981,970</b>	<b>763,699,887</b>

<b>Balance Sheet</b>			
	<b>As of December 31,</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Non-Current Liabilities</b>			
Non-current portion of unearned revenue	1,116,164	1,326,392	-
Lease liabilities	27,201,174	26,644,902	54,886,699
Long-term borrowings from financial institutions		59,422,776	241,812,630
Employee benefit obligations	2,325,754	15,580,611	15,829,277
Deferred tax liabilities	-	-	24,355,359
Other non-current liabilities	-	-	9,241,049
<b>Total Non-Current Liabilities</b>	<b>30,643,092</b>	<b>102,974,681</b>	<b>346,125,014</b>
<b>Total Liabilities</b>	<b>342,285,989</b>	<b>746,956,651</b>	<b>1,109,824,901</b>
<b>Equity</b>			
Share Capital			
Authorized share capital	6,406,026,518	1,415,000,000	1,520,842,672
Issued and paid-up share capital	4,318,936,902	785,261,701	<b>785,261,701</b>
Share (discount) premium	(3,141,044,841)	353,617,102	353,617,102
Retained earnings (deficits)			
Appropriated - legal reserve	-	46,795,718	46,795,718
Unappropriated retained deficits	(303,949,872)	(1,045,072,865)	(351,227,734)
Other components of equity	(6,261,361)	(10,331,969)	(15,300,374)
<b>Total equity</b>	<b>867,680,828</b>	<b>130,269,687</b>	<b>819,146,413</b>
<b>Total liabilities and equity</b>	<b>1,209,966,817</b>	<b>877,226,338</b>	<b>1,928,971,314</b>



Cash Flow Statement

Unit: Baht

<b>Cash Flow Statement</b>			
	<b>As of December 31,</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Cash flows from operating activities</b>			
(Loss) profit before income tax expense			
- from continuing operations	(191,005,408)	(655,503,773)	(142,961,616)
- from discontinued operations	125,255,733	(28,738,028)	(109,977,825)
(Loss) profit before income tax expense	(65,749,675)	(684,241,801)	(252,939,441)
Adjustments for:			
Depreciation	13,836,075	30,158,108	41,967,290
Depreciation of right-of-use assets	46,693,436	111,045,349	175,741,801
Amortization of intangible assets	4,814,544	10,947,793	13,406,958
Interest income	(896,982)	(2,161,644)	(3,497,871)
Dividends income	-	(2,640,869)	(419,026)
Loss from changes in fair value of financial assets	-	-	175,888
Gain on loan forgiveness	(3,589,494)	-	-
Gain on write-off deposit	(5,000,000)	-	-
Realised loss from disposal of financial assets	-	9,571,710	(22,487)
(Reversal) of expected credit loss	-	-	14,376,985
Reversal of provision for obsolete inventories	(369,321)	(83,257)	(322,681)
Loss on write-off withholding tax receivable	3,662,489	407,534	1,279,586
Provision for impairment withholding tax	-	-	577,484
Gain on disposal of investment in a subsidiary	(53,139,033)	-	(42,158,136)
Gain on liquidation of investment in a subsidiary	-	-	(5,642,576)
Loss (gain) from disposal of investment in an associate	13,887,926	(15,267,365)	(915,329)
Gain from lease modification	(17,072)	(5,874)	-
Gain on classification of investment in an associate as non-current asset held for sale	-	(5,197,944)	35,049,918
Loss on impairment on goodwill	-	518,143,184	100,000,000
Loss on impairment on intangible asset	-	116,702,767	-
(Gain) loss on disposal of building improvement and equipment	(99,094)	24,131	(1,341,438)
Loss from write-off of building improvement and equipment	197,031	2,792,853	7,194,324

<b>Cash Flow Statement</b>			
	<b>As of December 31,</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
Loss (gain) from write-off of right-of-use assets	3,254	(221,897)	8,728,588
Loss from write-off of deposits	1,434,082	-	(5,237)
Loss from write-off of intangible assets	-	2,188,409	674,435
Provision for employee benefit obligations	812,260	3,942,210	6,452,382
Finance costs	13,956,401	31,199,943	40,378,204
Share of profit from associates and joint ventures	(10,016,390)	(25,256,131)	(27,599,100)
Changes in working capital			
- Trade and other receivables	(14,219,470)	12,321,827	138,438,975
- Prepayment for carbon credit	(204,426,552)	-	-
- Inventories	(760,180)	4,465,844	6,743,972
- Television programmes, concerts and events in progress	-	-	(22,895,600)
- Other current assets	(13,939,296)	1,283,654	24,540,865
- Deposits at bank used as collateral	-	250,000	(19,000,000)
- Other non-current assets	(2,757,716)	10,332,887	(5,868,027)
- Trade and other payables	11,074,486	20,324,132	(18,376,323)
- Unearned revenue	61,698,403	(50,991,023)	106,540,942
- Accrued expenses	23,468,444	4,648,796	32,799,436
- Other current liabilities	(1,993,755)	(2,509,937)	(11,221,411)
- Employee benefit paid	(180,000)	(193,997)	(6,517,849)
- Other non-current liabilities	-	(1,303,815)	(3,553,537)
Cash (used in) generated from operations	(181,615,199)	100,675,577	332,771,964
Interest paid	(18,220,448)	(29,156,137)	(96,342,723)
Income tax (paid) received	(559,542)	7,082,523	(7,148,364)
<b>Net cash (used in) generated from operating activities</b>	<b>(200,395,189)</b>	<b>78,601,963</b>	<b>229,280,877</b>
<b>Cash flows from investing activities</b>			
Interest received	878,486	2,170,607	3,656,491
Dividends received	-	2,640,869	23,319,526
Proceed from disposals of financial assets measured at fair value through profit	5,000,000	2,431,215	75,222
Payment for financial assets measured at fair value through profit or loss	-	-	(52,735)
Proceed from short-term borrowings to related parties	-	-	600,000

<b>Cash Flow Statement</b>			
	<b>As of December 31,</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
Payment for short-term borrowings to third party	(72,116,700)	-	-
Proceed from disposal investment in a subsidiary	10,098	-	-
Cash (decrease) increase from disposal investment in a subsidiary, net of cash disposed of	-	-	(283,809,919)
Cash decrease from liquidation of investment in a subsidiary	-	-	(86,459)
Payment for purchase of investment in an associate	-	-	(285,000,000)
Proceed from disposal investment in associates	108,869,248	207,672,520	207,984,863
Proceed from disposal of building improvement and equipment	99,730	4,542,056	4,646,638
Payment for building improvement and equipment	(33,412,602)	(3,871,671)	(44,673,558)
Proceed from disposal of intangible assets	-	-	74,800
Payment for intangible assets	(22,153,649)	(2,236,094)	(3,585,808)
<b>Net cash (used in) generated from investing activities</b>	<b>(12,825,389)</b>	<b>213,349,502</b>	<b>(376,850,939)</b>
<b>Cash flows from financing activities</b>			
Proceed from short-term borrowings from financial institutions	-	-	2,000,000
Repayment to short-term borrowings from financial institutions	-	-	(50,000,000)
Repayment to short-term borrowings from related parties	-	-	(42,500,000)
Proceed from short-term borrowings from third party	41,400,000	5,000,000	49,500,000
Repayment to short-term borrowings from third party	(58,900,000)	(2,000,000)	(45,000,000)
Repayment to long-term borrowings from related parties	-	-	(9,514,365)
Repayment to long-term borrowings from financial institutions	(184,768,864)	(207,598,715)	(45,919,973)
Payment on lease liabilities	(46,566,724)	(117,284,495)	(164,608,167)
Proceed from issuance of shares	785,261,210	-	222,126,623
Dividend paid to non-controlling interests	-	-	(7,900,351)
Net cash generated from (used in) financing activities	536,425,622	(321,883,210)	(91,816,233)
<b>Net Increase (decrease) in cash and cash equivalents</b>	<b>323,205,044</b>	<b>(29,931,745)</b>	<b>(239,386,295)</b>

<b>Cash Flow Statement</b>			
	<b>As of December 31,</b>		
	<b>2022</b>	<b>2021</b>	<b>2020</b>
Cash and cash equivalents at the beginning of the year			
Continuing operations	6,354,998	12,810,504	70,062,868
Discontinued operation	-	1,275,374	200,364,187
Bank overdrafts	(50,209,221)	24,409,541	(17,477,572)
Effect of exchange rate changes on translation of financial statements	-	-	522,690
<u>Less</u> Cash and cash equivalents of discontinued operation at the end of year	-	(2,208,676)	-
<b>Cash and cash equivalents at the end of the year</b>	<b>279,350,821</b>	<b>6,354,998</b>	<b>14,085,878</b>
<b>Significant non-cash transactions</b>			
Significant non-cash transactions are as follows:	-	-	-
Payable arising from purchase of equipment	55,091	-	32,736,513
Payable arising from purchase of intangible assets	-	-	6,460,946
Classify investment in a subsidiary as financial assets measured at fair value through profit or loss	-	-	65,000,000
Accrued dividend income	-	-	5,914,545
Offset financial asset with short-term borrowings from third party	-	(50,000,000)	-
Increase in right-of-use assets under lease agreement	38,439,033	47,057,111	-

## **5.2.2. Explanation and analysis of financial position and operating result Financial Position Analysis**

### Business Overview

In the year 2022, with the easing of the coronavirus disease 2019 (COVID-19), the Company's institute of language customers returned to use services, especially in the 4<sup>th</sup> quarter as the education industry tends to grow rapidly. Moreover, the Company promoting new marketing method to sell online courses and normal courses in longer term. Hence, The Group has aim to manage and control cost and expenses carefully to steady continue operating business in a long run. Moreover, the Company started to operate carbon credit business, including marketing to social to increase awareness of the necessary of carbon neutral goal of Thailand in 2050. The Company will help support and push both public and private sector to reduce carbon footprint of their organizations with the Company's services. Our services include (1) Consulting and Advisory service for buyer and seller (2) Validation and Verification of carbon credit (3) Carbon Credit Trading and Brokerage and (4) Innovation to develop technologies that help reduce global warming.

## Performance

According to the spread of Covid-19, The Group has a revenue of 286.10 million baht and 286.04 million Baht respectively.

The total costs in the year 2022 equals to 247.97 million baht, an increase of 33.69 million baht or 16% compared to the previous year. Due to an increase in expense, especially rent expense that have been discounted during the coronavirus disease 2019 (COVID-19) epidemic in the past 2 years, the cost have now been adjusted as per usual. Also, the centers are now opening as usual. Therefore, the Company has gross profit only 38.12 million baht, a reduce of 33.63 million baht or 47% compare to the previous year. The Company expected that the economic will recover in 2023 which could help increase the Company's sales in English language school business, Consulting, verifying and trading Carbon Credit Business, and lifestyle and wellness business.

The Company has other revenues and profit sharing equals to 10.87 million baht compared to the previous year that there was a loss of 572.66 million baht, there is an increase of 583.53 million baht or 102% The Company has selling and admin expenses of 226.04 million baht, an increase of 94.40 million baht or 72%. However, the Company also has net gain from disposal of subsidiary company of 125.26 million baht. Moreover, the Company's financial cost is 13.96 million baht, a decrease of 9 million baht or 39% from the repayment of loan due and payable to financial institute. Therefore, the Company has a decrease in net loss of 626.96 million baht or 91% decrease compared to the previous year, only has net loss of 65.81 million baht in 2022.

## Total Assets

The Company's total assets as of December 31, 2022 amounted to 1,209.97 million baht, an increase of 332.74 million baht or 38% increase from the issuance of newly issue ordinary share to existing shareholders (Right Offering).

## Total Liabilities

The Company had total liabilities of 342.29 million baht, a decrease of 404.67 million baht or 54% lower due to the payment to financial institution according to the objective of capital increase and the sales of Jeffer Restaurant Co., Ltd.

## Shareholders' Equity

In the year 2022, According to the Extraordinary General Meeting of Shareholders No. 1/2022 passed a resolution approving the allocation of newly issued ordinary shares to the Company's existing shareholders in proportion to their shareholding (Right Offering), the total fund the Company receive is 765.33 million baht. Together with the Company's net loss for the year 2022 and shareholders' Equity in 2021, resulting the Company's shareholder's equity to 867.88 million baht, an increase of 737.51 million baht or 566% increase in the year 2022.

## Liquidity

For the year 2022, the company has new cash increase amounted 323.21 million baht from the following activities;

Unit : Thousand Baht

	Amount		
	As of 31 Dec 2022	As of 31 Dec 2021	As of 31 Dec 2020
Net cash flow from operating activities	(200,395)	78,602	229,281
Net cash flow from investing activities	(12,825)	213,349	(376,851)
Net cash flow from financing activities	536,426	(321,883)	(91,816)
<b>Net cash flow Increase (Decrease)</b>	<b>323,205</b>	<b>(29,932)</b>	<b>(239,386)</b>

As of December 31, 2022 the Group has net cash flow from **operating activities** amounted to (200.40) million baht mostly used to invest in emission reduction agreement in advance. Net cash flow from **investing activities** as of amounted to (12.83) million baht occur from disposal of associate, payment of debt, purchasing of intangible assets and Payment for building improvement and equipment. Net cash flow from **financing activities** amounted to 536.43 million baht including cash from issuance of newly issued ordinary share which the Company used to repayment to long-term borrowings from financial institutions, payment on lease liabilities and payment to short-term borrowings Lastly, the Group has management policy to control cash and keep enough liquidity to use in business operation.

## Important Liquidity Ratio

Important Liquidity Ratio	31 December 2022	31 December 2021	31 December 2020
Current Ratio (Time)	2.71	0.36	0.57
Gross Profit Margin (%)	13.32	25.08	35.98
Net Profit Margin (%)	-21.88	-208.33	-49.00
Return on Assets (%)	-16.97	-45.08	-7.99
Return on Equity (%)	-13.19	-145.93	-24.30
Debt to Equity (Time)	0.39	5.73	1.35

### 5.2.3. Risk Factors

#### (1) Operational Risk

##### (1.1) Financial stability and ability to borrow and comply with conditions of loan agreement

On October 20, 2022, The Company increased the Company capital to 785.26 million Baht. As a result, the Company is able to pay the company's obligations both in the short and long term. In 2023, the company has a project to offer debentures worth not over 1,000 million Baht to be used as working capital of the Group and expand investments in the future.

Remark The Company's Extraordinary General Meeting of Shareholders no. 1/2023 which was held on February 28, 2023 has the resolutions to approve the issuance and offering of debentures in the total amount not exceeding Baht 1,000,000,000

##### (1.2) Risk from the spread of Coronavirus 2019 (COVID-19)

From the situation of the spread of coronavirus 2019, starting from 2020 until 2022. The government has announced enforcement measures and relief measures periodically, which impacts the business of Wave Group. To reduce the effects of this situation The Group has issued various measures. For example, some employees switched to work at home to reduce the congestion in the office, Employees entering office spaces must always wear a mask. English language school business has developed an online learning technology system to support and meet students' needs during covid-19 pandemic that took place in 2020 effectively.

##### (1.3) Risk from business competition

###### (1.3.1) English language school business.

Customer segment of WSE is a premium market which has low competition as some competitors has closed their business and some has reduced their center. In term of Mass market, it is highly competitive due to the low barrier to entry. However, it does not have significant effect on WSE business as the customer segment is different.

###### (1.3.2) Consulting, verifying and trading Carbon Credit Business

Thailand's carbon Credit market is now under development process. Currently, Thailand's carbon Credit market mechanism is implemented through the Thailand Voluntary Emission Reduction Program or T-VER. There are no compliance policies that limit greenhouse gas emissions like in other countries eg. the EU, the UK., California, and Korea. In the past, the trade of the excess carbon credits among companies is done by over-the-counter system, meaning that they have to find carbon credits' buyer/seller and have to find and settle the acceptable price and quantity by themselves. Therefore, the Federation of Thai Industries (FTI) has developed a clean energy and Carbon Credit trading platform, also known as "FTIX", to be a hub for carbon Credit trading by linking the database of the Thailand Greenhouse Gas Management Organization

Public Organization (TGO), which will facilitate the trading of T-VER carbon Credits. FTIX platform FTIX will be available in early 2023.

At present, Thai Carbon Credit standards are not comparable to international standards. Thai carbon Credits have been certified by TGO's, T-VER project as a standard that can be used to offset greenhouse gas emissions only in Thailand. However, currently, the TGO has signed a Memorandum of Understanding between TGO and Verra on Technical cooperation in relation to Thailand Voluntary Emission Reduction Program. To make cooperative improvement in exchange of knowledge about Verified Carbon Standard (VCS) that is an international mechanism to reduce greenhouse gases which is the world's leading greenhouse gas crediting program. Therefore, T-VER could be comparable to international standard which might make the carbon credit, certified by T-VER, price to be higher.

Wave BCG Co., Ltd. has a vision and goal to support and drive the private sector and various government agencies to reduce their own carbon footprint. Therefore, BCG creates an ecosystem that provides an end-to-end Carbon Credit service (Carbon Credit and Renewable Energy Certificate or RECs) including a trading intermediary, Carbon Credit consulting and planning, Providing Carbon Credits and REC, support registration of carbon Credits, Providing technology to reduce greenhouse gas emissions, and Create public participation in terms of carbon Credits.

Wave Entertainment Public Company Limited, the parent company Approved the establishment of a subsidiary in Singapore. It will be a subsidiary of Wave BCG Company Limited under the name "Wave BCG PTE Company Limited" to support the expansion of the carbon Credit business abroad. To expand the supply chain and attract more customers. As a result, it could increase the Company's revenue and increase competitiveness. The company plan to trade and participate in Carbon Credit markets both domestically and internationally.

(1.4) Risk from cash collection and management at the branch

The Group accepts payment for service at each branch in cash, Credit card, or money transfer. At present, there is only little proportion of cash payment. However, The Group is aware of the risk of cash may be lost or cannot affect daily sales. Therefore, the Company might consider to revise payment policy to cancel cash payment service in the year 2023.

(1.5) Risks relating to procurement of the right locations for conducting businesses.

Selecting the right location, whether in department stores or other lease areas, is a critical factor to the success of Wave Group's business. In this respect, the company faces risks such as the lease term of any center not being extended or changes to the conditions of the lease agreement. However, Wave Group conducts various businesses and is well known among teenagers, people who just started working, and other consumers, which attracts consumers to use other services in department stores or lease areas. In addition,



Wave Group is expanding its restaurant business by opening new stores in leading department stores every year. Therefore, it has bargaining power with department stores and/or owners of lease areas in reserving suitable locations over other competitors and is able to enter into long-term lease agreements at reasonable expenses.

(1.6) Risks from shortage of personnel

Human Resources are an important factor for the sustainable growth of Wave Group. Wave Group has continuously given importance to risk in this area by promoting its staff to have passion and bond with the organization. Wave Group also ensures that its staffs develop understanding and knowledge in business through continuous training and skill development. There is a regular assessment of staff. In addition, Wave Group also ensures appropriate employee compensation and provides other benefits such as medical expenses, group insurance, and provident funds

(1.7) Risk from economic and political instability, natural disasters, and force majeure on the business

Wave Group's revenues and profits rely on consumers' spending and therefore may be affected by external factors beyond the control of Wave Group such as economic slowdown, political instability, or natural disasters (e.g., flood and earthquake). Such risks are faced by all companies and the Company has risk management measures to lower the negative impact on the business and manage force majeure events. Such measures include taking out insurance over assets to cover events such as flood and fire etc.

(1.8) Risk of business interruption due to malfunction of information technology system

Wave Group, including its back office and business units, uses information technology systems in conducting its business. Wave Group understands the importance of maintaining business continuity. To lower such risk which may affect business continuity, Wave Group has back-up its information including accounting systems and customer information by storing information and keeping them up to date within the designated area. Therefore, the Company has already installed antivirus and anti-malware program to prevent damage.

**5.3. List of the Board of Directors, the management and list of top 10 Major Shareholders.**

**5.3.1. Board of Directors as of March 21, 2023**

No.	Name – Surname	Position
1	Ms. Cathleen Maleenont	Director and Chairman of the Board of Director
2	Mr. James Andrew Moore	Director, Executive Committee, Nomination and remuneration committee and Chief Executive Officer
3	Mr. Thirapong Khumruangrit	Director, Nomination and remuneration committee and Chairman of the Executive Committee
4	Mr. Kijcharnpit Sukangwanwit	Director, Executive Committee, Nomination and remuneration committee

No.	Name – Surname	Position
5	Mr. Viravit Chartvivatpornchai	Independent Director and Chairman of Audit Committee
6	Mr. Phisit Chusirawat	Independent Director, Audit Committee and Chairman of Nomination and remuneration committee
7	Mrs. Phatnaree Thitiariyakul	Independent Director and Audit Committee

### 5.3.2. Management as of March 21, 2023

No.	Name – Surname	Position
1	Mr. Thirapong Khumruangrit	Chairman of the Executive Committee
2	Mr. James Andrew Moore	Executive Committee and Chief Executive Officer
3	Mr. Kijcharnpit Sukangwanwit	Executive Committee
4	Mr. Uthai Ariyawimol	Executive Committee, Acting Chief Financial Officer and Company's secretary

### 5.3.3. List of top 10 Major Shareholders as of December 30, 2022

No.	Shareholders	Number of Share (Share)	%Share
1	Mr. Sura Kanittaweekul	574,050,000	6.65
2	LGT BANK (SINGAPORE) LTD	372,459,571	4.31
3	Ms. Piyawadee Maleenont	354,860,000	4.11
4	Mr. Natthaphol Chulangkul	350,000,000	4.05
5	MRS. NATENAPIT NANTAWITHYA	300,000,000	3.47
6	MR. THANANON TRIAMCHANCHAI	277,767,819	3.22
7	Thai NVDR Company Limited	248,803,313	2.88
8	MR. VRIT YONGSAKUL	193,612,600	2.24
9	Miss Sorawanee Sirichanyakul	173,509,700	2.01
10	MISS ORAYAPORN KARNCHANACHARI	171,600,000	1.99
	Total	3,016,663,003	35

### 5.4. Other information which may materially affect investors' decision (if any)

- None -

### 6. The Opinion of the Board of Directors of the Company regarding the Sufficiency of Cash Flow.

- None – (As this is a sale transaction, there is no effect regarding the Sufficiency of Cash Flow.)

### 7. Pending Material Lawsuits or Claims.

- None -

**8. Interests or Related Party Transactions between the Company and its Directors, Management and Shareholders Directly or Indirectly Holding Shares amounting to 10% or more.**

- None -

**9. Summary of Material Agreements during the past 2 years.**

- None -

The Company hereby certifies that the information contained in this report is true and complete in all respects.

Please be informed accordingly.

Yours sincerely,

- *James Andrew Moore* -

Mr. James Andrew Moore

Chief Executive Officer

Wave Entertainment Public Company Limited