



บริษัท เจเคเอ็น โกลบอล กรุ๊ป จำกัด (มหาชน)
JKN GLOBAL GROUP PUBLIC COMPANY LIMITED

อาคารเจเคเอ็น เอ็มไพร์ เลขที่ 818 หมู่ที่ 2 ตำบลสำโรงเหนือ
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- Translation -

NO. JKNGB-005-01/2024

January 23, 2024

Subject: Notification of the Disposal of Investment in Subsidiary of the Company

To: The President
The Stock Exchange of Thailand

JKN Global Group Public Company Limited (the “Company”) hereby notifies the resolution of the Board of Director’s Meeting No. 2/2024 held on January 22, 2024, to the Stock Exchange of Thailand (“SET”), which has resolved to acknowledge that JKN Global Content Pte. Ltd. (“JKN Global Content”), a subsidiary in which the Company holds 100 percent of total shares, has sold ordinary shares in JKN Legacy Inc, (“JKN Legacy”), an entity operating the Miss Universe Organization (“MUO”) and owning the copyright of the Miss Universe Brand, to Legacy Holding Group USA Inc. (“LHG”) (which is not a connected person of the Company), in the amount of 500 shares with a par value of USD 0.0001 each, representing 50 percent of total issued shares in JKN Legacy, at the total transaction value of USD 16,000,000 (approximately THB 581,920,000, using the exchange rate of Krung Thai Bank Public Company Limited as of October 20, 2023, where USD 1 is equal to THB 36.37) (the “Disposal of Investment in Subsidiary”). The objective is to enhance and strengthen the capabilities of MUO, including financial readiness from capital sources received from LHG. LHG is also considered a significant global strategic partner which can leverage its collective experience and expertise to drive the Miss Universe business towards premium products and services with excellence.

In executing the transaction involved with the Disposal of Investment in Subsidiary, JKN Global Content, as the seller, entered into the Share Sale and Purchase Agreement with LHG as the buyer (“Share Sale and Purchase Agreement”) on October 20, 2023. With regard to this transaction, the Company plans that the Disposal of Investment in Subsidiary will be fully completed by September 2024. Nevertheless, JKN Global Content and LHG may mutually agree in writing to change such date if necessary.

After the Disposal of Investment in Subsidiary, JKN Global Content will continue to hold 500 shares in JKN Legacy, representing 50 percent of the total shares in JKN Legacy, and will retain control over JKN Legacy with the authority to designate and appoint three directors (out of a total of five directors) to the board of JKN Legacy. This gives JKN Global Content a majority vote at the board meetings of JKN Legacy, including having the ultimate decision-making power in the management of JKN Legacy. In light of having control over the board of JKN Legacy, the Company will still be able to consolidate the financial statements of JKN Legacy into its consolidated financial statements. Importantly, the Disposal of Investment in Subsidiary will not impact the operational performance or financial status of the Company, and the Company has comply according to the relevant laws and regulations.

In addition, the Company and LHG have agreed to appoint and allocate executive-level employees with knowledge, skills, and experience to manage the operations at the main office of JKN Legacy in New York. Their focus will be on Brand Management and Talent Development for artists and beauty contestants. Regarding the responsibilities and duties of managing the Miss Universe Organization (MUO), the Company and LHG have divided the responsibilities based on geographical areas, outlined as follows:

1. LHG's main office in Mexico will be responsible for the North America and South America regions.
2. The Company's main office in Thailand will be responsible for the Asia region and all other remaining countries.

The Disposal of Investment in Subsidiary stated herein is regarded as the disposal of assets pursuant to the Notification of the Capital Market Supervisory Board No. Tor Jor. 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) (“**Notifications on Acquisition or Disposal of Assets**”). With consideration of transaction size according to the criteria on the calculation of the maximum value of the transaction, based on the audited financial statements of the Company ended September 30, 2023 by various approaches under the Notifications on Acquisition or Disposal of Assets, the maximum value of the transaction is equal to 4.68 percent according to the total value of consideration criteria, and when including the disposal of assets size for the past 6 months, the total transaction size is equal to 5.50 percent according to the total value of consideration criteria. Therefore, the Disposal of Investment in Subsidiary with a transaction size of less than 15 per cent is not regarded as the disposal of assets which the Company is obligated to report and disclose any information memorandum on such transaction to the SET according to the Notifications on Acquisition or Disposal of Assets. Furthermore, the Disposal of Investment in Subsidiary is 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 (including its amendments) 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) (“**Notifications on Connected Transactions**”)

However, even though the size of the transaction does not reach the threshold for reporting the disposal of assets to the SET, the Company considers that such a transaction is of interest to shareholders and investors who may seek accurate information directly from the company. Therefore, for the benefit of shareholders, investors, and all parties involved, the company deems it appropriate to consider reporting the Disposal of Investment in Subsidiary to provide accurate information through the SET's disclosure system, as follows:

The Details on the Disposal of Investment in Subsidiary are as follows:

- Transaction Date : JKN Global Content (as the seller) entered into the Share Sale and Purchase Agreement completely on October 20, 2023. The Company anticipates that the transaction related to the Disposal of Investment in Subsidiary will be completed by September 2024.
- Related Parties : The Seller is JKN Global Content Pte.Ltd., and the Purchaser is Legacy Holding USA Inc.
- Relationship Details : As of the date of disclosure of this information memorandum, the purchaser and purchaser's shareholders are independent third parties who are not considered connected persons of the Company. Therefore, the Disposal of Investment in Subsidiary is not regarded as a connected transaction under the Notifications on Connected Transactions.
- General Characteristics of the transaction : JKN Global Content, a subsidiary of the Company, sells 500 ordinary shares in JKN Legacy with a par value of USD 0.0001 per share, representing 50 percent of total shares in JKN Legacy. The total transaction value is USD 16,000,000, which is the fair value assessed by an independent valuation company approved by the Securities and Exchange Commission. Following the Disposal of Investment in Subsidiary, JKN Global Content will still hold 500 shares in JKN Legacy, representing to 50 percent of the total shares in JKN Legacy.
- Calculation of the transaction value : The Disposal of Investment in Subsidiary is regarded as the disposal of assets pursuant to the Notifications on Acquisition or Disposal of Assets. The Company used the audited quarterly financial statement as of September 30, 2023, for calculation of the transaction value.

Basis of Calculation	Transaction Size (percent)
1. Net Tangible Assets*	Not applicable because JKN Legacy's net asset value is negative.
2. Net Operating Profits*	Not applicable because to JKN Legacy operating at a loss.
3. Total Value of Consideration*	$\frac{581,920,000 \times 100}{12,437,716,712}$ $= 4.68\%$
4. Value of Securities	Not applicable because the Company issues no securities..

Remark

* The above financial information of JKN Legacy used for the calculation of transaction size is from the audited quarterly financial statement as of September 30, 2023.

Details of Disposed Assets : JKN Global Content sells 500 shares in JKN Legacy, a subsidiary of the Company, with a par value of USD 0.0001, representing 50 percent of total shares in JKN Legacy, at the total transaction value of USD 16,000,000.

(1) General Information of JKN Legacy

Name of the company	JKN Legacy Inc.
Nature of business	Holding Company.
Head Office's Address	Little Falls Drive, Wilmington, , Delaware19808
Registered Capital and Paid-up Capital	USD 0.1
Name of Directors	1. Mr. Jakkaphong Jakrajutatip 2. Miss Pimauma Jakrajutatip

(2) List of shareholders of JKN Legacy before and after transaction

Shareholders of JKN Legacy	Registered Capital USD 0.10	
	The amount of shares prior to the Disposal of Investment in the Subsidiary (shares)	The amount of shares after the Disposal of Investment in the Subsidiary (shares)
1. JKN Global Content	1,000	500
2. LHG	0	500
Total	1,000	1,000

(3) Nature of Business

JKN Legacy operates the business of holding and investing in entities operating Miss Universe organization (MUO) and possessing the copyright of Miss Universe brand, a brand with a legacy spanning over 72 years and widely recognized by people all over the world.

(4) Summary of financial information

Financial Statement	Ended as of September 30, 2023 (Baht)	As of October 25, 2023 ¹ (Baht)
Total assets	97,055,045.03	123,627,043.49
Intangible assets excluding the main income-generating	0	0
Total liabilities	187,955,028.66	217,062,931.97
Total shareholders' equity	-90,899,983.62	-93,435,888.47
Revenue	298,835,319.94	20,121,619.09
Net Profit (loss)	-130,738,843.57	-37,350,697.29

Remark¹ the Company reached an agreement with the purchaser and entered into the Share Sale and Purchase Agreement with the conditions precedent for the acquisition of entire business of Miss Universe Organization. The Company completed the payment for the purchase price of Miss Universe Organization on October 25, 2022. The financial information, therefore, started from October 25, 2022.

- Total Value of Consideration and Payment : The purchase price for 500 shares in JKN Legacy with a par value of USD 0.0001 per share is equal to approximately USD 32,000 per share, having the total purchase price of USD 16,000,000 which is the fair value assessed by an independent valuation company approved by the Securities and Exchange Commission
- Total Value of Acquired or Disposed Assets : 500 shares in JKN Legacy with a par value of USD 0.0001 per share, representing 50 percent of total shares in JKN Legacy.
- Basis of Determination of the Value of Consideration : The purchase price as mutually agreed upon between the Purchaser and the Seller in accordance with the fair value assessed by an independent valuation company approved by the Securities and Exchange Commission.
- Expected Benefits to the Company : The subsidiary will receive additional funds to increase liquidity for the subsidiary's operations, and enhance and strengthen the capabilities of MUO, including financial readiness from capital sources received from LHG. LHG is also considered a significant global strategic partner which can leverage its collective experience and expertise to drive the Miss Universe business towards premium products and services with excellence
- Plan for Utilization of Proceeds from the Disposal of Asset : The Company intends to use funds received from executing the Disposal of Investment in Subsidiary to increase liquidity and a working capital for the business operation of subsidiaries and to support the Company's Restructuring Plan.
- 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 of the Company has considered the Disposal of Investment in Subsidiary and deemed that this transaction is an appropriate, reasonable and most beneficial transaction to the Company and the shareholders. In addition, the Board of Directors is of the opinion that the share price under the Disposal of Investment in Subsidiary is reasonable based on the fair value assessed by an independent valuation company approved by the Securities and Exchange Commission



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Opinion of the Audit Committee : the Audit Committee has the same opinion as that of the Board of Directors.
Committee and/or
director which is
different from the
Company's Board of
Directors

Please be informed accordingly.

Sincerely yours,

(Mr. Jakkaphong Jakrajutatip)
Chief Executive Officer and Managing Director
The Authorized Person to Report