



AQUA CORPORATION

บริษัท อควา คอร์ปอเรชั่น จำกัด (มหาชน)
(ทะเบียนเลขที่ 0107547000397)

(Translation)

No. AQUA-152/SET-030/22

28 December 2022

Subject: Investment in Ethical Gourmet Company Limited (Amended No.1)

To: The President
The Stock Exchange of Thailand

Enclosure: Information Memorandum on the Financial Assistance Provided to Ethical Gourmet Company Limited

Aqua Corporation Public Company Limited (the “Company”) would like to notify the resolutions of the Board of Directors’ Meeting No. 10/2022, held on 28 December 2022, at 16.00 hrs. as follows: The meeting resolved to approve the Company’s investment in Ethical Gourmet Company Limited (“EG”) by means of: 1) purchasing 350,000 ordinary shares, equivalent to 9.97 percent of the total number of sold shares, from existing shareholders, amounting to the total investment amount of THB 35,000,000; and 2) providing a loan to EG in an amount not exceeding THB 315,000,000 for a term of five years, at the interest rate of 6.70 percent per year, in the event that the right to convert, the lender has a duty to bring interest equal to 3.00 percent in total for the exercise of conversion rights into ordinary shares, whereby when the period of six months from the date on which such loan is obtained has expired, the Company has the right to request repayment of the loan in the form of EG’s ordinary shares (“Right to Receive Repayment in the Form of Ordinary Shares”), which may be exercised five times (“Loan Transaction”), and EG will place 9,209,605 ordinary shares of Domino Asia Pacific Company Limited with the Company, accounting to 91.18 percent of the total ordinary shares, as security for the Loan Transaction.

The details of the Loan Transaction are shown in the Enclosure.

EG plans to increase its capital and offer for sale the shares to persons other than the Company not more than of THB 80,000,000. When the capital increase and the offer for sale of all of such shares takes place, the Company’s shareholding percentage in EG will decrease to 8.12 percent of the total number of sold shares of EG after the capital increase, and if the Company exercises the Right to Receive Repayment in the Form of Ordinary Shares for the entire amount of the loan and interest by exercising the right at par, the Company will become a major shareholder of EG, holding shares between 47.25 to 50.08 percent of the total shares of EG. In addition, EG has also granted the right to the Company to purchase the newly issued ordinary shares of EG for a period of 5 years so that the Company can hold shares in EG accounting to 47.1 percent of the ordinary shares of EG (including the shares from the capital increase in the amount of THB 80,000,000).

EG is a limited company registered in Thailand, operating the business of a holding company. Currently, EG is holding shares in three companies in the restaurant business, as follows:



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1. EG is holding 9,209,605 shares in Domino Asia Pacific Company Limited, equivalent to 91.18 percent of its total ordinary shares. Domino Asia Pacific Company Limited operates the Domino's Pizza business, which currently has 38 branches in Thailand. In addition, EG has the right to purchase the remaining shares in Domino Asia Pacific Company Limited in the amount of 890,392 shares, which is equivalent to 8.82 percent, from its existing shareholder.
2. EG is holding 126,998 shares in Nomimashou Company Limited, which is equivalent to 100 percent of its total ordinary shares. Nomimashou Company Limited operates a ramen restaurant business under the name 'Ramen Desu', which currently has three branches in Bangkok.
3. EG is holding 160,998 shares in DK Wow Venture Company Limited, which is equivalent to 69.99 percent of its total ordinary shares. DK Wow Venture Company Limited operates restaurant businesses under the name 'Jardin De Boeuf', which currently has one branch in Bangkok, and under the name 'Kinki', which currently has one branch in Bangkok.

Due to the Covid-19 pandemic which recently has a significant impact on the restaurant business; however, the restaurant business remains an attractive business to invest in, as food is one of the fundamental elements for living for consumers, together with the trend of the recovery of the general economy as well as the customers' behavior which has a trend to be recovered to the normal condition. These factors will support the restaurant business operation of EG to have a good result of operation in the future. In order to manage investment risk, the Company chooses to invest in EG in the form of ordinary shares in the amount of THB 35,000,000 and lending to EG in the amount of THB 315,000,000, with the Right to Receive Repayment in the Form of Ordinary Shares, rather than investing in the only form of ordinary shares. In the case that the business of EG is not performing in accordance with the Company's expectation, the Company can still receive the return from the investment as a creditor of EG.

The above transaction is not considered a connected transaction according to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 (2008) Re: Rules on Connected Transactions, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, B.E. 2546 (2003) (including the amendments thereof) ("**Notifications on Connected Transactions**").

However, such transaction is considered a transaction involving the acquisition of assets, in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 (2008) Re: Rules on Entering into Material Transactions Deemed as Acquisitions or Dispositions 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) (including the amendments thereof) ("**Notifications on Asset Acquisition or Disposition**"). The size of such transaction calculated by reference to the Company's reviewed



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consolidated financial statements for a period of nine months ending 30 September 2022, based on the total value of consideration, which is the calculation basis resulting in the highest transaction value, is 3.98 percent.

Prior to the Board of Directors' resolution to approve the entering into the subject transaction, the Company conducted another transaction involving the acquisition of assets within the past six months, i.e. the acquisition of ordinary shares in Thai Parcels Public Company Limited. The transaction size calculated by reference to the reviewed consolidated financial statements of the Company for a period of three months ending 31 March 2022, based on the net operating profit, which is the calculation basis resulting in the highest transaction value, is 7.41 percent, and based on the total value of consideration, is 2.68 percent.

In this regard, as the aggregate size of the subject transaction and the acquisition of ordinary shares in Thai Parcels Public Company Limited is 6.65 percent, based on the total value of the consideration criterion, and 7.41 percent, based on the net operating profit criterion, which, in either case, is less than 15 percent, the Company has no duties under the Notifications on Asset Acquisition or Disposition.

As for events occurring after the reporting period of the nine months ending 30 September 2022, on 25 October 2022, the Company, by approval of the Executive Committee Meeting No. 13/2022, held on 24 October 2022, entered into a Memorandum of Agreement with two companies, in order to study the feasibility of an acquisition of a food and beverage business, and to conduct due diligence, before determining whether to enter into the business acquisition transaction. On 25 October 2022, the Company also placed security of THB 50 million, which shall be returned to the Company in full if the party does not enter into an asset Sale and Purchase Agreement within the time period specified in the Memorandum of Agreement. The subject of the due diligence was Domino Asia Pacific Company Limited, and the deposit was placed with Domino Asia Pacific Company Limited. However, because Wow Factor Public Company Limited sold shares in Domino Asia Pacific Company Limited to Mr. Siratt Ratanapaitoon, or the natural person/juristic person designated by Mr. Siratt Ratanapaitoon, i.e., EG, whereby the shares of EG will be held by the Company, the Company cancelled said Memorandum of Agreement and required repayment of the deposit, which will be used as part of the funds for this investment in EG.

Please be informed accordingly.

Sincerely yours,

(Mr. Chaipipat Kaewtrirat and Mrs. Warangkana Kalayanapradit)

Authorized Directors

Corporate Secretary

Mrs. Orathai Netruang

Tel. 0-2041-8804

AQUA CORPORATION PUBLIC COMPANY LIMITED

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Information Memorandum on the Financial Assistance Provided to Ethical Gourmet Company Limited

Pursuant to the Board of Directors Meeting No. 10/2565 of Aqua Corporation Public Company Limited's (the "Company"), held on 28 December 2022, at 16:00 hrs., the meeting resolved to approve the Company's investment in Ethical Gourmet Company Limited ("EG") by means of: 1) purchasing 350,000 ordinary shares, equivalent to 9.97 percent of the total number of sold shares, from the existing shareholders, amounting to a total investment amount of THB 35,000,000; and 2) providing a loan to EG in an amount not exceeding THB 315,000,000 for a term of five years ("Loan Transaction"). The details of the Loan Transaction are as follows:

1. Transaction date

The Board of Directors Meeting No. 10/2565, held on 28 December 2022, resolved to approve the Loan Transaction.

2. Parties involved

Lender: Aqua Corporation Public Company Limited

Borrower: Ethical Gourmet Company Limited ("EG")

The details of EG are as follows:

Date of incorporation:	10 November 2022
Registered capital:	THB 351,000,000
Paid-up capital:	THB 351,000,000 EG's capital has been totally paid up.
Nature of the business:	Holding company that does not invest in financial businesses.
Board of Directors	1. Mr. Siratt Ratanapaitoon 2. Mr. Sumet Setthapanich 3. Miss Nitcharat Ratanapaitoon

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EG's List of Shareholders

Name	Before the acquisition transaction of AQUA		After the acquisition transaction of AQUA	
	No. of Shares	Percent	No. of Shares	Percent
1. Mr. Siratt Ratanapaitoon	854,448	24.34	905,000	25.78
2. Mr. Wichit Jiratticharoen	885,185	25.22	720,000	20.51
3. Mr. Sumet Setthapanich	405,709	11.56	330,000	9.40
4. Miss Suwitchaya Wattanakarun	368,827	10.51	300,000	8.55
5. Miss Ploen Patarasakon	135,236	3.85	205,000	5.84
6. Mrs. Waree Patarawanich	614,711	17.51	500,000	14.25
7. Mr. Naruj Wiwatanakrai	245,884	7.01	200,000	5.70
8. Aqua Corporation Plc.	-	-	350,000	9.97

Neither the Borrower nor its shareholders are the Company's connected persons.

3. Transaction details

Background and reasons for the financial assistance:	The Company wished to invest in EG. However, for the purpose of investment risk management, the Company decided to invest in EG in the form of ordinary shares equivalent to THB 35,000,000, and a loan of THB 315,000,000, with the Right to Receive Repayment in the Form of Ordinary Shares, instead of investing in ordinary shares alone. If EG's operating results do not meet the Company's expectations, the Company can still benefit from returns, as EG's creditor.
Loan purposes:	To use the loaned amount as working capital, funds for branch expansion, and for the business operations, including any relevant businesses of EG.
Principal amount:	THB 315,000,000
Annual interest rate:	6.70 percent per year, which, in cases where the right of conversion is exercised, the lender has a duty to bring interest equal to 3.00 percent in total for the exercise of conversion rights into ordinary shares.

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	Interest payments will be made five times, i.e., on 30 June 2023, 31 March 2024, 31 March 2025, 31 March 2026, and 29 December 2027.
Start and end dates of the loan agreement:	29 December 2022 to 29 December 2027
Repayment details:	The principal amount is due when the loan term ends.
Right to Receive Repayment in the Form of Ordinary Shares:	Upon the expiration of the period of six months from the date on which the loan is obtained, the Company has the right to request repayment of the loan in the form of EG's ordinary shares, which may be exercised five times.
Value and nature of the loan security:	9,209,605 ordinary shares in Domino Asia Pacific Company Limited, equivalent to 91.18 percent of all its ordinary shares. The value of the security is THB 315 million.

4. Steps taken prior to making the decision to provide financial assistance

In making the decision to provide financial assistance

1. The Company has certain policies, procedures, and criteria for providing financial assistance. The Company considered the operational capabilities of EG's subsidiaries, i.e., Domino Asia Pacific Company Limited, Nomimashou Company Limited, and DK Wow Venture Company Limited, all of which engage in businesses relating to food, which is one of the basic necessities of life. Furthermore, the Company took into consideration the possible economic recovery, and the possibility that consumers' behavior is returning to normal.
2. The persons having the authority to approve the Transaction, including the proposed loan amount, is the Company's Board of Directors.
3. The Company assessed EG's ability to repay debts from EG's net cash flows and its Internal Rate of Return (IRR). The Company also appraised the value of the security, and it is of the opinion that the approval of the Transaction, together with the proposed loan amount, will be in the best interests of the Company's shareholders.
4. The source of the loan amount is the Company's cash flows from the proceeds of the sale of ordinary shares in its subsidiary that engages in an out of home media business, proceeds from the issuance and offering of bonds, in accordance with the resolutions of the Annual

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General Meeting of Shareholders for the year 2017, held on 25 April 2017, as amended with respect to the maximum amount by the resolutions of the Extraordinary General Meeting of Shareholders No. 1/2022, and cash flows from the Company's operations. This loan does not affect the Company's financial status and liquidity.

5. Regarding risk management from the provision of the loan:
 - 1) The Company has the option of exercising the right to convert the repayment to EG's ordinary shares as it deems appropriate, taking into consideration EG's operating results and net cash flows, which allows the Company to choose to be a shareholder or a creditor of EG; and
 - 2) The Company has security in the form of ordinary shares of Domino Asia Pacific Company Limited, whereby the value of the security is equal to or more than the scope of the loan amount of THB 315 million. This security will remain pledged with the Company until the loan is fully repaid, or the Right to Receive Repayment in the Form of Ordinary Shares has been exercised for the full amounts of the principal amount and the interest.

For your information.