



Nation International Edutainment Public Co., Ltd.

บริษัท เนชั่น อินเตอร์เนชั่นแนล เอ็ดดูเทนเมนท์ จำกัด (มหาชน)

เลขที่ 333 อาคารเล่าปึงจ้วน 1 ชั้น 24 ซอยเอยพวง ถนนวิภาวดีรังสิต แขวงจอมพล เขตจตุจักร กรุงเทพฯ 10900

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April 24, 2020

Subject: Notification of Share Acquisition of Trans.Ad Solutions Co., Ltd.

Attention: Shareholders - Nation International Edutainment Public Co., Ltd.

Enclosure: Information Memorandum Concerning the Acquisition of Assets Pursuant to Schedule 2 (only the information stipulated in Clauses 1, 2, 3, 5(3), 7 and 8 of Schedule 2)

The Board of Directors' meeting of Nation International Edutainment Public Company Limited (the "**Company**") No. 5/2020 held on April 16, 2020 has approved to acquire 90,000 shares or 18.35% of total issued and outstanding shares of Trans.Ad Solutions Co., Ltd. ("**Trans.Ad**") at the purchase price of Baht 110 per share, totaling of Baht 9.90 million from the shareholders of Trans.Ad (the "**Sellers**") who are not the related persons of the Company (the "**Transaction**") by which the Company has disclosed all required information of the Transaction to the Stock Exchange of Thailand ("**SET**") since April 16, 2020.

This Transaction is considered as an acquisition of material assets pursuant to the Notification of the Capital Market Supervisory Board Notification No. TorJor. 20/2551 Re: "Rules on the Entering into Material Transactions Deemed as the Acquisition or Disposition of Assets" and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of the Listed Company Concerning the Acquisition or Disposition of Assets dated on October 29, 2004 (collectively referred to as the "**Acquisition and Disposal Notifications**"). When considering the size of the Transaction pursuant to each calculation method prescribed under the Acquisition and Disposal Notifications and based on the audited consolidated financial statements of the Company for the year ended December 31, 2019 and the audited financial statements of Trans.Ad for the year ended March 31, 2019, the Transaction size is of the highest value when calculated in accordance with the total net profit basis, which equals to 32.21 percent of the total assets of the Company and its subsidiaries by which the Company has no other acquisition transactions within the past 6 months. Due to the Transaction size is more than 15 percent but lower than 50 percent, the Company therefore is obligated to disclose the information to the SET and deliver the information letter to all shareholders within 21 days from the date the Company disclosed the information to the SET.

However, the purchase of the traded assets is not considered a connected transaction. According to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2008 regarding the criteria for making connected transactions, and the announcement of the Stock Exchange of Thailand, that is subject : Disclosure of information and operations of listed companies in connected transactions B.E. 2003 and with additional amendment ("**Notification of connected transactions**"), the Company therefore has no duty to comply with the announcement of connected transactions.

In order to be in compliance with the Notifications on Acquisition or Disposal, the Company would like to deliver the Information Memorandum on the Acquisition of Assets to all shareholders whose names appeared on the share register as at the last record date on March 18, 2020.

Please be informed accordingly.

Sincerely yours,

Mr. Pana Janviroj

Chief Executive Officer

Information Memorandum
Of Nation International Edutainment Public Company Limited
to Schedule 2 (only the information stipulated in Clauses 1, 2, 3, 5(3), 7 and 8 of
Schedule 2)

1. Information Memorandum Disclosed Pursuant to Schedule 1 of the Notification of the Board of Governors of the Stock Exchange of Thailand Re: "Disclosure of Information and Other Acts of the Listed Company Concerning the Acquisition or Disposition of Assets B.E. 2004 (collectively referred to as the "Acquisition and Disposal Notifications")"

The Company would like to notify the information of the acquisition of the shares of Trans.Ad with details as follows;

(1) Date / Month / Year of the Transaction

Within 2nd Quarter of 2020

(2) The Relevant Parties

Buyer: Nation International Edutainment Plc. ("**NINE**" or the "**Company**")
Seller: The existing shareholders of Trans.Ad, which are Mr. Weng Sam Lam, Mr. Yongyot Engchuan and Mr. Suphap Wongchinda
Relationship: Seller is not related parties of NINE

Shareholder structure before and after the transaction:

Shareholders	Existing shareholders		New shareholders	
	No. of Share	% Holding	No. of Share	% Holding
NINE	-	-	90,000	18.35%
Mr. Weng Sam Lam	27,000	5.50%	-	-
Mr. Yongyot Engchuan	4,500	0.92%	-	-
Mr. Suphap Wongchinda	58,500	11.93%	-	-
Aye On Ad Co., Ltd.	400,464	81.65%	400,464	81.65%
Total	490,464	100.00%	490,464	100.00%

(3) General Characteristics of the Transactions

The Company wishes to acquire 90,000 shares or 18.35% of the total issued and outstanding shares of Trans.Ad at the purchase price of Baht 110 per share or a total amount of Baht 9.90 Million in aggregate from the existing shareholders of Trans.Ad.

(4) Type and Size of Transaction

This Transaction is considered as an acquisition of material assets pursuant to the Notification of the Capital Market Supervisory Board Notification No. TorJor. 20/2551 Re: "Rules on the Entering into Material Transactions Deemed as the Acquisition or Disposition of Assets" and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of the Listed Company Concerning the Acquisition or Disposition of Assets dated October 29, 2004 (collectively referred to as the "**Acquisition and Disposal Notifications**"). When considering the size of the Transaction pursuant to each calculation method prescribed under the Acquisition and

Disposal Notifications and based on the audited consolidated financial statements of the Company for the year ended December 31, 2019 and the audited financial statements of Trans.Ad, the Transaction size is of the highest value when calculated in accordance with the total net profit basis, which equals to 32.21 percent of the total assets of the Company and its subsidiaries by which the Company has no other acquisition transactions within the past 6 months.

Calculation of Transaction Sizes under the Acquisition and Disposal Notifications

Calculation Basis	Calculation Details	Transaction Size
1. Total Asset Value = % NTA of the acquired company / NTA of the listed company	= Baht 466.41 Million x 18.35% / Baht 265.74 Million	32.21%
2. Net Profit = % net profit of the acquired company / net profit of the listed company	(This calculation basis is not applicable)	-
3. Total Value of Consideration = Value of Consideration / Total assets of the listed company	= Baht 9.90 Million / Baht 318.64 Million	3.11%
4. Value of Issued Equity = Number of shares issued by the listed company as consideration / Number of paid-up shares of the listed company	(This calculation basis is not applicable)	-
Highest Transaction Size		32.21%

(5) Details of Assets Acquired

Trans.Ad's shares are the assets to be acquired by the Company, which details are shown as follows:

(5.1) Details of Trans.Ad's shares to be acquired by the Company

The Company will acquire 90,000 shares or 18.35% of the total issued shares of Trans.Ad.

(5.2) Summary Details of Trans.Ad

a) General Information

Trans.Ad Solution Company Limited was established in 2014 to provide design and installation services of Multimedia Display System. At present, Trans.Ad has registered and paid-up capital of Baht 49.05 million, divided into 490,464 shares, at Par Value of Baht 100 per share.

b) Business Characteristic

Trans.Ad engages in the design and installation of multimedia display systems such as LED displays, content control and media management systems, installing a connection system for commanding and storing data via the internet and CCTV, including designing and creating a mobile application for indoor navigation and Bluetooth transmitter system for advertising.

c) Board of Directors

At present, the Board of Directors of Trans.Ad comprises of:

1. Mr. Weng Sam Lam
2. Mr. Phoon Chiong Kit
3. Ms. Tamonwan Narintavanich

Subsequent to the completion of the Transaction, the Company will not appoint the representative to be a director of Trans.Ad.

d) Shareholding Structure

The shareholding structure of Trans.Ad as shown in Trans.Ad's list of shareholder copied from the share registry book dated July 23, 2019 are as follows:

Name	Shares	%
1. Mr. Weng Sam Lam	27,000	5.50%
2. Mr. Yongyot Engchuan	4,500	0.92%
3. Mr. Suphap Wongchinda	58,500	11.93%
4. Eye On Ad Co., Ltd.	400,464	81.65%
Total	490,464	100.00%

e) Financial Information

The financial information of Trans.Ad as per its audited financial statement audited by Tangjaito Company Limited, ended 31 March 2017-2019 are as follows:

Financial Information of Trans.Ad ended 31 March 2017-2019

Unit: Million Baht	2017	2018	2019
Assets			
Current Assets			
Cash and cash equivalents	12.44	73.18	86.11
Trade and other accounts receivable	43.71	30.61	115.34
Short-term loan and interest receivable	-	9.00	39.43
Other current assets	110.73	68.86	65.19
Total Current Assets	166.87	181.65	306.07
Non-current Assets			
Long-term deposit at financial institution	1.00	1.01	1.03
Investments in subsidiaries	-	-	382.40
Leasehold improvement, vehicle and equipment	2.14	2.89	2.24
Intangible assets	0.29	0.22	0.13
Deferred tax assets	0.00	0.40	0.40
Deposits	0.51	4.28	5.34
Total Non-current Assets	3.94	8.80	391.54
Total Assets	170.81	190.45	697.62
Liabilities and Shareholders' Equity			
Current Liabilities			
Short-term Loan from financial other person	65.94	-	-
Short-term Loan from financial institution	-	-	38.95
Trade and other accounts payables	48.82	73.93	49.55
Accrued cost	-	44.28	83.87
Unearned income	20.45	6.43	44.03
Income tax payable	0.42	1.03	7.04
Other current liabilities	4.90	2.93	5.23
Total Current Liabilities	140.54	128.61	228.67
Non-current Liabilities			
Long-term Provisions	-	2.00	2.00
Obligation under hire-purchase contract	0.04	-	-
Total Non-current Liabilities	0.04	2.00	2.00
Total Liabilities	140.58	130.61	230.68

Unit: Million Baht	2017	2018	2019
Shareholders' Equity			
Registered capital	30.00	30.00	49.05
Issued and paid-up capital	9.00	9.00	49.05
Share premium	-	-	347.95
Retained earnings			
Appropriated - legal reserve	0.92	1.56	3.00
Unappropriated	20.31	49.28	66.94
Total Shareholders' Equity	30.23	59.84	466.94
Total Liabilities and Shareholders' Equity	170.81	190.45	697.62

Operation Results of Trans.Ad ended 31 March 2017-2019

Unit: Million Baht	2017	2018	2019
Revenue from sales and services	217.59	436.67	561.92
Other income	0.71	1.17	3.07
Total Income	218.31	437.84	564.99
Cost of sales and services	183.78	371.92	448.29
Gross Profit	34.53	65.92	116.70
Administrative expenses	15.95	18.94	28.49
Gain / (Loss) on exchange rate	0.00	(0.25)	(1.06)
EBIT	18.58	46.73	87.14
Financial costs	2.46	1.02	0.47
EBT	16.12	45.71	86.67
Income tax expenses	3.31	9.20	17.57
Net Profit	12.81	36.51	69.10

(6) Value of Consideration and Basis Used to Determine the Value of Consideration

The total value of consideration for 90,000 shares of Trans.Ad to be paid to the Sellers is Baht 9.90 Million or Baht 110 per share, 10% premium of the par value. The price was mutually agreed by the Sellers and the Company that the Sellers have the right to repurchase the share within 3 years. The Company will pay for such purchase price by transfer to the bank account or via cheque to the Sellers upon completion of the Transaction (within the 2nd Quarter of 2020).

The Seller has the right to buy back the shares at the price of Baht 220 per share within 3 years from the closing date of the transaction.

(7) Value of Assets acquired

The Trans.Ad's shares acquired hereunder has the book value as per the latest audited financial statement as at December 31, 2019 is Baht 952.04 per share.

(8) Sources of Financing

The Company will finance this Transaction with the capital received from the capital increase of the Company of Baht 9.90 million. As of December 31, 2019, the Company has cash and cash equivalent as well as current investments in an amount of Baht 257.40 million. After payment of the purchase price, the Company still has sufficient funds for its business operations.

(9) Expected Benefits to the Company

To increase the efficiency in cash management, liquidity, generate a suitable return, and risk management.

(10) Condition of the Transaction

This Transaction is considered as an acquisition of the total assets of the Company. According to the announcement of the Acquisition or Disposal of Assets, the Company is required to disclose information about such transactions to the Stock Exchange of Thailand and to provide the information memorandum regarding the acquisition of assets of the Company to the shareholders within 21 days following the date of disclosure of the transaction to the SET.

(11) Opinion of the Company's Board of Directors

The Board of Directors has considered and viewed that the transaction is reasonable and most beneficial to the Company and its shareholders. Because the book value as of March 31, 2019 is Baht 952.04 per share but the purchase price is Baht 110 per share, which is likely that the Seller will exercise the right to buy back at the price of Baht 220 per share. Therefore, it will make the Company receive a return of 100%, 41% and 26% on investment in year 1, year 2 and year 3 respectively, which is a higher rate of return than deposit accounts. However, if the Seller does not exercise the right to buy back, the investment value of Baht 9.90 Million, calculated according to the proportion of 18.35% of the shareholders' equity as of March 31, 2019. It will be worth Baht 85.68 Million, which is up to 8.65 times higher than the investment.

In addition, Trans.Ad is in the captive market and has long-term concessions. Therefore, the Company has relatively low business risk. If the Company must be liquidated, it is worth to be invested because the purchase price is lower than the Book Value up to 0.12 times.

(12) Opinion of the Company's Audit Committee and/or Directors differently from those of the Board of Directors

Neither the Audit Committee nor any directors had a different view from the Board of Directors of the Company.

2. Responsibility of the Board of Directors on the Information Memorandum delivered to the Shareholders

The Board of Directors hereby certify that the information contained in this Information Memorandum are true and correct and has neither information that might mislead any person nor omitted to disclose any information which should be disclosed.

3. Opinion of an Independent Expert with Regard to Disposal Transaction (if any)

- None -

4. Financial projections for the current year (if any)

- None -

5. Pending material lawsuits or claims

- None -

6. Benefits or connected transaction between the Company and its directors, executives or the shareholders of the Company holding 10 percent of the shares or more (whether direct or indirect)

In 2019, the connected transaction between the Company and its directors, executives or the shareholders of the Company holding 10 percent of the shares or more (whether direct or indirect) are as follows:

Individuals / juristic persons that may have conflict of interest	Relationship	Nature of Transaction	Amount of Transaction for the Year Ended 31 Dec 2019 (MB)
Nation Global Edutainment Co., Ltd. : Publishing	99.74% shareholding by the Company, some common directors	Other revenue	6.20
		Other account receivable - related party	40.67
		Revenue from investment	0.05
		Cost of Goods sold and services	0.02
		Selling and administration expenses	
		Other account payable	1.77
		- Related party	1.74
		- Purchase of intangible assets	0.82
One World Media Co., Ltd. : Providing information services over offline and online media	99.99% shareholding by the Company, some common directors	Other revenue	6.69
		Other account receivable - related party	8.17
		Revenue from investment	4.91
		Selling and administration expenses	125.16
Street Eyes Ball Co., Ltd. : Representing content producers and advertising	99.99% shareholding by the Company, some common directors	-	-