



Nation International Edutainment Public Co., Ltd.

บริษัท เนชั่น อินเตอร์เนชั่นแนล เอ็ดดูเทนเมนท์ จำกัด (มหาชน)

เลขที่ 333 อาคารเฝ้าป้องกัน 1 ชั้น 24 ซอยเอยพวง ถนนวิภาวดีรังสิต แขวงจอบฟ้า เขตจตุจักร กรุงเทพฯ 10900

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November 9, 2020

Subject: Notification of Acquisition of Shares of Landy Development Co., Ltd. ([Edit](#))

Attention: Director and Manager
The Stock Exchange of Thailand (SET)

The Board of Directors' meeting of Nation International Edutainment Public Company Limited No. 9/2020 held on November 9, 2020 has approved to acquire 2,550,400 shares or 63.76% of total issued and outstanding shares of Landy Development Co., Ltd. ("**Landy**") at the purchase price of Baht 27.45 per share, totaling of Baht 70,008,480 from the shareholders of Landy (the "**Sellers**") who are not the related persons of the Company (the "**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 on 29th October 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 review](#) consolidated financial statements of the Company for the year ended [30 September 2020](#) and the audited financial statements of Landy for the year ended 31 December 2019, the Transaction size is of the highest value when calculated in accordance with the total [net tangible assets](#), which equals to [22.52%](#) 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 as 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 addition, for flexibility of the Transaction, the Board of Director's Meeting has resolved that the Executive Committee and/or any person assigned by the Board of Directors shall be authorized to conduct any such acts and things relating to the Transaction under the principle approved by the Board of Director's Meeting.

Please be informed accordingly.

Sincerely yours,

Mr.Pana Janviroj
Chief Executive Officer

**Information Memorandum
of
Nation International Edutainment Public Company Limited**

The Company would like to notify the information of the acquisition of the shares of Landy Development Co., Ltd. ("**Landy**") with details as follows;

1. Date / Month / Year of the Transaction: within Quarter 4'2020

2. The Relevant Parties

Buyer: Nation International Edutainment Plc. ("**NINE**" or the "**Company**")
 Seller: The existing shareholders of Landy, which are Master Ad Plc. and Master & More Co., Ltd.
 Relationship: Seller is not related parties of NINE

Shareholder structure before and after the transaction:

Shareholders	Existing Shareholders		New shareholders	
	No. of Shares	% Holding	No. of Shares	% Holding
NINE	-	-	2,550,400	63.76%
Master Ad Plc.	1,954,800	48.87%	-	-
Master & More Co., Ltd.	595,600	14.89%	-	-
Landy Home (Thailand) Co., Ltd.	1,449,600	36.24%	1,449,600	36.24%
Total	4,000,000	100.00%	4,000,000	100.00%

3. General Characteristics of the Transactions

The Company wishes to acquire 2,550,400 shares or 63.76% of the total issued and outstanding shares of Landy at the purchase price of Baht 27.45 per share or a total amount of Baht 70,008,480 in aggregate from the existing shareholders of Landy.

As a result of this transaction, Landy will become a subsidiary of the Company.

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 29th October 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 review consolidated financial statements of the Company for the year ended 30 September 2020 and the audited financial statements of Landy for the year ended 31 December 2019, the Transaction size is of the highest value when calculated in accordance with the total net tangible assets, which equals to 22.52% 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 92.09 Million x 63.76% / Baht 260.79 Million	22.52%
2. Net Profit = % Net profit from operation of the company that will buy or sell / net profit from operation of the listed company	(This calculation basis is not applicable) (The company showed loss)	-

Calculation Basis	Calculation Details	Transaction Size
3. Total Value of Consideration = Value of Consideration / Total assets of the listed company	= Baht 70.01 Million / Baht 335.01 Million	20.90%
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) because of no issuance shares for payment the Asset.	-
Highest Transaction Size		22.52%

5. Details of Assets Acquired

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

5.1 Details of Landy's shares to be acquired by the Company

The Company will acquire 2,550,400 shares or 63.76% of the total issued shares of Landy.

5.2 Summary Details of Landy

a) General Information

Landy Development Company Limited was established on March 9, 1992 to rent the office space. At present, Landy has registered and paid-up capital of Baht 40 million, divided into 4 million shares, at Par Value of Baht 10 per share.

b) Business Characteristic

Landy engages in the office space for rent. Its head office and the building is located at 1 Soi Ladprao19, Ladprao Road, Chomphol Sub-district, Chatuchak District, Bangkok 10900. This office building is 8-Storey building with usable area approximately 9,368 Sq.m. is on freehold land of 389.50 Sq.wah.

c) Board of Directors

At present, the Board of Directors of Landy comprise of:

1. Mr. Phoon Chiong Kit
2. Mrs. Uraiwan Boonyarataphan

Subsequent the completion of the Transaction, the directors of Landy Development Co., Ltd. ("Landy") will be changed. The Company will nominate its directors to replace both positions.

d) Shareholding Structure

The shareholder structure of Landy as shown in Landy's list of shareholder copied from the share registry book dated 27 January 2020 are as follows:

Name	Shares	%
Master Ad Plc. ^{1/}	1,954,800	48.87%
Master & More Co., Ltd. ^{2/}	595,600	14.89%
Landy Home (Thailand) Co., Ltd.	1,449,600	36.24%
Total	4,000,000	100.00%

^{1/}The shareholder structure of Master Ad Plc. as shown in MACO's list of shareholder copied from the share registry book dated 29 July 2020 are as follows:

Name	Shares	%
VGI Plc.	1,438,367,596	26.58
Mr. Nares Ngamapichon	1,011,000,000	18.68
BTS Group Holding Plc.	789,150,660	14.58
Thai NVDR Company Limited	608,744,521	11.25
Plan B Media Plc.	540,000,000	9.98
Other	1,024,718,137	18.93
Total	5,411,980,914	100.00

^{2/}The shareholder Structure of Master & More Co., Ltd, consists of Master Ad is holder 99.99%

e) Financial Information

The financial information of Landy as per its audited financial statement audited ended 31 December 2017-2019 are as follows:

Unit: Million Baht	2017	2018	2019
Current Assets	16.22	27.76	36.95
Building and Equipment	69.67	64.15	58.68
Total Assets	85.89	91.91	95.63
Liabilities:			
Current Liabilities	3.87	2.56	1.84
Non-current Liabilities	1.96	1.96	1.70
Total Liabilities	5.83	4.52	3.54
Shareholders' Equity:			
Registered Capital			
Issued and Paid-up Capital	40.00	40.00	40.00
Retained Earnings	40.06	47.39	52.09
Total Shareholders' Equity	80.06	87.39	92.09
Total Liabilities and Shareholders' Equity	85.89	91.91	95.63

Operation Results of Landy ended 31 December 2017-2019

Unit: Million Baht	2017	2018	2019
Revenue from Sales and Services	23.11	21.36	19.96
Costs of Services and Sales	11.74	11.66	11.60
Gross Profit	11.37	9.70	8.36
Operating Expenses	2.28	1.92	2.58
EBIT	9.09	7.78	5.78
Other Revenue	0.46	1.37	0.09
Financial Costs	0.00	0.00	0.00
Income Tax Expenses	1.91	1.83	1.17
Net Profit (Loss)	7.64	7.32	4.70

6. Value of Consideration and Basis Used to Determine the Value of Consideration

The total value of consideration for 2,550,400 shares of Landy to be paid to the Sellers is Baht 70,008,480 or Baht 27.45 per share. 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 Quarter 4 of 2020). Within 14 days after Resolution of the Board of Meeting, the Company will pay amount equal

to 25% ("Deposit") of the Purchasing Price to the Sellers, remaining amount will be paid on the date of share transfer.

7. Value of Assets acquired

Landy's shares' book value is Baht 23.02 per share based on the latest audited financial statement as at 31 December 2019.

The Company appointed independent appraiser (T.A. Management Corporation (1999) Co., Ltd.) as asset appraiser on October 15, 2020. By using cost approach, the assets value is Baht 235.23 million. Force sales value at 60% of appraisal value is Baht 141.14 million or Baht 43.64 per share.

However, purchasing price would be ranged between Book Value which is Baht 23.02 per share and Discounted Cash Flow method at 10% discounted rate which is Baht 30.81 per share. After negotiation with sellers, the agreed purchased price is Baht 27.45 per share, which is 19.24% premium over Book Value and 12.24% discounted from Discounted Cash Flow method.

8. Sources of Financing

The Company will finance this Transaction with the working capital of the Company of Baht 70.01 million. As of 30 September 2020, the Company has cash and cash equivalent as well as current investments in an amount of Baht 248.48 million. After payment of the purchase price, the Company still has sufficient funds for its business operations.

9. Expected Benefits to the Company

The benefits from this transaction is to increase the efficiency in cash management, liquidity, generates a suitable return, and risk management. The Company will also have benefit from land appreciate in the future because the land and building is located at Lad Prao Soi 19, approximately 50 meters from MRT-Ladprao which is on the very good location.

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 (SET) 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. Purchasing price was 12.24% lower than Discounted Cash Flow method which also had conservative assumption. In addition, it was only 19.24% premium over Book Value. So, the Board of Directors thought that it would be most beneficial to the Company and its shareholders. The Company can also have recurring income and asset appreciation in the future.

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.