

ALPHAXSET-2407-001

8 July 2024

Subject : Disposition of the Company's investment in its subsidiaries engaging in property development business which considered as a disposition of assets and the cessation of being a subsidiary Company notification of capital increase of subsidiary Company and business restructuring. ([Update](#))

To : Director and Manager,

The Stock Exchange of Thailand

Enclosure : Information Memorandum on the Disposal of assets of V Property Development Company Limited

Alpha Divisions Public Company Limited (the "Company") hereby notifies to the Stock Exchange of Thailand ("SET") that the Board of Directors' Meeting No. 5/2024, which was held on July 8, 2024 at 2:00 p.m., the resolutions have passed on important topics as follows:

1. Resolved to approve the disposition of the Company's investment in property development by the disposal of ordinary shares and claims in relation to outstanding loans including accrued interest as the consolidated financial statements of V Property Development Company Limited ("VPROP") to non-connected person and sign the share purchase agreement and/or related documents to sell 244,926,500 ordinary shares of VPROP. VPROP is represented 99.97 percent of paid-up capital and claims held by the Company as a creditor in relation to all outstanding loans owed to it by VPROP with accrued interest as at the completion date for sale of the Shares will be transferred to Mr. Chatree Dechawaleekul, which is not a connected person of the Company. As of 30 June, 2024 the total outstanding loans owed by VPROP are THB 478,799,502. The initial total value of sale of the Shares and the transfer of claims relating to the outstanding loans are THB 778,799,502 after the disposal of investment in subsidiary, the Company has no outstanding shares holding in the VPROP and VPROP shall cease to be the subsidiary of the Company.

The entry into the aforementioned transaction is considered an acquisition of assets pursuant to Notification of the Capital Market Supervisory Board No. Tor Chor. 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) (as amended) (Collectively referred to as the "Acquisition or Disposition of Assets Notification"). The transaction size of such transaction calculated under the net tangible value, which gives the highest transaction value, is equivalent to 11.89 percent, and when inclusive of the 6-month period, the highest criterion is total value of consideration criterion. The transaction size is equal to 11.89 percent which yields the highest transaction value. Therefore, the transaction is deemed as class 1 transaction according to the Acquisition or Disposition of Assets Notification which is a transaction with the size of less than 15%.

In this regard, the Company hereby discloses the information memorandum associated with the transaction to the SET pursuant to the Acquisition and Disposition Notifications, details of which are as provided in the attachment.

2. Resolved to approve the approved to increase capital of Alpha Power Development Co., Ltd., the Company's subsidiary with 100% of shareholding, as following details:

	Before Capital Increase	After Capital Increase
Registered capital	10,000,000 Baht divided into 100,000 ordinary shares at a price of 100 Baht per share	1,550,000,000 Baht divided into 15,500,000 ordinary shares at a price of 100 Baht per share

Investment Funds Objective: Money from the sale of real estate businesses.

Objective: To support the expansion of investment in renewable energy business.

In this regard, the transaction above is not deemed as connected transactions under the Notification of the Capital Market Supervisory Board No. Tor Chor. 21/2008 Re: Rules on Connected Transactions, nor an acquisition of assets under 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 Disposition of Assets, 2004, and the Notification of the Capital Market Supervisory Board No. Tor Chor. 20/2008 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and its amendments ("Notification on Acquisition or Disposition of Assets") as the transactions are completed between the Company and its subsidiary in which the Company holds shares in the proportion of 100 percent of all shares issued by the subsidiary.

The Company would like to clarify the business structure of the Company and its subsidiaries. After the real estate business has been sold as follows:

No.	Company	Business	proportion Shareholding
1	Alpha Divisions Public Company Limited	Palm oil distribution business	100%
2	Alpha Biotech Company Limited	Biotech business (CBD extract)	100%
3	Mahathun Leasing Public Company Limited in Laos.	Hire-purchase service business	68%
4	Simoung Express Loan Non Deposit Taking Microfinance Institutions Co.,Ltd	Loan service business	100%
5	Alpha Power Development (Laos) Company Limited	Hydroelectric power plant business	100%

* Note: Mahathun Leasing Credit Public Company Limited in Lao is an indirect subsidiary. It holds 77% of shares through Mahathun Holding Company Limited, a subsidiary.

By the palm oil distribution business, it is a business operation by the Company. Which has ceased doing business for a considerable period of time this is due to price fluctuations, the Company has had no income according to the separate financial statements since 2022, resulting in the Company having the status of a Holding Company, at present, the subsidiaries that operate the main business that generates the main income and profits come from Mahathun Leasing Public Company Limited and Simoung Express Loan Non Deposit Taking Microfinance Institutions Co.,Ltd. However, the Company is currently in the process of restructuring the Company by expanding into the energy business which is operated by Alpha Power Development (Laos) Company Limited, which is expected to complete the business restructuring by 2024.

Please be informed accordingly,

Your Faithfully,

(Mr.Teera Chutivaraporn)
 Chief Executive Officer

(Translation)

Information Memorandum on the Disposal of Assets
Alpha Divisions Public Company Limited

With the Board of Directors of Alpha Divisions Public Company Limited (the “Company” or “Seller”) in meeting No. 5/2567 held on 8 July, 2024, approve the sale of ordinary shares of V Property Company Limited (“VPROP”) and the transfer of claims in relation to outstanding loans with accrued interest as the consolidated financial statements of VPROP and its subsidiaries to Mr.Chatree Dechawaleekul (the “Purchaser”), which is not a connected person of the Company and sign the share purchase agreement and/or related documents to sell the ordinary shares and the transfer of claims in relation to outstanding loans of VPROP. The assets to be disposed of are set out as follows:

1. Ordinary shares in a subsidiary of the Company

The 2,449,265 ordinary shares in V Property Company Limited (“VPROP”) having a par value of THB 100 (one hundred Baht) each, all of which are fully paid, accounting for 99.97% of the total shares (referred to as the “Shares”)

2. Claims in relation to outstanding loans

Claims held by the Company as a creditor in relation to all outstanding loans with accrued interest in consolidated financial statements of VPROP and its subsidiaries (collectively referred to as the “Outstanding Loans”) as at the completion date for sale of the Shares (the “Company Date”) will be transferred to the Purchaser. As of 31 March 2024, the total Outstanding Loans are approximately THB 478,799,502 (Four hundred seventy-eight million seven hundred ninety-nine thousand five hundred and two Baht)

The entry into the aforementioned transaction is considered an acquisition of assets pursuant to Notification of the Capital Market Supervisory Board No. Tor Chor. 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) (as amended) (Collectively referred to as the “Acquisition or Disposition of Assets Notification”). The transaction size of such transaction calculated under total value of consideration, which gives the highest transaction value, is equivalent to 11.89 percent, and when inclusive of the 6-month period, the highest criterion is total value of consideration criterion. The transaction size is equal to 11.89 percent which yields the highest transaction value. Therefore, the transaction is deemed as class 1 transaction according to the Acquisition or Disposition of Assets Notification which is a transaction with the size of less than 15%.

The Company therefore would like to disclose the information memorandum on the disposal of assets relating to the sale of ordinary shares of VPROP and claims in relation to outstanding loans of VPROP and its subsidiaries. Details as follows:

1. Date Month Year of The Transaction

The Board of Directors' meeting approved the transaction to the Company to sign the share purchase agreement to sell VPROP's ordinary shares to Mr.Chatree Dechawaleekul on 8 July, 2024. The transaction will be completed within July 2024 after the counterparty has [after the counterparty has take action so that the target company is free from contractual obligations. as well as the obligations that may occur as mentioned have been completed.](#) This includes the successful fulfillment of all condition's precedents specified under the share purchase agreement in relation to the transaction or receiving a waiver from the relevant parties.

2. Related Parties

Seller	: Alpha Divisions Public Company Limited
Purchaser	: Mr.Chatree Dechawaleekul
Relationship with the Company	: Not considered a connect person

3. General Characteristics of the transaction

The Company will sell 2,449,265 ordinary shares of VPROP which having a par value of THB 100 (one hundred Baht) pershare, all of which are fully paid, representing 99.97 percent of its total paid-up capital in total amount of THB 244,926,500 and its subsidiaries company was held by VPROP consist of:

1. 132,000 ordinary shares in V Sukhumvit 81 Company Limited having a par value of THB 1,000 each, all of which are fully paid, accounting for 55 percent of its total shares in total amount of THB 132,000,000 and
2. 1,199,997 ordinary shares in V Villa 62 Company Limited having a par value of THB 100 each, all of which are fully paid, accounting for 99.99 percent of its total shares in total amount of THB 119,999,700

Including claimed in relation of Outstanding Loans. As of 31 March, 2024, the Outstanding Loans as consolidated financial statements of VPROP the total amount is approximately THB 478,799,502 (Four hundred seventy-eight million seven hundred ninety-nine thousand five hundred and two Baht). The Company and the Purchaser agreed to determine the enterprise value of the Targets estimated on a cash-free and debt-free basis. In this connection, the Company and the Purchaser agreed that the total enterprise value is THB 778,799,502 (Seven hundred seventy-eight million seven hundred ninety-nine thousand five hundred and two Baht) (the Enterprise Value) which is the price based on the negotiation and agreement between the Company and the Purchaser by using the

market price method, which is an appraisal by [an Sims Property Consultant Company Limited, an independent appraiser approved by the Office of the Securities and Exchange Commission](#), after the Disposal of Investment in the Subsidiary, the Company has no outstanding shares holding in VPROP and shall cease to be the subsidiary of the Company.

4. Transaction Size

4.1 Transaction size calculation

The Company has calculated the transaction size of the transaction under the Acquisition or Disposition of Assets Notification. This is calculated from the reviewed financial of the Company for 3-months period ending 31 March, 2024, details as follows:

1. Net Tangible Value (NTA) criterion

$$\text{Transaction size} = \frac{(\text{NTA of VPROP} \times 100\%) \times 100}{\text{NTA of the Company}} = \frac{(146.00^{1/} \times 100\%) \times 100}{5,684.95^{2/}} = 2.57\%$$

2. Net Profit from operating results criterion

$$\text{Transaction size} = \frac{(\text{Net profit of VPROP} \times 100\%) \times 100}{\text{Net profit of the Company}} = \frac{(-38.48^{3/} \times 100\%) \times 100}{-13.82^{4/}} = \text{N/A}$$

3. Total Value of consideration criterion

$$\text{Transaction size} = \frac{\text{Total value of consideration received} \times 100}{\text{The total assets of the Company}} = \frac{778.80^{5/} \times 100}{6,549.22^{6/}} = 11.89\%$$

4. Equity issued as consideration for the assets criterion

This criterion is not applicable as no new share of the Company will be issued as consideration.

Remark

1/ Net tangible assets (NTA) of VPROP according to VPROP's consolidated financial statements ended 31 March 2024, reviewed by a Certified Public Accountant.

2/ Net tangible assets (NTA) of the Company according to the Company's consolidated financial statements ended 31 March 2024, reviewed by a Certified Public Accountant. [Not including the value of the hydroelectric power plant concession in the amount of 1,020.97 million baht.](#)

3/ Net profit attributable of VPROP during the past 12 months from 1 April 2023 - 31 March 2024 calculated from the consolidated financial statements of VPROP ended on 31 March 2023 and 31 March 2024, which were audited and reviewed by a Certified Public Accountant and from the consolidated financial statements of VPROP ended on 31 December 2023 which have been audited by a Certified Public Accountant.

4/ Net profit attributable of the Company during the past 12 months from 1 April 2023 - 31 March 2024 calculated from the consolidated financial statements of the Company ended on 31 March 2023 and 31 March 2024, which were audited and reviewed by a Certified Public Accountant and from the consolidated financial statements of the Company ended on 31 December 2023 which have been audited by a Certified Public Accountant.

5/ Total value of considerations calculated from independent appraiser company approved by the Securities and Exchange Commission.

6/ Total Assets of the Company according to the consolidated financial statements of the Company ended on 31 March 2024, which were reviewed by a Certified Public Accountant.

The Sale of Shares and the transfer of claims in relation to the Outstanding Loans as mentioned above the transaction constitutes a disposition of assets worth approximately THB 723,726,002 (Seven hundred twenty-three million seven hundred twenty-six thousand and two Baht) in total, which represents the highest transaction size 11.89 percent computed according to the total consideration approach using the Company's reviewed consolidated financial statements for three-months period ended 31 March 2024. In combination with all other assets disposed of by the Company during the past six months before the date of approval of the transaction, the transaction size will be equal to 11.89 percent. As such, this transaction can be classified as a listed company's disposition of assets under category 1 according to the Acquisition or Disposition of Assets Notifications. The transaction with a value of less than 15 percent. In this regard, the Company hereby discloses the information memorandum associated with the transaction to the SET pursuant to the Acquisition and Disposition Notifications.

4.2 Total value of consideration and payment term

Total value of consideration	:	Amount THB 778,799,502
Payment terms	:	The Company will receive compensation in full within the time required, which is expected to be in July 2024.
Value of assets disposed	:	The value of VPROP shares and the transfer claims in the Outstanding Loans that the Company will dispose as a result of the transaction will be equal to the total value of consideration.
Basis used to determine the value of consideration	:	1) Price at which the Company and the Purchaser agree upon 2) Valuation by an independent appraiser By Sims Property Consultants Company Limited, an independent appraiser approved by the Office of the Securities and Exchange Commission.

5. Details of Assets Disposed

Details relating to the Company's disposed assets are as follows:

5.1 Ordinary shares in the Targets:

2,449,265 ordinary shares in VPROP having a par value of THB 100 (one hundred Baht) each, all of which are fully paid, accounting for 99.97 percent of its total shares

[General information](#)

Company name	: V Property Company Limited
Type of business	: Property Development Business
Registered address	: 98 Athakravi Building 1, 5 th Floor, Soi Ari, Sukhumvit 26 Road, Klong Tan, Klong Toei, Bangkok
Registered and paid-up capital	: THB 245,000,000.00
Par value	: THB 100 per share
Total number of shares	: 2,450,000 shares

5.2 Key Financial Information

VPROP's key financial information is based on the audited consolidated financial statements as of 31 December 2021 - 31 December 2023 and the unaudited but reviewed consolidated financial statements as of 31 March 2024.

Unit : Baht Thousands

Financial Position as of	Consolidated Financial Statement			
	31 Dec 2021	31 Dec 2022	31 Dec 2023	31 March 2024
	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Unaudited but reviewed)</i>
Total Assets	769,444	877,034	971,333	948,953
Intangible assets	109.21	107.03	106.51	106.44
Total Liabilities	323,273	436,552	569,879	562,648
Issued and paid-up capital	245,000	245,000	245,000	245,000
Non-controlling interests	141.98	145.23	135.76	133.87
Total Shareholders' Equity	446,171	440,482	401,454	386,305
Equity attribute to owners of the Company	304,194	295,256	265,694	252,433
Total Revenue	484,483	192,674	108,659	31,513
Total Expenses	425,642	198,363	147,687	46,661
Net Profit (Loss) for the period	58,841	(5,689)	(39,028)	(15,148)
Net Profit (Loss) attributable to the parent company	31,205	(8,938)	(29,562)	(13,261)
Accumulate Profit (Loss) unappropriated	54,514	45,576	16,014	2,753
Net Profit (Loss) per share (Baht/Share)	0.0127	(0.0036)	(0.0121)	(0.0054)
Book Value per share (Baht/Share)	0.1821	0.1798	0.1639	0.1577

5.3 Board of Directors

As of 31 March 2024, the Board of Directors of VPROP consists of

1. Mr.Teera Chutivaraporn Director
2. Mr.Wichien Luknatin Director

5.4 VPROP Shareholders

List of shareholders

No.	Name	As of 31 March 2024		Post-Transaction	
		Number (Shares)	Shareholding percentage	Number (Shares)	Shareholding percentage
1.	Alpha Divisions PLC.	2,449,265	99.97	0	0.00
2.	Mr.Teera Chutivaraporn	734	0.029	0	0.00
3.	Mr.Somkiat Khunrae	1	0.004	0	0.00
4.	Mr.Chatree Dechwaleekul	0	0.00	2,450,000	100.00
	Total	2,450,000	100.00	2,450,000	100.00

6. Requesting permission from relevant agencies

To enter this transaction, the Company must obtain approval by the Board of Directors but does not require permission or approval from any other agency.

7. Expected benefits to the Company

To reduce risks that may arise from future operating results, which may have many factors that have an impact, which may cause not be as expected in the property development business. The funds from this transaction will be used for the hydroelectric power business, which will increase the Company opportunity to generate income, profits, and turning the positive operating results and financial position to the Company. The benefits would also provide continuously stable returns and supports operations in expanding other business opportunities in the future.

8. Plans for use of funds received from transaction

The Company has plans to use the funds received from the transaction to invest in the renewable energy business and for future business expansion including investments in other businesses.

9. Opinions of the Board of Directors

The Board of Directors unanimously approved the disposal of assets as detailed above. The Board of Directors were carefully considered that the sale transaction is reasonable and beneficial to the company and shareholders. Due to the target company's operating results have been at a loss throughout the past period from income that is less than operating expenses including various external factors in the economic field, household debt and competition in the industry conditions. This causes a risk of future operating results that may not be as expected. The company will use the received funds to focus on investing in the renewable energy business, which

is expected to provide stable returns and more certain returns. The renewable energy business will support the company's stable and sustainable operating performance and financial position.

10. Opinions of the Audit Committee

The Audit Committee and its Directors have no different opinions of the Board of Directors.