

Information Memorandum of Provision of The Financial Assistance to Non-related Party
by The Brooker Group Plc

To: The President
The Stock Exchange of Thailand (SET)

Re : Provision of The Financial Assistance to Non-related Party

On 13 November 2019, The Board of Directors of The Brooker Group Plc (“Company”) had the resolution during the Board of Directors’ meeting No. 5/2019 to provide the financial assistance to the non-related party by authorizing the Investment Committee or the person delegated by the Committee to enter into the financial assistance to the non-related party under the framework and conditions pre-approved by the Company’s Board of Directors.

The Company entered into Loan Agreement of which dated 29 November 2019 in order to provide the financial assistance in total Baht 130,000,000 to Global Alliance Co., Ltd. (“Global”), the Borrower, Miss Kannika Adhyanasakul (“Khun Kannikar”) is a major shareholder of 99.99% of Global and the Co-Borrower, Mr.Chainid Adhyanasakul (“Khun Chainid”) is the Loan Guarantor. The conditions for the release of the loan proceeds were in accordance with those previously approved by the Company’s Board of Directors as well as those additionally specified by the Investment Committee. All pre & post conditions in relation to the Loan transactions were completed on 2 December 2019.

In accordance to the Regulations of the Stock Exchange of Thailand Re: Rules, Conditions and Procedures Governing the Disclosure of Information and Other Acts of a Listed Company no. 6 (2010) the listed company has to disclose the provision of financial assistance that has a material transaction size of more than 3% of the listed company’s net tangible assets. Therefore, the Company would like to provide details as follows:

1. The transaction date

29 November 2019. All pre & post conditions in relation to the Loan transactions were completed on 2 December 2019.

2. The parties involved

Lender : The Brooker Group Plc
Borrower: Global Alliance Co., Ltd., Miss Kannika Adhyanasakul (“Khun Kannikar”) is a major shareholder of 99.99% of Global and the Co-Borrower, Mr.Chainid Adhyanasakul (“Khun Chainid”) is the Loan Guarantor. Global Alliance Co., Ltd., Khun Kannika and Khun Chainid are not the connected person as defined in pursuant to the Notification of the Stock Exchange of Thailand Re: Rules, Procedures and Disclosure of Information Concerning the Connected Transaction of the Listed Company B.E. 2004.

3. Details of the Receiver of Financial Assistant

Details of Global Alliance Co., Ltd.

Contact Address: 184/117 Forum Tower, Ratchadaphisek Rd., Huay Kwang, Huay Kwang, Bangkok 10310

Position: Global, as a limited company, holds an investment in other companies as explained to the Company.

	Shareholder's Name	No. of Shares	%
1	Miss Kannika Adhyanasakul	999,998	99.99
2	Other Shareholders	2	-
	Total	1,000,000	100.00
	Par Value	100 Baht/Share	
	Registered and Paid-Up Capital	100,000,000 Baht	

(According to the list of the latest shareholders that the Company received from Global as of 2 December 2019)

Director of Global: Mr.Chainid and Miss Kannika Adhyanasakul was appearing on the Company Affidavit provided to the Company on 2 December 2019

Financial Information of Global

Global Alliance Co., Ltd. Statement of Financial Status (Baht)	31 Dec 2018	31 Dec 2017
<i>Assets</i>		
Cash and deposits at financial institutions	141,456.10	176,631.49
Short-term Investment	74,207,000.00	74,207,000.00
Accounts and notes receivable - net	30,793,000.00	30,793,000.00
Other current assets	163,090.45	163,090.45
Total current assets	105,304,546.55	105,339,721.94
Total assets	105,304,546.55	105,339,721.94
<i>Liabilities and shareholders' equity</i>		
<i>Liabilities</i>		
Accounts payable	218,970.00	218,970.00

Accrued expenses	-	-
Total accounts payable and notes payable	218,970.00	218,970.00
Total Liabilities	218,970.00	218,970.00
Shareholder's equity		
Authorized common stocks	100,000,000.00	100,000,000.00
Issued and paid-up common stocks	100,000,000.00	100,000,000.00
Retained earnings (deficit)	5,085,576.55	5,120,751.94
Total shareholders' equity	105,085,576.55	105,120,751.94
Total liabilities and shareholders' equity	105,304,546.55	105,339,721.94

Global Alliance Co., Ltd. Income Statement (Baht)	31 Dec 2018	31 Dec 2017
Net Sales	24.61	-
Total other income	-	-
Total revenue	24.61	-
Cost of sales /services	-	-
Gross profit (loss)	24.61	-
Total operating expenses	35,200.00	35,200.00
Operating income (loss)	(35,175.39)	(35,200.00)
Income (loss) before depreciation and amortization	(35,175.39)	(35,200.00)
Income (loss) before interest and income taxes	(35,175.39)	(35,200.00)
Net income (loss)	(35,175.39)	(35,200.00)
Earnings (loss) per share	-	-
Number of weighted average ordinary shares	-	-

4. The general characteristics of the transaction:

Details of Loan Transaction

Summary of Loan's Key Terms

- (1) Baht 130 million Loan to Global and Khun Kannika as Co-Borrower has an objective to acquire Land at Lat Krabang approx. 35 Rai (34-3-90.8 Rai). Khun Chainid, as a Director of Global, is the Guarantor for the Loan.
- (2) Loan repayment and term: within 1 (one) Year from the Loan Agreement Signing date.
- (3) Lending Fee: 3% of Loan Principal payable on Loan Agreement Signing date
- (4) Interest 12% per annum (twelve percent) calculated based on the Loan Principal payable first 6 months in advance and payable monthly for the later 6 months.
- (5) Collaterals for the Loan;
 - 5.1) Global mortgaged the Land to which Loan's purpose is tied (with an area of approximately 35 rai as mentioned above). Mortgage registration has been done.
 - 5.2) Khun Kannika, as the Co-Borrower and a major shareholder of Global, has pledged 999,998 ordinary shares of Global to the Company.
 - 5.3) Personal Guarantee is made by Khun Chainid on 29 November 2019
- (6) The Company has agreed with the Co-Borrower and the Guarantor that they would assign or transfer dividend proceeds that they may receive from listed companies to repay the Company.
- (7) Any other action as requested if Company deems appropriate and the Borrower and/or the Co-Borrower agrees, in order to reduce the risk of the Company for granting this Loan.

Value and Size of The Transaction

Principal and expected benefit received throughout loan term	Amount	Remark
Loan principal	Baht 130,000,000	The Borrower shall repay the whole amount of loan principal of loan repayment (Due not more than one year.)
Lending Fee	Baht 3,900,000	3% of total Loan payable at the Signing Date
Interest	Baht 13,177,624.07 (for 1-year period)	12% p.a. payable monthly. Advance payment for first 6-month at the Signing Date
Transaction value	Baht 147,077,624.07	Principal + Lending Fee + Interest
Transaction size	*7.75% of The Company's consolidated net tangible assets (NTA)	The Company's consolidated net tangible assets (NTA) as of 30 September 2019 was Baht 1,897,043,470.62

5. Reasons for Entering into The Transaction

Throughout the years in business, the Company has worked as an advisor for many clients in the real estate development. Then, the Company was introduced to a high net worth businessman. Finally, the Company was contacted by Khun Chainid that Global, a company in which Khun Chainid's wife holds 99.99% of shares, wishes to make a Loan from the Company. Khun Kannika will be the Co-borrower whereas Khun Chainid is pleased to make a Loan guarantee the Loan for the whole amount together with interests.

In this regard, the Company has received confirmation from Khun Kannika and Khun Chainid as the Guarantor of the Loan that the objective of Land purchase is to be developed into Family Compound of wife's family.

The Company considered the factors in relation to the Financial Assistance as follows:

- 1) The Borrower is the company with paid-up at Baht 100 million with outstanding debt lower than Baht 1 million according to Financial Statement as of 31 December 2018. The Co-Borrower and the Guarantor are the high net-worth persons with financial capability to repay loan and interests. Both the Co-Borrower and the Guarantor consent to provide the dividend as the source of repayment. In providing Financial Assistance at this time, the Company considers the financial capability and sources of revenue of the Co-Borrower and the Guarantor as the main factor.
- 2) The company has designated a mechanism to provide Loan with clear Collaterals, the Land of approximately 35 rai, which is located along the Motorway, Lat Krabang, Bangkok. Global submitted the land valuation report using the Market Comparison Approach, which is valued at Baht 278 million, while the Company provides Loan at Baht 130 million. In addition, the company has received the consent from Khun Kannika, a major shareholder in Global, pledging in 999,998 ordinary shares of Global in favor of the Company. The above mechanism will enable the Company to confiscate the Land immediately if there is default.
- 3) In the event that the Collateral value decreases in the future, for whatever reasons, the Company, as the lender, can request additional Collateral. If the Borrower/Co-borrower still does not fully repay the principal or interest to the Lender, The lender will not release the Collaterals.
- 4) The Company will earn interest income from such loan at the interest rate higher than our returns from deposit with financial Institute and holdings of certain government bonds. In order to provide financial assistance to Global the Company does not borrow from any financial institutions, but from the Company's internal cashflow.
- 5) The Company received the confirmation letter from Khun Chainid, as the Chief Executive Officer and shareholder of Property Perfect Public Company Limited with 6.70% ownership that, the Loan to Global will be used to purchase the Land for residence of his wife's family (developed as Family Compound). By this transaction, this shall not conflict of interest between Khun Chainid and Property Perfect Public Company Limited. Noted that Khun Kannika hold the shares in Property Perfect Public Company Limited for 5.95% ownership per the list of shareholders as of 26 August 2019 from www.set.or.th.

6. Procedure for consideration The Financial Assistance

6.1 Policy, procedure and principles for granting the financial assistance

Both borrowing and lending are part of the Company's business, which are consistent with the Company's Objectives registered at the Ministry of Commerce. The objective of lending is to obtain the return at the rate higher than the general interest rate obtained from deposit at bank. The key principle is that the benefit from the Transaction is higher than the Company's financial cost.

6.2 Approval authorization and financial assistance amount

On 13 November 2019, the Company's Board of Directors approved to provide the financial assistance to Non-related Parties. In doing so, the Board provided the framework and conditions to the Company's Investment Committee in order to grant such financial assistance. This included the loan amount, the return, the loan term, the collateral and other conditions. The Investment Committee members are as follows:

- 1) Khun Chan Bulakul: Chairman of Investment Committee
- 2) Khun Anake Kamolnate: Investment Committee Member
- 3) Khun Varut Bulakul: Investment Committee Member
- 4) Khun Kirin Narula: Investment Committee Member
- 5) Khun Robert W.McMillen: Investment Committee Member

6.3 Factors in consideration for the repayment capabilities

The Company has received additional agreements in which the Co-Borrower and the Guarantor will assign or transfer the dividends received from the listed company. However, the Company mainly considers the repayment capability of the Co-Borrower and Guarantor.

6.4 Management of risk which may incur from entering into the financial assistance and effect on the Company financial status

The Company has the right to claim the land which has been mortgaged from Global. In addition, Khun Kannika consents to pledge her shares in Global whereas Khun Chainid agrees to make a personal guarantee. This enables the Company to take over the majority control in Global and proceed to sell the Land of Global mortgaged for in the event of default.

6.5 Source of fund for granting the financial assistance

The Company does not borrow fund from any financial institutions to provide Financial Assistance at this time.

As of 30 September 2019, the company has cash or cash equivalents of 176,542,577.92 Baht and short-term investment in trading securities of 817,689,248.41 Baht.

6.6 Benefits received

Received the interest income which are, in total, higher than the interest income from depositing cash with general financial institutions.

Yours sincerely,
THE BROOKER GROUP PLC.

(Mr. Chan Bulakul)
Chief Executive Officer