

**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 by The Brooker Group Plc

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 18 December 2019 in order to provide the financial assistance in total Baht 130,000,000 to Ban Chang Land Development Co., Ltd. (“BCLD”). 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.

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

18 December 2019.

2. The parties involved

Lender: The Brooker Group Plc

Borrower: Ban Chang Land Development Co., Ltd.

Ban Chang Land Development Co., Ltd. is 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 Ban Chang Land Development Co., Ltd.

Contact Address: 39/112 Soi Thonglor 2, Chom Pon, Chatuchak, Bangkok 10900

Position: BCLD, as a limited company (Previous name is Ban Chang Water Development Co., Ltd.) incorporates real estate development, develop land for industrial and residential purposes. At present, the company plans to develop approximately 130 rai of land at Ban Chang Subdistrict, Ban Chang, Rayong Province while seeking for the co-investor to jointly develop the project.

	Shareholder's Name as of 29 November 2019	No. of Shares	%
1	Miss Suwanthip Chaisamrej	6,070,000*	46.6923
2	Miss Issare Benjaratanaporn	4,550,000	35.0000
3	Mr. Simon Yuk Kuang Lee	1,680,000	12.9231
4	Mr. Yuttapong Intarapanit	699,800	5.3831
5	The Brooker Group Plc	100	0.0008
6	Mr. Varit Bulakul	100	0.0008
	Total	13,000,000	100.0000
	Par value	10 Baht/Share	
	Registered Capital	130,000,000 Baht	
	Paid Up Capital	85,000,000 Baht	

(According to the list of the latest shareholders of BCLD that the Company received as of 18 December 2019)

Note: Before entering the Transaction, The Brooker Group Plc and Mr.Varit Bulakul, the major shareholder and management of The Brooker Group Plc, has become the minority shareholder of BCLD by holding 100 shares each. Thus when the shareholders' meeting is called on any matters, The Brooker Group Plc will be able to receive an information related to any ongoing issues through BCLD directly.

Director of BCLD: Mrs. Chanakan Phothibarn, Miss Ing-On Sangsingkeaw, Miss Isare Benjaratanaporn, Miss Suvanthip Chaisamrej, Mr. Yuttapong Intarapanit and Mr. Simon Yuk Kuang Lee.

The director who can sign binding the company are 1) Mrs. Chanakan Phothibarn together with 2) Miss Ing-On Sangsingkeaw or Miss Isare Benjaratanaporn or Miss Suvanthip Chaisamrej or Mr. Yuttapong Intarapanit. (According to the latest company certificate of BCLD the Company received as of 17 December 2019)

Financial Information of BCLD

Statement of Financial Status (Baht)	31-Dec-2018	31-Dec-2017
Assets		
Current Assets		
Cash and Cash Equivalents	148,062.40	
Other Current Assets	53,987.67	
Total Current Assets	202,050.07	
Non-Current Assets		
Long-Term Loans	2,700,000.00	
Land, Buildings and Equipment - Net	51,900,000.00	51,900,000.00
Total Non-Current Assets	54,600,000.00	51,900,000.00
Total Assets	54,802,050.07	51,900,000.00
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts Payable and Other Payables	1,070,000.00	1,960,000.00
Other Current Liabilities	21,500.00	20,000.00
Total Current Liabilities	1,091,500.00	1,980,000.00
Total Liabilities	1,091,500.00	1,980,000.00
Shareholders' Equity		
Authorized common stocks	70,000,000.00	50,000,000.00
Issued and Paid-Up Share Capital	55,000,000.00	50,000,000.00
Retained Earnings (Deficits)	(1,289,449.93)	(80,000.00)
Total Shareholders' Equity	53,710,550.07	49,920,000.00
Total Liabilities and Shareholders' Equity	54,802,050.07	51,900,000.00

Income Statement (Baht)	31-Dec-2018	31-Dec-2017
Interest Income	53,987.67	
Total Revenues	53,987.67	
Expenses		
Administrative Expenses	1,263,437.60	20,000.00
Total Expenses	1,263,437.60	20,000.00
Gain (Loss) before Financial Cost and Corporate Income Tax	(1,209,449.93)	(20,000.00)
Income (Loss) before Income Tax	(1,209,449.93)	(20,000.00)
Net Profit (Loss)	(1,209,449.93)	(20,000.00)

4. The general characteristics of the transaction:

Summary of Loan's Key Terms

- (1) The Company provides financial assistance in the form of a Baht 130 million Loan to BCLD with the objective that enable BCLD to completely own all Lands which will ready for the new co-investor to start developing the project. The Company designated the Loan to make all Lands for the project to be free of encumbrances and prompt to be solely mortgaged to the Company, as the Lands mortgaged to the Company has total area of 130-3-31.6 Rai. As a result, the LTV (Loan to Value) of Collaterals is more than 3 times of the Loan provided. (According to the land valuation report submitted to the Company equals to 418.65 million Baht), thereby reducing the risk of entering the transaction significantly (Noted that The Company did not provide the Loan as part of the project development). The Company also designated BCLD to repay the Loan when the potential co-investor come to jointly develop the project.
- (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) BCLD has mortgaged in totaling 4 plots of land with a total area of 130-3-31.6 Rai to further develop the project as mentioned above. Mortgage registration has been done.
 - 5.2) BCLD, by 3 major shareholders, provides 9,880,000 ordinary shares of BCLD pledging to the Company, equals to 76 percent of the total issued and registered shares of BCLD. The details are as follows;

	Name of Shareholder	No. of Shares	%
1	Miss Issare Benjaratanaporn	4,550,000	35.00
2	Mr. Yuttapong Intarapanit	699,800	5.38
3	Miss Suwanthip Chaisamrej	4,630,200	35.62
	Total	9,880,000	76.00

- (6) Any other action as requested if Company deems appropriate and the 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 15,601,634.85 (for 1-year period)	12% p.a. payable monthly. Advance payment for first 6-month at the Signing Date
Transaction value	Baht 149,501,634.85	Principal + Lending Fee + Interest
Transaction size	7.88% 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. Thereafter the Company was contacted by director and management of BCLD, wishes to make a Loan from the Company to purchase Land to develop further real estate project.

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

- 1) The Borrower is the company with paid-up at Baht 85 million with outstanding debt approximately Baht 1.2 million according to Financial Statement as of 31 December 2018.
- 2) The company has designated a mechanism to provide Loan with clear Collaterals. In this regard, BCLD submitted the land valuation report using the Market Comparison Approach, which is valued at Baht 418.65 million while the Company provides Loan at Baht 130 million. In addition, the Company has received the consent from 3 major shareholders in BCLD, which are Khun Issare Benjaratanaporn, Khun Yuttapong Intarapanit and Khun Suwanthip Chaisamrej, pledging in 9,880,000 ordinary shares of BCLD in favor of the Company. The above mechanism will enable the Company to confiscate the Land immediately if there is default.

Moreover, before entering the Transaction, The Brooker Group Plc and Mr.Varit Bulakul, the major shareholder and management of The Brooker Group Plc, has become the minority shareholder of BCLD by holding 100 shares each. Thus when the shareholders' meeting is called on any matters, The Brooker Group Plc will be able to receive an information related to any ongoing issues through BCLD directly.

- 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 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 BCLD the Company does not borrow from any financial institutions, but from the Company's internal cashflow.

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 designated BCLD to repay the Loan when the potential co-investor come to jointly develop the project. At present, there is one of reputable listed company show interest to jointly develop the project with BCLD within 2020.

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 BCLD. In addition, 3 major shareholders consent to pledge their shares in BCLD. This enables the Company to take over the majority control in BCLD and proceed to sell the Land of BCLD 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,

(Mr. Chan Bulakul)
Chief Executive Officer