



THE BROOKER GROUP PUBLIC COMPANY LIMITED

26th Floor, The Trendy Building, 10/190-193 Soi Sukhumvit 13, Sukhumvit Road, Klong Toey Nua,
Wattana, Bangkok 10110 Tel: (662) 168-7100 Fax: (662) 168-7111-2
<http://www.brookergroup.com>

27 August 2020

Subject: Information Memorandum regarding the Disposition of Assets

To: The President
The Stock Exchange of Thailand

Enclosure: Information Memorandum regarding the Disposition of Assets

The Board of Directors' Meeting of The Brooker Group Plc (the "**Company**") No. 5/2020 dated 11 August 2020 has considered and approved the disposition of existing ordinary shares of YLP Company Limited ("**YLP**") at the amount of 1,257,999 shares which equal to 74 % of the total paid-up shares of YLP. The Board of Directors designate the Investment Committee by the Company's Chief Executive Officer, Mr. Chan Bulakul to make the negotiation, consider details in order to execute the definitive agreements in relation to share disposition quickly. This transaction has been completed on 27 August 2020 at price 222.27 Baht/share, total selling price 279,614,291 Baht.

The Transaction is considered the disposition of assets in accordance with the Notification of the Capital Market Supervisory Board No. TorChor 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposition of Assets and the Notification of the Stock Exchange of Thailand in respect of the Disclosure of Information and the Performance of the Listed Company in Acquisition and Disposition of Assets, 2004 ("Notification of Acquisition or Disposition of Assets") with the total transaction size of 12.05% of the Company's total consolidated financial statements as of 30 June 2020.

Not any assets disposed of during the 6 months prior to this transaction date. Thus, the disposition of YLP shares lower than 15% is classified as Class 3 transaction following Notification of Acquisition and Disposition of Assets. Accordingly, the Company is required to disclose information regarding the disposition of assets to the Stock Exchange of Thailand (the "**SET**").

Please be informed accordingly.

Yours Sincerely,

(Mr. Chan Bulakul)
Chief Executive Officer

**Information Memorandum of The Brooker Group Public Company Limited
on Disposition of Assets**

The Board of Directors Meeting of The Brooker Group Public Company Limited (the “Company”) No.5/2020 held on 11 August 2020 has considered and approved the disposition of existing ordinary shares of YLP Company Limited (“YLP”) at the amount of 1,257,999 shares which equal to 74 % of the total paid-up shares of YLP (refer to the Information memorandum which the Company released on 8 November 2019 expressed the intention that the Company aims to hold shares in YLP on short term basis only). The Board of Directors designate the Investment Committee by the Company’s Chief Executive Officer, Mr. Chan Bulakul to make the negotiation, consider details in order to execute the definitive agreements in relation to share disposition quickly.

The disposition of YLP shares is classified as disposition of assets according to the Notification of the Capital Market Supervisory Board No. Tor.Jor. 20/2008 regarding Criteria for entering into significant transaction that is the acquisition or disposal of assets and Notification of the Board of Governors of the Stock Exchange of Thailand Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, 2004 (Including Amendments) (collectively, “**Notification of Acquisition and Disposition of Assets**”) with a total transaction size equal to 12.05%, which is based on the Criteria on net operating profits, which is the highest result. Not any assets disposed of during the 6 months prior to this transaction date. Thus, the disposition of YLP shares lower than 15% is classified as Class 3 transaction following Notification of Acquisition and Disposition of Assets.

Background

Reference is made to the Information Memorandum in relation to the acquisition of YLP shares as of 8 November 2019 for the amount of 1,257,999 shares at the acquisition price of 203.69 Bt/share or equivalent to Bt 256,243,013.73. The acquisition was made by means of settlement with the loan from the Company and accrued interest to Pace Food Retail Plc (“PFR”). Therefore, the objective of such share acquisition was for receiving the settlement of loan settlement and only expected to hold such investment in YLP shares in short term.

The Company had continuously made an effort to sell such shares to the juristic person as well as the individual person that is interested in the property development business. Towards the end of 2019, Khun Tuangphoom Soontaranuwat (“Khun Tuangphoom”) was introduced to the Company as he expressed his interest in acquiring YLP shares. However, he would like to provide Bt 8.09 million cash deposit to the Company.

At that time the Company considered that the share sale and acquisition might not happen with several reasons. For instances, the construction of Windshell Naradhiwas Residential Condominium Project that is owned by YLP was not completed. The cash deposit represented a very small amount ie. approx. 3% of Bt 266 million of the price in discussion at that time. In addition, the buyer requested to make the remaining balance of such price in March 2020. There final share price was not finalized at that time.

Since early 2020, there has been the pandemic of Covid-19. The buyer requested the Company to postpone the settlement of share acquisition period to be the end of September 2020. Therefore, the price was re-negotiated, whereas the Company has the framework of achieving the return on investment of approx. 12% per year.

In March 2020, the construction of Windshell Naradhiwas Residential Condominium Project was complete. The buyer agreed to make additional cash deposit to the Company for the amount of Bt 110.27 million on 31 March 2020. However, due to the ongoing situation of Covid-19, the buyer requested to make the settlement and share transfer in September 2020. Subsequently, on 14 August 2020, the buyer notified the firm intention to purchase the shares and requested for finalizing the share price. Therefore, both parties agreed on the final price of Bt 279.61 million. Therefore, the buyer paid the remaining balance to the Company for the amount of Bt 161.25 million (Bt 161.25 million = The sales price of Bt 279.61 mn – the first cash deposit of Bt 8.09 million received on 30 December 2019 – the second cash deposit of Bt 110.27 million received on 31 March 2020). The buyer has received the transfer of shares since 27 August 2020.

Details of transaction is as follows;

1. Date of the Transaction

27 August 2020

2. Relevant parties and relationships with the Company

Purchaser:	Mr. Thuangpoom Sataranuwat (“Khun Thuangpoom”)
Seller :	The Brooker Group Public Company Limited (“BROOK”) Relationship to the Company: Buyer and The Company are not a connected person according to the Notification of the Capital Market Supervisory Board No. Tor.Jor. 21/2008 regarding Rules of Connected Transaction and Notification of The Board of Governors of The Stock Exchange of Thailand, Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, 2003 (Including Amendments) (“ Related Party Transaction ”), therefore, this transaction is considered not a Related Party Transaction following Notification above.

3. General characteristics, type and size of the transaction

3.1 General characteristics, type of the transaction

The Company will dispose the existing ordinary shares of YLP to Khun Thuangpoom Sataranuwat as detailed below.

Purchaser:	Khun Thuangpoomg Sataranuwat
Amount of shares disposed:	1,257,999 shares (74% of the paid-up shares of YLP)
Price per Share:	222.27 Baht/share
Total selling price:	279,614,291 Baht

3.2 Transaction size

The calculation of the transaction size according to the Notification of Acquisition or Disposition of Assets and refer to the financial statements of the Company for the 6 months period ended 30 June 2020 and the auditted financial statements of YLP ended at 31 December 2019, following 4 calculation criterias as follows;

Financial data for Calculation

The Company	30 Jun 2020 (mn THB)	YLP	YLP's Audited Financial Statement as of 31 Dec 2019 (mn THB)
Shareholders' Equity	2,531	Shareholders' Equity	297
Deferred Tax Asset	58	Deferred Tax Asset	-
Intangible Asset	2,473	Intangible Asset	297
Net Profit for previous 12 mth	602	Net Profit for previous 12 mth	98
Total assets	2,913.36	Total assets	1,410.54

Calculation Criteria

Calculation Criteria	Calculation formula	Transaction size: YLP's Auditted Financial Statement as of 31 Dec 2019 (%)
1) Criteria on net tangible assets	(NTA of investment in company x Proportion disposed)/ NTA of the listed company (mn THB)	= (297x74%)/2,473 = 8.89
2) Criteria on net profit	(Net operating profits of the investment x Buying or selling ratio) x 100/ Net operating profits of the listed company (mn THB)	= (98x74%)/602 =12.05
3) Criteria on total value of consideration paid or received	Value paid or received/Total assets of listed companies (mn THB)	=279.61/2,913.36 = 9.60

Calculation Criteria	Calculation formula	Transaction size: YLP's Auditted Financial Statement as of 31 Dec 2019 (%)
4) Criteria on comparison value of securities	N/A, can not be calculated due to not issuing shares to pay for assets	N/A

The transaction will have the maximum transaction size based on the criteria on net operating profits equal to 12.05%. No disposition transaction of other assets that occurred during 6 months prior to this transaction date. Thus, total transaction size equal to 12.05 % according to the criterion on net operating profits. Therefore, the disposition of YLP's existing ordinary shares is classified as Class 3 according to the Notification of Acquisition or Disposition of Assets.

4. Details of the Disposition Assets

Type of Security : Common Shares
Number of Disposed Shares : 1,257,999 shares
Average Selling Price per Share : 222.27 Baht
Total Selling Price : 279,614,291 Baht

The Book Value of Shares as of 31 December 2019 : 174.724 Baht/share

4.1 General information of YLP

Name	YLP Company Limited		
Registered date	9 Nov 2007		
Company ID	0105550118130		
Address	53 Sivatel Tower, 16 th Floor, Room 1606, Wireless Road, Lumpini Sub-district, Pathumwan District, Bangkok 10330		
Shareholder details from Shareholder's book as of 13 August 2020	<u>Shareholder (Before transaction)</u>	<u>Share (s)</u>	<u>%</u>
	1) The Brooker Group Plc	1,257,999	74.00
	2) MCL Property Limited	441,999	26.00
	3) Mr. Varit Bulakul	<u>2</u>	<u>0.00</u>
	total	<u>1,700,000</u>	<u>100.00</u>
Director list from Copy of Affidavit as of 13 August 2020	1) Mr. Chotiphol Techakraisri 2) Mr. Varit Bulakul 3) Ms Naiyana Silarote 4) Mr. Chan Bulakul* 5) Mr. Anake Kamolnate*		
Business type	Real estate development for sales		

* * The construction of the Windshell Naradhiwas Project of YLP was completed and officially launched in March 2020. When the buyer also made additional cash deposit for share acquisition (as previously mentioned), the buyer and the Company mutually considered appropriate for the Company to assign the Company's director to be the authorized director at YLP until the buyer made the final settlement on the remaining balance of the share sales and purchase price in order to be able to review and check the cash inflow and cash outflow. This was because once the Project was completed, the transaction of YLP would be in the form of cash inflow from units sold and gradual settlement of the bank loan. Therefore, on 3 April 2020, the Company assigned our directors to temporarily be the authorized directors of YLP. However, the Company agreed not to involve with the Project or intervene in selling condominium units. On 27 August 2020, the share sale transaction was completed. Therefore, our directors have already resigned from being the director of YLP. Any subsequent changes in director will be under the right of the buyer of YLP.

4.2 Shareholder Structure and Director

4.2.1 Shareholder Structure

Shareholder Structure BEFORE the Disposition Transaction

<u>Shareholder</u>	<u>Share (s)</u>	<u>%</u>
1) The Brooker Group PLC	1,257,999	74.00
2) MCL Property Company Limited* (MCLP)	441,999	26.00
3) Mr. Varit Bulakul	<u>2</u>	<u>0.00</u>
total	<u>1,700,000</u>	<u>100.00</u>

Shareholder Structure AFTER the Acquisition Transaction

<u>Shareholder</u>	<u>Share (s)</u>	<u>%</u>
1) Mr. Thuangpoom Sataranuwat	1,699,998	100.00
2) Ms. Pornpavee Rongsayamanon	1	0.00
3) Ms. Napaschaya Duangpitakphong	<u>1</u>	<u>0.00</u>
total	<u>1,700,000</u>	<u>100.00</u>

* Connected Person to the Company by its common major shareholder, Mr. Varut Bulakul, Mr. Varit Bulakul and Miss Varintorn Bulakul, and its common director and executive, Mr. Varut and Mr. Varit Bulakul. As the MCLP's share acquisition of 26% is quite similar to the Company's transaction in common because MCLP accepted debt conversion from its debtor, PFR, by acquiring 26% ordinary shares of YLP (refer to the Information memorandum which the Company released on 8 November 2019). MCLP also sold shares to Khun Tuangphoom using the similar framework to determine selling price.

4.2.2 Director and Management

The current Board of Directors of YLP before transaction is shown in the table under Section 4.1 However, after the disposition of YLP's shares, Board of Directors of YLP will be only 2 person who are Mr. Chotiphol Techakraisri and Ms Naiyana Silarote.

4.2.3 Financial Information of YLP

YLP Company Limited Income Statement (Unit: mn THB)	2016	2017	2018	2019
Revenue from sales of residential units	-	-	-	384.50
Interest income	3.08	0.85	0.12	0.22
Other income	10.61	-	0.01	0.02
Total revenue	13.69	0.85	0.13	384.74
Cost of sales of residential units	-	-	-	(213.54)
Selling expenses	(2.18)	(24.30)	(15.27)	(35.71)
Administrative expenses	(14.22)	(16.16)	(17.75)	(17.26)
Total Expenses	(16.40)	(40.46)	(33.02)	(266.51)
Profit (loss) before finance cost and income tax	(2.70)	(39.61)	(32.89)	118.23
Finance cost	(0.30)	(1.25)	(2.00)	(13.91)
Profit (loss) before income tax	(3.00)	(40.86)	(34.89)	104.32
Income tax	-	-	-	(6.24)
Profit (loss) for the period	(3.00)	(40.86)	(34.89)	98.08
YLP Company Limited Statement of Financial Status (Unit: mn THB)	2016	2017	2018	2019
Cash and cash equivalents	68.37	34.09	61.75	33.68
Cost of real estate development for sales	486.66	695.85	1,127.72	1,365.13
Advance payments for construction	-	68.41	35.12	5.13
Other current assets	0.83	0.53	0.29	4.54
Total current assets	555.86	798.88	1,224.88	1,408.48
Deferred loan procurement fees	8.20	-	-	-
Building improvement and equipment	4.29	6.97	3.62	1.90
Other non-current assets	0.93	0.89	0.02	0.16
Total non-current assets	13.42	7.86	3.64	2.06
Total assets	569.28	806.74	1,228.52	1,410.54
Short-term loans from financial institution	267.87	268.26	268.81	27.11
Short-term loans from other company	-	-	-	100.27
Trade and other payables	22.06	54.01	128.90	99.24
Long-term loan portion due within 1 year	-	-	-	648.27
Advances and deposits received from customers	-	103.31	196.86	201.66
Other current liabilities	4.63	1.39	1.98	0.18
Total current liabilities	294.56	426.97	596.55	1,076.73
Loan from related company and accrued interest expenses	-	47.09	209.21	-
Long-term loans from financial institution	-	94.00	200.74	-
Reserve for employee benefits	0.02	0.03	0.03	0.12
Other non-current liabilities	-	4.81	23.04	36.66
Total non-current liabilities	0.02	145.93	433.02	36.78

Total liabilities	294.58	572.90	1,029.57	1,113.51
Issued and fully paid-up capital	170.00	170.00	170.00	170.00
Retained earnings (deficit)	104.70	63.84	28.95	127.03
Total shareholders' equity	274.70	233.84	198.95	297.03
Total liabilities and shareholders' equity	569.28	806.74	1,228.52	1,410.54

5. Value of Consideration and Received

The value of consideration received for the selling of 1,257,999 YLP's existing ordinary shares at 222.27 Baht per share which equal to 279,614,291 Baht.

6. The Value of the Assets to be disposed.

The asset disposition at this time was in the form of selling shares of YLP that represent 74% ownership in YLP. The shareholders' equity of YLP as of 31 December 2020 was Bt 297.03 million or representing Bt 174.724/share. The Company sold YLP shares for the value of Bt 279.61 million. Given that this sales value representing our investment in 74% of YLP shares, this means the selling price was Bt 222.27/share or Bt 47.55/share higher than the book value of YLP.

7. Criteria to Determine the Value of Consideration

The Company did not value the share price based on the discounted cash flow at this time. The Company gave more weight on the risk factor that is related to the current situation of Covid-19 pandemic. This is coupled with the fact that YLP has debt with the bank institution for the amount of Bt 650 million (as shown of the statement of financial status). The Company would like to minimize the holdings in the non-listed shares as soon as possible, especially given the fact that the Company has no expertise in running property development business. Therefore, the Company stipulated the negotiation framework to achieve the final price that shall not result in loss in investment. It shall be higher than YLP's book value (as stated on item 6). The return on investment shall be in the range of 10-12% per annum. Therefore, by comparing the share acquisition value in relation to YLP shares of Bt 256,243,013.73 and the sales value of Bt 279,614,291, the Company made the profit of Bt 23,371,277.27.

8. The Benefits Expected to be Received by the Company from this disposition asset

Receive cash from disposition assets in conditions during the COVID 19 situation.

9. The Condition to Enter into the Transaction

Conditions before making the transaction is none. However, when the Company sold all of YLP shares, the representative resigned from the YLP directorship.

10. The Opinion of the Board of Directors Regarding the Transaction

The Board of Directors's meeting of No.5/2020, which held on 11 August 2020 approved the Company to dispose existing ordinary shares of YLP Company Limited ("YLP") at the amount of 1,257,999 shares which equal to 74 % of the total paid-up shares of YLP . The Board of Directors

designate the Investment Committee by the Company's Chief Executive Officer, Mr. Chan Bulakul to make the negotiation, consider details in order to execute the definitive agreements in relation to share disposition.

The Board of Directors has the opinion that the transaction is appropriate in terms of share disposition price and the justification for entering into the transaction since the Company aims to hold shares in YLP on short term basis only. Moreover, the Company has no experience in Real estate development for sales.

11. The Opinion of the Audit Committee and/or the Directors of the Company Which Differs from the Opinion of the Board of Directors of the Company in No.10

-None-