- Translation -

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

Reference is made to the resolution of the Board of Directors of The Brooker Group Plc (the "**Company**") (the "**Board**") No.3/2021 which was held on 11 May 2021. The Board stipulated the investment in the Digital Assets (Details are presented on the SET online news as of 11 May 2021). The investment in the Digital Assets is conservatively recorded as "**Digital Assets Inventory**", whereby the inventory value is booked at cost or net realizable value, whichever is lower, following the concept of Conservative Accounting. Therefore, the Company did not disclose the transaction size to the Stock Exchange of Thailand since this trasaction was classified as inventories, which are not considered for making the calculation of the transaction size.

Subject	Details
Definition	• **Assets** *refer to tangible or intangible items owned by a person or business, have value and can be transferred.* o Tangible items are such as land, building, equipment, investment, and warrants. o Intangible items are such as leasehold right on land or building, concession right, business permit, transfer or forgo the benefits as well as forgoing the claim over people who cause damages to the company. This applies to either case when the benefits are related to the company or subsidiary. o The following assets will be excluded: 1) Current assets used in business operation e.g. raw materials, account receivables, inventory, cash, deposits, etc. 2) Investment for liquidity managements such as the investment in equity securities and debt securities

Source: https://www.set.or.th/en/regulations/simplified_regulations/acquisition_disposition_p1.html

However, on 17 May 2021, the Company was notified by SEC on 17 May 2021 that when investing in the Digital Assets, the Company was required to comply with relevant disclosures and approvals relevant to Acquisition and Disposition of Assets.

Therefore, investment in such above Digital Assets, the Company calculated the transaction size per guited by the asset acquisition transaction of a listed company following the Notification of the Capital Market Supervisory Board No. Tor.Jor. 20/2008 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated 31 August 2008 (and the amendment) and 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 amendment) ("**Notification on the Acquisition or Disposal of Assets**"). The maximum transaction size calculated is 43.16 percent based on the consolidated financial statements of the Company ended 31 December 2020 which was audited by the Company's auditor. There is no other asset acquisition transaction occurred during the past 6 months, then the total transaction size is still 43.16 percent. Such transaction size is more than 15 percent but less than 50 percent. Therefore, this investment may be classified as a Type 2 transaction according to the Notification on the Acquisition or Disposal of Assets. The Company, therefore, has the duties to (1) disclose information regarding the transaction to the Stock Exchange of Thailand and (2) send the

information memorandum regarding the transaction to its shareholders within 21 days from the date of disclosure the transaction to the Stock Exchange of Thailand.

Background

Reference is made to the resolution of the Board of Director of the Company No.3/2021 held on 11 May 2021, the Board had stipulated the investment budget framework that the Company and its subsidiaries that the Group **may make a net investment** in digital assets **of up to Baht 1.5 billion**. However, the Board may authorize the Investment Committee to consider the appropriate investment budget.

Subsequently, the Company's Investment Committee had the meeting held on 20 May 2021 (E-Meeting) to review and conclude the investment in the Digital Assets Inventory, whereas the Investment Committee is composed of

1. Mr. Chan Bulakul — Chairman of the Investment Committee
2. Mr. Anake Kamolnate — Investment Committee Member
3. Mr. Varut Bulakul — Investment Committee Member
4. Mr. Kirin Narula — Investment Committee Member
5. Mr. Varit Bulakul — Investment Committee Member

The Investment Committee, with recommendation made by the Risk Committee, had the resolution that by taking account the Investment Climate, the appropriate investment budget is set to be Baht 1,200 million.

The past investment in the Digital Assets Inventory from the first day of investment ie 29 March 2021 until now which is as of 20 May 2021 was Baht 1,107 million. Such investment was composed of the investment made in the first quarter of 2021 for the amount Baht 205 million, and Baht 902 million in the second quarter up to now. The aggregate value of investment was Baht 1,107 million. The Committee is expected to complete the remaining Baht 93 milion investment within the second quarter of 2021 (as per specified through online news) or extend the investment period if appropriate but expected to be within the third quarter of 2021.

Details of transaction is as follows:

1. Date of the Transaction

29 March 2021 to 20 May 2021

2. Relevant parties and relationships with the Company

Buyer :	Brooker International Company Limited (100% owned by The Brooker Group PLC "**BROOK**") incorporated in Hong Kong.
Seller :	None. The Digital Assets will be purchased through two exchanges.

3. General characteristics, type and size of the transaction

3.1 General characteristics, type of the transaction

The Digital Assets will be purchased through two exchanges which are highly reputable in the Cryptocurrency Industry. The first exchange is listed on NASDAQ with market capitalization over USD 50 billion. The second exchange is the largest crypto exchange in terms of trading value with USD 800 billion in March 2021. As for now, the Group's investment will reside with the reputable Cryptocurrencies exchanges.

The Company started the investment in Bitcoin, in total of 122.3158 units at an aggregate value of approximately USD 6.6 million since 29 March 2021. The past investment in the Digital Assets Inventory from the first day of investment ie 29 March 2021 until now which is as of 20 May 2021 was Baht 1,107 million. Such investment was composed of the investment made in the first quarter of 2021 for the amount Baht 205 million, and Baht 902 million in the second quarter up to now. The aggregate value of investment was Baht 1,107 million.

The Company would like to classify the group of investment in such assets as follows:

Group of Digital Assets	**The aggregate size of the past investment transactions (29 March to 20 May 2021)**	**The aggregate size of the Future Investment**	**Total**
1. Cryptocurrency	approximately Baht 794 mn	approximately Baht 93 mn	approximately Baht 1,200 mn
2. Digital Token	approximately Baht 313 mn		
Total	**approximately Baht 1,107 mn**		

<u>Remark:</u> The investment in Digital Assets was made through Brooker International Co., Ltd. The denomination currency for such investment is made in US$. However, the record of the investment value for the Company and its subsidiaries is in Thai Baht as appear on the financial statements. The exchange rate used for conversion the exchange rate has to be based on that of the end of the month. Therefore, the figures appear above has to be the approximate figures

3.2 Transaction size

The size for investment in the Digital Assets Inventory for the past transactions

The disclosure made to the SET has not made about the transaction size at all as the Digital Assets are booked as the Inventory:

Subject	Details
Definition	• **Assets** *refer to tangible or intangible items owned by a person or business, have value and can be transferred.* o Tangible items are such as land, building, equipment, investment, and warrants. o Intangible items are such as leasehold right on land or building, concession right, business permit, transfer or forgo the benefits as well as forgoing the claim over people who cause damages to the company. This applies to either case when the benefits are related to the company or subsidiary. o The following assets will be excluded: 3) Current assets used in business operation e.g. raw materials, account receivables, inventory, cash, deposits, etc. 4) Investment for liquidity managements such as the investment in equity securities and debt securities

Source: https://www.set.or.th/en/regulations/simplified_regulations/acquisition_disposition_p1.html

However, on 17 May 2021, the Company was notified that the The Securities and Exchange Commission, Thailand ("SEC") regarding the investment in the Digital Assets that the Company is required to comply with 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**")

Financial data for Calculation

Consolidated Financial Statement	As of 31 March 2021 (Baht mn)	As of 31 December 2020 (Baht mn)
Shareholders' Equity	2,627	2,397
Deferred Tax Asset	61	59
Intangible Asset	2,566	2,338
Net Profit for previous 12 mth	554	63
Total assets	3,298	2,565

The past investment in the Digital Assets Inventory from the first day of investment ie 29 March 2021 until now which is as of 20 May 2021 was Baht 1,107 mn. Such investment was composed of the investment made in the first quarter of 2021 for the amount Baht 205 mn, and Baht 902 mn in the second quarter up to now. The aggregate value of investment was Baht 1,107 mn

The Company and its subsidiaries did not have any transaction during the prior 6 months before such investment (The foresaid 6 months refer to the period from 28 September 2020 to 28 March 2021). Furthermore, the Company and its subsidiaries have not made any asset acquisition and disposition during the period from 29 March 2021 to 20 May 2021.

The transaction size calculation in relation to the past investment in the Digital Assets Inventory

Calculation Method 1: The base used for the determine the transaction size in the financial information appear on the most respective recent financial statement available prior to the respective transaction

Calculation Criteria	Formula	Transaction size
1) Calculation based on the value of net tangible assets	(NTA of investment in the company x Proportion of assets acquired or disposed) x 100 NTA of the listed company	Not applicable as it is not involved share acquisition of the company
2) Calculation based on net operating profits	*(Net operating profits of the investment x Buying or selling ratio) x 100* *Net operating profits of the listed company*	Not applicable as it is not involved share acquisition of the company
3) Calculation based on total value of consideration paid or received	Value of transaction paid or received x 100 Total assets of listed company	(Unit: Baht mn) = 205 /2,565* + 902 /3,298** = 7.99 % + 27.35 % = 35.34%
4) Calculation based on value of equity shares issued for the payment of assets	Equity shares issued for the payment of assets x 100 Paid-up shares of the company	Not applicable as it is not involved share acquisition of the company

*The total assets as of 31 December 2020 was Baht 2,565 mn.

** The total assets as of 31 March 2021 was Baht 3,298 mn.

The highest transaction based on the total value of consideration is 35.34%.

Calculation Method 2: The base used is the financial information appear on financial statements for the year ended 31 December 2020

Calculation Criteria	Formula	Transaction size
1) Calculation based on the value of net tangible assets	(NTA of investment in the company x Proportion of assets acquired or disposed) x 100 / NTA of the listed company	Not applicable as it is not involved share acquisition of the company
2) Calculation based on net operating profits	*(Net operating profits of the investment x Buying or selling ratio) x 100 / Net operating profits of the listed company*	Not applicable as it is not involved share acquisition of the company
3) Calculation based on total value of consideration paid or received	Value of transaction paid or received x 100 / Total assets of listed company	(Unit: Baht mn) = 205 /2,565* + 902 /2,565* = 7.99 % + 35.17 % = 43.16%
4) Calculation based on value of equity shares issued for the payment of assets	Equity shares issued for the payment of assets x 100 / Paid-up shares of the company	Not applicable as it is not involved share acquisition of the company

*The total assets as of 31 December 2020 was Baht 2,565 mn.

The highest transaction based on the total value of consideration is 43.16%.

Therefore, the size for all aggregate transactions will be the transaction size of the past investments + that of the Future Investment.

Transaction size (Using Method no. 1) ie using the most respective recent financial statement available prior to the respective transaction	**Transaction size (Using Method no. 2)** ie using the financial statement available prior to the respective transaction as of December 31, 2020
The aggregate size of the past transactions = 35.34% The aggregate size of the Future Investment (Unit : Baht mn) $= \frac{1{,}200 - 205_{(1)} - 902_{(2)}}{3{,}298}$ = 93 /3,298** = 2.82% Total transaction size = 35.34% + 2.82 % = 38.16%	The aggregate size of the past transactions = 43.16% The aggregate size of the Future Investment (Unit : Baht mn) $= \frac{1{,}200 - 205_{(1)} - 902_{(2)}}{2{,}565}$ = 93 /2,565* = 3.63 % Total transaction size = 43.16% + 3.63% = 46.79%

(1) The aggregate transaction size for the past transactions incurred in 1Q21
(2) The aggregate transaction size for the past transactions incurred in 2Q21 but up to 20 May 2021
*The total assets as of 31 December 2020 was Baht 2,565 mn.

4. General information of purchased Digital Assets

The company will invest in two types of Digital Assets, which are Cryptocurrencies and Digital Token, which details are as follows;

4.1 Cryptocurrencies is an electronic data unit created as a medium for the exchange of goods, services, digital assets or any other rights. It can be used as a medium for the exchange of goods and services if users accept it. Currently, Cryptocurrencies are not legalized by any central bank in the world. Although Cryptocurrencies have not yet been introduced, but payment transactions in the global Cryptocurrency market is expanding drastically. Especially in the second half of 2017, mainly due to speculative transactions in the price of Cryptocurrencies. Some well-known Cryptocurrencies such as Bitcoin (BTC) and Ethereum (ETH), etc.

1) Bitcoin: BTC is the first ever Cryptocurrency in the market. And today it is still the most popular among others in terms of market capitalization and trading volume. Bitcoin was created by Satoshi Nakamoto, a pseudonymous person or team who outlined the technology in a 2008 white paper. It's an appealingly simple concept: bitcoin is digital money that allows for secure peer-to-peer transactions on the internet.

- The principles behind Bitcoin first appeared in a white paper published online in late 2008 by a person or group going by the name Satoshi Nakamoto. This paper wasn't the first idea for digital money drawing on the fields of cryptography and computer science. in fact, the paper referred to earlier concepts, but it was a uniquely elegant solution to the problem of establishing trust between different online entities, where

people may be hidden (like bitcoin's own creator) by pseudonyms, or physically located on the other side of the planet. Nakamoto devised a pair of intertwined concepts: the bitcoin private key and the blockchain ledger. When you hold bitcoin, you control it through a private key, a string of randomized numbers and letters that unlocks a virtual vault containing your purchase. Each private key is tracked on the virtual ledger called the blockchain.

When Bitcoin first appeared, it marked a major advance in computer science, because it solved a fundamental problem of commerce on the internet: how do you transfer value between two people without a trusted intermediary (like a bank) in the middle? By solving that problem, the invention of bitcoin has wide-ranging ramifications: As a currency designed for the internet, it allows for financial transactions that range across borders and around the globe without the involvement of banks, credit-card companies, lenders, or even governments. When any two people—wherever they might live—can send payments to each other without encountering those gatekeepers, it creates the potential for an open financial system that is more efficient, more free and more innovative. That, in a nutshell, is bitcoin explained as follows;

- Unlike services like Venmo and PayPal, which rely on the traditional financial system for permission to transfer money and on existing debit/credit accounts, bitcoin is decentralized: any two people, anywhere in the world, can send bitcoin to each other without the involvement of a bank, government, or other institution.

- Every transaction involving Bitcoin is tracked on the blockchain, which is similar to a bank's ledger, or log of customers' funds going in and out of the bank. In simple terms, it's a record of every transaction ever made using bitcoin.

- Unlike a bank's ledger, the Bitcoin blockchain is distributed across the entire network. No company, country, or third party is in control of it; and anyone can become part of that network.

- There will only ever be 21 million bitcoin. This is digital money that cannot be inflated or manipulated in any way.

- It isn't necessary to buy an entire bitcoin: you can buy just a fraction of one if that's all you want or need.

- One BTC was valued at a fraction of a U.S. penny in early 2010. During the first quarter of 2011, it exceeded a dollar. In late 2017, its value skyrocketed, topping out at close to $20,000. You can track the price of bitcoin here.

Bitcoin Basics

Since Bitcoin's creation, thousands of new cryptocurrencies have been launched, but bitcoin (abbreviated as BTC) remains the largest by market capitalization and trading volume. Depending on your goals, bitcoin can function as an investment vehicle, a store of value similar to gold, a way to transfer value around the world and even just a way to explore an emerging technology.

Bitcoin is a currency native to the Internet. Unlike government-issued currencies such as the dollar or euro, Bitcoin allows online transfers without a middleman such as a bank or payment processor. The removal of those gatekeepers creates a whole range of new possibilities, including the potential for money to move around the global internet more quickly and cheaply, and allowing individuals to have maximum control over their own assets.

Bitcoin is legal to use, hold, and trade, and can be spent on everything from travel to charitable donations. It's accepted as payment by businesses including Microsoft and Expedia. It's been used as a medium of exchange, a store of value, and a unit of account, which are all properties of money. Meanwhile, it only exists digitally; there is no physical version of it.

How Bitcoin works

Unlike credit card networks like Visa and payment processors like Paypal, bitcoin is not owned by an individual or company. Bitcoin is the world's first completely open payment network which anyone with an internet connection can participate in. Bitcoin was designed to be used on the internet and doesn't depend on banks or private companies to process transactions.

One of the most important elements of Bitcoin is the blockchain, which tracks who owns what, similar to how a bank tracks assets. What sets the Bitcoin blockchain apart from a bank's ledger is that it is decentralized, meaning anyone can view it and no single entity controls it.

Specialized computers known as 'mining rigs' perform the equations required to verify and record a new transaction. In the early days, a typical desktop PC was powerful enough to participate, which allowed pretty much anyone who was curious to try their hand at mining. These days the computers required are massive, specialized, and often owned by businesses or large numbers of individuals pooling their resources. (In October 2019, it required 12 trillion times more computing power to mine one bitcoin than it did when Nakamoto mined the first blocks in January 2009.)

The miners' collective computing power is used to ensure the accuracy of the ever-growing ledger. Bitcoin is inextricably tied to the blockchain; each new bitcoin is recorded on it, as is each subsequent transaction with all existing coins.

How does the network motivate miners to participate in the constant, essential work of maintaining the blockchain, verifying transactions? The Bitcoin network holds a continuous lottery in which all the mining rigs around the world race to be the first to solve a math problem. Every 10 min or so, a winner is found, and the winner

updates the Bitcoin ledger with new valid transactions. The prize changes over time, but as of early 2020, each winner of this raffle was awarded 12.5 bitcoin.

At the beginning, a bitcoin was technically worthless. As of the end of 2019, it was trading at around $7,500. As bitcoin's value has risen, its easy divisibility (the ability to buy a small fraction of one bitcoin) has become a key attribute. One bitcoin is currently divisible to eight decimal places (100 millionths of one bitcoin); the bitcoin community refers to the smallest unit as a 'Satoshi.'

Nakamoto set the network up so that the number of bitcoin will never exceed 21 million, ensuring scarcity. There are currently around 3 million bitcoin still available to be mined, which will happen more and more slowly. The last blocks will theoretically be mined in 2140.

How to get Bitcoin

The easiest way to buy bitcoin is to purchase it through an online exchange like Coinbase. Coinbase makes it easy to buy, sell, send, receive, and store bitcoin without needing to hold it yourself using something called public and private keys. However, if you choose to buy and store bitcoin outside of an online exchange, here's how that works.

- Each person who joins the bitcoin network is issued a public key, which is a long string of letters and numbers that you can think of like an email address, and a private key, which is equivalent to a password.

- When you buy bitcoin—or send/receive it—you get a public key, which you can think of as a key that unlocks a virtual vault and gives you access to your money.

- Anyone can send bitcoin to you via your public key, but only the holder of the private key can access the bitcoin in the "virtual vault" once it's been sent.

- There are many ways to store bitcoin both online and off. The simplest solution is a virtual wallet.

How to use Bitcoin

Back in 2013, a bitcoin enthusiast named Laszlo Hanyecz created a message-board post offering 10,000 BTC – which then was worth around $25 – to anyone who would deliver two pizzas to his Jacksonville, Florida, home. As the legend goes, those two pizzas, which another bitcoin early-adopter bought from a local Papa John's, marked the first successful purchase of non-virtual goods using bitcoin. Thankfully it's a lot easier to use bitcoin these days!

- It's simple: Transactions using BTC aren't that different from those using a credit or debit card, but instead of being asked to enter card info, you'll simply be entering the payment amount and the vendor's public key (similar to an email address) via a wallet app. (When transacting in person using smartphones or tablets, often a QR code will pop up to simplify the process,

when you scan the code, your wallet app will automatically enter the pertinent information.)

- It's private: One of the benefits of paying with bitcoin is that doing so limits the amount of personal information you need to provide. The only time you need to share your name and address is if you're purchasing physical goods that need to be shipped.

- It's flexible: As to what you should do with your bitcoin, that depends completely on your personal interests. Here are some ideas:

- You can sell it for cash using an exchange or a Bitcoin ATM.

- You can spend it online or in brick-and-mortar retailers as you would any other currency by using a Bitcoin debit card.

- You can hold on to some or all of it as part of your investment and savings strategy.

What makes Bitcoin a new kind of money?

- Bitcoin is global. You can send it across the planet as easily as you can pay with cash in the physical world. It isn't closed on weekends, doesn't charge you a fee to access your money, and doesn't impose any arbitrary limits.

- Bitcoin is irreversible. Bitcoin is like cash, in the sense that transactions cannot be reversed by the sender. In comparison, credit cards, conventional online payment systems, and banking transactions can be reversed after the payment has been made, sometimes months after the initial transaction—due to the centralized intermediaries that complete the transactions. This creates higher fraud risk for merchants, which can lead to higher fees for using credit cards.

- Bitcoin is private. When paying with bitcoin, there are no bank statements, or any need to provide unnecessary personal information to the merchant. Bitcoin transactions don't contain any identifying information other than the bitcoin addresses and amounts involved.

- Bitcoin is secure. Due to the cryptographic nature of the Bitcoin network, bitcoin payments are fundamentally more secure than standard debit/credit card transactions. When making a bitcoin payment, no sensitive information is required to be sent over the internet. There is a very low risk of your financial information being compromised or having your identity stolen.

- Bitcoin is open. Every transaction on the Bitcoin network is published publicly, without exception. This means there is no room for manipulation of transactions (save for a highly unlikely 51% attack scenario) or changing the supply of bitcoin. The software that constitutes the core of Bitcoin is free and open-source so anyone can review the code.

- Bitcoin is safe. In more than ten years of existence, the bitcoin network has never been successfully hacked. And because the system is permissionless and open-sourced, countless computer scientists and cryptographers have been able to examine all aspects of the network and its security.

2) **Ethereum: ETH,** which launched in 2015, is the second-biggest cryptocurrency by market cap after Bitcoin. In May 2021, ETH hit a record price above $4,000

   But unlike Bitcoin, it wasn't created to be digital money. Instead, Ethereum's founders set out to build a new kind of global, decentralized computing platform that takes the security and openness of blockchains and extends those attributes to a vast range of applications.

   Ethereum-based apps are built using "smart contracts." Smart contracts, like regular paper contracts, establish the terms of an arrangement between parties. But unlike an old-fashioned contract, smart contracts automatically execute when the terms are met without the need for either participating party to know who is on the other side of the deal — and without the need for any kind of intermediary.

   Much like Bitcoin's decentralized blockchain allows any two strangers, anywhere in the world, to send or receive money without a bank in the middle, smart contracts running on Ethereum's decentralized blockchain allow developers to build complex applications that should run exactly as programmed without downtime, censorship, fraud, or third-party interference.

   How does Ethereum work?

   Bitcoin blockchain is a lot like a bank's ledger, or even a checkbook. It is a running tally of every transaction made on the network going back to the very beginning and all the computers on the network contribute their computing power towards the work of ensuring that the tally is accurate and secure.

   The Ethereum blockchain, on the other hand, is more like a computer: while it also does the work of documenting and securing transactions, it's much more flexible than the Bitcoin blockchain. Developers can use the Ethereum blockchain to build a huge variety of tools, everything from logistics management software to games to the entire universe of DeFi applications (which span lending, borrowing, trading, and more).

   Ethereum uses a 'virtual machine' to achieve all this, which is like a giant, global computer made up of many individual computers running the Ethereum software. Keeping all of those computers running involves investment in both hardware and electricity by participants. To cover those costs, the network uses its own Bitcoin-like cryptocurrency called Ether (or, more commonly, ETH).

   ETH keeps the whole thing running. You interact with the Ethereum network by using ETH to pay the network to execute smart contracts. As a result, the fees paid in ETH are called "gas."Gas rates vary depending on how busy the network is. A new version of the Ethereum blockchain called Ethereum 2.0, which aims to

increase efficiency, began rolling out in December 2020. (The transition to the new blockchain is scheduled to happen over the next two years.)

What is Ethereum 2.0?

Ethereum 2.0 (often referred to as ETH2) is a major upgrade to the Ethereum network. It's designed to allow the Ethereum network to grow while increasing security, speed, and efficiency.

As of early 2021, Ethereum 2.0 and Ethereum 1.0 exist side by side, but the original blockchain will eventually merge with ETH2 blockchain. (If you're an ETH holder you won't have to do anything, your holdings on the ETH 1.0 blockchain will automatically migrate to the ETH2 blockchain.) The transition to ETH2 began in December of 2020 and is scheduled to take two years.

Moving a popular Crypto asset to a new platform is a complex endeavor, but for Ethereum to scale and evolve, it needs to happen. That's because the "Proof of Work" method used by the ETH 1.0 blockchain to verify transactions causes bottlenecks, increases fees, and consumes substantial resources (particularly electricity). How do Cryptocurrency networks make sure that nobody spends the same money twice without a central authority like Visa or Paypal in the middle? They use a consensus mechanism. When ETH 1.0 launched, it adopted the consensus mechanism pioneered by Bitcoin: the aptly named Proof of Work.

Proof of Work requires a huge amount of processing power, which is contributed by virtual "miners" around the world who compete to be the first to solve a time-consuming math puzzle. The winner gets to update the blockchain with the latest verified transactions, and is rewarded with a predetermined amount of ETH. This process happens every 30 seconds (compared to Bitcoin's approximately 10-minute cadence). As traffic on the network has increased, the limitations of Proof of Work have caused bottlenecks during which fees spike unpredictably.

4.2 **Digital Token** is an electronic data unit created to determine a person's right to an Investment Token, the right to acquire a product and Service or other rights (Utility Token) as agreed with the Token issuer. The Token may be offered through the Initial Coin Offering (ICO) process, which is a form of fundraising that uses blockchain technology. The company will offer and set Token sales that determines the rights or benefits of investors, such as profit sharing from the project or the right to acquire the product or a service that is specific which required investors who wish to venture can participate by bringing in Cryptocurrencies or money to exchange the Tokens issued by the company and the rights to be obtained with the Smart Contract by blockchain technology.

1. Payment Tokens is a Cryptocurrency primarily intended for transactions. It has the potential to be used in enhancing the efficiency of the financial sector or payment systems to reduce costs as well as reduce the lead time of the transaction by refer to a currency such as the Utility Settlement Coin (USC) which the large banking conglomerate plans to implement international payments between the banks in the group. J-Coin that the Japanese banking conglomerate plans to issue a Payment Token as a medium for 2020 Tokyo Olympics will be backed by at the rate of 1 Yen to 1 Cryptocurrency. Another

well-known Token is Ripple: XRP by Ripple Co. This Token focuses on providing a fast and low-cost international payment platform. The company will focus on working with financial institutions. Nowadays, many commercial banks have tested the Ripple platform. When conducting money transfer transactions using official currency as a medium for transaction payment on the platform (without using XRP). While Ripple's current international payment system does not use XRP, Ripple's approach is focused on working with the central bank's regulator. This gives market players trust and interested in holding XRP, resulting in value and trading volume, known as Crypto Assets XRP, has increased as well.

2. **Asset Tokens** is an asset-like Token issued by the private sector. This may be the result of the Initial Coin Offering (ICO) process, which is a new form of fundraising in ICO, an issued Token, possibly a Utility Token that grants investors to leverage the utility of the application or any digital services that company seek such funds, or it could be a Security Token that is similar to securities, ie., granting the right to have a financial stake in the Token issuer business or the right to receive dividends or interest payment.

   In practice, a Security Token may not explicitly specify such rights. In order to interpret which token is a Utility Token or a Security Token, it may be necessary to consider some relevant issues. For example, FINMA, the regulator of Switzerland was pointed out that if Utility Token issuers offer Token sales through ICO without a business that can actually use the Utility Token, or is it a pre-sale token prior to the ICO issuance, they may be interpreted as a Security Token because the investors in the Token expect future returns rather than the benefits received from current Token ownership.

   Source of information appeared on Section 4:
   https://www.sec.or.th/digitalasset
   https://www.bot.or.th/Thai/MonetaryPolicy/ArticleAndResearch/FAQ/FAQ_126.pdf
   https://www.coinbase.com/th/learn/crypto-basics

5. Value of Consideration and Payment

The investment value of the Digital Assets for the Cryptocurrency was Baht 794 million and 313 Baht million for the Digital Token. All the investments were made in cash denominated in US$ and the total investment amount was Baht 1,107 million. The future investment will be made within the third quarter for the additional amount of Baht 93 million. Therefore, the aggregate investment budget is Baht 1,200 million.

6. The Value of the Assets to be acquired.

The investment is conservatively recorded as “Digital Assets Inventory”, whereby the inventory value is booked at cost or net realizable value, whichever is lower. With this accounting policy, the Group’s Statement of Income will show Digital Assets profit only at the time there is the sale of investment with profit and show losses when the value of investment is lower than the investment cost or when there is the sale of investment with losses. Therefore, with this accounting policy, the Statement of Income will not overstate the Group’s profit.

7. Criteria to Determine the Value of Consideration

The past investments were made through the 2 Exchanges ie. one is registered under NASDAC and the other is the largest Cryptocurrencies Exchange.

8. The Benefits Expected to be Received by the Company

The Company will record profit only if selling assets at the price higher the cost.

9. Source of Funds to be used in Asset Acquisition

As of 31 December 2020, the Company had cash at bank was Baht 150.22 mn and the other current financial assets for the amount of Baht 1,437.58 mn. The total value of these two items was Baht 1,587.80 mn.

As of 31 March 2021, the Company had cash approximately Baht 751.04 mn, whereas the other current financial assets was Baht 1,303.62 mn The total value of these two items was Baht 2,054.66 mn. These were the mjor sources of investment.

10. The Condition to Enter into the Transaction

-None-

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

The Board believes that blockchain technology which powers the Digital Asset Ecosystem has the potential to disrupt traditional financial services. With the growing adoption by retail and major global institutions, the network effect is becoming more robust, more secure, and more valuable. The open-source nature of the ecosystem is fueling innovation and congruence at rapid speed. Major companies are now integrating digital asset services into their business models. The Board believes the digital asset ecosystem is still young and has long-term growth potential.

However, Digital Assets are volatile in the near term and the prices may be subject to fluctuations. There is therefore no assurance as to the timing, quantity, type or price and currency risk..

12. 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.11

-None-