

Information Memorandum of The Brooker Group Public Company Limited in Relation to Sale of Digital Asset Inventory

Background

The Brooker Group Company Limited (the “**Company**”) through the subsidiary company, Brooker International Company Limited (“**BICL**”), (collectively called the “**Company Group**”) has invested in Digital Assets since Q1 2021 for the purpose of Digital Asset Treasury Program and branding to expand core advisory services. With recent approval of US ETFs and growing institutional adoption which are BlackRock, Inc. USA, Fidelity Investments USA and Grayscale Investment USA, the fair market value of Digital Assets has increased significantly (Digital Asset Inventory in Note 6 and 8 increased from 995 mn baht in Q4 2023 to 1,974 mn baht in Q1 2024).

Current situation as of 31 March 2024

	Name	Number of Units (rounded to one decimal place)	Closing Price (rounded to one decimal place)	USD Value Equivalent (mn)	Baht Value Equivalent at Baht 36.2983 FX rate (mn)
1	Bitcoin (BTC)	164.7	71,333.7	11.7	424.7
2	Binance (BNB)	42,986.9	606.9	26.1	947.4
3	Ethereum (ETH)	1,473.4	3,647.9	5.4	196.0
4	Solana (SOL)	13,527.5	202.9	2.7	98.0
5	Others	n/a	n/a	8.5	308.5
			Total	54.4	1,974.6

Source of Exchange rate: Bank of Thailand

The total value from top 1-4 tokens/coins accounts for over 80% of total digital asset holdings.

The Company Group remains highly committed to the long-term strategic direction in Digital Assets and will continue to build partnerships and knowledge base to offer complete ecosystem services. The Company Group believes in the continual adoption of digital assets and convergence of other technology platforms and themes like AI, carbon credits, digital wallets, etc. That is, the Company Group focuses on investing in businesses related to digital assets but not additional investment in digital asset inventories that are requesting approval for sale this time.

Since the Board monitors the asset allocation of the Company Group, it is important that the Board has the flexibility to efficiently allocate potential new opportunities in core business. As of May 15, 2024, the Company signed a Memorandum of Understanding (MOU) with 2 companies, both of which were established in Laos. (Lao People's Democratic Republic: Lao PDR) to jointly establish a joint venture company (Joint Venture Company) to create and manage the Web 3.0 Marketplace for carbon credit tokens and to carry out other duties related to carbon credits Carbon storage and the cryptocurrency ecosystem. In terms of working capital and in terms of debt repayment, as of March 31, 2024, the Company effectively has debts from financial institutions in the amount of 436 million baht, the debt repayment plan may depend upon suitability or the Company's consideration later etc.in an efficient manner.

As Digital Assets are highly volatile, if the Digital Assets Inventory decreases, the Board still has the flexibility to reallocate without triggering Transaction Size. However, if Digital Assets continue to increase, the sale of the Digital Asset Inventory will be a transaction size above 50% of Total Assets which requires disclosures and approvals per 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 (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) (the "**Notification on the Acquisition or Disposal of Assets**"). The process could take over 3 months which could significantly affect the value of Digital Assets and cause the Company Group to miss new business opportunity.

As a result, the Board would like to call extraordinary general shareholders' meeting to approve Sale of Digital Assets Inventory for flexibility in managing asset allocation over the next 12 months.

Proposing to the EGM for consideration and approval of asset sale

Since the digital asset inventory has 24 hours of trading, the timing for sale execution is crucial to create opportunity to enhance the sale value. Therefore, the Company's Board of Directors Meeting no. 3/2024 had a resolution to call the extraordinary general shareholders meeting no. 1/2024 ("EGM") to consider and approve the sale of the digital asset inventory such that the Company's Board of Directors has the flexibility to execute the sale transaction. In doing so, the Company will propose the shareholders to

1. Consider and approve the sale of digital asset inventory during the next 12 months after the EGM.

Note: It is very important to note that the total market value of the Group's digital asset inventory as of May 14, 2024 (one day before the Board of Directors meeting) is equal to 1,705.83 million baht, with a transaction size of 40.59 percent according to the total value of consideration criteria. Although the size of the transaction does not fall under the category 1 disposal of assets, the Company Group voluntarily submits this matter to request the Extraordinary General Meeting of Shareholders' approval. By selling off digital asset inventories over the next 12 months, after the extraordinary meeting of shareholders approval, the actual selling price may be higher or lower than 1,705.83 million baht. The size of the accumulated item may be higher or not higher than 40.59 percent or may be higher than 50 percent according to the total value of consideration criteria. Therefore, the Company would request the Extraordinary General Meeting of Shareholders to consider and approve the resolution in the case where the transaction size is higher than 50 percent at this shareholder meeting.

The list of disposals of digital asset inventories includes cases where there is interest received from the original digital asset inventories and advances made according to futures contracts which, upon receipt of coins, will be recorded as digital asset inventories. These are considered to be included in the digital asset inventory that will be sold this time.

In the event that the Company sells famous and popular coins in the digital asset market, including BTC, BNB, ETH and SOL, the Company will convert those coins to USDT according to the main trading pair with the highest liquidity of the coin on the market. Binance and Coinbase exchanges and will sell USDT as cash.

The Company Group will sell digital asset inventories, except for some digital asset inventories that the Company Group should continue held for strategic purposes, ie. enabling the partnership in attractive projects or support our consulting business in the future. For example, in the past, investing in BNB coins made the Company Group an opportunity to invest in the Binance Labs fund, which make the Company Group direct access to founders of global digital asset projects. The Group will review its future strategic objectives over the next 12 months after the Extraordinary General Meeting of Shareholders

In such case, the cumulative sale transaction for the next 12 months after the EGM would fall into Type 1 per the Notification on the Acquisition or Disposal of Assets with **the accumulated transaction size higher than 50%** based on total value of consideration criteria.

2. Empower the Company's Board of Directors or the Investment Committee to which the Board authorise to take the following actions:
 - (2.1) Sell the digital asset inventory in part or in all the selling price will be the market price on the date the digital asset inventory is sold. The company will consider selling only if the selling price is not lower than the reference formula which is calculated from the average market closing price in the past 7 trading days before the sale and there is a discount not exceeding 10 percent. The market price is based on the website. www.coinmarketcap.com. It will be sold through the exchanges Binance and Coinbase except for the situation that holding such digital asset inventory will cause further material diminishing value without foreseeable future for recovery. In such case, the sale execution shall be permitted without applying such formula.

Note:

- The Company's Board of Directors or the Investment Committee to which the Board authorize shall be allowed to assign the person to execute the sale instruction per the criteria above after the Company's Board of Directors or the Investment Committee make the decision.

The Investment Committee comprises of the following directors: Mr. Chan Bulakul, Mr. Anake Kamolnate, Mr. Kirin Narula, Mr. Varut Bulakul and Mr. Varit Bulakul

- www.coinmarketcap.com it is a price tracking website and collects information on assets and cryptocurrencies from various exchanges, providing investors with important information for investing and update the movement of each Cryptocurrency. It is a source of information for individual users, financial institution and various news offices. In April 2020, Binance Capital Management invested in www.coinmarketcap.com and in June 2022, www.coinmarketcap.com had approximately 340 million page views in that month.

(2.2) Determine which digital asset inventory is appropriate to sell or not to sell and also determine the timing for sell and not to sell along the 12-month period after the EGM's approval.

(2.3) Enter into the legal document (if applicable) to make the sale execution in the market

Regardless of the actual cumulative transaction value along the next 12 months, the Company applies the disclosure and approval as if the sale transaction for the next 12 months is Type 1 transaction per that Notification on the Acquisition or Disposal of Assets. By adopting the requirements for Type 1 transaction, the Company shall have the duty to perform the followings:

1. To disclose the information memorandum on the Asset Acquisition Transaction as required by the Notification on the Acquisition or Disposal of Assets;
2. To convene a shareholders' meeting to seek approval on the granting of Investment Transaction, whereby the resolution shall be passed by votes of no less than three-quarters of the total votes cast by the shareholders attending the meeting and eligible to vote, without counting the votes cast by the interested shareholders; and
3. To appoint an independent financial advisor ("**IFA**") to provide opinions on the Asset Disposal Transaction, including to submit such opinions to the Office of the Securities and Exchange Commission (the "**SEC**"), the Stock Exchange of Thailand (the "**SET**") and the shareholders. The Board of Directors has appointed **Jay Capital Advisory Limited** as an independent financial advisor which is a financial advisor who is on the list approved by the SEC to provide opinions on the Disposal of Digital Asset Inventory.

Note: During the past 6 months prior to the Board of Directors' meeting no. 3/2024, there has been no asset disposal transaction

The followings are the details of the sale of digital asset inventory.

1. Date of Transaction

Along the 12-month period after the Extraordinary General Shareholders Meeting no. 1/2024 (“EGM”) has the resolution to approve the sale of digital asset inventory

2. Relevant parties and relationships with the Company

Buyer:	Sell in the market (i.e. entirely no ability to identify the buyer)
Seller:	Brooker International Company Limited (“BICL”) (100% owned by The Brooker Group PLC) incorporated in Hong Kong, China Republic

3. General characteristics, type and size of the transaction

3.1 General characteristics

Digital asset inventory as appear on the Company’s consolidated financial position, which can be catagorise into

- (3.1.1) **Cryptocurrencies:** an electronic data unit created as a medium for the exchange of goods, services, the Digital Assets or any other rights. It can be used as a medium for the exchange of goods and services so long as the users accept it. The well-known Cryptocurrencies are Bitcoin (BTC) and Ethereum (ETH), etc.
- (3.1.2) **Digital Token:** an electronic data unit created to determine a person's right to an Investment Token, the right to acquire products and services 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 fund raising that uses blockchain technology. Such 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 products or services that are specific which require investors who wish to venture to participate by bringing in Cryptocurrencies or money to exchange the Tokens issued by such company and the rights to be obtained with the Smart Contract by blockchain technology.
- (3.1.3) **Stable Coin:** type of cryptocurrency. Stable coins usually have less volatility than other cryptocurrencies, stable coins are often used as a medium for trading goods, services or other types of Digital Assets used as media for transferring money or take advantage of the preservation of value or hold the money, especially during the high fluctuation of other cryptocurrencies’ prices.

3.2 Transaction Size

In order to determine the transaction size, the key financial information used for determine the transactions is as follows:

Financial Information Per the Company's Consolidated Financial Statements	As of 31 March 2024 (Bt mn)
Shareholders' Equity	3,584.14
Deferred Tax Asset	(98.91)
Intangible Asset	(89.72)
Net Tangible Asset (NTA)	3,395.51
Net Profit (loss) for Previous 12 months	982.72

The calculation criteria is as follows:

Calculation Criteria	Formula	Transaction size
1) Calculation based on the value of net tangible assets	$\frac{(\text{NTA of investment in the company} \times \text{Proportion of assets acquired or disposed}) \times 100}{\text{NTA of the listed company}}$	Not applicable as it is not involved share sale of the company
2) Calculation based on net operating profits	$\frac{(\text{Net operating profits of the investment} \times \text{Buying or selling ratio}) \times 100}{\text{Net operating profits of the listed company}}$	Not applicable as it is not involved share sale of the company
3) Calculation based on total value of consideration paid or received	$\frac{\text{Value of transaction paid or received} \times 100}{\text{Total assets of listed company}}$	To be used for determining the transaction size
4) Calculation based on value of equity shares	$\frac{\text{Equity shares issued for the payment of assets} \times 100}{\text{Paid-up shares of the company}}$	Not applicable as it is not involved equity shares issued

The value of assets in consideration based on the book value as of 31 March 2024 in comparison to the market value of the digital asset inventory as of 14 May 2024 (one business day prevailing the Company’s Board of Directors Meeting No. 3/2024) is as follows:

	Name	At cost as of 31-Mar-2024		Market value as of 14-May-2024	
		USD mn	Bt mn*	USD mn	Bt mn**
1	Bitcoin (BTC)	9.40	341.20	10.13	370.90
2	Binance (BNB)	13.13	476.60	24.36	891.91
3	Ethereum (ETH)	3.56	129.22	4.13	151.21
4	Solana (SOL)	0.41	14.88	1.93	70.66
5	Others ⁽¹⁾	6.96	252.68	6.04	221.15
	Total	33.46	1,214.58	46.59	1,705.83

⁽¹⁾ Other tokens/coins/stable coins. See more details in Topic 4. General Information of Digital Assets Inventory Planned for Sale

* Cost in Bt mn as of 31 Mar 24 is based on Bt 1,214.58 mn = 33.46 USD mn at exchange rate 1 USD = 36.2983 Baht

** Cost in Bt mn as of 14 May 24 is based on Bt 1,156.62 mn = 31.59 USD mn at exchange rate 1 USD = 36.6136 Baht

Source of Exchange rate: Bank of Thailand

The limit of aggregate transaction value during the next 12 months after the EGM the actual selling price may be higher or lower than 1,705.83 million baht. The size of the accumulated item may be higher or not higher than 40.59 percent or may be higher than 50 percent according to the total value of consideration criteria. Therefore, the Company would request the Extraordinary General Meeting of Shareholders to consider and approve the resolution in the case where the transaction size is higher than 50 percent at this shareholder meeting.

The Company Group will sell digital asset inventories, except for some digital asset inventories that the Company Group should continue held for strategic purposes, ie. enabling the partnership in attractive projects or support our consulting business in the future. For example, in the past, investing in BNB coins made the Company Group an opportunity to invest in the Binance Labs fund, which make the Company Group direct access to founders of global digital asset projects. The Group will review its future strategic objectives over the next 12 months after the Extraordinary General Meeting of Shareholders

In such case, the cumulative sale transaction for the next 12 months after the EGM would fall into Type 1 per the Notification on the Acquisition or Disposal of Assets with **the accumulated transaction size higher than 50%** based on total value of consideration criteria.

Note: During the past 6 months prior to the Board of Directors' meeting no. 3/2024, there has been no asset disposal transaction.

The transaction size can be presented in scenarios:

Scenarios of Estimated Value	Bt mn	Transaction size
1. Cost as of 31 Mar 24	1,214.58	1,214.58/Bt 4,202.73 mn = 28.90%
2. Market value as of 14 May 24	1,705.83	1,705.83/Bt 4,202.73 mn = 40.59%

4. General Information of Digital Assets Inventory Planned for Sale

Crypto Currency and Digital Tokens

Number of Units Tokens/Coins	31 Dec 21	31 Dec 22	31 Dec 23	31 Mar 24
Bitcoin (BTC)	175.17	164.65	164.65	164.66
Ethereum (ETH)	2,140.48	1,404.64	1,540.12	1,473.39
Binance (BNB)	14,207.25	41,167.17	42,970.53	42,986.85
Solana (SOL)	39,212.94	16,895.63	17,701.27	13,527.51
1Inch (1INCH)	189,598.11	189,598.10	189,598.10	189,598.10
Polkadot (DOT)	49,583.72	49,782.68	49,847.14	49,847.14
Cardano (ADA)	823,085.00	823,085.00	823,084.64	823,084.64
Chainlink (LINK)	31,760.18	31,801.88	32,126.71	32,346.86
Pancake (CAKE)	64,531.45	113,760.80	128,920.90	128,938.80
Uniswap (UNI)	33,560.00	33,560.03	33,560.03	33,560.03
Theta (THETA)	81,155.71	81,155.71	81,155.71	81,155.71
Enjin (ENJIN)	327,083.72	327,083.72	327,063.70	327,063.70
File Coin (FIL)	6,046.65	6,046.65	6,046.65	6,046.65
Alogrand (ALGO)	703,358.70	703,358.70	703,358.60	703,358.60
Compound (COMP)	2,169.96	2,169.96	2,169.96	2,169.96
Certik (CTK)	297,012.85	297,810.59	297,810.59	297,810.59
Venus (XVS)	21,334.64	23,456.28	25,199.84	25,938.02
Bitdao (MNT)	1,362,505.00	1,362,505.00	1,362,505.00	1,362,505.00
Other Yield Reward tokens	n/a	n/a	n/a	n/a

Please note that the number of units presented above reflects the number of units per the investment commitment. Such investment commitment was also in the form of advance payment to receive the tokens along the past 3 years. The presentation above is aimed to give an insight that the investment in token was almost entirely made in 2021 though the tokens have been received along the past 3 years.

Therefore, it can be said that the Digital Asset Treasury has mostly remained the same with a similar number of tokens since the initial investment. However, there have been some changes in some tokens due to web3.0 activities and reallocation within the Digital Asset Treasury, which can be summarized as follows:

- The increase in the number of tokens/coins was mostly in the form of an income earned from initial investment in tokens/coins such as CAKE. This was booked as income from digital assets inventory on the profit and loss statement.
- An increase in BNB was mainly attributed to exchanging BTC, BNB, ETH, and SOL (ie. exchanging to BNB). However, In Q1 2022, small changes in BNB holding due to selling of 1st batch of BrookNFT Brooklingz by Brook to fund new project.
- ETH and SOL decreased in Q1 2024 was also attributed to buy ETH to purchase NFTs for IP commercial rights.

5. Value of Consideration

Scenarios of Estimated Value	Bt mn
1. Cost as of 31 Mar 24	1,214.58
2. Market value as of 14 May 24	1,705.83

The total market value of the Group's digital asset inventory as of May 14, 2024 (one day before the Board of Directors meeting) is equal to 1,705.83 million baht, with a transaction size of 40.59 percent according to the total value of consideration criteria. Although the size of the transaction does not fall under the category 1 disposal of assets, the Company Group voluntarily submits this matter to request the Extraordinary General Meeting of Shareholders' approval. By selling off digital asset inventories over the next 12 months, after the extraordinary meeting of shareholders approval, the actual selling price may be higher or lower than 1,705.83 million baht. The size of the accumulated item may be higher or not higher than 40.59 percent or may be higher than 50 percent according to the total value of consideration criteria. Therefore, the Company would request the Extraordinary General Meeting of Shareholders to consider and approve the resolution in the case where the transaction size is higher than 50 percent at this shareholder meeting.

The list of disposals of digital asset inventories includes cases where there is interest received from the original digital asset inventories and advances made according to futures contracts which, upon receipt of coins, will be recorded as digital asset inventories. These are considered to be included in the digital asset inventory that will be sold this time.

In the event that the Company sells famous and popular coins in the digital asset market, including BTC, BNB, ETH and SOL, the Company will convert those coins to USDT according to the main trading pair with the highest liquidity of the coin on the market. Binance and Coinbase exchanges and will sell USDT as cash.

6. Criteria to Determine the Value of Consideration

Market value only. The market price is based on the website. www.coinmarketcap.com. It will be sold through the exchanges Binance and Coinbase.

7. The Benefits and Risks Expected to be Received by the Company

The sale of digital asset inventory shall enable the Company Group to have working capital to support advisory services which is the core business of the Company Group.

8. The Condition to Enter into the Transaction

Sell the digital asset inventory in part or in all the selling price will be the market price on the date the digital asset inventory is sold. The company will consider selling only if the selling price is not lower than the reference formula which is calculated from the average market closing price in the past 7 trading days before the sale and there is a discount not exceeding 10 percent. The market price is based on the website. www.coinmarketcap.com. It will be sold through the exchanges Binance and Coinbase except for the situation that holding such digital asset inventory will cause further material diminishing value without foreseeable future for recovery. In such case, the sale execution shall be permitted without applying such formula.

9. The Opinion of the Board of Directors

The Company Group remains highly committed to the long-term strategic direction in Digital Assets and will continue to build partnerships and knowledge base to offer complete ecosystem services. The Company Group believes in the continual adoption of digital assets and convergence of other technology platforms and themes like AI, carbon credits, digital wallets, etc. That is, the Company Group focuses on investing in businesses related to digital assets but not additional investment in digital asset inventories that are requesting approval for sale this time.

Since the Board monitors the asset allocation of the Company Group, it is important that the Board has the flexibility to efficiently allocate potential new opportunities in core business. As of May 15, 2024, the Company signed a Memorandum of Understanding (MOU) with 2 companies, both of which were established in Laos. (Lao People's Democratic Republic: Lao PDR) to jointly establish a joint venture company (Joint Venture Company) to create and manage the Web 3.0 Marketplace for carbon credit tokens and to carry out other duties related to carbon credits Carbon storage and the cryptocurrency ecosystem. In terms of working capital and in terms of debt repayment, as of March 31, 2024, the Company effectively has debts from financial institutions in the amount of 436 million baht, the debt repayment plan may depend upon suitability or the Company's consideration later etc.in an efficient manner.

Any action in the future, the company will comply with the relevant rules of the Securities and Exchange Commission (SEC) and the Stock Exchange. Including other related agencies.

As Digital Assets are highly volatile, if the Digital Assets Inventory decreases, the Board still has the flexibility to reallocate without triggering Transaction Size. However, if Digital Assets continue to increase, sales of the Digital Asset Inventory will be a transaction size above 50% of Total Assets which requires disclosures and approvals per the Notification on the Acquisition or Disposal of Assets. The process could take over 3 months which could significantly affect the value of Digital Assets and cause the Company Group to miss new business opportunity.

Therefore, for the transparency and flexibility purpose, the Board of Directors views that it would be appropriate to call the EGM to consider and approve the sale transactions for the digital asset inventory.

The Company Group will sell digital asset inventories, except for some digital asset inventories that the Company Group should continue held for strategic purposes, ie. enabling the partnership in attractive projects or support our consulting business in the future. For example, in the past, investing in BNB coins made the Company Group an opportunity to invest in the Binance Labs fund, which make the Company Group direct access to founders of global digital asset projects. The Group will review its future strategic objectives over the next 12 months after the Extraordinary General Meeting of Shareholders

10. 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.9

- None -