



MFEC/CSOT/0018/2018

July 3, 2018

Subject : Notification of the Resolution of the Board of Director Meeting No. 3/2018
(Additional Information on Connected Transactions)

Attention : Managing Director
The Stock Exchange of Thailand

In the Board of Director Meeting No. 3/2018 of MFEC Public Company Limited "MFEC" dated July 3, 2018, the meeting passed the resolution to approve increasing the investments in PraIn FinTech Company Limited "Subsidiary Company" to increase the registered capital from 30,000,000 Baht (Thirty Million Baht) to 42,850,000 Baht (Forty-Two Million Eight Hundred and Fifty Thousand Baht) , MFEC as a holding company has waived its rights to purchase such newly issued shares to allow the directors /executives/employees who are important and the key force in driving the organization to grow as targeted in the new Start-Up business focusing on electronic Payment Gateway System Services. After the registered capital increasing is completely done, the proportion of investment holding of MFEC is 29,999,930 Baht (Twenty-Nine Million Nine Hundred Ninety-Nine Thousand Nine Hundred Thirty Baht), the investment proportion decreasingly after the increasing of the registered capital from 99.9997% (Ninety-Nine point Nine Nine Nine Seven percent) of the former registered capital in which MFEC's new ordinary shareholding proportion remains 70.0115% (Seventy point Zero One One Five percent) of the registered capital. This changing of the investment proportion of ordinary share is selling transaction, therefore, the investment proportion of MFEC has been decreased.

In addition, the Board of Directors will authorize directors/executives/employees to purchase shares in a subsidiary company that may hold more than 10% of the total shares. As a result, the shareholding structure of the subsidiary company is not in compliance with clause 13 (2) of the Notification of the Capital Market Supervisory Board ThorChor. 39/2559 but this transaction has the most benefit for the company because this is a remuneration and incentive for the directors/executives /employees who are the key personnel have the ability and efficiency to work with the company, participated in the ownership of the company, motivating and empowering morale for executives/employees that help to promote the development of the organization and increases the value of its payment system, supports businesses that will grow in the future and create more business opportunities and investment value of the company. The company has assigned Mr. Thanakorn Charlee, a director of MFEC and MFEC's representative in the subsidiary company, to temporarily hold 1,285,000 shares. The shares will be allotted to the authorized persons within September 2018 according to the criteria approved by the company and if the allocation is completed, the company will report the results of the allotment of new shares to the Stock Exchange of Thailand in order to acknowledge. In the future, if the company or its subsidiaries company make a transaction with a connected person, the company will strictly comply with the regulations on connected transactions in accordance with the regulations and laws.

In consequence, the information memorandum has been made for notifying the investors and minority shareholders in accordance with the regulations of the Stock Exchange of Thailand as per attached the memorandum.

Please be informed accordingly.

Faithfully yours,
MFEC Public Company Limited

Siriwat Vongjarukorn

(Mr. Siriwat Vongjarukorn)
Chief Executive Officer

**Information Memorandum on
MFEC Public Company Limited's
Investment in PraIn FinTech Company Limited**

1. Objectives and date/ month/ year of investment

MFEC aims to invest in PraIn Fintech Company Limited with the propose to create morale for the directors who are the key force to help the business growth and meet the goals as targeted of the new business, which focuses on providing electronic payment services. The process of the investment is expected to be completely done in September 2018.

2. Contracting parties involved and the relationship

Contracting party : PraIn Fintech Company Limited

Relationship : a subsidiary of MFEC Public Company Limited

3. The transaction and its payment

PraIn FinTech Company Limited, "PraIn FinTech", a subsidiary of the company. There are plans to increase the registered capital as follows:

	Number of shares (Shares)	Ordinary shares valued (Baht per each share)	Registered capital
Before the registered capital increase.	3,000,000	10.00	30,000,000.00
Increase the registered capital	1,285,000	10.00	12,850,000.00
After the registered capital increase.	4,285,000	10.00	42,850,000.00

MFEC Public Company Limited shall hold an additional investment in PraIn FinTech Company Limited are 2,999,993 shares, or 70.0115% of the registered capital, totally valued at 29,999,930 Baht with paid in capital for 100% in September 2018.

4. Value and size of the transaction / Connected transactions

The holding of 1,285,000 shares of PraIn FinTech Company Limited is valued at 12,850,000 Baht. The size of such transaction is estimated according to the regulations of Stock Exchange of Thailand as follows.

4.1 Value of the acquired assets

$$= \frac{\text{NTA}^* \text{ of investment in the company} \times \text{Proportion of assets acquired or disposed}}{\text{NTA of the listed company}} \times 100$$

$$= \frac{14,829,019}{1,460,826,477} \times 100$$

$$= 1.02 \%$$

4.2 Net profit

Unable to estimate because the joint venture had a net loss in the first quarter of 2018.

4.3 Value of the investment

$$= \frac{\text{Investment value}}{\text{MFEC's total assets value of registered company}} \times 100$$

$$= \frac{12,850,000}{3,143,131,000} \times 100$$

$$= 0.41 \%$$

4.4 Value of the rewarded shares

Being unable to estimate since there is no rewarded shares for the acquisition of the ordinary shares

4.5 The size of connected transaction

Compare the transaction value net total assets (NTA) $0.03\% \text{ NTA} < X < 3\% \text{ NTA}$

$$= \frac{12,850,000}{1,460,826,477} \times 100$$
$$= 0.88\%$$

5. General Information of Fanster Media Company Limited

5.1 Shareholder structure

Name of Shareholder	Before the registered capital increase.		Increase the registered capital		After the registered capital increase.	
	Number of shares	Percentages (%)	Number of shares	Percentages (%)	Number of shares	Percentages (%)
1. MFEC Public Company Limited	2,999,993	99.99976	0	0.0000	2,999,993	70.0115
2. Mr. Siriwat Vongjarukorn	6	0.0002	0	0.0000	6	0.0002
3. Mr. Thanakorn Charlee	1	0.0001	1,285,000	100.0000	1,285,001	29.9883
	3,000,000	100.0000	1,285,000	100.0000	4,285,000	100.0000

5.2 Registered capital

PraIn FinTech Company Limited has registered capitals in the aggregate amount of 42,850,000 Baht, divided into 4,285,000 shares, valued at 10 Baht per each share.

5.3 Company's Directors

- 1) Mr. Siriwat Vongjarukorn
- 2) Mr. Thanakorn Charlee
- 3) Ms. Siriporn Detnitirat

6. Source of fund

-

7. Valuation criteria

The Price shall be Par value is baht per share. (10 Baht per share shall be the principle)

8. Relationship between joint investor and registered company

Mr. Siriwat Vongjarukorn has shareholding equity of 0.0002% of the registered capital and Mr. Thanakorn Charlee has shareholding equity of 29.9883% of the registered capital who are Director/Executive Director and a representative as Director of its joint / subsidiary companies.

The company has issued new securities to connected persons in the following manners:

Mr. Thanakorn Charlee is the person who has considered delivering the ordinary share of PraIn FinTech Company Limited "subsidiary company" with the propose for delivering ordinary share to directors who are important and the key force in driving the organization to grow as targeted in the new Start-Up business.

9. Expected benefits from Investment

The increase investment in PraIn FinTech Company Limited with the propose to deliver ordinary share to directors and executives who are important in driving the organization to grow as to the direction and target in the new Start-Up business and business focusing on Electronic Payment Gateway System Services.

10. The opinion of the Board of Directors/Audit Committee

The Board of Directors/Audit Committee of MFEC Public Company Limited (excluding Mr. Thanakorn Charlee, board of directors/the connected persons) considered that the capital increase was to support the deliver the ordinary share to Mr. Thanakorn Charlee, Director of PraIn FinTech Company Limited "subsidiary company", which is the key force to drive the growth of the organization to meet the new business goals, appropriate and beneficial to the organization and it also increases the amount of investment in new business operations of the organization. Moreover, there is no risk in the transaction.