



MFEC/CSOT/0027/2018

December 27, 2018

Subject Notification of resolution the acquisition of ordinary shares from minority shareholders on Advanced Intelligence Modernity Company Limited "AIM" and disposal of the ordinary shares of Soft Square (1999) Company Limited "SS".

Attention Managing Director
The Stock Exchange of Thailand

MFEC Public Company Limited ("MFEC") would like to inform the resolutions of the Board of Directors' Meeting No. 7/2018 dated December 18, 2018, the meeting has the resolution to approved in principle and authorized the Executive Committee No. 12/2018 on December 26, 2018 to have the power to consider a contract to the purchase / disposal ordinary shares by authorizing Chief Executive Officer and / or any other person assigned by the Chief Executive Officer is authorized to negotiate, agree and enter into a contract for the purchase / disposal of ordinary shares. Whereby the authorized person can consider, determine and / or amend the details, conditions, timing and any necessary proceedings about the contract, including documents related to such transaction, co-ordination with government agencies or related regulatory agencies, as well as perform various tasks deemed as necessary for the purpose of transferring shares to complete the purchase / disposal of such investment.

The resolution to approved in principle, as follow;

- 1) Approved the acquisition of ordinary shares from minority shareholders in Advance Intelligence Modernity Company Limited "AIM" in proportion of 38.2% of the registered capital, amount 382,000 shares, totally one (1) Baht, as a result the proportion of investment in ordinary shares from 60% (Sixty percent) increased at 98.2% (Ninety-Eight point Two percent) of registered capital, totally amount 9,820,000 Baht (Nine Million Eight Hundred and Twenty Thousand Baht) for the management the subsidiary company and drive the organization to grow in the future. "AIM" has carried on the business of being as a consultancy, design, development and implementation program.
- 2) Approved to disposal of the ordinary shares of Soft Square (1999) Company Limited "SS" in proportion 99.99% of the registered capital amount 30,000,000 Baht (Thirty Million Baht) to Mr. Ramade Silapapom who has no relationship and / or connection with directors, executives, major shareholders or the controlling person of the company. The company has evaluated the value using discounted cash flow method, which has a total business value between 66.30-99.34 Million Baht. The assumptions used to calculate the value of the business come from the analysis of estimated information in the future from the management staff in the term of 5 years.

On December 26, 2018, Chief Executive Officer has negotiated and completed the signing of the purchase / disposal ordinary shares agreement of Soft Square (1999) Company Limited by selling 299,998 shares of Soft Square at a price of not more than 257 Baht per share, total value 77.10 Million Baht and the buyer will proceed all cash payments to be completely done on December 28, 2018

In addition, after to disposal all ordinary shares, Soft Square (1999) Company Limited "SS" and Khon Kaen Softtech Company Limited "KS" will end its status as a subsidiary company of MFEC Public Company Limited because "KS" has business to provide a design and develop software as customer defined, has the registered capital of "KS" amount 5,000,000 Baht and be a subsidiary of "SS" investing that as a result "KS" will end its status as a subsidiary company of MFEC Public Company Limited too. This transaction has benefit to MFEC because enabled the company to receive working capital for the management the subsidiary

company and drive the organization to grow in the future. After making this transaction, the remaining companies in Soft Square Group which the company still holds are as follows;

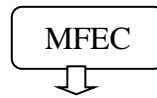
Old structure



Investments in Soft Square Group,
in proportion 99.99%

- 1) Soft Square (1999) Co., Ltd. "SS"
- 2) Khon Kaen Soft Tech Co., Ltd. "KK"
- 3) Hong Son Software Co., Ltd "HS"
- 4) Soft Plus Technology Co., Ltd "SPT"

New structure



Investments in Soft Square Group,

- 1) Hong Son Software Co., Ltd. "HS"
 - 2) Soft Plus Technology Co., Ltd. "SPT"
- (The restructuring of the business by merging Soft Square Group 4 companies at December 18, 2018 ago.)

In this regard, the purchase of ordinary shares in item 1 and the disposal of ordinary shares in item 2 shall not be considered in accordance with the Notification of the Capital Market Supervisory Board No. Tor Jor.20/2008, subject: The criteria for making significant transactions that are considered as an acquisition or disposal of assets and the announcement of the Stock Exchange of Thailand ("SET") subject: The Disclosure of Information and Practices of Listed Companies in Acquisition Or disposal of assets, B.E. 2004. The calculation of the transaction size according to the highest criteria is the net tangible asset value criteria. (According to the consolidated financial statements as of September 30, 2018) receive a percentage of 4.01% which is lower than 15%. In addition, this transaction is not considered as a connected transaction according to the Notification of the Capital Market Supervisory Board, Tor.Jor. 21/2008, subject: Rules on Connected Transactions and the Notification of the Stock Exchange of Thailand, subject: The Disclosure of Information of Listed Companies Concerning the Connected Transactions, 2003 which the company has an acquisition / disposition of assets occurring in the past 6 months as shown in the information memorandum.

However, the disposal of Soft Square 1999's ordinary shares as specified in item 2 is the cancellation of investment in other companies that are more than 10% of the paid-up capital of the company. The listed company must disclose information to the Stock Exchange of Thailand ("SET"), which according to the announcement of rules, conditions and methods of information disclosure and any operations of listed companies, as detailed in this attachment.

Please be informed accordingly.

Faithfully yours,
MFEC Public Company Limited

Siriwat Vongjarukorn

(Mr. Siriwat Vongjarukorn)
Chief Executive Officer

Information Memorandum of MFEC Public Company Limited

Subject 1: Purchase of the ordinary shares in Advanced Intelligence Modernity Company Limited

1. Date/ month/ year of transaction and objective of investment in the listed company

MFEC invest to purchase of ordinary shares in proportion 38.2% of the registered capital on Advance Intelligence Modernity Company Limited "AIM" with the objective to management the subsidiary company and the process of the acquisition of ordinary shares is expected to be completely done in December 2018.

2. Contracting parties involved and the relationship with the listed Company

Contracting party: The minority shareholder of Advance Intelligence Modernity Company Limited consists of:

1. Mr. Permboon Aimsupasit
2. Mr. Paiboon Aimsupasit
3. Mrs. Boonprakong Aimsupasit
4. Mr. Phayoong Aimsupasit
5. Ms. Phutthipha Aimsupasit

Relationship: The minority shareholder No. 1, Mr. Permboon Aimsupasit, Authorized Director/ Shareholder of Advance Intelligence Modernity Company Limited "AIM" (subsidiary company), in proportion 38.1996% of registered capital, the minority shareholder No. 2-5 have a relationship with Mr. Permboon Aimsupasit and no relationship with MFEC Public Company Limited.

3. The transaction and its payment

Advance Intelligence Modernity Company Limited "AIM" is a subsidiary company of MFEC which investment 600,000 shares, valued at 10 Baht per shares, totally 6,000,000 Baht or 60% of the registered capital 10,000,000 Baht.

After the investment, MFEC Company Limited "MFEC" will hold additional ordinary shares in proportion 98.20% of registered capital, amount of 982,000 shares, valued at ten (10) Baht per share, totally 9,820,000 Baht. The process of the acquisition of ordinary shares is expected to be completely done in December 2018. As a result, Advance Intelligence Modernity Company Limited is a subsidiary company of MFEC which is beneficial to management.

4. Value and size of the transaction

The acquisition to purchase of ordinary shares in amount 382,000 shares of Advance Intelligence Modernity Company Limited, totally one (1) Baht. The size of such transaction is estimated according to the regulations of Stock Exchange of Thailand as follows.

The calculation of the transaction size according to the announcement of the acquisition or disposition calculated on the basis of the four criteria are as follows;

Rules	Calculation formula	The transaction size
1. Net tangible asset value criteria	$\frac{\text{NTA * of the investment in the company x the proportion acquired or sold x 100}}{\text{NTA the net asset value of the company}}$	Cannot be measured due to minus net assets
2. Net profit from operations criteria	$\frac{\text{Net profit after tax in proportion to the assets acquired (436,545) x 100}}{\text{Value of total assets of listed companies (43,643,000 Baht)}}$	1%
3. Total Value of Re Criteria	$\frac{\text{Investment value (1 Baht) x 100}}{\text{Total assets of the company (2,955.23 Million Baht)}}$	0%
4. Criteria for the value of shares issued to pay for assets	$\frac{\text{Number of shares issued by the company to pay for assets x 100}}{\text{Number of paid-up shares of the company **}}$	Not able to measure because there is no issuance of shares in return

However, when counting the size of the asset acquisition transaction for the past 6 months and the purchase of ordinary shares from all minority shareholders of Advanced Intelligence Modernity Company Limited, as result the size of the purchase of assets according to the total net tangible assets value equals to 1.63%, details as follows;

No.	Transaction	Transaction Value (Million Baht)	Transaction Size (%)	The date that the Board of Directors approved
1.	To purchase of ordinary shares in M.I.S. Outsourcing Company Limited	14.4	1.63	3 July 2018
2.	To purchase of ordinary shares in Advanced Intelligence Modernity Company Limited	0.00	0.00	18 December 2018
	Total	14.40	1.63	

5. General Information of Advanced Intelligence Modernity Company Limited

5.1 Shareholder structure

Name of Shareholder	Before the purchase of ordinary shares		The acquisition of ordinary shares		After the purchase of ordinary shares	
	Number of shares	Percentages (%)	Number of shares	Percentages (%)	Number of shares	Percentages (%)
1. MFEC Public Company Limited	600,000	60.0000	382,000	38.2000	982,000	98.2000
2. Mr. Permboon Aimsupasit	381,996	38.1996	-	-	-	-
3. Mr. Partsakorn Kullawong	9,000	0.9000	-	-	9,000	0.9000
4. Mr. Panuwat Jantarajit	9,000	0.9000	-	-	9,000	0.9000
5. Mr. Paiboon Aimsupasit	1	0.0001	-	-	-	-
6. Mrs. Boonprakong Aimsupasit	1	0.0001	-	-	-	-
7. Mr. Phayoong Aimsupasit	1	0.0001	-	-	-	-
8. Mrs. Phutthipha Aimsupasit	1	0.0001	-	-	-	-
Total	1,000,000	100.0000	382,000	38.2000	1,000,000	100.0000

5.2 Registered Capital

Advance Intelligence Modernity Company Limited has registered capitals in the aggregate amount of 10,000,000 Baht, divided into 1,000,000 shares, valued at 10 Baht per each share.

5.3 Company's Directors

Old Structure

- 1) Mr. Thanakorn Charlee
- 2) Ms. Siriporn Detnitirat
- 3) Mr. Permboon Aimsupasit

New Structure

- 1) Mr. Thanakorn Charlee
- 2) Ms. Siriporn Detnitirat

6. Source of fund

Internal investments Source from MFEC Public Company Limited.

7. Valuation criteria

Considering the appropriateness of the stock price and determining the price by mutual agreement among both parties.

8. Relationship with the listed Company

Mr. Permboon Aimsupasit is the former shareholder with shareholding equity of 38.2% of the registered capital and director of Advance Intelligence Modernity Company Limited which is the subsidiary company of MFEC Public Company Limited.

9. Expected benefits from Investment

Purchase of ordinary shares of Advance Intelligence Modernity Company Limited "AIM" from this minority shareholder is for the benefit of managing the subsidiary company.

10. Opinion of the Board of Directors / the Audit Committee

The Board of Directors / the Audit Committee of MFEC Public Company Limited "MFEC" considered that the purchase of ordinary shares in Advance Intelligence Modernity Company Limited "AIM" is reasonable, appropriate and beneficial to the organization management directly. In order to gain to control determine the direction / direction of future business operations and prevent risk of loss Therefore, there is no risk of such transaction There is no risk of making this transaction.

Subject 2: To disposal of the ordinary shares in Soft Square (1999) Company Limited

1. Objectives and date/ month/ year of investment

The objective to disposal of the ordinary shares in Soft Square (1999) Company Limited "SS" is to manage the subsidiary company in the Soft Square Group and the process of the disposal of the ordinary shares is expected to be completely done in December 2018.

2. Contracting parties involved and the relationship

Contracting party : Mr. Ramade Silapapom
 Relationship : The minority shareholder of MFEC Public Company Limited of 31,676,577 shares or the proportion 7.1% of the registered capital.

3. The transaction and its payment

The disposal of investment in ordinary shares of Soft Square (1999) Company Limited "SS" is the disposal of assets of the company according to the announcement of acquisition or disposal with the highest transaction size to 4.01% based on the value net of the tangible assets (NTA). The basis for calculating the maximum transaction size from the consolidated financial statements of the company that has been reviewed by a certified public accountant ended September 30, 2018. When combined with the size of the asset disposal transaction dating back 6 months and the sale of ordinary shares of Soft Square (1999) Company Limited resulting in the size of the disposal of assets according to the criteria of total net tangible assets equal to 4.38% which is considered the size of the transaction type 1 which assets with transaction size less than 15% with details of calculation of transaction size as follows;

Financial information as of September 30, 2018	(Unit : Million Baht)
Total assets	2,955.23
Minus with intangible assets (Including goodwill)	(511.81)
Minus with total liabilities	(1,024.62)
Minus interests that do not have control power	(18.47)
Net tangible assets (NTA)	1,400.33
Net profit (attributable to the major shareholder of the company for the past 9 months)	43.64

The calculation of the transaction size according to the announcement of the acquisition or disposal according to the 4 calculation criteria is as follows;

Rules	Calculation formula	The transaction size
1. Net tangible asset value criteria	$\frac{\text{NTA}^* \text{ of the investment in the company (56.11 Million Baht)} \times \text{the proportion acquired or sold} \times 100}{\text{NTA the net asset value of the company (1,400.33 Million Baht)}}$	4.01%
2. Net profit from operations criteria	$\frac{\text{Net profit from investment operation in the Company (0.44 Million Baht)} \times \text{Proportion of sale (99.99\%)} \times 100}{\text{Value of Net Profit of the company (43.64 Million Baht)}}$	1%
3. Total Value of Return criteria	$\frac{\text{Received item value (77.10 Million Baht)} \times 100}{\text{Total assets of the company (2,955.23 Million Baht)}}$	2.61%
4. Criteria for the value of shares issued to pay for assets	$\frac{\text{Number of shares issued by the company to pay for assets} \times 100}{\text{Number of paid-up shares of the company **}}$	Not able to measure because there is no issuance of shares

4. Details of disposed assets.

Soft Square (1999) Company Limited is a subsidiary company of MFEC, and hold the ordinary shares amount 299,998 shares, at a price of 100 Baht per share, totally 29,999,800 Baht or 99.99% of registered capital 30,000,000 Baht. Soft Square (1999) Company Limited invest ordinary shares in Khon Kaen Softtech Company Limited “KK” amount 49,998 shares at a price of 100 Baht per share, totally 4,999,800 Baht or 99.99% of registered capital amount 5,000,000 Baht.

After the investment, the disposal of ordinary shares of “SS” to Mr. Ramade Silapapom, he will hold the ordinary shares in 299,998 shares or 99.99% of the registered capital amount 30,000,000 Baht, at a price of 100 Baht per share, totally 29,999,800 Baht. The process of the disposal of ordinary shares is expected to be completely done in December 2018. As a result, to make Soft Square (1999) Co., Ltd. and Khon Kaen Softtech Co., Ltd. have the ending status of being a subsidiary of MFEC's subsidiary which will be beneficial in the management.

However, when combined with the size of the asset disposal transaction dating back 6 months and the sale of ordinary shares of Soft Square (1999) Company Limited resulting in the size of the transaction to purchase assets according to the total net tangible asset value equals to 4.30% following details;

No.	Transaction	Transaction Value (Million Baht)	Transaction Size (%)	The date that the Board of Directors approved
1.	Waive the right to purchase the capital increase shares in PraIn FinTech Co., Ltd. for directors / executives	8.68	0.01	3 July 2018
2.	To disposal some ordinary shares in PraIn FinTech Co., Ltd. to J Ventures Co., Ltd.	10.50	0.28	14 August 2018
3.	To disposal all ordinary shares in Soft Square (1999) Co., Ltd. to Mr. Ramade Silapapom	77.10	4.01	18 December 2018
	Total	96.28	4.30	

5. General Information of Data Cafe Company Limited

5.1 Shareholder structure

Name of Shareholder	Before the purchase of ordinary shares		The acquisition of ordinary shares		After the purchase of ordinary shares	
	Number of shares	Percentages (%)	Number of shares	Percentages (%)	Number of shares	Percentages (%)
1. MFEC Public Company Limited	299,998	99.9998	299,998	99.9998	-	-
2. Mr. Permboon Aimsupasit	1	0.0001	-	-	299,998	99.9998
3. Mr. Partsakorn Kullawong	1	0.0001	-	-	1	0.0001
4. Shareholders of Mr. Ramade Group	-	-	-	-	1	0.0001
Total	300,000	100.0000	299,998	99.9998	300,000	100.0000

5.2 Registered Capital

Soft Square (1999) Company Limited has registered capitals in the aggregate amount of 30,000,000 Baht, divided into 300,000 shares, valued at 100 Baht per each share.

5.3 Financial Information

Financial Information (Unit: Million Baht)	Q.3/2018	2018	2017
Total assets	75.58	97.88	112.46
Total liabilities	23.71	40.61	50.23
Shareholders' equity	51.87	57.27	62.23
Paid-up share value	30.00	30.00	30.00
Total income	48.57	86.74	81.75
Net profit (loss)	(0.07)	18.29	16.17

5.4 Company's Directors

- 1) Ms. Thitiporn Saengow
- 2) Mrs. Pattama Wuttiananchai
- 3) Mr. Banyhat Chatkaraburee

6. Plans to use the proceeds from the disposal of the ordinary shares

The company will use the proceeds from the disposal of the ordinary shares which investment in SS1999 to be used as working capital for the operation of the company.

7. Price determination criteria

MFEC Public Company Limited appointed a consultant of other company to consider the valuation (in which the financial advisor has been appointed to act as a consultant and has been approved by the SEC) to evaluate the value of the business, SS 1999 Company Limited from the current business, including future plans. The financial advisor has assessed the appropriateness of the share price by various methods, according to financial principles and presenting the net present value method of cash flow in considering and making decisions on such this transaction.

8. Relationship with the listed Company

Mr. Ramade Silapapom is the minor shareholder of MFEC Public Company Limited with shareholding equity of 7.1% of the registered capital.

9. Expected benefits from the disposal of the investment

The Disposal of ordinary shares of Soft Square (1999) Company Limited "SS" for the benefit of managing the subsidiary company, prevent losses that may occur in the future based on past turn over trends and allow the company to have more working capital in the business to be used for internal management

10. Opinion of the Board of Directors / the Audit Committee

The Board of Directors / the Audit Committee of MFEC Public Company Limited "MFEC" considered that the disposal of the ordinary shares in Soft Square (1999) Company Limited is reasonable, appropriate and beneficial to the organization management directly. Moreover, it also provides an opportunity for the company to receive money from the disposal to invest in new business (Re-investment) and increase the working capital in the business of the company. There is no risk of making this transaction.