

No. For. 37/2018

November 28, 2018

Subject: Notification on the additional investments in shares of M.K. Real Estate Development Plc.

To: President
The Stock Exchange of Thailand

Enclosure: Information Memorandum of Finansa Plc. Re: the additional investments in M.K. Real Estate Development Plc.

As Finansa Public Company Limited (the "Company") had the meeting of Board of Directors No. 7/2018 on November 28, 2018 at no. 48/48 TISCO Tower, Level 20, North Sathorn Road, Silom, Bangrak, Bangkok, the Company would like to report the key resolutions of the meeting of Board of Directors as follows:

The Board of Directors' meeting approved the additional investments of not exceeding 83,000,000 shares of M.K. Real Estate Development Plc. ("MK") at the price of 4.50 Baht per share, which is not exceeding 8.37% of paid up capital of MK. After the mentioned investments, the Company will have a shareholding in MK of not exceeding 186,479,108 shares which is not exceeding 18.80% of paid up capital of MK, and the company still does not have a policy to make other additional investments in MK. Details are as presented on the enclosure. In addition, the Board of Directors' meeting has also approved the authorization of Mr. Vorasit Pokachaiyapat or person(s) authorized by Mr. Vorasit Pokachaiyapat, to have the authorizations to consider and decide on conditions and details related to the acquisition of shares of MK, the arrangement on the source of funds, negotiate, make agreements, and sign the documents and contracts related to the mentioned, contact and submit any documents in relation to relevant processes such as Report of the Acquisition or Disposition of Securities in a Business, and sign or certify documents or copy documents to the government agencies or other offices.

These additional investments in MK are considered an acquisition of assets under the notification of the Capital Market Supervisory Board No. Tor Chor. 20/2551 Re: Rules for the Transaction with Significant Acquisition or Disposition of Assets and the 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 or Disposal of Assets B.E. 2547 (“Notification of the Acquisition or Disposition”). The highest transaction size is 48.48 percent according to the consolidated financial statements for the period ended September 30, 2018 (which is the highest transaction size in accordance with Operating Profit Criteria) and when taken into account other acquisition of assets by the Company during the past 6 months, the aggregate transaction size shall be 49.66, which considered to be class 2 transaction with the size of 15 percent or higher but lower than 50 percent according to the Notification of the Acquisition or Disposition. As a result, the Company has the obligations to disclose the information memorandum to the Stock Exchange of Thailand (“SET”) and shall submit a written notice to its shareholders within 21 days from the date of disclosure of information to the SET.

The additional investments in shares of MK is not considered entering into the transaction with the connected persons according to Notification of Capital Market Supervisory Board Tor Chor 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, 2003 dated 19 November 2003.

Please be informed accordingly.

Yours sincerely,

(Mr. Vorasit Pokachaiyapat)

Managing Director

Information Memorandum of Finansa Public Company Limited

Re: the additional investments in shares of M.K. Real Estate Development Plc.

The Board of Directors' meeting of Finansa Public Company Limited (the "Company") No. 7/2018 has approved the additional investments of not exceeding 83,000,000 shares of M.K. Real Estate Development Plc. ("MK") by purchasing MK's shares from 2 existing shareholders of MK which are foreign juristic persons, namely UBS AG SINGAPORE BRANCH, and Chang Chun Road Limited (Collectively called "Sellers") at the price of 4.50 Baht per share, totaling not exceeding 373,500,000 Baht.

The details of the transaction are as follows:

1. The Date of Transaction

The Company expects to enter into the transaction within the fourth quarter of 2018.

2. The Relevant Parties and Relationship with the Company

Purchaser : The Company

Sellers: 1. UBS AG SINGAPORE BRANCH
 2. Chang Chun Road Limited

The Sellers have no relationship with the Company and are not the related persons of the Company

3. Details, Category, and Transaction Size of the Acquired Assets

3.1. The General Characteristics of the Transaction

The Company will purchase not exceeding 83,000,000 shares from Sellers at the price of 4.50 Baht per share, totaling not exceeding 373,500,000 Baht, composing a purchasing of not exceeding 45,550,000 shares from UBS AG SINGAPORE BRANCH, and a purchasing of 37,450,000 shares from Chang Chun Road Limited. After the acquisition of those shares, the shareholding proportion of the Company in MK will be not exceeding 18.80% of the paid up capital of MK.

3.2. Details of the Acquired Assets

The acquired assets are the ordinary shares of MK in an amount of not exceeding 83,000,000 shares with the par value at Baht 1.00 per share. After the acquisition of those shares, the shareholding proportion of the Company in MK will be not exceeding 18.80% of the paid up capital of MK. Details can be summarized as follows:

Characteristics of the businesses : MK is engaged in the development of residential property for sale, focusing on horizontal projects, and the development of property for rent and related services.

Registered Capital : 992,010,177 Baht

Paid up Capital : 992,010,177 Baht

Board of Directors : Lists of Board of Directors of MK as of November 28, 2018 are as follows:

Name	Position
Mr. Suthep Wongvorazathe	Chairman of the Board
Mr. Vorasit Pokachaiyapat	Chief Executive Officer Managing Director Director
Miss Dusadee Tancharoen	Managing Director Director
Mrs. Sutida Suriyodorn	Director
Miss Rachanee Mahatdetkul	Director
Mr. Suksri Phurthamkul	Director
Mr. Att Tongyai Asavanund	Independent Director Chairman of Audit Committee
Mr. Chaiyapont Timsootheepant	Independent Director Audit Committee
Mrs. Malai Rachataswan	Independent Director Audit Committee
Mr. Theraphan Jittalarn	Independent Director Audit Committee

Connected Person of FNS which are directors of MK	Proportion of Shareholding in MK
Mr. Vorasit Pokachaiyapat	None
Miss Rachanee Mahatdetkul	None

3.3. Category and Transaction Size

The entering into such transaction is considered acquisition of assets according to the Notification of the Acquisition or Disposition. Details of transaction size are as following:

Calculation Criteria	Calculation Methodology
1. Net Tangible Asset ("NTA")	= Book Value of NTA of MK in proportion of the acquired assets ¹ / NTA of the Company according to the consolidated financial statements ² = 8.37% x Baht 6,464.63 million / Baht 2,099.13 million = 25.77%
2. Net Operating Profit	= Trailing 12 months of MK's Net Profit in proportion of the acquired assets ¹ / Trailing 12 months of the Company's Net Profit ² = 8.37% x Baht 320.12 million / Baht 55.25 million = 48.48%
3. Total Value of Consideration	= Total Value of Consideration ¹ / total assets of the Company pursuant to the consolidated financial statements ² = Baht 373.50 million / Baht 3,419.83 million = 10.92%
4. Value of Securities Issued	= No such case.

Remark:

- 1. Based on the consolidated financial statements of MK for the period ended September 30, 2018*
- 2. Based on the consolidated financial statements of the Company for the period ended September 30, 2018*

The entering into the transaction has the highest transaction size of 48.48 % of Trailing 12 months of the Company's Net Profit (which is the highest transaction size in accordance with the Net Operating Profit criteria).

In this regard, during the period of the past 6 months, the Company has acquired other assets which are 6,503,500 MK's shares with the transaction size according to Net Operating Profit criteria of 1.18%.

Therefore, the highest transaction size shall be 49.66% in accordance with the Net Operating Profit criteria and is considered to be class 2 transaction with the transaction size of 15 percent or higher but lower than 50 percent according to the Notification of the Acquisition or Disposition. Therefore, the Company has the obligations to disclose the information memorandum on the assets acquisitions to the SET, and shall submit a written notice to its shareholders within 21 days from the date of disclosure of information to the SET.

4. Total value of Consideration and Payment Conditions

4.1. Total Value of Consideration

Not exceeding 373.50 Million Baht

4.2. Payment Conditions

The Company will make a payment of not exceeding 373.50 Million Baht through SET's clearing house.

5. Value of acquired assets

The ordinary shares of MK of not exceeding 83,000,000 shares with a total value of not exceeding Baht 373.50 million.

6. Basis for Determining the Value of Consideration

Total consideration value for not exceeding 83,000,000 ordinary shares of MK at the price per share of 4.50 Baht is the negotiated consideration between the Company and the Sellers based on the market price and book value per share of MK. The market price is the weighted average price of ordinary shares of the MK for the period of 7 days prior to November 28, 2018 ("VWAP") which is 3.95 Baht , while the book value per share of MK as of September 30, 2018 is 6.57 Baht. Accordingly, the sell and purchase price of 4.50 Baht per share is higher than VWAP but still lower than the book value per share of MK.

7. Expected Benefits to the Company

The Company will have opportunities to receive capital gain and dividend at the appropriate rate, successively, since MK is considered to have business potential and growth prospect.

8. Sources of Fund

Proceeds received from the Right Offering of newly issued shares of the Company since November 19-23, 2018.

9. Conditions Precedent

The approval from Shareholders' Meeting is not required.

10. Opinion of the Board of Directors on the Transaction

The Board of Directors' meeting of the Company No. 7/2018 dated November 28, 2018 has considered the benefits which shall be received from purchasing MK's shares, and viewed that the investments in MK's shares and the purchase price are reasonable and will provide the utmost benefits to the Company and the shareholders. Therefore, the Board of Directors' meeting of the Company resolved to approve the additional investments in shares of MK.

The details of the benefits for the Company and the shareholders are as follows.

Expected Benefits to the Company

The Company will have opportunities to receive capital gain and dividend at the appropriate rate, successively, since MK is considered to have business potential and growth prospect.

Expected Benefits to the Shareholder

The shareholders will have opportunities to receive additional return through the Company's benefits from the investments in term of capital gain and dividend.

Relevant Risks

Additional investments in MK will make the overview of the company's investments fluctuated and the Company may have risk in case that the return of real estate business or the operating results of MK do not meet the expectations.

11. Opinion of the Company's Audit Committee and/or Director which is different from the Opinion of the Board of Directors in 10.

None.