

No. MFEC/CSOT/008/2023

7 April 2023

Subject: The Establishment of the new subsidiary, Business merger of the group company

To: President, The Stock Exchange of Thailand

The Board of Directors Meeting No. 2/2023 of MFEC Public Company Limited (“The Company”) held on 7 April 2023 has approved the significant resolutions below:

1. Approved the establishment of the new subsidiary for the purpose to invest in high growth potential business and related to core business of the Group’s Company, details as follows:

Name of subsidiary: Synergy Group Ventures Co., Ltd.

Register capital at the establishment date: Baht 500,000,000 comprised of 5,000,000 ordinary shares at par value of Baht 100 per share.

Capital called-up at the establishment date: Baht 150,000,000 comprised of 5,000,000 ordinary shares at capital called-up of Baht 30 per share, equal to 30% called-up capital.

Shareholding structure:	Shareholders’ name	No. of shares/ shareholders portion	Investment amount (Baht)
	MFEC Public Company Limited	4,999,997 shares holding a stake of 100%	499,999,700
	MFEC assigner persons	3 shares	300
	Total	5,000,000 shares	500,000,000

Directors name:	
1. Mr. Siriwat Vongjarukorn	Representative director being appointed from MFEC
2. Mr. Pitch Manakijpairoj	Representative director being appointed from MFEC
3. Mr. Kensaku Furusho	Representative director being appointed from TIS Inc.
4. Mr. Hiroyuki Higashi	Representative director being appointed from TIS Inc.
5. Mr. Kavee Phunratnamala	Qualified director who expertise on investment being nominated and appointed from the outside

Connected characteristics This transaction is not a connected transaction

Size of the Assets acquisition: Maximum transaction size based on the total value of the consideration is 7.97% based on the audited consolidated financial statements of the Company as of 31 December 2022.

Type of business: Invest by holding securities in other companies.

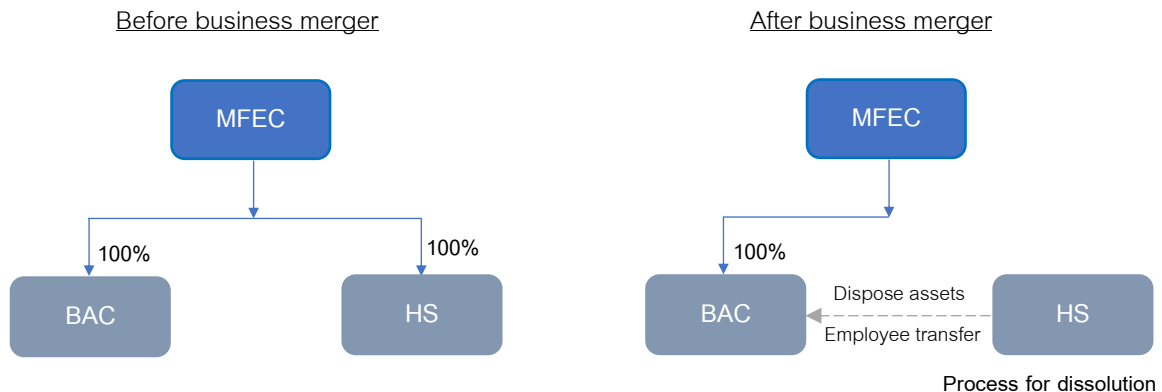
Purpose of investment: Holding company which invests in high growth potential business and related to core business of the Group’s Company.

Source of fund: Capital gain received from disposition transaction of investment in Vulcan Digital Delivery

The establishment of new subsidiary companies is considered as the assets acquisition transaction according to the Notification of the Capital Market Supervisory Board No. Tor Chor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as 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 and Disposition of Assets BE 2547 (2004) ("Acquisition and Disposition Notifications"). The maximum transaction size is 7.97% based on the total value of consideration, which is the maximum transaction size calculated from the audited consolidated financial statements of the Company by the Certified Public Accountant as of 31 December 2022, and when inclusive of the 6-month period, the highest criterion is the total value of consideration. The transaction size is equal to 9.77%, which is considered as the transaction with the value of less than 15 percent of the total assets of the company. Therefore, the Company is not obliged to disclose information according to the Notification of Acquisition or Disposal of Assets. In addition, the aforementioned asset acquisition transaction is not in the criteria of connected transactions according to the rules of the Notification of Connected Transactions.

2. Approved the Group’s business restructuring through business merger within 2 subsidiaries comprised of Business Application Co., Ltd. (“BAC”) and Hongsorn Co., Ltd. (“HS”) which are wholly owned subsidiaries of MFEC in which the BOD approved HS to dispose assets used in business operations, including computers and related equipment and transfer all employees to BAC according to business restructuring plan. In addition, to serve the customers of HS during transitional period of business merger. BAC will be assigned to act on behalf of HS as sub-contractor to provide services for on-going projects that still in processing under obligation of each agreement. HS is expected to complete registration of the company’s dissolution with the Ministry of Commerce within the second quarter of 2023. Once the completion of the business merger, there will remain BAC as wholly owned subsidiary at the same.

Share structure before and after business merger can be shown below.



Please be informed accordingly.

Sincerely yours,

- *Siriwat Vongjarukorn* -

(Mr. Siriwat Vongjarukorn)

Chief Executive Officer