

December 21<sup>st</sup>, 2023

Subject: Borrowing from connected person

To: President, The Stock Exchange of Thailand

The Board of Directors Meeting No. 8/2023 of MFEC Public Company Limited (“The Company”) held on 21 December 2023 has approved to borrow from TIS Inc. (“The Lender”) who is the major shareholder holding 48.99% of the Company authorized and issued ordinary share with loan facility not exceeding to Yen 2.8 billion (or approximate amount to Baht 690.5 million). This connected transaction is defined as receipt of financial assistance. The value used to calculate the size of transaction is the value of the interest or benefits to be repaid to the connected person throughout the period of financial assistance with transaction size Baht 18,988,000 or 0.798% of the Company’s Net Tangible Assets “NTA” as of 30 September 2023. Considering that the total value of this connected transaction is over Baht 1 million but less than Baht 20 million or has transaction size over 0.03% but less than 3% of the Company’s Net Tangible Asset, whichever is higher under general commercial conditions. As per the criteria, the information must be disclosed to the Stock Exchange of Thailand. Therefore, the Company would like to disclose the information as details described in Enclosure No. 1.

Please be informed accordingly.

Sincerely yours,

-Siriwat Vongjarukorn-

(Mr. Siriwat Vongjarukorn)

Chief Executive Officer

**Information regarding to the connected transaction  
defined as receipt of financial assistance**

**1. Transaction date**

The Company shall borrow Yen 2.8 billion (loan facility) from the lender with loan period of 1 year from the date of first loan drawdown or 31 December 2024, whichever date is earlier.

**2. Related Parties and Relations between parties**

Lender: TIS Inc.

Borrower: MFEC Public Company Limited

Relation between both parties: The Lender is a major shareholder of the borrowing Company, whereby TIS Inc holds 48.99% of the Company authorized and issued ordinary shares.

**3. General characteristics of the transaction**

This transaction represents a connected transaction according to the 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 Act of Listed Companies Concerning the Connected Transactions, 2003 and is categorized as receipt of financial assistance. The value used to calculate the size of transaction is the value of the interest or benefits to be repaid to the connected person throughout the period of financial assistance with transaction size over 1 million but not exceeding 20 million Baht or more than 0.03% but no more than 3% of the Company's net tangible assets, whichever is higher. This must be approved by the Company's board and information must be disclosed to the Stock Exchange of Thailand.

The Company's Net Tangible Assets as of 30 September 2023	Baht 2,378.8 million
Transaction size of this financial assistance from connected person	Baht 18.99 million*
Transaction size as % to NTA	0.798% of NTA

\*Transaction size is calculated based on maximum interest amount shall be incurred from this financial assistance transaction (Yen 2.8 billion at 2.75% per annum at current exchange rate THB 0.2466/ Yen 1)

#### 4. Details of the transaction

Nature of financial assistance:	Financial borrowing from related person
Value of loan facility:	not exceeding than Yen 2.8 billion (equivalent to Baht 690.5 million at current exchange rate)
Purpose of loan:	Used of fund to support as the Company’s working capital
Interest rate:	Approximate to 2.75% per year at the current interest rate**
Borrowing period:	The period is one year from the date of first loan drawdown or 31 December 2024, whichever date is earlier, by giving the borrower the right to extend the principal and interest repayment beyond the specific period.
Basis for calculation of transaction size:	Value of interest that the Company shall be repaid to the lender throughout the assistance period 1 year, with interest amount approximate to the number of Baht 18,988,000.
Proof of loan:	The Company shall sign a loan agreement with the lender as proof of loan facility.
Collateral:	None
Other conditions:	The Loan can be made in any currencies Japanese Yen (JPY), United States Dollars (USD) and Thai Baht (THB) upon request by the Borrower in the aggregate principal amount not exceeding to JPY 2.8 billion (or equivalent to Baht 690.5 million). The repayment of the Loan and interest shall be made in the same currency as currency at the time of each loan have been requested.
Additional information:	This approve loan facility is to replace the existing loan which is expiring on 27 December 2023 (which is the maturity date after 1 year from the first drawdown date of original loan on December 28. 2022).  As of that date the Board of Directors resolved to approve this loan facility. The Company has no outstanding loan balance from the lender (TIS Inc.).

\*\*Interest rate will be based on policy interest rate, announced by The Monetary Policy Committee (“MPC”) plus 0.25%, at the date of each loan drawdown. The Current Policy interest rate announced as of 29 November 2023, which is 2.50% per annum.

## 5. Benefits from entering the transaction

The Company will use the said loan to support as the Company's working capital.

## 6. Stake holding director who is also the connected person

Mr. Kiyotaka Nakamura, Vice Chairman of the Board of Directors and Mr. Masakazu Kawamura, a director who is a representative director from TIS Inc., are connected persons. Both directors abstained from voting on this agenda.

## 7. Opinions of the Board of Directors

The Board of Directors resolved that entering such transaction is in line with general trading conditions, without complicated procedures, with no collateral is required, allowing the Company utilizing this source of fund as working capital, as well as future investment transaction. This makes the Company more flexible and enhances the Company's operating business with appropriate interest rate's source of fund, which will directly benefit the Company and therefore deemed expedient to approve the transaction.

## 8. Opinions of the Audit Committee

There is no opinion that differs from the Board of Directors' Opinion.