

MBK 030/2021

July 7, 2021

Subject : Information Memorandum on Acquisition and Disposition of Assets and Connected Transactions of the  
MBK Public Company Limited (MBK)

Attention : President of the Stock Exchange of Thailand

MBK Public Company Limited (“MBK”) would like to inform that the Board of Directors’ meeting of MBK  
no.7/21, on July 7, 2021 has approved

- (1) To sell shares of MBK Life Assurance Public Company Limited (MBKL), MT Service 2016  
Company Limited (MTS) and TM Broker Company Limited (TM) to Thanachart Capital Public  
Company Limited (TCAP).
- (2) The purchase of assets from MBK Life Assurance Public Company Limited (MBKL)
- (3) Providing Legal Service to Thanachart Plus Company Limited (TPLUS)

The details are as follows:

1. Transaction Date

- |                                       |   |
|---------------------------------------|---|
| 1.1 To sell shares of MBKL MTS and TM | Within August 2021  |
| 1.2 The purchase of assets from MBKL  | Within August 2021, MBKL must obtain approval<br>from the Insurance Registrar before<br>proceeding. |
| 1.3 Providing Legal Service to TPLUS  | July 8, 2021  |

2. Parties Involved

2.1 To sell shares of MBKL MTS and TM

- |                 |  |
|-----------------|--|
| 2.1.1 Purchaser | Thanachart Capital Public Company Limited (TCAP) |
| 2.1.2 Seller    | MBK Public Company Limited (MBK)                 |

2.2 The purchase of assets from MBKL

- |                 |  |
|-----------------|--|
| 2.2.1 Purchaser | MBK Public Company Limited (MBK)                 |
| 2.2.2 Seller    | MBK Life Assurance Public Company Limited (MBKL) |

2.3 Providing Legal Service to TPLUS

- |                        |  |
|------------------------|--|
| 2.3.1 Service provider | MBK Public Company Limited (MBK) / A subsidiary of MBK |
| 2.3.2 Service receiver | Thanachart Plus Company Limited (TPLUS)                |

### 3. Status of parties

#### 3.1 To sell shares of MBKL MTS and TM

##### 3.1.1 Purchaser

Status of TCAP Shareholders of MBKL holds 51.00% of its paid-up capital  
Shareholders of MTS holds 51.00% of its paid-up capital  
Shareholders of TM holds 51.00% of its paid-up capital and  
The major shareholders which MBK.

##### 3.1.2 Seller

Status of MBK Shareholders of MBKL holds 49.00% of its paid-up capital  
Shareholders of MTS holds 49.00% of its paid-up capital  
Shareholders of TM holds 49.00% of its paid-up capital and  
The major shareholders which TCAP.

#### 3.2 The purchase of assets from MBKL

##### 3.2.1 Purchaser

Status of MBK Shareholders of MBKL holds 49.00% of its paid-up capital and  
The major shareholders which TCAP.

##### 3.2.2 Seller

Status of MBKL A subsidiary which TCAP holds 51.00% of its paid-up capital  
Status of TCAP Shareholders of MBKL holds 51.00% of its paid-up capital and  
The major shareholders which MBK.

#### 3.3 Providing Legal Service to TPLUS

##### 3.3.1 Service provider

Status of MBK The major shareholders which TCAP.

##### 3.3.2 Service receiver

Status of TPLUS A subsidiary which TCAP holds 99.99% of its paid-up capital  
Status of TCAP Shareholders of TPLUS holds 99.99% of its paid-up capital and  
The major shareholders which MBK.

### 4. Characteristic of Transaction

#### 4.1 Disposed shares of MBKL

4.1.1 Type of share Ordinary shares

4.1.2 Nature of Business Operation Life insurance business by offering individual life insurance and group life insurance

- 4.1.3 Registrar capital and Paid-up Capital THB 1,000,000,000  
Divided into ordinary shares 100,000,000 shares  
Par Value per share THB 10
- 4.1.4 Number of disposed shares 48,999,997 Ordinary shares or 49.00%  
of its paid-up capital
- 4.1.5 Net sales value THB 468,533,561
- 4.1.6 Criteria to fix the selling price Embedded Value on March 31, 2021
- 4.1.7 Purpose of selling The Company will increase liquidity to support its core business growth.
- 4.1.8 Shareholding structure

Detail	Shareholding <i>before</i> the Transaction		Shareholding <i>after</i> the Transaction	
	Ordinary Shares	Portion of Shares (%)	Ordinary Shares	Portion of Shares (%)
1. Thanachart Capital Public Company Limited	50,999,997	51.00	99,999,994	100.00
2. MBK Public Company Limited	48,999,997	49.00	-	-
3. Minority shareholders	6	0.00	6	0.00
<b>Total</b>	<b>100,000,000</b>	<b>100.00</b>	<b>100,000,000</b>	<b>100.00</b>

#### 4.2 Disposed shares of MTS

- 4.2.1 Type of share Ordinary shares
- 4.2.2 Nature of Business Operation Support service business
- 4.2.3 Registrar capital and Paid-up Capital THB 50,000,000  
Divided into ordinary shares 5,000,000 shares  
Par Value per share THB 10
- 4.2.4 Number of disposed shares 2,449,998 Ordinary shares or 49.00%  
of its paid-up capital
- 4.2.5 Net sales value THB 4,675,772
- 4.2.6 Criteria to fix the selling price Book Value on May 31, 2021
- 4.2.7 Purpose of selling The Company will increase liquidity to support its core business growth.

#### 4.2.8 Shareholding structure

Detail	Shareholding <i>before</i> the Transaction		Shareholding <i>after</i> the Transaction	
	Ordinary Shares	Portion of Shares (%)	Ordinary Shares	Portion of Shares (%)
1. Thanachart Capital Public Company Limited	2,549,998	51.00	4,999,996	100.00
2. MBK Public Company Limited	2,449,998	49.00	-	-
3. Minority shareholders	4	0.00	4	0.00
<b>Total</b>	<b>5,000,000</b>	<b>100.00</b>	<b>5,000,000</b>	<b>100.00</b>

#### 4.3 Disposed shares of TM

- 4.3.1 Type of share Ordinary shares
- 4.3.2 Nature of Business Operation Providing non-life insurance and life insurance broker
- 4.3.3 Registrar capital THB 20,000,000  
and Paid-up Capital divided into ordinary shares 2,000,000 shares  
Par Value per share THB 10
- 4.3.4 Number of disposed shares 979,998 Ordinary shares or 49.00% of its paid-up capital
- 4.3.5 Net sales value THB 13,305,950
- 4.3.6 Criteria to fix the selling price Book Value on May 31, 2021
- 4.3.7 Purpose of selling The Company will increase liquidity to support its core business growth.

#### 4.3.8 Shareholding structure

Detail	Shareholding <i>before</i> the Transaction		Shareholding <i>after</i> the Transaction	
	Ordinary Shares	Portion of Shares (%)	Ordinary Shares	Portion of Shares (%)
1. Thanachart Capital Public Company Limited	1,019,998	51.00	1,999,996	100.00
2. MBK Public Company Limited	979,998	49.00	-	-
3. Minority shareholders	4	0.00	4	0.00
<b>Total</b>	<b>2,000,000</b>	<b>100.00</b>	<b>2,000,000</b>	<b>100.00</b>

4.4 The purchase of assets from MBKL

4.4.1 Type of asset purchased                      Debentures of Thai Airway International Public Company Limited

4.4.2 Type of business                                      Airline business, aviation support group and transportation

4.4.3 Detail of debentures

Name of debentures	Debentures of Thai Airway International Public Company Limited No. 2/2018 Tranche 2 due 2020	Debentures of Thai Airway International Public Company Limited No. 1/2018 Tranche 1 due 2023	Debentures of Thai Airway International Public Company Limited No. 2/2018 Tranche 6 due 2030
Type of debentures	Name-registered, unsubordinated and unsecured debentures with debenture holders' representative	Name-registered, unsubordinated and unsecured debentures with debenture holders' representative	Name-registered, unsubordinated and unsecured debentures with debenture holders' representative
Face value	THB 1,000 per 1 unit of debenture	THB 1,000 per 1 unit of debenture	THB 1,000 per 1 unit of debenture
Issue date	August 16, 2018	February 28, 2018	August 16, 2018
Tenor (years)	2 years	5 years	12 years
Maturity date	August 16, 2020	February 28, 2023	August 16, 2030
Credit rating	D with a "Stable" outlook rated by TRIS Rating Co., Ltd.	-	-
Number of purchases (units)*	4,900	49,000	9,800
Net purchases value (THB)	28,719,693		
Criteria to fix the purchases price	Book Value		
Purpose of transaction	As part of the transaction disposed of shares of MBKL MTS and TM		

\* Remark : Number of debentures purchased, according to shareholding of MBKL.

4.5 Providing Legal Service to TPLUS

- 4.5.1 The details of transaction To contract legal services such as registration, mortgage collateral, redeemable purchase, providing advice and legal opinion on legal and financial business.  
has a 1-year period, the date of July 8, 2021 to July 7, 2022
- 4.5.2 Purpose of transaction To increase the company's income
- 4.5.3 Terms of payment Get paid according to the success of the work on a periodic
- 4.5.4 Total value of transaction Not more than THB 5,350,000 per year (Total VAT 7%)
- 4.5.5 Criteria to determine total value of the transaction Determined from the rate of services of law firms as consultants of companies such as United Overseas Bank (Thai) Public Company Limited (UOB), Thanachart Capital Public Company Limited (TCAP), MBK Public Company Limited (MBK) and MBK Guarantee Company Limited (MBK-G) etc.

5. Characteristics and scope of interests of connected persons when agreeing to enter into the connected transaction

TCAP is a major shareholder of MBK holds 22.26% of its paid-up capital and MBK is shareholder of TCAP holds 11.15% of its paid-up capital

6. Connected transaction which calculated from the financial statement as of March 31, 2021

- 6.1 Selling and service price amount of THB 520,584,976
- 6.2 The connected transaction size is 2.4986% of NTA

7. The directors who have interests and did not vote in the Board of Directors' meeting no.7/21 on July 7, 2021

- 7.1 Mr. Banterng Tantivit
- 7.2 Mr. Suphadej Poonpipat

8. The Board of Directors' opinions and the Audit Committee's opinions

The Board of Directors and the Audit Committee have same opinions as follows:

- (1) To sell shares of MBK Life Assurance Public Company Limited (MBKL), MT Service 2016 Company Limited (MTS) and TM Broker Company Limited (TM) to Thanachart Capital Public Company Limited (TCAP).

- (2) The purchase of assets from MBK Life Assurance Public Company Limited (MBKL)
- (3) Providing Legal Service to Thanachart Plus Company Limited (TPLUS)  
Is a reasonable transaction due to
- (1) Disposed shares of MBKL MTS and TM is a business restructuring and streamlined management and increase efficiency in cost management. However, the trading price of such shares is higher than the price that Capital Advantage Company Limited, as an independent financial advisor approved by the Office of the Securities and Exchange Commission ("SEC"), is a valuation according on Embedded Value and Book Value. Which is an appropriate transaction.
- (2) The purchase of assets from MBKL is a transaction that benefits the Company and has an appropriate rate of return.
- (3) Providing Legal Service to TPLUS of MBK or subsidiary is to increase revenue for the MBK or its subsidiary. In addition, it is to use the potential of personnel more and the rate of service is a general legal service rate.

#### 9. Calculation of the Acquisition and Disposition of Assets

##### 9.1 Calculation of the disposition of assets (Shares of MBK MTS and TM)

As the disposed of shares of MBK Life Assurance Public Company Limited (MBKL), MT Service 2016 Company Limited (MTS) and TM Broker Company Limited (TM), it can be considered that MBK acquire or dispose assets, according to the Notification of the Board of Governors of the Stock Exchange of Thailand regarding the Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets. The determination of the total size of acquisition transaction as follows:

- 9.1.1 The value of assets acquired or disposed, in comparison to the asset value of the company or of the company and its subsidiary, as the case may be, equals to 2.4339%
- 9.1.2 Operating net profit after tax from the assets acquired or disposed in comparison to the net profit of the company or of the company and its subsidiary, cannot be calculated due to loss in operation
- 9.1.3 Total value of consideration from the assets acquired or disposed in comparison to the total asset value of the listed company or of the company and its subsidiary, as the case may be, equals to 0.8317%

The transaction of the disposed of shares of MBK Life Assurance Public Company Limited (MBKL), MT Service 2016 Company Limited (MTS) and TM Broker Company Limited (TM), the total highest size of disposition transaction is equal to 2.4339% (calculated from the financial statement as of March 31, 2021), therefore it is considered the transaction that does not have to be disclosed because it does not reach the requirement as specified by the Notification of the Capital Market Supervisory Commission No. Tor Chor 20/2551 regarding Rules and Regulations of on the Acquisition and Disposition of Assets (as amended), and the Notification of the Board of

Governors of The Stock Exchange of Thailand regarding Disclosure of Information and Other Acts of Listed Companies concerning the Acquisition and Disposition of Assets, 2004 (as amended).

9.2 Calculation of the acquisition of debentures of Thai Airway International Public Company Limited from MBKL

As the acquisition of debentures of Thai Airway International Public Company Limited from MBK Life Assurance Public Company Limited (MBKL), it can be considered that MBK acquire or dispose assets, according to the Notification of the Board of Governors of the Stock Exchange of Thailand regarding the Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets. The determination of the value for consideration is total value of consideration from the assets acquired or disposed in comparison to the total asset value of the listed company or of the company and its subsidiary, as the case may be, equals to 0.0491% (calculated from the financial statement as of March 31, 2021) and combined with the size of the acquisition of assets during the past 6 month, the total asset acquisition volume was 0.1553% (The maximum transaction size based on Total value of consideration), therefore it is considered the transaction that does not have to be disclosed because it does not reach the requirement as specified by the Notification of the Capital Market Supervisory Commission No. Tor Chor 20/2551 regarding Rules and Regulations of on the Acquisition and Disposition of Assets (as amended), and the Notification of the Board of Governors of The Stock Exchange of Thailand regarding Disclosure of Information and Other Acts of Listed Companies concerning the Acquisition and Disposition of Assets, 2004 (as amended).

Please be informed accordingly.

Sincerely yours,

(Mr. Suvait Theeravachirakul)

President and CEO

"MBK Public Company Limited does not have policy in allowing employees, contractors, and adherents of the Company to solicit or receive money, gifts, or any other form of benefits from you or your related parties, including to execute or pursue any action that may be deemed as bribery"