

แบบหนังสือมอบฉันทะ แบบ ข

Proxy Form B.

เขียนที่

Written at

วันที่.....เดือน.....พ.ศ.

Date Month Year

(1) ข้าพเจ้า.....สัญชาติ.....อยู่บ้านเลขที่.....

I/We nationality Residing at
ถนน.....ตำบล/แขวง.....อำเภอ/เขต.....จังหวัด.....รหัสไปรษณีย์.....
Road Tambol/Khwaeng Amphur/Khet Province Postal Code

(2) เป็นผู้ถือหุ้นของ บริษัท ศรีอยุธยา แคปปิตอล จำกัด (มหาชน)

Being a shareholder of **Sri Ayudhya Capital Public Company Limited**

โดยถือหุ้นสามัญจำนวนทั้งสิ้นรวม.....หุ้น และออกเสียงลงคะแนนได้เท่ากับ.....เสียง

Holding the total amount of ordinary shares shares and has the right to vote equal to votes

(3) ขอมอบฉันทะให้ (ผู้ถือหุ้นสามารถมอบฉันทะให้ประธานกรรมการ หรือ กรรมการอิสระ ของบริษัทฯ ได้โปรดใช้ข้อมูลตามหมายเหตุข้อ 4.)

Hereby appoint (The shareholder may appoint the Chairman or the Independent Director of the company to be the proxy, please use details in Remark No.4)

(1) ชื่อ.....อายุ.....ปี อยู่บ้านเลขที่.....

Name age year, residing at
ถนน.....ตำบล/แขวง.....อำเภอ/เขต.....
Road Tambol/Khwaeng Amphur/Khet
จังหวัด.....รหัสไปรษณีย์.....หรือ
Province Postal Code or

(2) ชื่อ.....อายุ.....ปี อยู่บ้านเลขที่.....

Name age year, residing at
ถนน.....ตำบล/แขวง.....อำเภอ/เขต.....
Road Tambol/Khwaeng Amphur/Khet
จังหวัด.....รหัสไปรษณีย์.....หรือ
Province Postal Code or

(3) ชื่อ.....อายุ.....ปี อยู่บ้านเลขที่.....

Name age year, residing at
ถนน.....ตำบล/แขวง.....อำเภอ/เขต.....
Road Tambol/Khwaeng Amphur/Khet
จังหวัด.....รหัสไปรษณีย์.....
Province Postal Code

คนหนึ่งคนใดเพียงคนเดียวเป็นผู้แทนของข้าพเจ้าเพื่อเข้าประชุมและออกเสียงลงคะแนนแทนข้าพเจ้าในการประชุมวิสามัญผู้ถือหุ้นครั้งที่ 1/2561 ในวันศุกร์ที่ 19 มกราคม 2561 เวลา 14.00 น. ณ ห้องแกรนด์ บอลรูม ชั้น 3 โรงแรม ดิไอกระ เพรสทีจ กรุงเทพฯ เลขที่ 57 ถนนวิทญู แขวงลุมพินี เขตปทุมวัน กรุงเทพมหานคร 10330 หรือที่จะพึงเลื่อนไปในวัน เวลา และสถานที่อื่นด้วย

Only one of these to be my/our proxy to attend and vote on my/our behalf at the Extraordinary Meeting of Shareholders No. 1/2018 on Friday, 19 January 2018 at 2.00 p.m. at The Grand Ballroom 3rd floor at The Okura Prestige Bangkok at 57 Wireless Road, Lumpini, Pathumwan Bangkok 10330 or at any adjournment there of to any other date, time and venue.

(4) ข้าพเจ้าขอมอบฉันทะให้ผู้รับมอบฉันทะออกเสียงลงคะแนนแทนข้าพเจ้าในการประชุมครั้งนี้ ดังนี้

In this Meeting, I/We grant my/our proxy to vote on my/our behalf as follows:

วาระที่ 1 **พิจารณารับรองรายงานการประชุมสามัญผู้ถือหุ้น ครั้งที่ 68 เมื่อวันที่ 24 เมษายน 2560**

Agenda No.1 **To consider and approve the Minutes of the General Meeting No. 68, held on 24 April 2017.**

(ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.

(ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

(b) To grant my/our proxy to vote at my/our desire as follows:

เห็นด้วย

ไม่เห็นด้วย

งดออกเสียง

Approve

Disapprove

Abstain

วาระที่ 2 **พิจารณาอนุมัติให้บริษัท ศรีอยุธยา เจเนอรัล ประกันภัย จำกัด (มหาชน) ซื้อและรับโอนกิจการทั้งหมดจากบริษัท อลิอันซ์ ประกันภัย จำกัด (มหาชน)**

Agenda No.2 **To consider and approve the purchase and acceptance of the transfer of the entire business of Allianz General Insurance Public Company Limited by Sri Ayudhya General Insurance Public Company Limited.**

(ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.

(ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

(b) To grant my/our proxy to vote at my/our desire as follows:

เห็นด้วย

ไม่เห็นด้วย

งดออกเสียง

Approve

Disapprove

Abstain

วาระที่ 3 **พิจารณาอนุมัติให้บริษัทฯ ซื้อหุ้นสามัญในบริษัท อลิอันซ์ อยุธยา ประกันชีวิต จำกัด (มหาชน) เพิ่มเติมจาก Allianz SE และบริษัท ซีพีอาร์เอ็น (ประเทศไทย) จำกัด**

Agenda No.3 **To consider and approve the purchase of additional ordinary shares in Allianz Ayudhya Assurance Public Company Limited from Allianz SE and CPRN (Thailand) Limited.**

(ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.

(ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

(b) To grant my/our proxy to vote at my/our desire as follows:

เห็นด้วย

ไม่เห็นด้วย

งดออกเสียง

Approve

Disapprove

Abstain

วาระที่ 4 **พิจารณาอนุมัติการแก้ไขเพิ่มเติมข้อบังคับของบริษัทฯ ข้อ 3**

Agenda No.4 **To consider and approve the amendment to article 3 of the Company's Articles of Association.**

(ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.

(ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

(b) To grant my/our proxy to vote at my/our desire as follows:

เห็นด้วย

ไม่เห็นด้วย

งดออกเสียง

Approve

Disapprove

Abstain

วาระที่ 5 พิจารณานุมัติการลดทุนจดทะเบียนของบริษัทฯ จาก 500,000,000 บาท เป็น 250,000,000 บาท โดยการตัดหุ้นจดทะเบียนที่ยังไม่ได้ออกจำหน่าย และการแก้ไขเพิ่มเติมหนังสือบริคณห์สนธิของบริษัทฯ ข้อ 4 เพื่อให้สอดคล้องกับการลดทุนจดทะเบียน

Agenda No.5 To consider and approve the decrease of the Company's registered capital from Baht 500,000,000 to Baht 250,000,000, by canceling the registered shares that have not yet been sold, and the amendment to clause 4 of the Company's Memorandum of Association to be consistent with the decrease of the registered capital.

(ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร
(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.

(ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้
(b) To grant my/our proxy to vote at my/our desire as follows:

เห็นด้วย ไม่เห็นด้วย งดออกเสียง
Approve Disapprove Abstain

วาระที่ 6 พิจารณานุมัติการเพิ่มทุนจดทะเบียนของบริษัทฯ จาก 250,000,000 บาท เป็น 346,500,000 บาท โดยการออกหุ้นสามัญใหม่ และการแก้ไขเพิ่มเติมหนังสือบริคณห์สนธิของบริษัทฯ ข้อ 4 เพื่อให้สอดคล้องกับการเพิ่มทุนจดทะเบียน

Agenda No.6 To consider and approve the increase of the Company's registered capital from Baht 250,000,000 to Baht 346,500,000, by issuing new ordinary shares, and the amendment to clause 4 of the Company's Memorandum of Association to be consistent with the increase of the registered capital.

(ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร
(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.

(ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้
(b) To grant my/our proxy to vote at my/our desire as follows:

เห็นด้วย ไม่เห็นด้วย งดออกเสียง
Approve Disapprove Abstain

วาระที่ 7 พิจารณานุมัติการจัดสรรหุ้นสามัญเพิ่มทุนให้แก่ Allianz SE และบริษัท ซีพีอาร์เอ็น (ประเทศไทย) จำกัด

Agenda No.7 To consider and approve the allocation of newly issued ordinary shares to Allianz SE and CPRN (Thailand) Limited.

(ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร
(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.

(ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้
(b) To grant my/our proxy to vote at my/our desire as follows:

เห็นด้วย ไม่เห็นด้วย งดออกเสียง
Approve Disapprove Abstain

วาระที่ 8 พิจารณานุมัติให้ Allianz SE และบริษัท ซีพีอาร์เอ็น (ประเทศไทย) จำกัด ได้มาซึ่งหุ้นสามัญเพิ่มทุนของบริษัทฯ โดยไม่ต้องทำข้อเสนอซื้อหลักทรัพย์ทั้งหมดของบริษัทฯ (Whitewash)

Agenda No.8 To consider and approve the acquisition of newly issued ordinary shares in the Company by Allianz SE and CPRN (Thailand) Limited without being required to make a tender offer for all securities of the Company (whitewash)

- (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร
- (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.
- (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้
- (b) To grant my/our proxy to vote at my/our desire as follows:
- เห็นด้วย ไม่เห็นด้วย งดออกเสียง
- Approve Disapprove Abstain

วาระที่ 9 พิจารณามติการมอบอำนาจเพื่อดำเนินการตามวาระที่ 2 ถึงวาระที่ 8

Agenda No.9 To consider and approve the delegation of authority for the acts under agenda items 2 to 8

- (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร
- (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.
- (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้
- (b) To grant my/our proxy to vote at my/our desire as follows:
- เห็นด้วย ไม่เห็นด้วย งดออกเสียง
- Approve Disapprove Abstain

วาระที่ 10 พิจารณาเรื่องอื่น ๆ (ถ้ามี)

Agenda No.10 To consider other matters (If any)

- (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร
- (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.
- (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้
- (b) To grant my/our proxy to vote at my/our desire as follows:
- เห็นด้วย ไม่เห็นด้วย งดออกเสียง
- Approve Disapprove Abstain

(5) การลงคะแนนเสียงของผู้รับมอบฉันทะในวาระใดที่ไม่เป็นไปตามที่ระบุไว้ในหนังสือมอบฉันทะนี้ ให้ถือว่า การลงคะแนนเสียงนั้น ไม่ถูกต้อง และไม่ใช้เป็น การลงคะแนนเสียงของข้าพเจ้าในฐานะผู้ถือหุ้น

Where any vote taken by the Proxy does not conform to those specified herein, it shall be deemed that such vote is invalid and not my/our voting as a shareholder.

(6) ในกรณีที่ข้าพเจ้าไม่ได้ระบุความประสงค์ในการออกเสียงลงคะแนนในวาระใดไว้ หรือระบุไว้ไม่ชัดเจนหรือในกรณีที่ประชุมมีการพิจารณา หรือลงมติในเรื่องใดนอกเหนือจากเรื่องที่ระบุไว้ข้างต้น รวมถึงกรณีที่มีการแก้ไขเปลี่ยนแปลงหรือเพิ่มเติมข้อเท็จจริงประการใดให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

In case I/we have not specified my/our voting intention in any agenda or not clearly specified or in case the meeting considers or passes resolutions in any matters other than those specified above, including in case there is any amendment or addition of any fact, the Proxy shall have the right to consider and vote on my/our behalf as he/she may deem appropriate in all respects.

กิจการใดที่ผู้รับมอบฉันทะได้กระทำไปในการประชุม เว้นแต่กรณีที่ผู้รับมอบฉันทะไม่ออกเสียงตามที่ข้าพเจ้าระบุในหนังสือมอบฉันทะให้ถือเสมือนว่าข้าพเจ้าได้กระทำเองทุกประการ

Any act performed by the Proxy in this meeting shall be deemed to be the action performed by myself/ourselves, expected for the case that the Proxy does not cast the vote as specified herein.

ลงนาม/Signed.....ผู้มอบฉันทะ/Grantor
()

ลงนาม/Signed.....ผู้รับมอบฉันทะ/Proxy
()

ลงนาม/Signed.....ผู้รับมอบฉันทะ/Proxy
()

ลงนาม/Signed.....ผู้รับมอบฉันทะ/Proxy
()

หมายเหตุ / Remarks

1. ผู้ถือหุ้นที่มอบฉันทะจะต้องมอบฉันทะให้ผู้รับมอบฉันทะเพียงรายเดียวเป็นผู้เข้าร่วมประชุม และออกเสียงลงคะแนน ไม่สามารถแบ่งแยกจำนวนหุ้นให้ผู้รับมอบฉันทะหลายคนเพื่อแยกการลงคะแนนเสียงได้

The shareholder appointing the proxy must authorize only one proxy to attend and vote at the meeting and may not split the number of shares to many proxies for splitting votes.

2. ผู้ถือหุ้นจะต้องมอบฉันทะเท่ากับจำนวนหุ้นที่ถือตามที่ระบุไว้ในข้อ (2) โดยไม่สามารถจะมอบฉันทะเพียงบางส่วนน้อยกว่าจำนวนที่ถือตามที่ระบุไว้ในข้อ (2) ได้

The shareholder shall grant the power to the proxy for all of the shares specified in Clause (2) and shall not grant only a portion of the shares less than those specified in Clause (2) to the proxy.

- 3 ในกรณีที่มิวาระที่จะพิจารณาในการประชุมมากกว่าวาระที่ระบุไว้ข้างต้น ผู้มอบฉันทะสามารถระบุเพิ่มเติมได้ในใบประจำต่อแบบหนังสือมอบฉันทะแบบ ข. ตามแนบ

In case there is any agenda to be consider other than those specified above, the Grantor may specify such addition in the attached Supplemental Proxy Form B.

4. ผู้ถือหุ้นสามารถมอบฉันทะให้ประธานกรรมการ หรือ กรรมการอิสระของบริษัทฯ คนใดคนหนึ่งตามรายชื่อข้างท้ายนี้เป็นผู้รับมอบฉันทะเข้าร่วมประชุมและออกเสียงลงคะแนนแทนผู้ถือหุ้นได้

The shareholder may appoint anyone of the followings the Chairmang or the Independent Director as the proxy to attend the meeting and vote on the shareholder's behalf.

- | | | |
|-------------------|---------------|-------------------------|
| (1) นายวีระพันธุ์ | ทีปสุวรรณ | ประธานกรรมการ หรือ |
| Mr.Veraphan | Teepsuwan | Chairman or |
| (2) นายสุรชัย | พฤกษ์บำรุง | กรรมการอิสระ หรือ |
| Mr.Surachai | Prukbamroong | Independent Director or |
| (3) นายวิจิต | กรวิทย์คุณ | กรรมการอิสระ |
| Mr.Vichit | Kornvityakoon | Independent Director |

(รายละเอียดประวัติประธานกรรมการ และกรรมการอิสระ ของบริษัทฯ ปรากฏตามเอกสารประกอบการเข้าร่วมประชุม)

(Profile of the Chairman and the Independent Directors are shown in the supporting document for meeting attendance)

ใบประจำต่อแบบหนังสือมอบฉันทะแบบ ข.

Supplemental Proxy Form B.

การมอบฉันทะในฐานะเป็นผู้ถือหุ้นของ บริษัท ศรีอยุธยา แคปปิตอล จำกัด (มหาชน)

The proxy is granted by shareholder of **Sri Ayudhya Capital Public Company Limited.**

ในการประชุมวิสามัญผู้ถือหุ้น ครั้งที่ 1/2561 ในวันศุกร์ที่ 19 มกราคม 2561 เวลา 14.00 น. ณ ห้องแกรนด์ บอลรูม ชั้น 3 โรงแรม ดิโอกุระ เพรสทีจ กรุงเทพฯ เลขที่ 57 ถนนวิทยุ แขวงลุมพินี เขตปทุมวัน กรุงเทพมหานคร 10330 หรือที่จะพึงเลื่อนไปในวัน เวลา และ สถานที่อื่นด้วย

For the Extraordinary Meeting of Shareholders No. 1/2018 on Friday, 19 January 2018 at 2.00 p.m. at The Grand Ballroom 3rd floor at The Okura Prestige Bangkok at 57 Wireless Road, Lumpini, Pathumwan Bangkok 10330 or at any adjournment thereof to any other date, time and venue.

วาระที่ _____ เรื่อง _____

Agenda

Re:

(ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.

(ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

(b) to grant my/our proxy to vote and at my/our desire as follows:

เห็นด้วย

ไม่เห็นด้วย

งดออกเสียง

Approve

Disapprove

Abstain

วาระที่ _____ เรื่อง _____

Agenda

Re:

(ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.

(ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

(b) to grant my/our proxy to vote and at my/our desire as follows:

เห็นด้วย

ไม่เห็นด้วย

งดออกเสียง

Approve

Disapprove

Abstain

วาระที่ _____ เรื่อง _____

Agenda

Re:

(ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.

(ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

(b) to grant my/our proxy to vote and at my/our desire as follows:

เห็นด้วย

ไม่เห็นด้วย

งดออกเสียง

Approve

Disapprove

Abstain

วาระที่ _____ เรื่อง _____

Agenda

Re:

(ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.

(ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

(b) to grant my/our proxy to vote and at my/our desire as follows:

เห็นด้วย

ไม่เห็นด้วย

งดออกเสียง

Approve

Disapprove

Abstain

วาระที่ _____ .เรื่อง _____

Agenda Re: Election of directors

ชื่อกรรมการ.....

Name of the director.....

เห็นด้วย ไม่เห็นด้วย งดออกเสียง
Approve Disapprove Abstain

ชื่อกรรมการ.....

Name of the director.....

เห็นด้วย ไม่เห็นด้วย งดออกเสียง
Approve Disapprove Abstain

ชื่อกรรมการ.....

Name of the director.....

เห็นด้วย ไม่เห็นด้วย งดออกเสียง
Approve Disapprove Abstain

ชื่อกรรมการ.....

Name of the director.....

เห็นด้วย ไม่เห็นด้วย งดออกเสียง
Approve Disapprove Abstain



ศรีอยุธยา แคปปิตอล
SRI AYUDHYA CAPITAL

Invitation to the Extraordinary General Meeting of Shareholders

No. 1/2018

SRI AYUDHYA CAPITAL PCL

Friday 19 January 2018 at 14.00 hrs.

**At the Grand Ballroom 3rd floor, the Okura Prestige Bangkok
57 Wireless Road, Lumpini, Pathumwan, Bangkok 10330**

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• Map of The Okura Bangkok Hotel (venue for Extraordinary General Meeting of Shareholders No. 1/2018)	Inside back cover



No. Lor.Bor./61/001

3 January 2018

Subject: Invitation to the Extraordinary General Meeting of Shareholders No. 1/2018

To: **Shareholders**
Sri Ayudhya Capital Public Company Limited

The Board of Directors Meeting of Sri Ayudhya Capital Public Company Limited (the "Company") No. 7/2017, held on Tuesday, 21 November 2017¹, resolved to convene Extraordinary General Meeting of Shareholders No. 1/2018 on Friday, 19 January 2018, at 2:00 p.m., at the Grand Ballroom, 3rd Floor, The Okura Bangkok Hotel, 57 Wireless Road, Lumpini Subdistrict, Pathumwan District, Bangkok 10330, to consider the matters according to the following agenda.

Agenda item 1. To consider and approve the Minutes of General Meeting of Shareholders No. 68, held on 24 April 2017

Facts and reasons The Company completely prepared the Minutes of General Meeting of Shareholders No. 68, held on 24, 2017, within 14 days from the date of the meeting, and submitted them to the Stock Exchange of Thailand, the Ministry of Commerce, and the agencies concerned within the periods specified by law. The Company also published the minutes on its website www.ayud.co.th. (*The details are provided in the supporting document for agenda item 1.*)

Opinion of the Board of Directors Consider it appropriate to propose to Extraordinary General Meeting of Shareholders No. 1/2018 to approve the minutes of the aforesaid meeting.

Voting requirement for a resolution: The majority vote of shareholders who attend the meeting and cast their votes.

Agenda item 2. To consider and approve the purchase and acceptance of the transfer of the entire business of Allianz General Insurance Public Company Limited by Sri Ayudhya General Insurance Public Company Limited.

Facts and reasons The Board of Directors Meeting of the Company No. 2/2017, held on Monday, 27 February 2017, resolved to grant approval in principle for the Company to consider the potential cooperation in non-life insurance business in Thailand between the Company and the Allianz Group, and appointed a working group to consider the cooperation. In the Board of Directors Meeting of the Company No. 7/2017, held on Tuesday, 21 November 2017 ("**Board of Directors Meeting No. 7/2017**"), the Board of Directors considered the potential cooperation

¹ In the Board of Directors Meeting No. 7/2018 of the Company, the directors attending the meeting formed a quorum in accordance with the law and the Articles of Association of the Company. The two directors, namely Mr. Chusak Salee and Mr. Laksana Thongthai did not attend the meeting, and Mr. Bryan James Smith did not participate in the consideration of the matters according to agenda item 2 to 9 above, as he is a shareholder with interest.



in non-life insurance business in Thailand between the Company and the Allianz Group. The matters discussed include, *inter alia*, the following.

- (a) Approval for Sri Ayudhya General Insurance Public Company Limited ("**SAGI**"), the Company's subsidiary that engages in the non-life insurance business in Thailand, to purchase and accept the transfer of the entire business from Allianz General Insurance Public Company Limited ("**AZTH**"), a company which engages in a non-life insurance business in Thailand (the "**Acceptance of the EBT**"). In doing so, SAGI will increase its capital by issuing new ordinary shares to offer for sale to SAGI's existing shareholders in proportion to their respective shareholding, and will use the proceeds derived from the capital increase to pay the cash consideration for the Acceptance of the EBT; and
- (b) The purchase of additional 34,810,000 ordinary shares in Allianz Ayudhya Assurance Public Company Limited ("**AZAY**"), a company that engages in a life insurance business, equivalent to approximately 11.80 percent of the total shares sold in AZAY (the "**Purchase of AZAY Shares**"), from Allianz SE and CPRN (Thailand) Limited ("**CPRNT**"). (*The additional details about the Purchase of AZAY Shares are provided under agenda item 3 of this Invitation.*)

For the Acceptance of the EBT and the Purchase of AZAY Shares, the Company will increase its capital by issuing new ordinary shares. The Company will allocate and offer these newly issued ordinary shares for sale to CPRNT, and use the proceeds derived therefrom to increase the capital in SAGI in order to provide SAGI with funds for the Acceptance of the EBT. In addition, the Company will allocate these newly issued ordinary shares to Allianz SE and CPRNT as consideration for the ordinary shares in AZAY. Allianz SE and CPRNT will use AZAY shares to pay for the newly issued ordinary shares in the Company in lieu of cash payment.

The Acceptance of the EBT by SAGI has a total value of Baht 1,253,794,000. For the purpose of the Acceptance of the EBT, a proposal will be made for the Company to increase its capital by issuing new ordinary shares, and to allocate and offer for sale 23,466,105 newly issued ordinary shares, with a par value of Baht 1 each, to CPRNT at the offering price of Baht 53.43 per share. The Company will use the proceeds to increase the capital of SAGI for the Acceptance of the EBT. (*Additional details about the increase of the Company's registered capital and the allocation of newly issued ordinary shares are provided under agenda items 6 and 7 of this Invitation.*)

The Board of Directors Meeting of SAGI No. 7/2017, held on Tuesday, 21 November 2017, approved the Acceptance of the EBT under the terms and conditions of the Entire Business Transfer Agreement (with conditions precedent) between SAGI and AZTH. These conditions precedent include, *inter alia*, the receipt from the Office of Insurance Commission's ("**OIC**") of the approval of the Insurance Commission on the transfer and acceptance of the transfer of the entire business by AZTH and SAGI (the "**OIC Approval**"), and the receipt of the approval from the Office of the Securities and Exchange Commission (the "**Office of the SEC**") for: (i) the private placement of newly issued ordinary shares by the



Company, and the extension of a share offering period to allow the Company to offer for sale the newly issued ordinary shares to Allianz SE and CPRNT after three months from the date the Extraordinary General Meeting of Shareholders approves the offering for sale of the newly issued ordinary shares; and (ii) the waiver for Allianz SE and CPRNT acquiring newly issued ordinary shares without having to make a tender offer for all securities of the Company (the "**SEC Approvals**").

The Acceptance of the EBT is an acquisition of asset transaction under Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 re: Rules Concerning the Material Transactions in the Acquisition or Disposal of Assets, dated 31 August 2008 (as amended) and the Notification of the Board of Governors of the SET re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposal of Assets, 2004, dated 29 October 2004 (as amended) (collectively referred to as the "**Notifications on Assets Acquisition or Disposal**"). The size of this transaction, based on the Company's consolidated financial statements for the nine-month period ending on 30 September 2017, and AZTH's financial statements for the nine-month period ending on 30 September 2017, as reviewed by their respective auditors, is equivalent to 11.35 percent. When this transaction is combined with the Purchase of AZAY Shares, as stated in agenda item 3, the total transaction size is equivalent to 52.97 percent. This transaction is categorized as a type 1 transaction (a transaction with a total value of at least 50 percent or higher but lower than 100 percent). Therefore, the Company will have to prepare and disclose an information memorandum relating to the transaction to the Stock Exchange of Thailand (the "**SET**"), to appoint an independent financial advisor to express opinions on the transactions, and to seek approval from a shareholders meeting, with a vote of not less than three-quarters of the total number of votes of shareholders attending the meeting and having the right to vote, excluding shareholders who have an interest, for the entry into these transactions.

In addition, Allianz SE and CPRNT are considered connected persons of the Company. Therefore, the Acceptance of the EBT, the Purchase of AZAY Shares, and the allocation of newly issued ordinary shares to Allianz SE and CPRNT, as stated in agenda items 3 and 7, are connected transactions under Notification of the Capital Market Supervisory Board No. Tor Chor. 21/2551 re: Connected Transaction Rules, dated 31 August 2008 (as amended), 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 Connected Transactions, 2003, dated 19 November 2003 (as amended) (collectively referred to as the "**Connected Transaction Notifications**"). The total size of these transactions is equivalent to 87.61 percent of the Company's net tangible assets (the "**NTA**") based on its consolidated financial statements for the nine-month period ending on 30 September 2017, as reviewed by the Company's auditor, which is more than three percent of the Company's NTA. Therefore, the Company will have to prepare and disclose an information memorandum relating to the connected transactions to the SET, to appoint an independent financial advisor to express opinions on the connected transactions, and to seek approval from a shareholders meeting, with a vote of not less than three-quarters of the total number of votes of shareholders attending the meeting and having the right to vote, excluding shareholders who have an interest, for the entry into these transactions.



(Additional details are provided in Enclosure 1 (Information Memorandum of the Company re: Acquisition of Assets and Entry into Connected Transactions) and Enclosure 2 (Summary of the Material Details of the Entire Business Transfer Agreement))

In addition, the Board of Directors Meeting No. 7/2017 also appointed Asia Plus Advisory Company Limited as an independent financial advisor to provide opinions on the acquisition of assets and the connected transactions. *(The additional details are provided in Enclosure 7 (report on opinions of the independent financial advisor))*

Opinion of the Board of Directors Consider it appropriate to propose to Extraordinary General Meeting of Shareholders No. 1/2018 to consider and approve the Acceptance of the EBT by SAGI, at a total value of Baht 1,253,794,000.

(Additional details about the Board of Directors' opinion are provided in Enclosure 1 (Information Memorandum of the Company re: Acquisition of Assets and Entry into Connected Transactions.))

Voting requirement for a resolution: A vote of not less than three-quarters of the total number of votes of shareholders attending the meeting and having the right to vote, excluding shareholders who have an interest.

Shareholders who are not entitled to vote under this agenda item are (1) Deutsche Bank AG, Frankfurt A/C Clients – DCS, which holds 42,104,000 shares in the Company for the benefit of Allianz SE (equivalent to approximately 16.84 percent of the total shares sold of the Company) and (2) AZAY which holds 1,159,000 shares in the Company (equivalent to approximately 0.46 percent of the total shares sold of the Company).

Agenda item 3. To consider and approve the purchase of additional ordinary shares in Allianz Ayudhya Assurance Public Company Limited from Allianz SE and CPRN (Thailand) Limited

Facts and reasons The cooperation in a non-life insurance business in Thailand between the Company and the Allianz Group as stated in agenda item 2, and the purchase of an additional 34,810,000 ordinary shares in AZAY, a company that engages in the life insurance business, equivalent to approximately 11.80 percent of the total shares sold in AZAY from Allianz SE and CPRNT, will cause the Company's ordinary shareholding in AZAY to increase from 59,500,280 shares to 94,310,280 shares, or from approximately 20.17 percent to 31.97 percent of the total shares sold in AZAY.

The Purchase of AZAY Shares from Allianz SE and CPRNT has a total value of Baht 3,902,201,000. For the purpose of the Purchase of AZAY Shares, a proposal will be made for the Company to increase its capital by issuing new ordinary shares, and to allocate and offer for sale 73,033,895 newly issued ordinary shares, with a par value of Baht 1 each, to Allianz SE and CPRNT at the offering price of Baht 53.43 per share, as payment of consideration for AZAY ordinary shares



which Allianz SE and CPRNT will use to pay for the newly issued ordinary shares in the Company in lieu of a cash payment. *(Additional details about the increase of the Company's registered capital and the allocation of newly issued ordinary shares are provided under agenda items 6 and 7 of this Invitation.)*

The Purchase of AZAY Shares is subject to the terms and conditions of the Share Subscription and Purchase Agreement (with conditions precedent) among the Company, Allianz SE, and CPRNT. These conditions precedent include, *inter alia*, the receipt of the OIC Approval and the receipt of the SEC Approvals, as stated in agenda item 2.

The Purchase of AZAY Shares is an acquisition of asset transaction under the Notifications on Assets Acquisition or Disposal. The size of this transaction, based on the Company's consolidated financial statements for the nine-month period ending on 30 September 2017, and AZAY financial statements for the nine-month period ending on 30 September 2017, as reviewed by their respective auditors, is equivalent to 41.62 percent. When this transaction is combined with the Acceptance of the EBT, as stated in agenda item 2, the total transaction size is equivalent to 52.97 percent. This transaction is categorized as a type 1 transaction (transaction with a total value of at least 50 percent or higher but lower than 100 percent). Therefore, the Company will have to prepare and disclose an information memorandum relating to the entry into transaction to the SET, and to execute various acts including the holding of a shareholders meeting to approve the entry into this transaction according to the Notifications on Assets Acquisition or Disposal.

Allianz SE and CPRNT are considered connected persons of the Company. Therefore, the Purchase of AZAY Shares is a connected transaction under the Connected Transaction Notifications. The Company will have to prepare and disclose an information memorandum relating to the entry into transaction to the SET, and to execute various acts including the holding of a shareholders meeting to approve the entry into this transaction according to the Connected Transaction Notifications.

(Additional details are provided in Enclosure 1 (Information Memorandum of the Company re: Acquisition of Assets and Entry into Connected Transactions) and Enclosure 3 (Summary of the Material Details of the Share Subscription and Purchase Agreement))

The Board of Directors Meeting No. 7/2017 also appointed Asia Plus Advisory Company Limited as an independent financial advisor to provide opinions on the acquisition of assets and the connected transactions. *(Additional details are provided in Enclosure 7 (Report on opinions of the independent financial advisor))*

Opinion of the Board of Directors Consider it appropriate to propose to Extraordinary General Meeting of Shareholders No. 1/2018 to consider and approve the purchase of additional 34,810,000 ordinary shares in AZAY, equivalent to approximately 11.80 percent of the total shares sold in AZAY from Allianz SE and CPRNT, at the total price of Baht 3,902,201,000.



(Additional details about the Board of Directors' opinions on the Purchase of AZAY Shares and the entry into connected transactions are provided in Enclosure 1 (Information Memorandum of the Company re: Acquisition of Assets and Entry into Connected Transactions))

Voting requirement for a resolution: A vote of not less than three-quarters of the total number of votes of shareholders attending the meeting and having the right to vote, excluding shareholders who have an interest.

Shareholders who are not entitled to vote under this agenda item are (1) Deutsche Bank AG, Frankfurt A/C Clients – DCS, which holds 42,104,000 shares in the Company for the benefit of Allianz SE (equivalent to approximately 16.84 percent of the total shares sold of the Company) and (2) AZAY which holds 1,159,000 shares in the Company (equivalent to approximately 0.46 percent of the total shares sold of the Company).

Agenda item 4. To consider and approve the amendment to article 3 of the Company's Articles of Association

Facts and reasons Under the Public Limited Companies Act, B.E. 2535 (1992) (as amended) (the "**Public Limited Company Act**"), a public limited company may issue shares which are paid up in money, or in the form of property other than money, or in any other form, as provided for under the Public Limited Company Act. Therefore, to enable the Company to issue shares and receive payment for them in the form of property other than money, or in any other form, it is deemed appropriate to amend article 3 of the Company's Articles of Association.

Opinion of the Board of Directors Consider it appropriate to propose to Extraordinary General Meeting of Shareholders No. 1/2018 to consider and approve the amendment to article 3 of the Company's Articles of Association by repealing and replacing its provisions with those below.

Existing provisions	Proposed amendment
"Article 3. All shares of the Company shall be ordinary shares, each of which have equal value. Shareholders' liability shall be limited to the amount payable on their shares. The Company may issue debentures or debentures convertible into ordinary shares, or any other securities which are not in conflict with the currently applicable laws. The subscribers or shareholders may not set off share payment against their debts with the Company."	"Article 3. All shares of the Company shall be ordinary shares, each of which have equal value, <u>and which must be fully paid for in one installment of cash, and/or shares which are paid for in the form of property other than money, or by granting and permitting the use of copyright in any literary, artistic or scientific works; patents; trademarks; designs or models; drawings; secret formulae or processes; or by providing information concerning experience in the fields of industry, commerce, or science.</u> <u>The subscribers or shareholders may not set off share payment against their debts</u>



Existing provisions	Proposed amendment
	<p>with the Company.</p> <p>Shareholders' liability shall be limited to the amount payable on their shares.</p> <p>The Company may issue debentures or debentures convertible into ordinary shares, or any other securities which are not in conflict with the currently applicable laws."</p>

Voting requirement for a resolution: A vote of not less than three-quarters of the total number of votes of shareholders attending the meeting and having the right to vote.

Shareholders who are not entitled to vote under this agenda item are (1) Deutsche Bank AG, Frankfurt A/C Clients – DCS, which holds 42,104,000 shares in the Company for the benefit of Allianz SE (equivalent to approximately 16.84 percent of the total shares sold of the Company) and (2) AZAY which holds 1,159,000 shares in the Company (equivalent to approximately 0.46 percent of the total shares sold of the Company).

Agenda item 5. **To consider and approve the decrease of the Company's registered capital from Baht 500,000,000 to Baht 250,000,000, by canceling the registered shares that have not yet been sold, and the amendment to clause 4 of the Company's Memorandum of Association to be consistent with the decrease of the registered capital**

Facts and reasons Under the Public Limited Company Act, a public limited company may increase its registered capital by issuing new shares. However, in the issuance of additional shares, all registered shares must have been sold and fully paid up. If those shares have not been entirely sold, the remaining shares must be shares issued to support convertible debentures and warrants to purchase shares. A public limited company may reduce its registered capital by cancelling registered shares which cannot be sold or that have not yet been sold.

The Company has 250,000,000 registered shares that have not yet been sold, with a par value of Baht 1 each. The Company does not have convertible debentures and warrants to purchase shares. To enable the Company to issue new ordinary shares and consummate the Acceptance of the EBT and the Purchase of AZAY Shares as stated above, the Company must reduce its registered capital by canceling registered shares which have not yet been sold.

In addition, the decrease of the Company's registered capital involves an amendment to clause 4 of the Company's Memorandum of Association to be consistent with the decrease of the registered capital.



Opinion of the Board of Directors Consider it appropriate to propose to Extraordinary General Meeting of Shareholders No. 1/2018 to consider and approve the decrease of the Company's registered capital from Baht 500,000,000 to Baht 250,000,000, by canceling 250,000,000 registered shares that have not yet been sold, with a par value of Baht 1 each, and amending clause 4 of the Company's Memorandum of Association to be consistent with the decrease of the registered capital, as follows:

From:

"Clause 4.	Registered capital:	500,000,000	Baht	(five hundred million baht)
	divided into	500,000,000	shares	(five hundred million shares)
	par value	1	Baht	(one baht)
	consisting of			
	ordinary shares	500,000,000	shares	(five hundred million shares)
	preference shares	-	shares	(-)"

To:

"Clause 4.	Registered capital:	250,000,000	Baht	(two hundred fifty million baht)
	divided into	250,000,000	shares	(two hundred fifty million shares)
	par value	1	Baht	(one baht)
	consisting of			
	ordinary shares	250,000,000	shares	(two hundred fifty million shares)
	preference shares	-	shares	(-)"

Voting requirement for a resolution: A vote of not less than three-quarters of the total number of votes of shareholders attending the meeting and having the right to vote.

Shareholders who are not entitled to vote under this agenda item are (1) Deutsche Bank AG, Frankfurt A/C Clients – DCS, which holds 42,104,000 shares in the Company for the benefit of Allianz SE (equivalent to approximately 16.84 percent of the total shares sold of the Company) and (2) AZAY which holds 1,159,000 shares in the Company (equivalent to approximately 0.46 percent of the total shares sold of the Company).

Agenda item 6. To consider and approve the increase of the Company's registered capital from Baht 250,000,000 to Baht 346,500,000, by issuing new ordinary shares, and the amendment to clause 4 of the Company's Memorandum of Association to be consistent with the increase of the registered capital

Facts and reasons In furtherance of the cooperation in non-life insurance business in Thailand between the Company and the Allianz Group, for the purpose of the Acceptance of the EBT and the Purchase of AZAY Shares, as stated in agenda items 2 and 3, a proposal will be made for the Company to increase its registered capital and allocate and offer newly issued ordinary shares for sale to CPRNT, and to use the proceeds to increase the capital in SAGI in order to provide SAGI with funds for the Acceptance of the EBT. The Company will also allocate these newly issued ordinary shares to Allianz SE and CPRNT as consideration for the ordinary shares in AZAY. Allianz SE and CPRNT will use AZAY shares to pay for the



newly issued ordinary shares in the Company in lieu of cash payment. (*Additional details about the allocation of newly issued ordinary shares are provided under agenda item 7 of this Invitation.*)

The increase of the registered capital involves amendment to clause 4 of the Company's Memorandum of Association to be consistent with the increase of the registered capital.

The Board of Directors Meeting of SAGI No. 7/2017, held on Tuesday, 21 November 2017, approved the capital increase scheme of SAGI and the offering for sale of newly issued ordinary shares to the existing shareholders of SAGI in proportion to their respective shareholding, whereby shareholders may over-subscribe the newly issued ordinary shares in excess of their rights (the Company currently holds approximately 100 percent of total shares sold in SAGI), in order to use the proceeds derived from the capital increase for the Acceptance of the EBT.

(Additional details are provided in this Invitation, as well as Enclosure 1 (Information Memorandum of the Company re: Acquisition of Assets and Entry into Connected Transactions), Enclosure 4 (Capital Increase Report Form (F 53-4)), and Enclosure 5 (Information Memorandum of the Company re: Private Placement of Newly Issued Ordinary Shares))

Opinion of the Board of Directors Consider it appropriate to propose to Extraordinary General Meeting of Shareholders No. 1/2018 to consider and approve the increase of the Company's registered capital from Baht 250,000,000 to Baht 346,500,000, by issuing 96,500,000 new ordinary shares, with a par value of Baht 1 each, and the amendment to clause 4 of the Company's Memorandum of Association to be consistent with the increase of the registered capital, as follows:

From:

"Clause 4.	Registered capital:	250,000,000	Baht	(two hundred fifty million baht)
	divided into	250,000,000	shares	(two hundred fifty million shares)
	par value	1	Baht	(one baht)
	consisting of			
	ordinary shares	250,000,000	shares	(two hundred fifty million shares)
	preference shares	-	shares	(-)"

To:

"Clause 4.	Registered capital:	346,500,000	Baht	(three hundred forty-six million and five hundred thousand baht)
	divided into	346,500,000	shares	(three hundred forty-six million and five hundred thousand shares)
	par value	1	Baht	(one baht)
	consisting of			
	ordinary shares	346,500,000	shares	(three hundred forty-six million and five hundred thousand shares)
	preference shares	-	shares	(-)"



Voting requirement for a resolution: A vote of not less than three-quarters of the total number of votes of shareholders attending the meeting and having the right to vote.

Shareholders who are not entitled to vote under this agenda item are (1) Deutsche Bank AG, Frankfurt A/C Clients – DCS, which holds 42,104,000 shares in the Company for the benefit of Allianz SE (equivalent to approximately 16.84 percent of the total shares sold of the Company) and (2) AZAY which holds 1,159,000 shares in the Company (equivalent to approximately 0.46 percent of the total shares sold of the Company).

Agenda item 7. To consider and approve the allocation of newly issued ordinary shares to Allianz SE and CPRN (Thailand) Limited

Facts and reasons As a result of the increase of the registered capital by means of issuance of new ordinary shares as stated in agenda item 6, the Meeting must also consider the allocation of newly issued ordinary shares.

The offering for sale of newly issued ordinary shares to Allianz SE and CPRNT is deemed private placement of the new shares under Notification of the Capital Market Supervisory Board No. Tor Chor. 72/2558 re: Approval for Private Placement of Newly Issued Shares by a Listed Company, dated 28 October 2015 (as amended). The Company will have to seek and obtain approval from the Office of the SEC before offering these newly issued shares for sale. In this regard, the Company will seek an extension of the offering period from the Office of the SEC so that the Company can offer for sale these newly issued ordinary shares to Allianz SE and CPRNT for more than three months after approval is granted by the Extraordinary General Meeting of Shareholders. The Company shall submit the request for an extension of the offering period to the Office of the SEC together with the application for the Company to offer the newly issued shares for sale to the private placement.

In addition, Allianz SE and CPRNT are considered connected persons of the Company. The offer of the newly issued ordinary shares for sale to Allianz SE and CPRNT is a connected transaction under the Connected Transaction Notifications. Therefore, the Company will have to prepare and disclose an information memorandum relating to the entry into transaction to the SET, and to execute various acts including holding a shareholders meeting to approve the entry into this transaction according to the Connected Transaction Notifications.

(Additional details are provided in this Invitation, as well as Enclosure 1 (Information Memorandum of the Company re: Acquisition of Assets and Entry into Connected Transactions), Enclosure 4 (Capital Increase Report Form (F 53-4)), and Enclosure 5 (Information Memorandum of the Company re: Private Placement of Newly Issued Ordinary Shares))

The acquisition by Allianz SE and CPRNT of newly issued ordinary shares in the Company according to the shares allocation will result in their aggregate shareholding in the Company increasing from 16.84 percent to 40.00 percent of the total voting shares in the Company, which exceeds the trigger point of 25 percent of the total voting shares in the Company. Therefore, Allianz SE and CPRNT will have to make a tender offer for all of the Company's securities according to section



247 of the Securities and Exchange Act B.E. 2535 (1992), as amended (the "SEC Act") and relevant notifications. However, Allianz SE and CPRNT wish to seek a waiver of the requirement to make a tender offer for all of the Company's securities by virtue of a resolution of a shareholders meeting of the business according to the relevant notification of the Office of SEC.

(Additional details are provided under agenda item 8 of this Invitation, and in Enclosure 6 (Request Form for Shareholders Meeting Resolution to Approve Acquisition of New Securities without Requirement to Make a Tender Offer for All Securities of the Business (Form 247-7) (Whitewash))

Opinion of the Board of Directors Consider it appropriate to propose to Extraordinary General Meeting of Shareholders No. 1/2018 to consider and approve the allocation and offering for sale of 6,500,000 newly issued ordinary shares, with a par value of Baht 1 each, to Allianz SE and CPRNT at the offering price of Baht 53.43 each, totaling Baht 5,155,995,000, as follows.

- (1) The allocation and offering for sale of 23,466,105 newly issued ordinary shares of the Company to CPRNT at the offering price of Baht 53.43 each, totaling Baht 1,253,794,000.

CPRNT will make payment for those newly issued ordinary shares in cash, and the Company will use the proceeds to subscribe for the newly issued ordinary shares in SAGI in order to provide SAGI with funds for the Acceptance of the EBT.

- (2) The allocation and offering for sale of 73,033,895 newly issued ordinary shares of the Company to Allianz SE and CPRNT at the offering price of Baht 53.43 each, totaling Baht 3,902,201,000 as consideration for the purchase of ordinary shares in AZAY from Allianz SE and CPRNT.

Allianz SE and CPRNT will use 34,810,000 ordinary shares in AZAY, representing approximately 11.80 percent of the total shares sold in AZAY, at the values of Baht 112.10 per share, or approximately Baht 3,902,201,000 in total, to pay to the Company in lieu of a cash payment. The Company's shareholding in AZAY will then increase from 59,500,280 shares, or 20.17 percent of the total shares sold in AZAY, to 94,310,280 shares representing 31.97 percent of the total shares sold in AZAY.

The number of newly issued ordinary shares to be offered to each of Allianz SE and CPRNT will be determined based upon the foreign shareholding availability in the Company before the allocation of the newly issued ordinary shares for the Purchase of AZAY Shares, and the number of newly issued ordinary shares to be sold and transferred to the Company by each of Allianz SE and CPRNT. This is to ensure that the offering for sale of shares would not result in the total shareholding of non-Thais in the Company exceeding 49 percent of the total voting shares in the Company after the capital increase registration.



The Company will proceed with the offering for sale of the newly issued ordinary shares as set out above (as well as the Acceptance of the EBT by SAGI and the Purchase of AZAY Shares as set out above) only when the conditions precedent specified in the Share Subscription and Purchase Agreement and/or the Entire Business Transfer Agreement are satisfied or are waived. The material conditions precedent include, *inter alia*, the receipt of the OIC Approval and the receipt of the SEC Approvals, as stated in agenda item 2.

(Additional details about the Board of Directors' opinions and certification regarding the private placement of newly issued ordinary shares are provided in Enclosure 5 (Information Memorandum of the Company re: Private Placement of Newly Issued Ordinary Shares), and about the Board of Directors' opinions regarding the entry into connected transactions are provided in Enclosure 1 (Information Memorandum of the Company re: Acquisition of Assets and Entry into Connected Transactions))

Voting requirement for a resolution: A vote of not less than three-quarters of the total number of votes of shareholders attending the meeting and having the right to vote, excluding shareholders who have an interest.

Shareholders who are not entitled to vote under this agenda item are (1) Deutsche Bank AG, Frankfurt A/C Clients – DCS, which holds 42,104,000 shares in the Company for the benefit of Allianz SE (equivalent to approximately 16.84 percent of the total shares sold of the Company) and (2) AZAY which holds 1,159,000 shares in the Company (equivalent to approximately 0.46 percent of the total shares sold of the Company).

Agenda item 8. To consider and approve the acquisition of newly issued ordinary shares in the Company by Allianz SE and CPRN (Thailand) Limited without being required to make a tender offer for all securities of the Company (whitewash)

Facts and reasons The offering for sale of newly issued ordinary shares as set out in agenda item 7 above shall result in the aggregate shareholding of Allianz SE and CPRNT in the Company to increase from 16.84 percent to 40.00 percent of the total voting shares in the Company, which exceeds the trigger point of 25 percent of the total voting shares in the Company. Therefore, Allianz SE and CPRNT will have to make a tender offer for all securities of the Company according to section 247 of the SEC Act and relevant notifications. However, Allianz SE and CPRNT wish to seek a waiver of the requirement to make a tender offer for all securities of the Company according to Notification of the Office of the SEC No. Sor Chor. 36/2546 re: Rules for the Application for a Waiver of the Requirement to Make a Tender Offer for all Securities of the Business by Virtue of a Resolution of a Shareholders Meeting of the Business, dated 17 November 2003.

Allianz SE and CPRNT have sent the Request Form for a Shareholders Meeting Resolution to Approve Acquisition of New Securities without Requirement to Make a Tender Offer for All Securities of the Business (Form 247-7) to shareholders along with this Invitation to Extraordinary General Meeting of Shareholders No. 1/2018. *(Additional details are provided in Enclosure 6 (Request Form for a Shareholders Meeting Resolution to Approve Acquisition of*



New Securities without Requirement to Make a Tender Offer for All Securities of the Business (Form 247-7) (Whitewash)

The Board of Directors Meeting No. 7/2017 appointed Asia Plus Advisory Company Limited as an independent financial advisor to provide opinions on the seeking of a waiver of the requirement to make a tender offer for all securities of the Company by virtue of a resolution of its shareholders meeting (whitewash). ***(Additional details are provided in Enclosure 7 (Report on opinions of the independent financial advisor))***

Opinion of the Board of Directors Consider it appropriate to propose to Extraordinary General Meeting of Shareholders No. 1/2018 to consider and approve the acquisition of newly issued ordinary shares in the Company by Allianz SE and CPRNT without being required to make a tender offer for all securities of the Company (whitewash).

The Board of Directors Meeting No. 7/2017 had the opinions detailed below.

(1) **Reasons and necessities for the capital increase of the Company**

The capital increase and private placement of newly issued ordinary shares in the Company to Allianz SE and CPRNT is part of the cooperation in insurance business in Thailand between the Company and the Allianz Group.

Additional details about the Board of Directors' opinions on the reasons and necessities for the capital increase are provided in **Enclosure 5** (Information Memorandum of the Company re: Private Placement of Newly Issued Ordinary Shares)

(2) **Reasons and necessities for the offering for sale of newly issued ordinary shares in the Company to Allianz SE and CPRNT**

The offering for sale of newly issued ordinary shares to Allianz SE and CPRNT is part of the cooperation in insurance business in Thailand between the Company and the Allianz Group, as well as the Acceptance of the EBT and the Purchase of AZAY Shares, which will benefit the Company.

Additional details about the Board of Directors' opinions on the reasons and necessities for the offering for sale of newly issued ordinary shares in the Company to Allianz SE and CPRNT are provided in **Enclosure 5** (Information Memorandum of the Company re: Private Placement of Newly Issued Ordinary Shares).

(3) **Relationship among Allianz SE, CPRNT, the Company, and the Company's executives, persons with controlling power, or major shareholders**

Allianz SE and CPRNT are related persons under section 258 of the SEC Act, because Allianz SE (either directly or indirectly) holds more than 30 percent of the total voting rights in companies which hold shares in CPRNT. Allianz SE is one of the major shareholders of the Company, holding 42,104,000 shares or approximately 16.84 percent of the total voting shares in the Company, through Deutsche Bank AG, Frankfurt A/C Clients - DCS,



as of 7 December 2016 which is the latest date that the Company determines the list of shareholders. Therefore, Allianz SE and CPRNT are the Company's connected persons.

- (4) Material agreements among Allianz SE, CPRNT, the Company, and the Company's executives, persons with controlling power, or major shareholders

SAGI and AZTH have entered into the Entire Business Transfer Agreement. **Additional details are provided in Enclosure 2 (Summary of the Material Details of the Entire Business Transfer Agreement).**

Allianz SE and CPRNT have also entered into the Share Subscription and Purchase Agreement. **Additional details are provided in Enclosure 3 (Summary of the Material Details of the Share Subscription and Purchase Agreement).**

The terms and conditions under both agreements are based on negotiations between the parties, and are reasonable and in the interest of the Company.

The Memorandum of Agreement on Corporate Government (CG MoA) among Allianz SE, CPRNT, and the Company's shareholders, namely: (1) Great Fortune Equity Company Limited; (2) BBTV Equity Co., Ltd.; and (3) Bangkok Broadcasting & T.V. Co., Ltd., is not binding on the Company, but may have consequential impact on the Company if the parties exercise their rights as the Company's shareholders under the CG MoA, such as to change the Company's name and logo, or the Board of Directors and management structures, etc.

- (5) Benefits or impact of Allianz SE's and CPRNT's policy or plan to manage the Company, and the feasibility of that policy or plan

According to the Request Form for a Shareholders Meeting Resolution to Approve Acquisition of New Securities without Requirement to Make a Tender Offer for All Securities of the Business (Form 247-7) (Whitewash) ("**Form 247-7**"), Allianz SE and CPRNT specify that within 12 months of the date of acquiring newly issued ordinary shares in the Company, they have no plan or policy to change any material business operation policy or plan of the Company and SAGI (after the Acceptance of the EBT), other than as specified below:

- (a) a change of the Company's and SAGI's name and logo (after the Acceptance of the EBT);
- (b) the nomination of additional representatives of Allianz SE and CPRNT as directors of the Company and SAGI (after the Acceptance of the EBT); and



- (c) in respect of SAGI (after the Acceptance of the EBT), implementation of the relevant steps and plans in accordance with the business integration plan in relation to the proposed acquisition of the entire business of AZTH by SAGI as approved by the OIC.

The Board of Directors has the following opinions.

- (1) If it is as stated by Allianz SE and CPRNT that there is no plan or policy to change any material business operation policy or plan of the Company and SAGI (after the Acceptance of the EBT) other than as specified, the acquisition of newly issued ordinary shares in the Company by Allianz SE and CPRNT should not affect the Company's and SAGI's material business operation policy or plan during 12 months after the acquisition of newly issued ordinary shares in the Company.
- (2) The change of the Company's and SAGI's name and logo should only have short-term impact on the stakeholders' recognition, but the Company and SAGI will promptly notify their stakeholders of that change. The change of the Company's and SAGI's name and logo should strengthen the Company's and SAGI's image and credibility, and benefit the operations of SAGI as a result of the global reputation of the Allianz Group.
- (3) The appointment of Allianz SE's and CPRNT's representatives as directors of the Company and SAGI, in the case that Allianz SE and CPRNT can appoint more than one-half of the total number of directors of the Company and SAGI, will result in Allianz SE and CPRNT having the power to control the majority vote of directors in board meetings of the Company and SAGI.
- (4) As for SAGI, the implementation of the relevant steps and schemes under the Business Integration Plan as a result of the transfer of the entire business of AZTH to SAGI, as approved by the Insurance Commission, will be in accordance with the relevant steps and schemes under the Business Integration Plan as mutually agreed upon and approved by the Insurance Commission.

As for related party transactions as stated in Form 247-7, at present, the Board of Directors of the Company has a related-party transaction policy, which is used as a guideline in conducting transactions with related parties in order to ensure that regulations and related laws as specified by the SET, and the Office of the SEC are strictly followed.

Whilst Allianz SE and CPRNT have no intention to materially change the above policy after the acquisition of newly issued ordinary shares in the Company, Allianz SE and CPRNT plan to enhance business co-operation between AZAY and SAGI with a view to improving operational efficiency and minimizing repetitive costs and expenses by way of, amongst others, sharing of certain resources and centralized functions as well as cross-selling of insurance products to their respective customer base.



The current and future related party transaction will be carefully considered and approved by the Board of Directors or the shareholders of the Company in accordance with applicable laws and regulations to ensure that transaction price and conditions are executed on an arm's length basis. Therefore, the Board of Directors is of the opinion that if the related party transactions are carried out as stated by Allianz SE and CPRNT, the acquisition of newly issued ordinary shares in the Company by Allianz SE and CPRNT should not materially affect the Company's related party policy. In addition, if Allianz SE and CPRNT follow the plan to enhance business cooperation between AZAY and SAGI as stated, the Company and SAGI should enjoy benefit therefrom.

- (6) Opinion to shareholders as to whether they should or should not grant a waiver for the applicants for waiver to acquire new securities without being required to make a tender offer for all securities of the business, and reasons therefor

The Board of Directors has considered the reasons and necessities for the increase of the Company's registered capital, the reasons for the offering for sale of newly issued ordinary shares to Allianz SE and CPRNT, the benefits which the Company should receive therefrom, and the information specified in Form 247-7 of Allianz SE and CPRNT, and is of the opinion that the waiver for Allianz SE and CPRNT to acquire newly issued ordinary shares in the Company without being required to make a tender offer for all securities of the Company (whitewash) is reasonable. Therefore, it is deemed appropriate to propose to a shareholders meeting to consider and approve that waiver (whitewash), so as to allow Allianz SE and CPRNT to acquire newly issued ordinary shares in the Company without being required to make a tender offer for all securities of the Company (whitewash).

Voting requirement for a resolution: A vote of not less than three-quarters of the total number of votes of shareholders attending the meeting and having the right to vote, excluding shareholders who have an interest.

Shareholders who are not entitled to vote under this agenda item are (1) Deutsche Bank AG, Frankfurt A/C Clients – DCS, which holds 42,104,000 shares in the Company for the benefit of Allianz SE (equivalent to approximately 16.84 percent of the total shares sold of the Company) and (2) AZAY which holds 1,159,000 shares in the Company (equivalent to approximately 0.46 percent of the total shares sold of the Company).

Agenda item 9. To consider and approve the delegation of authority for the acts under agenda items 2 to 8

Facts and reasons For the purpose of implementing the acts under agenda items 2 to 8, it is deemed appropriate to ask the shareholders meeting to consider and approve the delegation of authority for these acts.



Opinion of the Board of Directors Consider it appropriate to propose to Extraordinary General Meeting of Shareholders No. 1/2018 to consider and approve the delegation of authority to the Board of Directors, President, or persons designated by the Board of Directors or President to take actions under agenda items 2 to 8, including, without limitation:

- (a) to determine and/or amend details, terms or conditions relating to the Acceptance of the EBT, the Purchase of AZAY Shares, the allocation or determination of number of newly issued ordinary shares to be offered for sale to Allianz SE and CPRNT, the offering period, and other necessary or relevant details, as well as to amend the Share Subscription and Purchase Agreement and other related agreements as considered necessary or appropriate for the purpose of accomplishing the transactions according to the foregoing resolutions;
- (b) to not allocate and/or offer for sale, or to cancel or revoke any allocation and/or offering for sale of, newly issued ordinary shares if it would cause foreign shareholding in the Company to be inconsistent with the relevant law;
- (c) to liaise with, contact, negotiate, execute, sign, file and/or amend any applications, requests, waivers, information memorandums, disclosure documents, reports and/or documents necessary for, or relating to, the actions under agenda items 2 to 8, and/or the listing of newly issued ordinary shares as listed securities, the registration, the preparation of statements, the representations and warranties, the provision of any information to relevant authorities, including, but not limited to, the OIC, the Office of the SEC, the SET, and the Ministry of Commerce, and to amend any contents, statements and/or documents according to the orders, opinions and/or recommendations of the registrar, officials or authorities concerned;
- (d) to amend any contents or statements in the Company's amended Articles of Association according to the orders, opinions, or recommendations of the registrar or officials concerned; and
- (e) to perform any other acts necessary for, or pertaining to, the actions under agenda items 2 to 8, or as considered appropriate to accomplish these actions.

Voting requirement for a resolution: The majority vote of shareholders who attend the meeting and cast their votes.

Shareholders who are not entitled to vote under this agenda item are (1) Deutsche Bank AG, Frankfurt A/C Clients – DCS, which holds 42,104,000 shares in the Company for the benefit of Allianz SE (equivalent to approximately 16.84 percent of the total shares sold of the Company) and (2) AZAY which holds 1,159,000 shares in the Company (equivalent to approximately 0.46 percent of the total shares sold of the Company).

Agenda item 10. Other business (if any)



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Items 2 to 9 are related to, and conditional upon, each other. Therefore, if any of these items is not approved by Extraordinary Meeting of Shareholders No. 1/2018, the other related items will not be proposed to Extraordinary Meeting of Shareholders No. 1/2018 for its consideration, and the items that have already been approved will be deemed canceled.

All shareholders are cordially invited to attend the meeting on the date, time, and place mentioned above. Any shareholders who are unable to attend the meeting in person may appoint another person or a director of the Company as a proxy to attend the meeting and vote on their behalf. Please fill in the details and sign the proxy form B which is enclosed herewith, or download either proxy form A, proxy form B, or proxy form C, as appropriate, on the Company's website www.ayud.co.th (proxy form C is exclusively for shareholders who are foreign investors and have appointed a custodian in Thailand to act as share depository). The proxy form and supplementary documents must be submitted to the Company before the proxy attends the Meeting.

The record date for determining the shareholders who are entitled to attend Extraordinary General Meeting of Shareholders No. 1/2018 is scheduled for Thursday, 7 November 2017 (Record Date).

Yours sincerely,

Mr. Arnon Opaspimoltum
(Chief Executive Officer)

Company Secretary
Tel. 0-2657-2977

Supporting Documents for Meeting Agenda

Sri Ayudhya Capital Public Company Limited

Minutes of General Meeting of Shareholders No. 68

Monday, 24 April 2017

The Meeting was held at the Grand Ballroom is on 3rd floor, the Okura Prestige Bangkok at 57 Wireless Road, Lumpini, Pathumwan Bangkok 10330

Mr. Veraphan Teepsuwan	Chairman of the Board of Director	Chairman at the meeting
Miss Jiratcha Ruplek	Secretary of the Board of Director	Minute Recorder

At the time of beginning of the meeting, the Chairman announced that there are Shareholders attended the Meeting either in person or by proxy of the total 295 persons, total Share holding 130,746,405 shares or 52.2986 percent of the total number of shares sold, thus constituting a quorum and declared the Annual General Meeting of Shareholders No.68.

The Meeting was called to order at 2.00 pm.

Before proceeding on the meeting agenda, the Chairman introduced 11 Board of Directors; 11 persons attended the Meeting, which consisted of:

Six Non-Executive Directors:

(1) Mr. Veraphan Teepsuwan	Chairman
(2) Mr. Bryan James Smith	Director/Member of Numeration and Remuneration Committee
(3) Ms. Nopporn Tirawattanagool	Director/ Member of Nomination and Remuneration Committee
(4) Mr. Virojn Srethapramataya	Director
(5) Mr. Laksna Thongthai	Director
(6) Mr. Chusak Salee	Director

Four Independent Directors:

(7) Mr. Surachai Prukbamroong	Chairman of the Audit Committee
(8) Mr. Metha Suvanasarn	Member of the Audit Committee/Chairman of the Nomination and Remuneration of Committee
(9) Mr. Vichit Kornvityakoon	Member of Audit Committee/ Chairman of Compliance Committee
(10) Mr. Suwat Suksongkroh	Director

One Executive Directors:

(11) Mr. Rowan D'Arcy	President and CEO
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Then the Chairman introduced the Executive Management and Audit committee who attend the meeting today which consist of:

- | | |
|---------------------------------|---|
| (1) Ms. Orathai Rongthongaram | Assistant Managing Director of Accounting Department |
| (2) Dr. Suphamit Techamontrikul | Audit of Deloitte Touche Tohmatsu Jaiyos Limited (DTTL) |
| (3) Ms. Lasita Magut | Audit of Deloitte Touche Tohmatsu Jaiyos Limited (DTTL) |

As assigned by the Chairman of the meeting, the secretary informed the meeting regarding to voting methods as follows:

Because the Company has many shareholders, who have ordinary shares about 250,000,000 shares. Therefore, in order to avoid the confusion and wasting of time to the shareholders, the company does hope the shareholders to understand about the method in voting in each agenda and counting the vote to precede the result before proceed with the agenda.-

- Before voting was carried out on each agenda, the Shareholders will be allowed to ask questions or express their opinions relevant to a particularly agenda by raising their hands. Then the Chairman will invite the Shareholder who raising hand to ask questions and express their opinions.
- With regard to voting, each share had one vote.
- Voting ballots will be distributed only to shareholders wishing to vote for disapproval or abstention. Then company officers will count the ballots of the votes for disapproval and abstention. In case of no votes for disapproval and abstention, it will be considered that the meeting unanimously approve on that agenda.
- In regard of the election of the committee in agenda 5 that is the committee election in person and we will keep all ballot papers both disapproval and abstention.
- In case of shareholder who is not submitting the ballot paper to officer, it means that ballot paper has been approval.
- The ballot that has been marked or no signature or vote more than one choice, it will be voided ballot or does not count as a vote on that resolution.
- As for shareholder who has assigned a proxy to attend the meeting on their behalf and vote in accordance with their state attention, the company has recorded their votes for approval, disapproval and abstention in the computer.
- When announcing the vote on any agenda, it shall be deemed that agenda is completed.

Company Secretary has informed to the meeting for acknowledgment that from December 1, 2015 to January 31, 2016, the company has entitled the Shareholders to propose agendas and to nominate persons to be elected as the Company Directors or to submit questions in advance as criterion which the details follows the company disclosed on its website. It is appeared that nobody proposed any agendas and to nominate persons to be elected as the Company Directors or to submit questions.

The Chairman stated that the meeting would follow the agenda, which has been informed in the Annual General Meeting of Shareholders No.67, which was sent early of the meeting to make it easier for Shareholders to approve the agenda. The Chairman asked the Secretary to brief the agenda to the Shareholders.

The meeting proceeded in accordance with the agenda as follows:

Agenda 1 To adopt the minutes of the Annual General Meeting of Shareholders No.67 held on April 26th, 2016

The Company' Secretary proposed that Minutes of the Annual General Meeting of Shareholders No. 67, held on April 26th, 2016 are detailed in a copy of the Minutes of the Meeting that the company distributed to Shareholders in the notice of the Annual General Meeting of Shareholders No. 68.

Opinion of the Board of Directors, it is agreed to be proposed to the Annual General Meeting of Shareholders No. 67.

The Company's Secretary invited the shareholders who have additional questions or suggestions regarding this agenda that the Board of Directors are willing to answer and listen to the suggestions of the shareholders. However, in this agenda, there is no shareholder having additional questions or suggestions.

To propose to the meeting to consider and endorse.

The Meeting has considered and endorsed the minute of the Annual General Meeting of Shareholders No. 67, held on April 26th, 2016.

The voting results on the First agenda are shown in below table;

Votes	Number of Votes (1 share = 1 vote)	The percentage of the total number of votes
(1) Approval	133,124,909	100.0000
(2) Disapproval	0	0.0000
(3) Abstentions	0	0
(4) Voided ballot	0	-
Total	133,124,909	100.0000

Agenda 2 To acknowledge the 2016 Annual Report of the Board of Directors

The Company' Secretary stated that the Annual Report of the Committee is the Operation Report of the company and various information are listed on the 2016 Annual Report (On CD-ROM), which the company delivered to the Shareholders and the notice of Annual General Meeting of Shareholders No. 68.

Opinion of the Board of Director appropriate to the Annual General Shareholders' Meeting No. 68 to know about the report operation and various information of the company in 2016.

Company' Secretary had also encouraged the shareholders to submit questions regarding the agenda of the Meeting, but there were no issues submitted for inclusion in the agenda of the Annual General Meeting of Shareholders.

The matter was proposed to the meeting for acknowledgment.

The Meeting acknowledged the 2016 Annual Report of the Board of Directors as details of the proposed.

Agenda 3 To consider and approve Statements of the Financial Position as at December 31st, 2016, Statement of comprehensive income, Statements of Changes in S/H's equity, and Statements of cash flow for the year 2016

Company' Secretary proposed that Statements of the Financial Position as at December 31st, 2016, Statement of comprehensive income, Statements of Changes in S/H's equity, and Statements of cash flow for the year 2016 which is considered and approved by Audit Committee and Auditors of the Company from auditing and approving. Details appear in the 2016 Annual Report (On CD-ROM) that has sent to all Shareholders along with the notice of the Annual General Meeting of Shareholders No. 68.

Opinions of the Board of Directors agreed to propose in the Annual General Meeting of Shareholders No. 68 for approval of Statements of the Financial Position as at December 31st, 2016, Statement of comprehensive income, Statements of Changes in S/H's equity, and Statements of cash flow for the year 2016. Audit Committee has approved and Auditors of the Company has already audited and approved.

Company' Secretary had also encouraged the shareholders to submit questions regarding the agenda of the Meeting, but there were no issues submitted for inclusion in the agenda of the Annual General Meeting of Shareholders.

Shareholder asked about article No. 23 of the financial statements; what other income contain.

Chairman has requested Executive Vice President (Miss Orathai Rongthongaram) to explain such part.

Executive Vice President (Miss Orathai Rongthongaram) has clarified that in terms of other incomes with the amount of 104.32 million baht because of Reversing Entries of the previous year after the company reserved due to the Supreme Court dismissed a lawsuit in case of the company was sued by Company Insured. As a result, the Company recorded the reversal of such liabilities in terms of other incomes in Profit/Loss financial statements for the year 2016 in amount of 97.87 million baht.

Shareholder has mentioned about Page 110 in the Annual Report; Cash and cash equivalents in amount of 1,417 million baht that the company has deposited the bank, the return is quite low so why the company does not invest to make a profit and the reason for keeping money for nothing.

Chairman has invited President and CEO (Mr. Rowan D' Arcy) to clarify about liquidity.

President and CEO (Mr. Rowan D' Arcy) answered that such figures were consolidated with Subsidiaries or Conservative Investment which the company needs to keep this money according to legal requirements and purposes of Solvency Margin.

Chairman added that such amount of money needs to be maintaining due to the requirements of Office of Insurance Commission (OIC) to maintain financial liquidity by keeping it proportionate.

Shareholder said that even though the financial statements of the company has a good profitability ratios but in terms of Return on Equity: ROE is quite low; whether the company has too conservative of business' strategy or not; from his own attending the 3rd Year of Shareholder' Meeting and receiving feedback from the Board that business has grown but it did not grow up so please clarify it.

Chairman has answered that it is true that the company is conservative; however, money is belongs to the shareholders which the company needs to take care of crisis that may occur throughout such as flood events while the company is looking for opportunities in order to grow and wish to propose a new project to the shareholders soon as well as informed to the Stock Exchange of Thailand but it still be unofficial announcement because the company favors the benefits whether goo or bad results which will be considered how good is. After that, we will discuss and expect that there will be the proposals to the shareholders as informed to the shareholders for acknowledgment last year. When it comes to the point, the

company may have invitation to the Extraordinary General Meeting of Shareholders again so that the shareholders can see clearly pictures. However, the company must consider many things carefully due to a lot of money; therefore, please wait patiently because of more important than that would be dividend must not be lower than the normal rate which the company tries to maintain dividend ratio as well. The company wishes the shareholders would not want our company grow in risk which we do not want it.

Shareholder asked the following questions.-

Issue 1 In the Annual Report Page No. 4; Financial Highlights can be seen that Top Line of the company and Insurance Premiums is growing but Underwriting Profit before Operating Expense dropped a lot from the previous year (In 2015 was 517.48 million baht; in 2016 dropped to 371.71 million baht); therefore, please explain what it happened.

Issue 2 Due to Loss Ratio is rising steadily at 59% but the company' strategy set at 50%; therefore, he would like to ask the Board of Directors how to reduce the Loss Ratio in accordance with the policy of the company.

Issue 3 About Allianz Ayudhya Assurance Public Company Limited (AZAY); why profit in this year does not meet the target and dividend paid were also reduced along with Share of other Comprehensive Income of Associates in amount of (157.629 million baht) so please clarify about Loss Results came from.

Chairman requested President and CEO (Mr. Rowan D' Arcy) to clarify in Issue 1 and 2 and director named (Mr. Bryan James Smith) who is Chief Executive Officer (CEO) of AZAY to clarify in Issue 3 about AZAY.

President and CEO (Mr. Rowan D' Arcy) said thanks for the question and answered that; first of all, there are large claims in 5 items provides Underwriting of the company, caused of this result and second, item of Personal Accident Insurance of one major customer with disorders caused by fraud which occurs in the southern provinces; Nakhon Si Thammarat Province and Suratthani Province resulting in reduction of the figures due to Personal Accident Insurance which the company is Underwriter so it cannot be canceled the Insurance Policy until expiration; therefore, it has seen the impact from this part which should be better soon. In terms of Profit in overall; Mr. Bryan James Smith will explain further.

Director (Mr. Bryan James Smith) answered that last year was the one of the strongest years of AZAY which Return on Equity (ROE) is 15% so it can be achieved at the target. Last year has 2 significant investments as follows.-

1) Digital Platform; he believed that Thailand has reached to this point of investment in terms of Agents or Digital Platform for Asia Pacific which AZAY is Center for Digital Platform Initiatives; therefore, we have to invest about Digital Technology.

2) The company believed that Health Insurance Market in Thailand is very good market in the future; meanwhile. it was 41% of Premium Size of the company. Health Insurance Product will affect to Net Income, these are things that impacted last year.

Shareholder asked in terms of Loss Ratio is now 59%, how the company can reduce to 50% according to the company' strategy.

President and CEO (Mr. Rowan D' Arcy) answered that this year the company will definitely improve. Exactly, the company is expected Loss Ratio at 45% and the reason why last year Loss Ratio was 59% occurred from 2 events as informed to the shareholder already whereas Personal Accident Insurance occurred just One Time which is Actuarial Method of the company has considered about expense of Claim Management which normally be Unallocated Loss Adjustment Expenses: ULAE; as a results, the company must reserve in additional which will be occurred only One Time. In this ear, it may not happen and the

real goal of the company; Loss Ratio will be 45% if comparing with the company in the Stock exchange of Thailand (SET) can be seen that the company is competitive and in acceptable criteria.

Shareholder asked about the most important thing of Insurance Company in terms of the Fraud, Step of Underwriting, and Claims Payment. When listening to the Board's Statement (Mr. Bryan James Smith) which the events occurred last year. From now on, how the company can manage this issue which he has studied both events; what's the cause.

President and CEO (Mr. Rowan D' Arcy) has clarified about the fraud event has occurred with Non-Life Insurance Company not Life Insurance Company which is actually happening throughout the Insurance Industry. For the fraud, the company has coordinated with government agencies, hospitals, and other Insurance Companies as well which the company resolved problems since July until now and the company understand and know that such issue not only about one person or two persons but also affecting throughout the Insurance Industry.

There were no further inquiries or suggestions in this agenda.

The matter was proposed to the meeting for consideration and unanimously approved.

The Board Meeting has considered and unanimously approved

The Meeting considered and unanimously approved Statements of the Financial Position as at December 31st, 2016, Statement of comprehensive income, Statements of Changes in S/H's equity, and Statements of cash flow for the year 2016 which is considered and approved by Audit Committee and Auditors of the Company from auditing and approving.

The Voting Results on the Third agenda are shown in below:

Votes	Number of Votes (1 share = 1 vote)	The percentage of the total number of votes
(1) Approval	133,125,418	100.0000
(2) Disapproval	0	0.0000
(3) Abstentions	0	0.0000
(4) Voided ballot	0	-
Total	133,125,418	100.0000

Agenda 4 To consider and approve of Profit Allocation of 2016 and acknowledge of Interim Dividend Payment

The Company' Secretary presented that the Operating Results of the company for the year ended December 31st, 2016, the Audit Committee approved and Auditors of Deloitte Touche Tohmatsu Jaiyos Audit Co Ltd. The certified Auditor of the company had already checked and approved, it showed that the Consolidated Financial Statement of the company has net profit at approximately 615,165,004 baht (Six hundred and fifteen million, one hundred and sixty-five thousand and four baht), it will be Earnings per Share 2.46 baht. For Separate Financial Statements has Net Profit about 506,025,021 baht (Five hundred and six million, twenty-five thousand, twenty-one baht) or Earning per Shares 2.02 baht. Nevertheless, the Company has a policy of dividend payment not less than 60% of the Profit after Tax which depends on operation results and resolution of Shareholders' Meeting by considering from Consolidated Financial Statements. The Board of Directors has considered and therefore proposing the Profit Allocation figures for the year 2016 at the Annual General Meeting of Shareholders No.68 for consideration of approval as follow;

2016 Operating Results	
Profit before Income Taxes	527,883,324 baht
Deduct Corporate Income Tax	21,858,303 baht
Remaining Net Profit	506,025,021 baht
Deduct Losses from actuarial estimates for Employees' Benefit-Net Income	548,650 baht
Plus Retained Earnings from allocation in the previous year	1,728,319,759 baht
Profit for allocation this time	2,233,796,130 baht
Approve to allocate dividend payment at baht per share 2.00 about 250 shares in amount of	500,000,000 baht
Deduct Interim Dividend at baht 1.00 per share about 250 million shares which the Board of Directors has allocated payment to the shareholders on 13 September 2016	<u>250,000,000</u> baht
Remaining Dividend Payment this time at baht 1.00 per share	<u>250,000,000</u> baht
Profits to be allocated at this time	500,000,000 baht
Inappropriate retained earnings and carried forward	<u>1,733,796,130</u> baht

The company considered the dividend for the results of the year 2016 to the shareholders about 250,000,000 shares at rate per share 2.00 baht or 98.81% of Net Profit which the company has divided into interim dividend payment for the first 6 months period of the operating results (January-June) of 2016 held on September 13th, 2016 in price per share 1.00 baht with the total amount of 250,000,000.00 baht.

Thus, Dividend for the second half (July-December) of 2016 at rate per share 1.00 baht this is calculated in the total amount of 250,000,000 baht by paying to shareholders who have rights to receive dividend as name list at Record Date for the right of receiving dividend on Wednesday, March 15th, 2017 by defining of dividend payment for the second half on Monday, May 8th, 2017. **However, the right to receiving this Dividends will become effective upon the approval of Shareholders the meeting before.**

However, dividend payment of the company in this period is as follows.-

1. In case of person who receive dividend with tax credit by paying from profits of the business must pay corporate income tax is as follows.-
- 20% of net profit of Baht 0.53 per share.
2. In case of person who does not receive dividend due to paying from dividend or privileged profit allocation must be calculated as income for paying corporate income tax of Baht 0.47 per share.

Detailed comparison of the dividend payment in the past year are as follows.-

Details of Dividend payment	2016	2015	2014
1. Net Profit (Million baht)	506,025,021	591,648,783	1,111,952,389
2. Number of shares			
2.1 number of shares are paid for Interim Dividend	250,000,000	250,000,000	250,000,000
2.2 number of shares are paid for Annual Dividend	250,000,000	250,000,000	250,000,000
3. Total Dividend paid per share (Baht: share)	2.00	2.00	2.50
3.1 Interim Dividend (Baht: share)	1.00	1.00	1.00
3.2 Dividend in this time (Baht: share)	1.00	1.00	1.50
4. Total of Dividend payment	500,000,000	500,000,000	625,000,000
5. Calculate as a percentage (%) of Net Profit	98.81	84.51	56.21

Opinions of the Board of Directors agreed to propose to the Annual General Meeting of Shareholders No. 68 for consideration and approval Profit Allocation for the year 2016 to the shareholders about 250,000,000 shares at rate per share 2.00 baht or in an amount of 500,000,000 baht including with Interim Dividend Payment for the First Half of the year ended at June 30th, 2016 which has already paid at rate per share 1.00 baht and the outstanding dividend that the company paid from the operating results of 2015 in rate per share 1.00 baht or 98.81 percents of Net Profit for the year 2016 but in accordance with Dividend Policy of the company. However, It is determined the Record Date on Wednesday, March 15th, 2017 and compiled a list under section 225 of the Security Act and Stock Exchange to use Closing the Register of Shareholders (Closing Date) on Thursday, March 16th, 2017 and date of dividend payment on Monday, May 8th, 2017 as proposed. **However, the right to receive dividend will effective upon approval from the Shareholders' Meeting before.**

Company' Secretary had also encouraged the shareholders to submit questions regarding the agenda of the Meeting, but there were no issues submitted for inclusion in the agenda of the Annual General Meeting of Shareholders.

The matter was proposed to the Meeting for consideration and unanimously approval.

The Meeting considered and approved the Profit Allocation in 2016 to acknowledge interim dividend payment and to approve dividend payment for the accounting period in the second half of the year 2016 to the shareholders at 250,000,000 shares at rate per share 1.00 baht, which such Dividend Payment shall be paid from the operating results of 2016 if combine with interim dividend for the first half ended at June 30th, 2016 which has been paid at rate per share 1.00 baht. Therefore, the total amount of dividends shall be paid from the operating results for the year 2016 at rate per share 2.00 baht or 98.81 percents of Net Profit for the year 2016 in accordance with dividend payment policy is required by the company. However, the list of Shareholders eligible for dividends (Record Date) on Wednesday, March 15th, 2017 and compiled a list under section 225 of the Security Act and Stock Exchange to use Closing the Register of Shareholders(Closing Date) on Thursday, March 16th, 2017 and date of dividend payment on Monday, May 8th, 2017 as proposed.

The Voting Results in the Fourth Agenda as shown below;

Votes	Number of Votes (1 share = 1 vote)	The percentage of the total number of votes
(1) Approval	133,181,325	100.0000
(2) Disapproval	0	0.0000
(3) Abstentions	0	0.0000
(4) Voided ballot	0	-
Total	133,181,325	100.0000

Agenda 5 To consider the election of director to succeed those completing their term

The Company' Secretary represented that the Board of Directors in nowadays who registered with Department of Business Development, Ministry of Commerce around 11 people and in 2017 the directors are due to retire by rotation at Annual General Meeting of Shareholders No.68 about 3 persons as namely:

1. Mr. Virojn Srethapramotaya (Non-Executive Director)
2. Mr. Laksna Thongthai (Non-Executive Director)
3. Mr. Suwat Suksongkroh (Independent Director)

The Nomination and Remuneration Committee has followed the nomination process, which require the selection of an appropriate person to be Directors of the Company with regard to qualification, knowledge and experiences of all 3 persons along with their previous duties as Directors of the Company and proposing to the Board of Directors for consideration and then proposing to the Shareholders' Meeting in order to re-elect of directors who has retired by rotation to return into the Board of Directors position in another term

The proposal to the General Shareholders' Meeting to re-elect ion for another term who retire by rotation become Company's director for another term under the section 71 of the company Act in 1992.

However, since December 1st, 2016 to January 31st, 2017. The Company allowed the Shareholders to propose the lists for considering of nomination to be the Board of Director as the criteria that was published in Company' Website. Moreover, the Company has distributed this information via news of the Stock Exchange of Thailand, it appeared that not have any Shareholders propose the list of person who able to be nominated as the Board of Director.

Opinions of the Board of Directors The Director who is in relevant but not joining the consideration, they approved as the proposal of Nomination and Remuneration Committee that it will be presented in General Meeting of Shareholders No.68. In order to nominate Messrs. Virojn Srethapramotaya (Non-Executive Director, Messrs. Laksna Thongthai (Non-Executive Director), and Messrs. Suwat Suksongkroh (Independent Director) will be re-elected for another term.

However, Portfolio of each director has been proposed the shareholders for election as documents for consideration in the Notice of the Annual General Meeting of Shareholders No. 68 Page No. 26-31.

Company' Secretary had also encouraged the shareholders to submit questions regarding the agenda of the Meeting, but there were no issues submitted for inclusion in the agenda of the Annual General Meeting of Shareholders.

Shareholder asked the Chairman that in agenda of appointment of director, he has mentioned about Independent Director which major point of those who will be appointed to be Independent Director in this time, what connectivity in order to comply with the direction and strategy of the company. As it can be seen, there were discussion about Independent Director has performed over 9 years or not in issue of maintaining independence and whether the company has policy of defining the term of office of Independent Director or not.

Chairman has clarified that Independent Director does not only being an Independent Directors for less than 9 years; Independent Director will be conscious and consideration of the benefits of Minor Shareholders as well as contributing to the company even though being Independent Director or not. Therefore, it is the duty of the Board to reflect on which directors are beneficial to the company or a defender of minor shareholder benefits which The Company has considered that matter more than performance over a period of 9 years or not, this is what the Board of Directors has always discussed and there is observation in such matter, it depends on the individual whether they have independent mind or how they make benefits to minor shareholders. Moreover, he wishes the company have good governance; therefore, it depends on the person. However, this issue has been widely discussed and processed those ideas, the company therefore does not define the term of office to be Independent Director over 9 years which may have changed such as acting as Independent Director for 2 years and in the third year may not be an independent director; furthermore, he has confident in independent directors that the company has appointed independent directors who have conscious mind. As you can see the Curriculum Vitae of each director if they have redundancy benefits; meanwhile, the Board of Directors does not neglect in such matter and know that it is a good issue which the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC) has given importance to this issue and they always stimulate that Independent Director of the company has term of office over 9 years which should be considered and reviewed; however, the company accepts but the company is now focusing on person.

No shareholders had any questions or further advice on this agenda.

The matter was proposed to the Meeting for consideration and approval.

The Meeting considered and voted for Mr. Virojn Srethapramotaya (Non-Executive Director, Mr. Laksana Thongthai (Non-Executive Director), and Mr. Suwat Suksongkroh (Independent Director), who completed their terms, to be re-elected for another term.

Prior to this agenda item, these three directors who completed the term have left the meeting room and return after the meeting has considered and approved this agenda item.

Results on the Fifth agenda are shown in below table:

<u>Name of the Director (Director)</u>	<u>Number of Votes 1 share = 1 vote</u>	<u>The percentage of the total number of votes</u>
1. Mr. Virojn Srethapramotaya (Non-Executive Director)		
(1) Approval	133,180,746	99.9950
(2) Disapproval	6,600	0.0049
(3) Abstentions	0	0.0000
(4) Voided ballot	0	-
Total	133,187,346	100.0000
Name of the Director (Director)	Number of Votes 1 share = 1 vote	The percentage of the total number of votes

<u>Name of the Director (Director)</u>	<u>Number of Votes 1 share = 1 vote</u>	<u>The percentage of the total number of votes</u>
2. Mr. Laksna Thongthai (Non-Executive Director)		
(1) Approval	133,180,746	99.9950
(2) Disapproval	6,600	0.0049
(3) Abstentions	0	0.0000
(4) Voided ballot	0	-
Total	133,187,346	100.0000
3. Mr. Suwat Suksongkroh (Independent Director)		
(1) Approval	133,923,346	99.0751
(2) Disapproval	1,231,500	0.9248
(3) Abstentions	0	0.0000
(4) Voided ballot	0	-
Total	133,154,846	100.0000

Agenda 6 To consider for approval the directors' remuneration

The Company's Secretary proposed that as the resolution of the Annual General Meeting of Shareholders No.67 held at April 26th, 2016 has approval of the Remuneration of the Committee by paying for the Directors are as follows.-

1. Directors' Remuneration

- (1) Chairman of the Board 40,000 baht per month
- (2) Chairman of the Audit Committee/ Chairman of the Nomination and Remuneration Committee and Chairman of Compliance Committee 38,000 baht per month
- (3) Chief Executive Officer 35,000 baht per month
- (4) Audit Committee 35,000 baht per month
- (5) Nomination and Remuneration Committee 35,000 baht per month
- (6) The others 30,000 baht per month

It will effective since January 1st, 2016 onwards.

2. Directors' Bonus

Directors' Bonus requires to all Directors by aggregation per year 6,614,950.00 baht (Six million, six hundred and fourteen thousand, nine hundred and fifty baht) by cutting the Company' Expense and the Board of Directors can allocate to each person as it proper.

Regularly, the rate of Remuneration as set out in the first and second round until the Board has requested and received approval from the Shareholders to change into something else.

In 2017, the Nomination and Remuneration Committee has the right to consider the Compensation of the Committee carefully who response performance of their duties and compare with that in the same industry in Thailand and registered in the Stock Exchange in Thailand. To propose to the Company's Committee for presenting to the Annual General Meeting of Shareholders in order to consider

and define the remuneration of directors including the directors' remuneration and the directors' bonus are the same rate as approved by the Annual General Meeting of Shareholders No.67 in April 26th, 2016 however, it shall be paid for directors as follows.-

1. Directors' Remuneration

- (1) Chairman of the Board 40,000 baht per month
- (2) Chairman of the Audit Committee/ Chairman of the Nomination and Remuneration Committee and Chairman of Compliance Committee 38,000 baht per month
- (3) Chief Executive Officer 35,000 baht per month
- (4) Audit Committee 35,000 baht per month
- (5) Nomination and Remuneration Committee 35,000 baht per month
- (6) The others 30,000 baht per month

It will effective since January 1, 2017 onwards.

2. Directors' Bonus

In 2016, it was proposed for approval of increasing the amount of 114,930.00 baht (One hundred and fourteen thousand, nine hundred and thirty baht) including payment to all directors of baht 6,729,830.00 (Six million, seven hundred and twenty-nine thousand, eight hundred and thirty baht) or increasing 1.74 percent by requesting to pay in 2017 due to there is changing status of director from Executive Director to be Non-Executive Director.

From 2017 onwards, there is determined the total amount of director's bonus shall be paid to all directors of baht 6,800,000.00 (Six million and eight hundred thousand baht) by deducting the expense of the company and the Board shall consider the allocation as appropriate.

The Remuneration, which had been stipulated under (1) and (2) should be applied thoroughly unless the Board of Directors would have otherwise proposed and received the approval from the Shareholders' Meeting to other.

Opinions of Directors are agreed that it shall be proposed to the Annual General Meeting of Shareholders No. 68 for consideration and approval the remuneration of directors to the shareholders as Nomination and Remuneration Committee has proposed including the remuneration of directors and directors' bonus and it shall be the same rate as approval by the Annual General Meeting of Shareholders No. 67 in April 26th, 2016. In terms of directors' bonus in 2016 was requested to be approved additional payment of 114,930.00 baht (One hundred and fourteen thousand, nine hundred and thirty baht) by requesting to pay in 2017 and since 2017 onwards was considered and approved in additional payment of directors' bonus to all directors of baht 6,800,000.00 (Six million and eight hundred thousand baht) as Nomination and Remuneration Committee proposed by deducting from the company' expense. However, it shall be effective since January 1st, 2017 onward and remaining the remuneration rate above until the Board of Directors will propose and get approval from the shareholders' meeting of changing to others.

Company' Secretary had also encouraged the shareholders to submit questions regarding the agenda of the Meeting, but there were no issues submitted for inclusion in the agenda of the Annual General Meeting of Shareholders.

Shareholder has noted that some companies also have meeting allowance as well as Subsidiaries but not as much of the company which is remuneration that they perform for the company.

No shareholders had any questions or further advice on this agenda.

The matter was proposed to the meeting for consideration and approval.

The Meeting considered and unanimously approved the Remuneration providing the director's remuneration and the director's bonus as Committee proposed above by deducting as the company's expense until the shareholders' meeting will have approval to change into something else.

The voting results on the Sixth agenda is shown in below table;

<u>Votes</u>	<u>Number of Votes</u> (1 share = 1 vote)	<u>The percentage of the total number of</u> <u>votes</u>
(1) Approval	133,132,257	99.9837
(2) Disapproval	6,600	0.0049
(3) Abstentions	15,000	0.0112
(4) Voided ballot	0	-
Total	133,153,857	100.0000

Agenda 7 To approve the nomination of auditors and the audit fee

Company' Secretary proposed that in order to comply with Public Limited Company Act B.E. 2535 Section 120 requires that "The Annual General Shareholders' Meeting shall appoint an Auditor and determine the Remuneration of the Auditor of the company every year. The former Auditor may be re-appointed".

For the Annual General Meeting of Shareholders No.67 which held in April 26th, 2016 has appointed Dr. Suphamit Techamontrikul, Certified Public Accountant Registration No. 3356 and/or Mr. Permsak Wongpatcharapakorn, Certified Public Accountant Registration No. 3427 and/or or Mr. Chawla Tienpasertkij, Certified Public Accountant Registration No. 4301 from Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. are the Auditors in 2016 which have an amount of Audit fees are as follows.-

1. Annual Audit fees	530,000.00	Baht
2. Quarterly Financial Statements Audit cost (Include 3 Quarters in each 130,000.00 baht)	390,000.00	Baht
3. Consolidated Financial Statements Audit cost	320,000.00	Baht
4. Quarterly Consolidated Financial Statements Review cost (Include 3 Quarters in each 160,000.00 baht)	480,000.00	Baht

Total audit fees for the year 2016 in amount of 1,720, 000.00 baht. However, there still have audit fees and Quarterly Financial Statements cost such as transportation, allowance, overtime, etc which is counted as the actual cost.

For fiscal year 2017, Dr.Suphamit Techamontrikul CPA No.3356 and/or Mr. Permsak Wongpatcharapakorn CPA No.3427 and/or Mr.Chawla Tienpasertkij CPA No.4301 of Deloitte Touche Tohmatsu Jaiyos Audit Company Limited willing to be the candidate for election as the company auditors. Upon consulting among the Audit Committee, it was agreed to propose the audit fee for the fiscal year of the company along with audit fees of consolidated financial statement for the year 2017 ended December 31st, 2017 in the amounted of Baht 1,720,000.00 baht by Audit Fee is equal to the 2016 auditing fee as hereunder:-

(Unit: Baht)

	2017	2016	Balance increase/decrease	%
1. Annual Audit Fee	530,000.00	530,000.00	-	0%
2. Quarterly Financial Statement Audit Fee (Total 3 quarters, each quarter 130,000.00 baht)	390,000.00	390,000.00	-	0%
3. Consolidated Financial Statement Audit Fee	320,000.00	320,000.00	-	0%
4. Total Quarterly Financial Statement Audit Fee(Total 3 quarters, each quarter 160,000.00 baht)	480,000.00	480,000.00	-	0%
Total	1,720,000.00	1,720,000.00	-	0%

The audit fees for the year 2017 amounted to Baht 1,720,000.00.- as the aforementioned did not include any other expenditures such as transportation fees, allowances, overtime, insurance fee, which would be calculated according to the actual payment (if any).

Besides, Deloitte Touche Tohmatsu Jaiyos Audit Company Limited has been appointed to be auditors of Subsidiaries by charging the 2017 Annual Audit Fee ended at December 31st, 2017 in amount of 2,550,000.00 baht and there is other expenditures such as transportation fees, allowances, overtime, insurance fee, which would be calculated according to the actual payment (if any).

The Board of Directors considered for approval the appointment of those Auditors above. The Audit Committee agreed that those Auditors above are qualified as the Securities and Exchange Commission requirement which its appropriate propose the Annual General Meeting of Shareholders No.68 to appoint Dr. Suphamit Techamontrikul, Certified Public Accountant Registration No. 3356 and/or Mr. Permsak Wongpatcharakorn, Certified Public Accountant Registration No. 3427 and/or or Mr. Chawla Tienpasertkij, Certified Public Accountant Registration No. 4301, all of Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd to become the company Auditors for the year 2017. It will effective from January 1st, 2017 to December 31st, 2017 with the Audit Fee of 1,720,000.00 baht. Nevertheless, it excludes any other expenses incurred according to the actual payment as Audit Committee consideration and proposal.

All three Auditors as the list that are proposed in 2017 who are not Director, Personnel, Employee or any position in the Company.

For the information of Auditors from Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd appeared in Notification of the Annual General Meeting of Shareholders No. 68 Page No. 37-38.

Company' Secretary had also encouraged the shareholders to submit questions regarding the agenda of the Meeting, but there were no issues submitted for inclusion in the agenda of the Annual General Meeting of Shareholders.

The matter was proposed to the Meeting for consideration and approval.

The Meeting considered and approved to appoint Dr. Suphamit Techamontrikul, and/or Mr. Permsak Wongpatcharakorn, and/or Mr. Chawla Tienpasertkij, all of Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd to become the company Auditors for the year 2017, it will effective from January 1st, 2017 to December 31st, 2017 in another period, with the Audit Fee of 1,720,000.00 baht (One million, seven hundred and twenty thousand baht)- excluded any other expenses incurred according to the actual payment in accordance with Audit Committee considered and proposed.

The voting results on the Seventh is shown in below table;

<u>Votes</u>	<u>Number of Votes</u> (1 share = 1 vote)	<u>The percentage of the total number of</u> <u>votes</u>
(1) Approval	133,192,359	100.0000
(2) Disapproval	0	0.0000
(3) Abstentions	0	0.0000
(4) Voided ballot	0	-
Total	133,192,359	100.0000

Agenda 8 To consider other matters (If any)

Chairman asked the meeting that if any shareholders have any questions to ask or suggestion, the Board of Directors is pleased to answer the questions or listen to suggestion of the shareholders.

Shareholder has mentioned about the news that Office of Insurance Commission (OIC) released the latest draft the Risk Based Capital 2 (RBC2) framework development so he would like to how Risk Based Capital 2 of the company will be.

President and CEO (Mr. Rowan D' Arcy) answered that the company has done Market Testing about the Risk Based Capital 2 (RBC2) framework which Mr. Satja Jungnirundr (Senior Vice President of Accounting, Financial, and Investment Department) of Subsidiaries is moderator of such matter and then he also ask him to explain to the shareholders for acknowledgment.

Senior Vice President of Accounting, Financial, and Investment Department (Mr. Satja Jungnitnirundr) has clarified that the company has already done Market Test about the Risk Based Capital 2 which the figures may be reduced but it still higher level than requirement of OIC.

Shareholder asked about announcement of Office of Insurance Commission (OIC) in the early of this year required driver installed CCTV Camera will receive a discount of Voluntary Motor Insurance about 5-10% Net Premium which the company provides Motor Insurance as well and CAR Ratio is 900% if the premiums has decreased by 10%; whether it may be loss or not and how to support.

President and CEO (Mr. Rowan D' Arcy) answered that it is very interesting question, the company has worked with Regulator of Office of Insurance Commission (OIC) or even Insurance Industry and also Government in order to increase safety for all people; in terms of premium cost in Portfolio of the company has already given a discount and it would not have an problem. For Loss Ratio of Motor Insurance last year was lower than 60%; therefore, the company has advantage and it should be reduced further.

Shareholder has mentioned about Early 2017, there are the flood events in the South and during this period has a lot of Fire News so what impact to Subsidiaries of the incident.

President and CEO (Mr. Rowan D' Arcy) has clarified that in terms of the flood events in the South, Insurance companies are experiencing problems whereas Subsidiaries has some claims; however, in terms of natural disasters, no matter what happen in any part of country, it would affect to the company anyway. However, it ma be not the same as the flood event of the previous year but it is under controlled and the company is already growing even though it will effect in the first quarter but the company has tried to remain in a good criteria.

Shareholder asked whether the company receives almost profits from AZAY or not so he would like to ask CEO of AZAY, whether Life Insurance has a chance to grow or not and how portfolio of Health Insurance and Saving Insurance of AZAY.

Director (Mr. Bryan James Smith) has explained that in terms of the operating results last year, the company grew at 6% while the overall market was negative at 8%; the reason for this growth is that what he informed earlier which the company focuses on Health Insurance not Saving Insurance. For Health Insurance Portfolio of the company has increased 13%; as a result of, the company has the third largest Health Insurance Portfolio in Thailand in nowadays. Thus, with this growth rate, the company is expected the growth of Health Insurance would be more than 10% due to focusing on Digital Platform with Health Insurance as well as the growth of Agents. The last 7 years, the company is the one of Direct Marketing and having a good partnership in terms of Bancassurance with Bank of Ayudhya PCL (BAY) which has Agents throughout the country about 11,000 persons which the turnover of AZAY will grow exactly.

Shareholder asked the question as follows.-

Issue 1 The company is currently investing in AZAY in proportion of 20.17% and understand that the company wants to invest more in AZAY; whether the company can increase shareholding proportion or not.

Issue 2 According to Annual Report Page No. 132; Turnover of AZAY in terms of Profit/Loss Financial Statements Net change in fair value of derivative instruments which in 2016 has changed in amount of 271.62 million baht and Net change in fair value of available-for-sale securities in amount of 509.90 million baht. He has seen that the figures are a lot of negative result which would have affected to the turnover or profits result of AZAY in nowadays or not.

Director (Mr. Bryan James Smith) answered that in terms of Issue 2; Fluctuations in interest rates which will affect to all Industry but not affect to profit/loss results of the company in type of worth or value to the shareholder, ability in debt payment (Solvency Ratio) go up to 385% can be concluded that it is about improvement of accounting value but it will not affect to profit of the company.

Chairman said that Issue 1 for AZAY is beautiful goal and there are many people want to invest in Public Company that is not registered in the Stock Exchange of Thailand and having good relationship with Allianz and company so we can hold shares in proportion of 20.17%. Now, the company is negotiating with them in order to buy more shares but still not certain because it might be serious if AZAY split stock to others as well. The Board of Directors still in consideration process and we expected that there may be the way out according to the wishes of the shareholders so we accept as desired and continue to the next step and then return to the shareholders for consideration as soon as possible. It is expected in this quarter, if the Board of Directors work hard should propose to the shareholders about this project so please wait for it. At the start of the meeting, there was a shareholder saying that the board had announced that it would grow three years ago but he has not seen yet. However, it is transaction that use large amount of money which trading the project may require money in amount of 10,000.00 million baht. Meanwhile, the company has surveyed all the companies in the Stock Exchange of Thailand (SET) in which Insurance Company can be merged. After the survey, it seems like not interesting but in terms of Life Insurance Company that the shareholders mentioned is correct and interesting which now the company has already invested 20.17% and we still negotiate whether we can buy more shares to be 49% or 50% or not which AZAY does not have an Feedback yet but we hopes to get a good news to the shareholders as soon as possible but no matter what results will be positive or negative but it reflects that the company does not stay still or conservative because the company really want to grow.

Work is not just Mr. Rowan D' Arcy, President and CEO so we would like to recommend the team who support Mr. Rowan D' Arcy in order to maintain dividend of the shareholders at rate per share of Baht 2.00, the company paid dividend at 100% of Net Profits with difficulty; thus, he suggested the team of him in order to be commitment with performance in the following years that we can pay dividend to the shareholders at rate per share of Baht 2.00.

President and CEO (Mr. Rowan D' Arcy) said that the dedicated team works mostly in Insurance Company is composed of team works about 8 persons as follows.-

- Mr. Tivakorn Kanjanakij Executive Vice President, Insurance Business Department
- Mr. Virat Luang-a-lam Senior Vice President, Bangkok Operations along with all Fire Insurance and oversees of Broker that work with the company
- Mr. Sakrapee Sungkhapan Senior Vice President, Branch Operations and overall Agents of the company
- Mr. Satja Jungnitnirundr Senior Vice President, Accounting, Financial, and Investment Department
- Mr. Supakij Sookpong Senior Vice President, Motor Underwriting Department
- Mrs. Siriwan Wangwilai Senior Vice President, Marine and Transportation Underwriting
- Ms. Krisana Phoonsiri Senior Vice President, Miscellaneous Underwriting Department
- Mr. Issra Choovisit Senior Vice President, Product Development, Risk management, and Reinsurance Department
- Mr. Pirat Wongsaisuwan Senior Vice President, Non-Motor Claims Department
- Mrs.Paporn Piyayodilokchai Senior Vice President, Internal Audit Department
- Mr. Rakchart Smitinandana Senior Vice President, Information Technology Department
- Mrs. Apiradee Kanjanarat Senior Vice President, Human Resources Department

These are Executives of the company which oversees daily business transactions

Chairman added that CAR Ratio of the company is 900% because of these team with a Team Leader; Mr. Rowan D' Arcy and thank you to Mr. Rowan D' Arcy who will resign from the company at the end of this month, he has been working for many years so he would like to rest. Moreover, he clarified that Non-Life Insurance Company in nowadays are very high competition among dozens of companies and it seems like not interesting for investment, some companies are expensive or small.

For the company, we are small company if without support from this team, only the Board and Mr. Rowan D' Arcy cannot work alone; therefore, this team with Mr. Rowan D' Arcy as Team leader so the company can overcome the obstacles.

However, the future depends on business strategy of the company how to grow which now Asean is open and in the process of consideration of various regulations of Insurance; thus, there will be higher competition and company's strategy future will be more meaningful like Digital System; how the company will do or even investment in various tools which the Board of Directors must consider further. The last, he would like to thank you Mr. Rowan D' Arcy and he will visit Thailand periodically.

President and CEO (Mr. Rowan D' Arcy) said it is a great honor to be a part of this team and he actually would like to resign since the last several years but he can manage happily even though he will resign but this company is very strong. Period of time on working here is 25% which is normal there is come and gone. However, the company also has to keep moving forward and share price is usually up and down but if the shareholders buy shares since 2008; overall positive price is 13% and the average price is 5.2%. This company is amazing potentiality because getting support from the shareholders as well as the Board of Directors. He believes the world is already open and it is time of him to go down from this position and thank you all.

(In the Annual General Meeting of Shareholders No. 68 held on April 24th, 2017 that there are Shareholders attended the Meeting either in person or by proxy of the total 369 persons, total Share holding 136,510,165 shares, equal to 54.6041 percent of the total number of shares sold. When registration of attending the meeting has distributed ballots for each agenda to the shareholders who attended the meeting and in Agenda 5; to consider director who will retire by rotation, the company has kept all ballots whether approval, disapproval, and voided ballot from all shareholders who attended the meeting and separating ballots of each directors which the company had given to officer of Inventech Systems (Thailand) Co.,Ltd ("INV") as Registration Officer and voting collector of the shareholders who attended the meeting all agendas.)

There are no shareholders asked any proposal. The Chairman thanked all shareholders who are taking the time to attend this meeting. Then declared the meeting closed.

The meeting was adjourned at 3.45 pm.

-Veraphan Teepsuwan-

(Mr.Veraphan Teepsuwan)
Chairman

-Jiratcha Ruplek-

(Ms. Jiratcha Ruplek)
Minute Recorder

Certified True Copy

(Mr. Arnon Opaspimoltum)

Chief Executive Offier

Information Memorandum of Sri Ayudhya Capital Public Company Limited

Re: Acquisition of Assets and Entry into Connected Transactions

Information Memorandum re. Acquisition of Assets under List 1 and Entry into Connected Transactions

The Board of Directors Meeting of Sri Ayudhya Capital Public Company Limited (the "**Company**") No. 7/2017, held on Tuesday 21 November 2017 (the "**Board of Directors Meeting**"), considered the potential co-operation in insurance business in Thailand between the Company and the Allianz Group, and approved the proposal of relevant matters to Extraordinary Meeting of Shareholders of the Company No. 1/2018, to be held on Friday 19 January 2018 (the "**EGM**"), for its consideration and approval. These matters include, *inter alia*,

(1) the approval for Sri Ayudhya General Insurance Public Company Limited ("**SAGI**") to purchase and accept the transfer of the entire business from Allianz General Insurance Public Company Limited ("**AZTH**") (the "**Acceptance of the EBT**");

(2) the approval for the Company to purchase 34,810,000 ordinary shares in Allianz Ayudhya Assurance Public Company Limited ("**AZAY**") from Allianz SE and CPRN (Thailand) Limited ("**CPRNT**") (the "**Purchase of AZAY Shares**"); and

(3) the increase of the Company's registered capital from Baht 250,000,000 to Baht 346,500,000 by issuing 96,500,000 newly issued ordinary shares of the Company (the "**New Shares**"), representing approximately 27.85 percent of the total voting shares in the Company after completion of the registration of the increase of paid-up capital derived from the offering for sale of the New Shares (the "**Capital Increase Registration**") with a par value of Baht 1 each, and the allocation and offering for sale of the New Shares to Allianz SE and CPRNT at the offering price of Baht 53.43 per share as follows:

(a) the allocation and offering for sale of 23,466,105 New Shares to CPRNT (the "**New Shares for EBT Acceptance**") at the offering price of Baht 53.43 per share, totaling approximately Baht 1,253,794,000.

The payment for the New Shares for EBT Acceptance will be made in cash by CPRNT, and the Company will use the proceeds derived from this portion of capital increase to purchase newly issued ordinary shares in SAGI, in order to provide SAGI with funds for the Acceptance of the EBT (the "**Share Allocation for EBT Acceptance**").

(b) the allocation and offering for sale of 73,033,895 New Shares to Allianz SE and CPRNT (the "**New Shares for AZAY Share Purchase**") at the offering price of Baht 53.43 per share, totaling Baht 3,902,201,000, as consideration to Allianz SE and CPRNT for the Purchase of AZAY Shares.

Allianz SE and CPRNT will transfer 34,810,000 shares in AZAY, representing, or approximately 11.80 percent of the total shares sold in AZAY, at the values of Baht 112.10 per share, totaling Baht 3,902,201,000 to the Company to pay for the New Shares for AZAY Share Purchase in lieu of cash payment (the "**Share Allocation for AZAY Share Purchase**"). The Company's shareholding in AZAY will increase from 59,500,280 shares, or from approximately 20.17 percent of the total shares sold in AZAY to 94,310,280 shares, or approximately 31.97 percent of the total shares sold in AZAY.

The Share Allocation for EBT Acceptance and the Share Allocation for AZAY Share Purchase are collectively referred to as the "**Share Allocations**."

The Acceptance of the EBT and the Purchase of AZAY Shares are the acquisition-of-assets transactions under Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 re: Rules Concerning the Material Transactions in the Acquisition or Disposal of Assets, dated 31 August 2008 (as amended) 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, 2004, dated 29 October 2004 (as amended) (collectively referred to as the "**Notifications on Assets Acquisition or Disposal**"). The total size of these transactions, based on the Company's consolidated financial statements for the nine-month period ending on 30 September 2017, and AZTH's and AZAY's financial statements for the nine-month period ending on 30 September 2017, as reviewed by their respective auditors, is equivalent to 52.97 percent. These transactions are categorized as type 1 transactions (with a total value of at least 50 percent or higher but lower than 100 percent). Therefore, the Company is required to prepare a report and disclose an information memorandum relating to the transactions to the Stock Exchange of Thailand (the "**SET**"), to appoint an independent financial advisor to express opinions on the transactions, and to seek approval from a shareholders meeting, with a vote of not less than three-fourths of the total number of votes of shareholders attending the meeting and having the right to vote, excluding shareholders who have interest, for the entry into these transactions.

In addition, Allianz SE and CPRNT are considered connected persons of the Company. Therefore, the Acceptance of the EBT, the Purchase of AZAY Shares, and the Share Allocations are connected transactions under Notification of the Capital Market Supervisory Board No. Tor Chor. 21/2551 re: Connected Transaction Rules, dated 31 August 2008 (as amended), 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 Connected Transactions, 2003, dated 19 November 2003 (as amended) (collectively referred to as the "**Connected Transaction Notifications**"). The total size of these transactions is equivalent to 87.61 percent of the Company's net tangible assets (the "**NTA**") based on its consolidated financial statements for the nine-month period ending on 30 September 2017, as reviewed by the Company's auditor, which is more than three percent of the Company's NTA. Therefore, the Company will have to prepare and disclose an information memorandum relating to the transactions to the SET, to appoint an independent financial advisor to express opinions on the connected transactions, and to seek approval from a shareholders meeting, with a vote of not less than three-fourths of the total number of votes of shareholders attending the meeting and having the right to vote, excluding shareholders who have interest, for the entry into these transactions.

The Share Allocations to Allianz SE and CPRNT is deemed private placement of the New Shares under Notification of the Capital Market Supervisory Board No. Tor Chor. 72/2558 re: Approval for Private Placement of Newly Issued Shares by a Listed Company, dated 28 October 2015 (as amended). The Company will have to seek and obtain approval from the Office of the Securities and Exchange Commission (the "**Office of the SEC**") for the Share Allocations according to the PP Notification. In this regard, the Company will seek an extension of the offering period so that the Company can offer for sale of the New Shares to Allianz SE and CPRNT for more than three months after the approval being granted by the EGM, but no later than three months from the date that SAGI and AZTH have received from the Office of Insurance Commission ("**OIC**") the approval of the Insurance Commission on the transfer and acceptance of the transfer of the entire businesses by AZTH and SAGI ("**OIC Approval**"). The Company shall submit the request for extension of the offering period to the Office of the SEC together with the application for the Company to offer newly issued ordinary shares to private placement. The additional details are provided in **Enclosure 5** (Information Memorandum of the Company re: Private Placement of Newly Issued Ordinary Shares).

The acquisition by Allianz SE and CPRNT of the New Shares according to the Share Allocations will result in their aggregate shareholding in the Company increasing from 16.84 percent to 40.00 percent of the total voting shares in the Company, which exceeds the trigger point of 25 percent of the total voting shares in the Company. Therefore, Allianz SE and CPRNT will have to make a tender offer for all securities of the Company according to section 247 of the Securities and Exchange Act B.E. 2535 (1992),

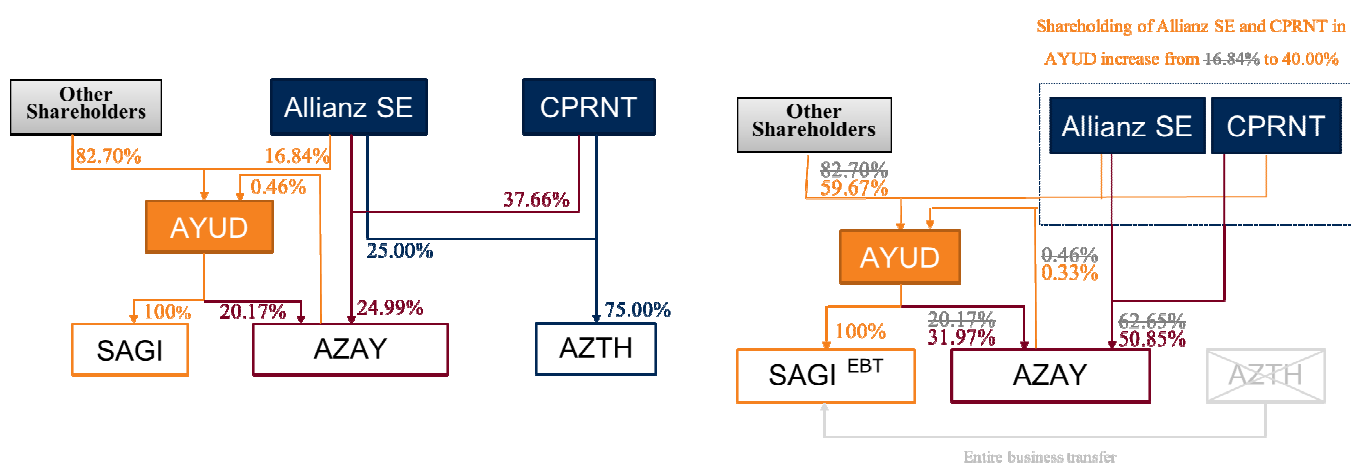
as amended (the "SEC Act") and relevant notifications. However, Allianz SE and CPRNT wish to seek a waiver of the requirement to make a tender offer for all securities of the Company according to Notification of the Office of the SEC No. Sor Chor. 36/2546 re: Rules for the Application for a Waiver of the Requirement to Make a Tender Offer for all Securities of the Business by Virtue of a Resolution of a Shareholders Meeting of the Business, dated 17 November 2003. Allianz SE and CPRNT will send the Request Form for Shareholders Meeting Resolution to Approve Acquisition of New Securities without Requirement to Make a Tender Offer for All Securities of the Business (Form 247-7) to shareholders along with an invitation to the EGM.

On 22 November 2017, the Company has executed the Share Subscription and Purchase Agreement among the Company and Allianz SE and CPRNT (the "**Share Subscription and Purchase Agreement**"), and SAGI has executed the Entire Business Transfer Agreement between SAGI and AZTH (the "**EBT Agreement**"). The summary of the material details of the Share Subscription and Purchase Agreement and the EBT Agreement, as well as the conditions precedent thereunder is provided in **Enclosures 2 and 3**.

The shareholding of the Company, Allianz SE, and CPRNT in relevant companies before and after the entry into the above transactions are illustrated in the diagram below.

Before the entry into transactions
(As of 7 December 2017)

After the entry into transactions



1. The Acceptance of the EBT and the Share Allocation for EBT Acceptance

1.1 Date, month, year to enter into the transactions

1) The Acceptance of the EBT

The Company's Board of Directors Meeting No. 7/2017, held on Tuesday 21 November 2017, has approved to propose to the EGM for its consideration and approval, the Acceptance of the EBT and the execution of relevant acts.

SAGI's Board of Directors Meeting No. 7/2017, held on Tuesday 21 November 2017, has approved the Acceptance of the EBT and relevant acts.

AZTH's Board of Directors Meeting No. 8/2017, held on Tuesday 21 November 2017, has approved the entire business transfer from AZTH to SAGI and relevant acts.

2) The Share Allocation for EBT Acceptance

The Company's Board of Directors Meeting No. 7/2017, held on Tuesday 21 November 2017, has approved to propose to the EGM, for its consideration and approval, the increase of registered capital of the Company, the Share Allocation for EBT Acceptance, and the execution of the relevant acts.

The Company and/or SAGI will proceed with the aforementioned transactions after the conditions precedent specified in the Share Subscription and Purchase Agreement and/or the EBT Agreement are satisfied or are waived as provided for thereunder. The conditions precedent that must be satisfied include, *inter alia*, the receipt of the OIC Approval, which will be sought by SAGI and AZTH and the receipt of the approval from the Office of the SEC for (i) the private placement of the New Shares by the Company and an extension of the offering period for more than three months after the approval being granted by the EGM, and (ii) the waiver for Allianz SE and CPRNT acquiring the New Shares without having to make a tender offer for all securities of the Company (the "**SEC Approvals**").

1.2 The relevant parties and their relationship with the Company

1) The Acceptance of the EBT

Purchaser: SAGI

Seller: AZTH

Relationship with the Company: SAGI is the Company's subsidiary, operating the business of non-life insurance in Thailand, with approximately 100 percent of its total shares sold held by the Company.
AZTH is a member of the Allianz Group, and operate the business of non-life insurance in Thailand, with 25 percent and 75 percent of its total share sold being held by Allianz SE and CPRNT respectively. (information as of 1 June 2017)
Allianz SE is one of the major shareholders of the Company, holding 42,104,000 shares or approximately 16.84 percent of the total voting shares in the Company. Allianz SE and CPRNT are related persons of each other under Section 258 of the SEC Act, because Allianz SE (either directly or indirectly) holds more than 30 percent of the total number of voting rights of the companies which hold shares in CPRNT. Therefore, AZTH is a related person with the Company.

2) The Share Allocation for EBT Acceptance

The issuer of newly issued shares: the Company

The purchaser of newly issued shares: CPRNT

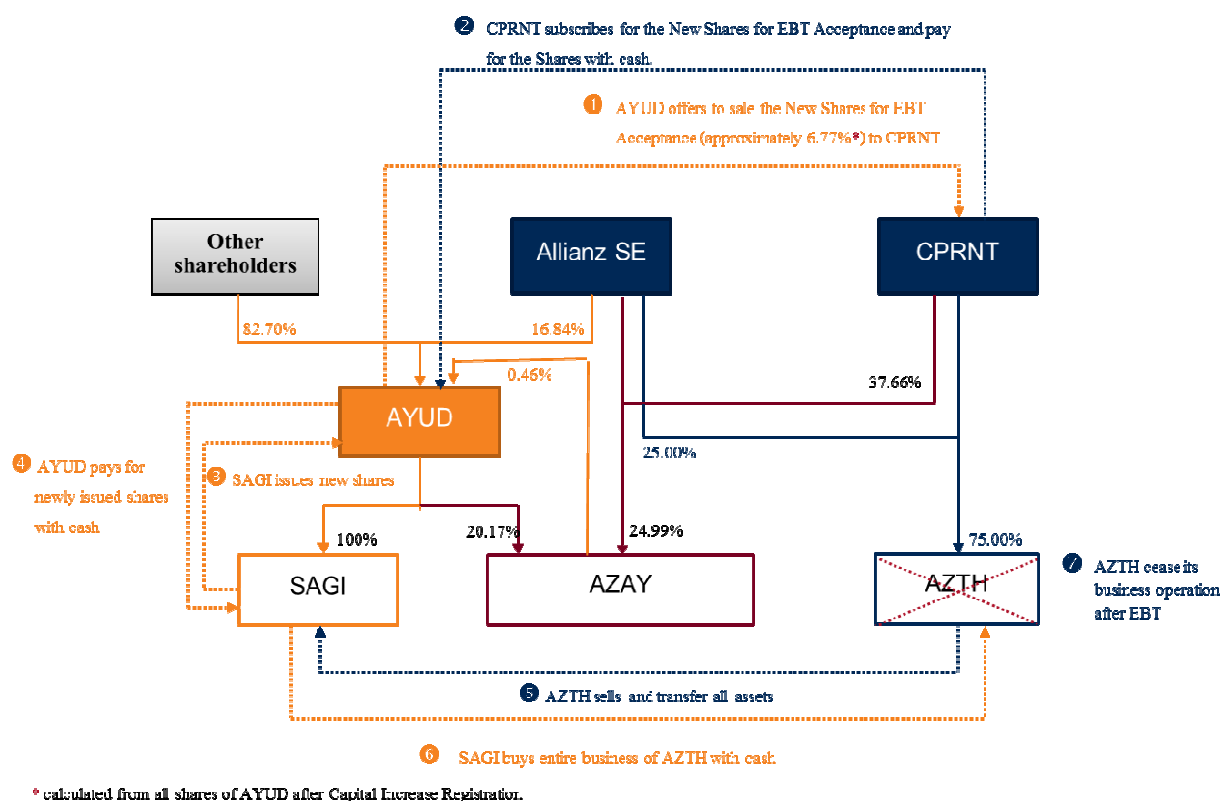
Relationship with the Company: CPRNT is a related person under section 258 of the SEC Act of Allianz SE, which is a shareholder of the Company, as stated above. Therefore, CPRNT is also considered a connected person of the Company.

1.3 General description of the transactions

1) The Acceptance of the EBT

When the conditions precedent specified in the EBT Agreement are satisfied, or are waived as provided for thereunder, AZTH will sell and transfer their entire businesses to SAGI, and SAGI will purchase and accept the transfer of the entire businesses from AZTH.

The diagram below illustrates the entry into the Acceptance of the EBT.



2) The Share Allocation for EBT Acceptance

When the conditions precedent specified in the Share Subscription and Purchase Agreement are satisfied, or are waived as provided for thereunder, the Company will offer for sale to CPRNT of the New Shares for EBT Acceptance, totaling 23,466,105 shares (approximately 6.77 percent of the total voting shares in the Company after the Capital Increase Registration) with a par value of Baht 1 each, at the offering price of Baht 53.43 per share, totaling approximately Baht 1,253,794,000.

The Company shall offer the newly issued ordinary shares for the acceptance of the transfer of business to CPRNT and shall not offer to Allianz SE in accordance with the terms in the Share Subscription and Purchase Agreement. If there is the offering of newly issued shares for the acceptance of the transfer of business to Allianz SE, which is a foreigner, in addition to the offering for sale of newly issued shares for the Purchase of AZAY Shares to Allianz SE and CPRNT (which has the detail as shall be set out in clause 2 of this information memorandum), it may cause the foreign shareholding proportion in the Company to exceed 49 percent of the total voting rights of the Company, which shall subsequently result in SAGI and AZAY's foreign shareholding proportion not complying with life and non-life insurance laws (as applicable).

1.4 Total value of consideration

1) The Acceptance of the EBT

The total value of consideration for the Acceptance of the EBT, for the purpose of calculating the transaction size according to the Connected Transaction Notifications and the Notification on Asset Acquisition and Disposal, is the value payable by SAGI to AZTH for the Acceptance of the EBT, totaling Baht 1,253,794,000.

2) The Share Allocation for EBT Acceptance

The total value of consideration for the Share Allocation for EBT Acceptance, for the purpose of calculating the transaction size according to the Connected Transaction Notifications and Notifications on Assets Acquisition or Disposal, is the offering price of Baht 53.43 per share of the New Shares for EBT Acceptance (23,466,105 shares), totaling approximately Baht 1,253,794,000.

1.5 Transaction size

1) The Acceptance of the EBT

The Acceptance of the EBT is a connected transaction and the acquisition of assets by the Company's subsidiary, with the transaction size according to the Connected Transaction Notifications and the Notifications on Assets Acquisition or Disposal, as follows:

Transaction size under the Connected Transaction Notifications

The size of the Acceptance of the EBT, with the total value of consideration equivalent to Baht 1,253,794,000 is equivalent to 17.14 percent, which is more than three percent, of the Company's NTA, which is Baht 7,316,537,000, based on its reviewed consolidated financial statements for the nine-month period ending on 30 September 2017, as reviewed by the Company's auditor.

Transaction size under the Notifications on Acquisition and Disposal

The size of the Acceptance of the EBT, with the total value of consideration equivalent to Baht 1,253,794,000 which is calculated based on the Company's consolidated financial statements for the nine-month period ending on 30 September 2017, and AZTH's financial statements for the nine-month period ending on 30 September 2017, as reviewed by their respective auditors, is equivalent to 11.35 percent, which is the highest transaction value calculated based on the total value of consideration basis. The table below provides the details of the consideration.

Financial data used for calculating the transaction size

Unit: Million Baht

Financial data	The Company	AZTH
NTA*	7,316.54	543.73
Total asset value	11,049.76	4,847.76
Net profit (loss)	391.42	(86.12)

Remarks:

- * The NTA is calculated from the total assets, less intangible assets, total liabilities, and minor shareholders' equity.

Transaction size calculation basis

Calculation basis	Details of the calculation	Transaction value (%)
1. NTA value basis	$\frac{543.73}{7,316.54} \times 100$	7.43
2. Net operating profit basis	Not applicable as AZTH does not have profit	
3. Total value of consideration basis	$\frac{1,253.60}{11,049.76} \times 100$	11.35
4. Value of capital shares issued as consideration for assets basis	No capital shares will be issued.	

2) The Share Allocation for EBT Acceptance

The Share Allocation for EBT Acceptance, with the total offering price of approximately Baht 1,253,794,000 is a connected transaction under the Connected Transaction Notifications. The size of this transaction is equivalent to 17.14 percent, which is more than three percent, of the Company's NTA (which is Baht 7,316,537,000), based on the Company's consolidated financial statements for the nine-month period ending on 30 September 2017, as reviewed by its auditor.

1.6 Details of the purchased assets

1) The Acceptance of the EBT

(a) The details of the acquired assets

The entire business of AZTH which includes all of AZTH's assets, liabilities, employees, representatives, agents, accounts receivable, accounts payable, non-life insurance reserves, contracts and insurance policies as of the date the Acceptance of the EBT is completed.

(b) Nature of business of AZTH

AZTH has over 17 years of experience in non-life insurance business in Thailand. The majority of its premium income is derived from motor insurance premiums, which account for 40 percent of its total premium income, followed by property insurance premiums, which account for 30 percent of its total premium income. AZTH also generates income from marine insurance, third-party liability insurance, personal accident insurance, etc.

(c) Registered and paid-up capital, shareholding structure, and Board of Directors

Registered capital and paid-up capital

As of 21 November 2017, AZTH has registered capital and paid-up capital of Baht 650,000,000, divided into 65,000,000 fully paid ordinary shares with a par value of Baht 10 each.

Shareholding structure

As of 1 June 2017, the (approximate) shareholding structure of AZTH is as follows:

Name of shareholder	Number of shares (shares)	% of the total number of shares and voting rights (%)
1. Allianz SE	16,249,999	25.00
2. CPRNT	48,750,001	75.00
Total	65,000,000	100.00

Source: AZTH

Board of Directors

As of 21 November 2017, AZTH has seven directors, as follows:

Name of director	Position
1. Ms. Sirinthip Chotithamaporn	President and Chief Executive Officer
2. Mrs. Napaporn Landy	Independent Director and Chairman of the Audit Committee
3. Mr. Zakri Mohd Khir	Independent Director and Member of Audit Committee
4. Mr. Narong Chulajata	Independent Director and Member of Audit Committee
5. Ms. Orawan Tejapaibul	Director
6. Mr. Apichati Sivayathorn	Independent Director
7. Mr. Montri Puangpool	Director

Source: AZTH

(d) **Summary of AZTH's significant financial figures for the years 2014-2017 and the first nine months of 2017**

Unit: Million Baht

Financial data	2014	2015	2016	First nine months of 2017
Total income	1,539.37	1,540.01	1,549.78	1,359.58
Net profit (loss)	146.49	19.70	(158.86)	(86.12)
Total assets	5,286.48	4,964.92	4,485.37	4,847.76
Total liabilities	4,271.52	3,995.26	3,674.57	4,120.93
Shareholders' equity	1,014.96	969.67	810.80	726.83

Source: AZTH

2) **The Share Allocation for EBT Acceptance**

No assets will be acquired or disposed because this is the allocation of the New Share for EBT Acceptance.

1.7 **Basis for determining the total value of consideration**

1) **The Acceptance of the EBT**

The price of Baht 1,253,794,000 for the Acceptance of the EBT has been mutually agreed upon between SAGI and AZTH according to the EBT Agreement, taking into account various factors including AZTH's asset value, financial position and operating results, expertise and experience in operating the insurance business, and outcome of the actuary's appraisal by Milliman Limited, an actuary engaged by the Company to conduct the valuation of AZTH.

2) The Share Allocation for EBT Acceptance

The offering price of the New Shares for EBT Acceptance at Baht 53.43 per share has been mutually agreed upon among the Company, Allianz SE and CPRNT according to the Share Subscription and Purchase Agreement, taking into account various factors including the price of the Company's shares which are traded on the SET from 1 November 2017 to 20 November 2017, the Company's asset value, financial position and operating results, expertise and experience in operating the business, and growth prospect in the insurance business.

1.8 Benefits which the Company is expected to receive

1) The Acceptance of the EBT

The Board of Directors (excluding Mr. Bryan James Smith, an interested director, who did not take part in the consideration for the entry into this transaction) expects that the Acceptance of the EBT will bring significant benefits to the Company and SAGI as follows:

- Support of the integration and share of resources individually invested in by both companies in order to achieve optimal benefits on an economies of scale basis, thereby reducing SAGI's operating cost.
- Given Allianz Group's solid financial status and capacity and experience in insurance business for over 127 years, and has the expertise in complex products to meet the diversity of customer needs, technology and other proficiency, the co-operation with Allianz Group will integrate experience, know-how, capability and expertise in business operation of SAGI and AZTH, and expand customer base and distribution channel which would result in SAGI having better management and ability to compete sustainably in the current insurance market.
- After the Acceptance of the EBT, SAGI's size will increase significantly. Based on the SAGI's and AZTH's market share of direct income premiums in 2016, the expected income from insurance premium of all type of insurance will increase to approximately Baht 5,436,065,000 with the market share at approximately 2.57 percent, which will make SAGI rank No. 12 for the non-life insurance business in Thailand.

The table below provides the information about SAGI's and AZTH's market shares of direct insurance premiums in 2016.

Type of Insurance Premium	Direct Insurance Premium (Thousand Baht)			Industry Direct Insurance Premium (Thousand Baht)	Market Share (%)			Ranking		
	SAGI	AZTH	SAGI and AZTH		SAGI	AZTH	SAGI and AZTH	SAGI	AZTH	SAGI and AZTH
Fire insurance	601,818	32,556	634,375	10,233,267	5.88	0.32	6.20	6	30	6
Marine insurance	333,378	156,034	489,412	5,267,903	6.33	2.96	9.29	6	11	3
Miscellaneous insurance	1,061,613	1,125,461	2,187,073	74,124,306	1.43	1.52	2.95	19	18	11

Type of Insurance Premium	Direct Insurance Premium (Thousand Baht)			Industry Direct Insurance Premium (Thousand Baht)	Market Share (%)			Ranking		
	SAGI	AZTH	SAGI and AZTH		SAGI	AZTH	SAGI and AZTH	SAGI	AZTH	SAGI and AZTH
Motor Insurance	1,053,084	1,072,121	2,125,205	122,187,906	0.86	0.88	1.74	28	27	17
Total	3,049,893	2,386,172	5,436,065	211,813,382	1.44	1.13	2.57	19	29	12

Source: OIC (except for the aggregate number of SAGI and AZTH)

- Reduction of risk of concentration of insurance products distribution channel, the EBT Acceptance will help expand the customer bases and the distribution channels of SAGI. At present, SAGI has a relatively high dependency on the distribution channels via Bank of Ayudhya Public Company Limited and CIMB Thai Bank Public Company Limited, of which the contract with CIMB Thai Bank Public Company Limited will expire in 2020 without renewal.

2) The Share Allocation for EBT Acceptance

The Company will receive share payment which will be used to purchase newly issued ordinary shares in SAGI, in order to provide SAGI with funds for the Acceptance of the EBT. The Acceptance of the EBT will not affect the Company's financial position and operating cost as well as SAGI's financial cost, because the Company and SAGI will not have to secure additional funding from financial institutions or other sources.

1.9 Directors who have interest and/or directors who are connected persons

Mr. Bryan James Smith, a representative director nominated by Allianz SE, did not attend and was not entitled to vote in the Board of Directors Meeting that considered the entry into the foregoing transactions.

1.10 Opinions of the Board of Directors on the entry into transactions

The Board of Directors (excluding Mr, Bryan James Smith, an interested directors who did not take part in the consideration for the entry into transactions) has the opinions as follows:

1) The Acceptance of the EBT

The Acceptance of the EBT is reasonable because it will benefit the Company and SAGI as stated in 1 of clause 1.8 above.

The consideration for the Acceptance of the EBT is in accordance with the outcome of the appraisal by an actuary.

2) The Share Allocation for EBT Acceptance

The Share Allocation for EBT Acceptance is reasonable because it will benefit the Company and SAGI as stated in 2 of clause 1.8 above.

Furthermore, the offering price of the New Shares at Baht 53.43 per share is higher than the Company's book value per share and the Company's market price per share, which is Baht 30.10 per share, calculated by weighted average price of the Company's shares which are traded in the SET between 1 November 2017 and 20 November 2017.

1.11 Opinion of the Audit Committee and/or directors of the Company which is different from that of the Board of Directors under clause 1.10

The Audit Committee of the Company does not have opinion which is different from that of the Board of Directors under clause 1.10.

However, Mr. Laksna Thongthai, one of the Board of Directors who did not attend this Board of Directors Meeting as he necessarily had to travel abroad, has a written notice to the Chairman of the Board of Directors dated 16 November 2017 to request for the postponement of the Board of Directors Meeting to give him an opportunity to participate in the meeting to consider the information as well as relevant details and to ask and provide opinions for the best interest of the Company and the shareholders.

In the Board of Directors Meeting No. 7/2017 on 21 November 2017, the Chairman of the Board of Directors ("**Chairman**") consulted with the directors of the Company who attended to constitute the quorum under the law and the Articles of Association of the Company to ask for their desire to postpone the meeting or to proceed with the meeting on the agenda for the purpose of the progress of the proposed project. After spending appropriate period of time to study this project, the Working Team had a clear proposal which can be used for decision making.

Mr. Laksna Thongthai provided the opinion in the Board of Directors Meeting of the Company No. 6/2017 on 10 November 2017 with respect to the proposed acquisition and the acceptance of the entire business transfer of AZTH and the purchase of AZAY shares, that he still disagreed with the proposed information, viewing that the details that he previously requested for still have not been considered and clearly answered.

In such Board of Directors Meeting, the Chairman is of the opinion that Mr. Laksna Thongthai was appointed to be part of the Working Team on appraising the value of the transaction and other issues for the past several months, but if he still demanded for further information, the Chairman gave an opportunity to ask during the meeting or after the meeting up until the next meeting to integrate the opinions for consideration and approval on this matter. For the opinions of Mr. Laksna Thongthai with respect to dividend payment and trend of life and non-life insurance business that were address during the meeting, the Chairman acknowledged such information.

Afterwards, the Board of Directors Meeting No. 7/2017 on 21 November 2017 has considered the details of the the potential co-operation with the Allianz Group and engaging in relevant transactions, as well as opinions and suggestions that the directors of the Company have provided during the Board of Directors Meeting of the Company No. 6/2017 on 10 November 2017. The directors at the meeting voted unanimously (8-0) approving to propose this matter to the Extraordinary General Meeting of Shareholders No. 1/2018 on Friday, 19 January 2018, as disclosed in the information memorandum to the SET.

2. The Purchase of AZAY Shares and the Share Allocation for AZAY Share Purchase

The Purchase of AZAY Shares and the Share Allocation for AZAY Share Purchase (the "**AZAY Share Purchase Transaction**") are the acquisition of assets and the connected transaction under the same transaction because the Company will issue the New Shares for AZAY Share Purchase, totaling 73,033,895 shares, to Allianz SE and CPRNT in consideration for the Purchase of AZAY Shares. In this regard, Allianz SE and CPRNT will transfer 34,810,000 shares in AZAY to the Company for the payment for AZAY Share Purchase in lieu of cash payment.

2.1 Date, month, year to enter into the transactions

The Company's Board of Directors Meeting No. 7/2017, held on Tuesday 21 November 2017, has approved to propose to the EGM, for its consideration and approval, the AZAY Share Purchase Transaction.

The Company will proceed with the aforementioned transactions after the conditions precedent specified in the Share Subscription and Purchase Agreement are satisfied or are waived as provided for thereunder. The conditions precedent that must be satisfied include, *inter alia*, the receipt of the OIC Approval and the SEC Approvals.

2.2 The relevant parties and their relationship with the Company

Purchaser: The Company

Sellers: 1) Allianz SE
2) CPRNT

Relationship with the Company: Allianz SE is a one of the major shareholders of the Company holding 42,104,000 shares or approximately 16.84 percent of the total voting shares in the Company as of 7 December 2017 which is the latest date that the Company determines the list of shareholders (Record Date). CPRNT is a related person of Allianz SE under section 258 of the SEC Act as stated in clause 1.2 above.

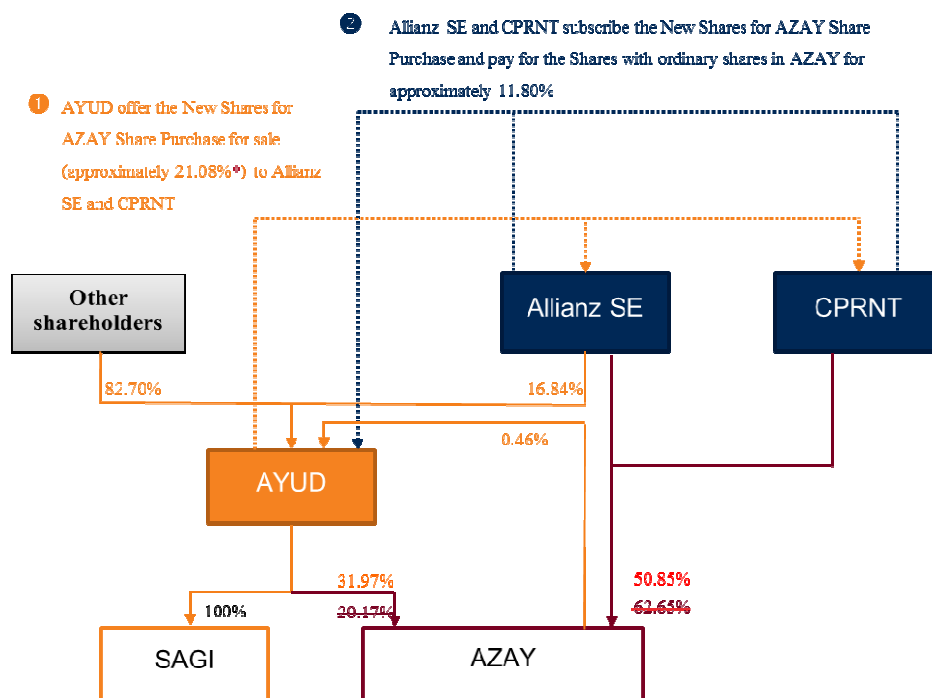
Therefore, Allianz SE and CPRNT are also considered connected persons of the Company.

2.3 General description of the transactions

After satisfaction of the conditions precedent specified in the Share Subscription and Purchase Agreement or the waiver of these conditions as provided for thereunder, the Company will purchase the additional ordinary shares in AZAY of 34,810,000, which account for approximately 11.80 percent of its total shares sold in AZAY, from Allianz SE and CPRNT, thereby causing the Company's ordinary shareholding in AZAY to increase from 59,500,280 shares to 94,310,280 shares, or from approximately 20.17 percent to 31.97 percent of the total shares sold in AZAY.

The Company will issue the New Shares for AZAY Share Purchase, totaling 73,033,895 shares, to Allianz SE and CPRNT in consideration for the AZAY shares. In this regard, Allianz SE and CPRNT will transfer 34,810,000 shares in AZAY to the Company for the payment for the New Shares for AZAY Share Purchase in lieu of cash payment.

The New Shares for AZAY Share Purchase to be allocated and offered for sale to each of Allianz SE and to CPRNT will be determined based upon the foreign shareholding availability in the Company before the allocation of the New Shares for the Purchase of AZAY Shares, and the numbers of shares in AZAY to be respectively sold by Allianz SE and CPRNT to the Company. This is to ensure that the offering would not result in the total shareholding of non-Thais in the Company exceeding 49 percent of the total voting shares in the Company after the Capital Increase Registration.



* calculated from all shares of AYUD after Capital Increase Registration

2.4 Total value of consideration

The total value of consideration for the AZAY Share Purchase Transaction of 73,033,895 shares, for the purpose of calculating the transaction size according to the Connected Transaction Notifications, is the offering price of the New Shares for the AZAY Share Purchase, totaling approximately Baht 3,902,201,000.

2.5 Transaction size

The AZAY Share Purchase Transaction is a connected transaction and acquisition of assets of the Company, with the transaction size according to the Connected Transaction Notifications and the Notifications on Assets Acquisition or Disposal, as follows:

Transaction size under the Connected Transaction Notifications

The size of the AZAY Share Purchase Transaction, with the total value of consideration equivalent to Baht 3,902,201,000, is equivalent to 53.33 percent, which is more than three percent of the Company's NTA (which is Baht 7,316,537,000), based on its consolidated financial statements for the nine-month period ending on 30 September 2017, as reviewed by the Company's auditor.

Transaction size under the Notifications on Acquisition and Disposal

The size of the AZAY Share Purchase Transaction, with the total value of consideration equivalent to approximately Baht 3,902,201,000, which is calculated based on the Company's consolidated financial statements for the nine-month period ending on 30 September 2017, and AZAY's financial statements for the nine-month period ending on 30 September 2017, as reviewed by the auditors, is equivalent to 41.62 percent, which is the highest transaction value calculated based on the net profit basis. The table below provides the details of the consideration.

Financial data used for calculating the transaction size

Below is the financial data of the Company and AZAY used for calculating the transaction size.

Unit: Million Baht

Financial data	The Company	AZAY	
		Total value of AZAY	Value proportionately to the shares to be additionally purchased by the Company (11.80%)
NTA*	7,316.54	15,795.63	1,863.88
Total asset value	11,049.76	173,356.42	20,456.06
Net profit (loss)	391.42	1,380.69	162.92

Remarks:

* The NTA is calculated from the total assets, less intangible assets, total liabilities, and minor shareholders' equity.

Transaction size calculation basis

Calculation basis	Details of the calculation	Transaction value (%)
1. NTA value basis	$\frac{1,863.88}{7,316.54} \times 100$	25.47
2. Net operating profit basis	$\frac{162.92}{391.42} \times 100$	41.62
3. Total value of consideration basis	$\frac{3,902.20}{11,049.76} \times 100$	35.31
4. Value of capital shares issued as consideration for assets basis	$\frac{73,033.89}{250,000.00} \times 100$	29.21

2.6 Details of the purchased assets

1) The details of the acquired assets

34,810,000 ordinary shares in AZAY, with a par value of Baht 10 each.

2) Nature of business of AZAY

AZAY operates life insurance business in Thailand. Its main income is derived from life insurance business and investment business. Below are the brief details of each type of its businesses.

(1) **Life insurance business:** divided into four main product lines, i.e. protection product, financial planning product, investment product, and product for other financial services.

(2) **Investment business:** the investment of premium income to generate safe and secure returns, so as to ensure that the Company will have adequate cash flow to meet its claim obligations under insurance policies, provided that the investment must be consistent with the investment rules prescribed by the OIC.

AZAY's market share of direct insurance premiums in the life insurance business has ranked the top 10 for a long time. In 2016, AZAY's market share ranked No. 7 with direct insurance premium of Baht 30,416 million and the market share at 5.54 percent. The growth rate was approximately 6.54 percent compared to 2015 when AZAY had direct insurance premiums of Baht 28,548.89 million in total, with the market share of 5.35 percent.

3) Registered and paid-up capital, shareholding structure, and Board of Directors

(a) Registered and paid-up capital

As of 21 November 2017, AZAY has registered capital of Baht 4,000,000,000 and paid-up capital of Baht 2,950,000,000, and 295,000,000 paid-up ordinary shares with a par value of Baht 10 each.

(b) Shareholding structure

As of 20 April 2017, the shareholding structure of AZAY is as follows:

Name of shareholder	Number of shares (shares)	% of the total number of shares and voting rights
1. CPRNT	111,097,214	37.66
2. Allianz SE	73,711,193	24.99
3. The Company	59,500,280	20.17
4. Great Luck Equity Company Limited	30,960,728	10.50
5. Great Fortune Equity Company Limited	8,320,180	2.82
6. Bangkok Broadcasting & T.V. Co., Ltd.	8,218,212	2.79
7. Thai minority interest	3,192,393	1.08
Total	295,000,000	100.00

Source: AZAY

(c) Board of Directors

As of 21 November 2017, AZAY has 11 directors, as follows:

Name of director	Position
1. Mr. Rowan D'Arcy	Chairman
2. Mr. Bryan James Smith	President and Chief Executive Officer
3. Mr. Narong Chulajata	Independent Director, Vice Chairman of the Board, and Chairman of the Audit Committee
4. Mr. Phanchai Satayaporn	Director
5. Mr. Pongpinit Tejagupta	Director
6. Mr. Titiwut Soukpornchaikul	Director and Member of Audit Committee
7. Mr. Virojn Srethapramotaya	Director and Member of Audit Committee
8. Mr. Ayuth Chansetthikul	Independent Director and Member of Audit Committee
9. Miss Orawan Tejapaibul	Independent Director and Member of Audit Committee
10. Mrs. Napaporn Landy	Independent Director and Member of Audit Committee
11. Mr. Apicharti Sivayathorn	Independent Director

Source: AZAY

(d) Summary of AZAY's significant financial figures for the years 2014-2017 and the first nine months of 2017

Unit: Million Baht	2014	2015	2016	First nine months of 2017
Total income	31,735.47	34,321.16	36,611.14	27,217.56
Net profit (loss)	1,920.29	1,947.22	1,986.01	1,380.69
Total assets	129,575.46	145,153.90	161,095.54	173,356.42
Total liabilities	116,343.86	130,793.83	147,302.10	157,327.88
Shareholders' equity	13,231.60	14,360.07	13,793.43	16,028.54

Source: AZAY

2.7 Basis for determining the total value of consideration

For the purpose of determining the total value of consideration for the purchase of 34,810,000 ordinary shares in AZAY, the Company will pay consideration therefor by the New Shares for AZAY Share Purchase (73,033,895 newly issued ordinary shares in the Company) with a par value of Baht 1 each, at the offering price of Baht 53.43 per share or approximately Baht 3,902,201,000 in total. This price has been mutually agreed upon among the Company, Allianz SE and CPRNT according to the Share Subscription and Purchase Agreement, taking into account various factors including AZAY's asset value, financial position and operating results, and expertise and experience in operating the insurance business, as well as the outcome of the appraisal by Milliman Limited, an actuary that the Company has engaged, to conduct the valuation of AZAY.

2.8 Benefits which the Company is expected to receive

(1) The Company will receive higher dividends from AZAY in proportion to the increase of the Company's shareholding in AZAY. AZAY is a life insurance company with continuing growth prospect. Its market share of direct insurance premiums in the life insurance business has ranked the top 10 for a long time. In 2016, AZAY's market share ranked No. 7 (source: 2016 market shares of direct insurance premiums in the life insurance business, by the OIC) with direct insurance premiums of Baht 30,416 million, and the market share at 5.54 percent, representing a growth of approximately 6.54 percent compared to 2015 when AZAY had direct insurance premiums of Baht 28,548.89 million, with the market share of 5.35 percent 7 (source: 2015 market shares of direct insurance premiums in the life insurance business, by the OIC)."

(2) The Company will have more voting rights in the shareholders meeting of AZAY and could have higher level of participation in the management and decision-making of significant strategies of AZAY.

2.9 Directors who have interest and/or directors who are connected persons

Mr. Bryan James Smith, a representative director nominated by Allianz SE, did not attend and was not entitled to vote in the Board of Directors Meeting that considered the entry into the foregoing transaction.

2.10 Reason why persons who may have conflict of interest are holding shares in AZAY in excess of 10 percent of its total shares sold

AZAY is an associated company of the Company. When the Company completes the AZAY Share Purchase Transaction, the Company's shareholding in AZAY will increase from 59,500,280 shares to 94,310,280 shares, or from approximately 20.17 percent to 31.97 percent of the total shares sold in AZAY. However, as Allianz SE, CPRNT and the Ratanarak Group are also major shareholders of AZAY (with the aggregate shareholdings in excess of 50 percent of the total voting shares in AZAY), the shareholding structure of AZAY, as the Company's associated company after the completion of this transaction, will not be in accordance with clause 13(2) of Notification of the Capital Market Supervisory Board No. TorChor. 39/2559 re: Application for and Approval of the Offering for Sale of Newly Issued Shares, dated 30 September 2016 (as amended), which provides "the shareholding structure of the applicant, and its subsidiaries and associated companies must be in accordance with the following rules...(2) no person who may have conflict of interest of the applicant holds shares in its subsidiary or associated company in excess of 10 percent of the total voting shares of the Company or that subsidiary or associated company, unless it can be shown that the shareholding in that subsidiary or associated company has been structured in the best interest of the applicant." With this shareholding structure of AZAY, if the Company wishes to file an application with the Office of the SEC in the future in order to offer for sale of newly issued shares to the public, there might be a risk that the Company may not be granted an approval for that public offering as a result of its disqualification under the aforesaid requirement, unless the Company can show that the shareholding in AZAY is structured in the best interest of the Company and the Company has been granted a waiver from the Office of the SEC. Furthermore, such shareholding structure of AZAY is not consistent with clause 63 of the SET Regulation re: Listing of Ordinary Shares or Preferred Shares as Listed

Securities, B.E. 2558 (2015), dated 11 May 2015 (as amended) which provides "the listed company and its subsidiary must not have conflict of interest according to the rules prescribed in notifications of the Capital Market Supervisory Board".

Allianz SE, CPRNT and the Ratanarak Group were AZAY's existing major shareholders before the Company began to purchase AZAY shares from Bank of Ayudhya Public Company Limited in 2012. At present, Allianz SE, CPRNT, and the Ratanarak Group invest in only one life insurance company in Thailand, i.e. AZAY.

2.11 Opinions of the Board of Directors on the entry into transactions

The Board of Directors (excluding Mr. Bryan James Smith, an interested directors who did not take part in the consideration for the entry into this transaction) is of the opinion that the AZAY Share Purchase Transaction is reasonable and is expected to benefit the Company and its shareholders, because AZAY is a life insurance company with continuing growth prospect. This investment in AZAY will improve the Company's operating results, and is consistent with the Company's existing policy to increase its investment in AZAY to 51 percent of its total shares sold.

The consideration for the AZAY Share Purchase Transaction is reasonable as it is in accordance to the outcome of the appraisal by an actuary.

2.12 Opinion of the Audit Committee and/or directors of the Company which is different from that of the Board of Directors under clause 2.11

Opinion of the Audit Committee is not different from the opinion of the Board of Directors under clause 2.11.

However, Mr. Laksna Thongthai, one of the Board of Directors, has an opinion that is different from the opinion of the Board of Directors under clause 2.11. Please refer to more details on Mr. Laksna Thongthai's opinion under clause 1.11.

Information Memorandum on the Acquisition of Assets (List 2)

of Sri Ayudhya Capital Public Company Limited

1. General business information of Sri Ayudhya Capital Public Company Limited ("the Company")

Name	Sri Ayudhya Capital Public Company Limited (formerly Ayudhya Insurance Public Company L
Registration number	0107537001391
Address	898 Ploenchit Tower, 7th floor, Ploenchit Road, 1 Pathumwan, Bangkok. 10330
Date of establishment	7 October 1950
Nature of business	Investment holding company
Registered capital as at 22 November 2017	Baht 500,000,000
Paid-up capital as at 22 November 2017	Baht 250,000,000

2. List of directors, executives, and the first 10 major shareholders

2.1 List of directors

The Board of Directors of the Company consists of 11 directors as follows:

Director name	Position
Mr. Veraphan Teepsuwan	Chairman
Mr. Arnon Opaspimoltum	President
Mr. Virojn Srethapramotaya	Director
Mr. Chusak Salee	Director
Mr. Laksna Thongthai	Director
Mr. Bryan James Smith	Director
Miss Nopporn Tirawattanagool	Director
Mr. Surachai Prukbamroong	Independent Director
Mr. Metha Suvanasarn	Independent Director
Mr. Vichit Kornvityakoon	Independent Director
Mr. Suwat Suksongkroh	Independent Director

Source: The Stock Exchange of Thailand

2.2 List of executives

The first four executives below the President, and the executives holding a position equivalent to the fourth executive:

Executive name	Position
Mr. Arnon Opaspimoltum	President
Ms. Orathai Rongthongaram	Executive Vice President, Accounting Department
Ms. Jiratcha Ruplek	Senior Vice President, Company Secretary Department, and Company Secretary
Mrs. Anyamanee Jotikasathira	Senior Vice President, Administrative Department

3. Shareholding structure

As of 22 November 2017, the Company has registered capital in the amount of Baht 500 million divided into 500 million ordinary shares with the par value of Baht 1 each. The Company has paid-up registered capital in the amount of Baht 250 million divided into 250 million ordinary shares with the par value of Baht 1 each.

As of the most recent record date, 7 December 2017, the shareholding of the Company is as follows:

Name of Shareholder	No. of shares as of 7 December 2017	Percentage
Allianz SE	42,104,000	16.842
Bangkok Broadcasting & Television Company Limited	28,802,500	11.521
Triple Prime Team Holdings Company Limited	25,238,750	10.096
BBTV Equity Company Limited	21,946,000	8.778
Bank of Ayudhya Public Company Limited	21,250,800	8.500
Thongthai (1956) Company Limited	9,610,000	3.844
Ms. Sudthida Ratanarak	7,624,970	3.050
UBS AG London Branch	7,380,500	2.952
Great Fortune Equity Company Limited	7,045,250	2.818
Krungthai Panich Insurance Public Company Limited	3,938,400	1.575
Other shareholders	75,058,830	30.024
Total	250,000,000	100.000

4. Nature of business and business trend of the Company and its subsidiaries and associated companies

4.1 The Company's business operation

Sri Ayudhya Capital Public Company Limited is an investment holding company, investing in subsidiary and associated companies as follows:

- the Company holds 100 percent of the paid-up capital of Sri Ayudhya General Insurance Public Company Limited, its subsidiary company that engages in a non-life insurance business; and
- the Company holds 20.17 percent of the paid-up capital of Alliance Ayudhya Assurance Public Company Limited, its associated company that engages in a life insurance business.

The Company also earns incomes from its investments in other companies.

4.2 Business operation of subsidiary company

Sri Ayudhya General Insurance Public Company Limited ("**SAGI**"), (formerly BT Insurance Company Limited) was established in Thailand on 21 September 1982, and received the license to conduct all types of non-life insurance businesses on 24 September 1982.

Presently, the principal office of SAGI is situated at 898 Ploenchit Tower, 18th floor, Zone A, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330.

SAGI operates a non-life insurance business covering four business lines as follows.

- (1) **Fire insurance:** The nationwide coverage includes structures, buildings, residences, , commercial buildings, industrial plants including assets, inventory, machines and equipment, and raw materials, as well as insurance coverage against fire, lighting, explosion, and storm, leasehold insurance, and business interruption insurance.
- (2) **Marine and transportation:** The insurance includes coverage on goods transported by ships at sea or by river, both internationally and within Thailand. There is also coverage for marine hulls. The coverage is provided on goods transported over land by truck or train, as well as by air and parcel post, including ships, machinery and devices on ships that are damaged by sea peril, such as wave, storm, or accident, and ship owner's liability in the case of damage to other vessels.
- (3) **Miscellaneous:** These include assets, statutory liabilities, engineering works, personal and group accident, domestic or overseas travel, cancer, micro insurance, money, burglary, machinery and erection, construction, workman compensation, electronics and computers, public liability, all risks, credit card, plate glass, contractors' plant and machinery, etc.
- (4) **Motor:** Covers are for damage to automobiles and devices, injury, death, liabilities for death, injury, and damage to third parties' properties, Choices range from compulsory to voluntary with various options.

SAGI also engages in a reinsurance business with other domestic and overseas insurance companies in order to increase its risk management capability, and efficiently diversify the risks. There are two types of reinsurance: facultative reinsurance and treaty reinsurance.

4.3 Business operation of associated company

Allianz Ayudhya Assurance Public Company Limited ("**AZAY**"), formerly known as Ayudhya Allianz C. P. Life Public Company Limited, was founded in Thailand on 11 April 1951. AZAY has its core business in life insurance and was granted a life insurance license on 20 April 1951.

Presently, the principal office of AZAY is situated at 898 Ploenchit Tower, 1st floor Zone B, 2nd floor Zone B (Mezzanine), 6th floor, 14th floor, and 17th floor, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330. The Company holds 20.17 percent of the total issued shares in AZAY. In 2002, the Company purchased 17,162,978 ordinary shares, or 5.82 percent of total issued shares of AZAY.

On 18 January 2012, the Company acquired 17,265,108 shares of AZAY.. On 9 May 2012, the Company acquired 25,072,194 shares. The total investment made in AZAY amounted to 59,500,280 shares, or 20.17 percent, making this investment fall under the classification as an "associated company."

4.4 Company revenue structure based on consolidated financial statements

The main income of the Company as per the consolidated financial statements can be divided into two parts: the underwriting income and the investment income. Details of the income as of 31 December 2016, 2015 and 2014 are shown as follows.

(Unit in Baht)

Underwriting Income*	2016		2015		2014	
	Amount	% percent	Amount	% percent	Amount	% percent
Fire	454,714,970	20.5	482,640,310	21.4	421,708,452	19.2
Marine and transportation	172,949,269	7.8	179,239,144	7.9	190,827,734	8.7
Miscellaneous	791,935,432	35.8	847,547,848	37.5	677,379,964	30.9
Motor	796,204,961	35.9	751,529,183	33.2	901,999,040	41.2
Total	2,215,804,632	100.0	2,260,956,485	100.0	2,191,915,190	100.0

*Underwriting income consists of net earned premiums and commission and brokerage fees.

(Unit in Baht)

Net earned Income	2016		2015		2014	
	Amount	% percent	Amount	% percent	Amount	% percent
Fire	425,169,252	22.5	421,893,295	22.5	360,777,581	19.8
Marine and transportation	107,729,040	5.7	110,789,398	5.9	114,097,024	6.2
Miscellaneous	681,164,983	36.0	725,275,303	38.8	565,957,707	31.1
Motor	678,422,105	35.8	614,717,773	32.8	780,861,183	42.9
Total	1,892,485,380	100.0	1,872,675,769	100.0	1,821,693,495	100.0

(Unit in Baht)

Type of income	2016		2015		2014	
	Amount	% percent	Amount	% percent	Amount	% percent
1. Underwriting incomeประกันภัย	2,215,804,632	77.4	2,260,956,485	79.7	2,191,915,190	53.4
2. Investment income	541,962,648	18.9	572,328,785	20.1	1,911,658,546	46.5
3. Other income	104,321,506	3.7	5,123,063	0.2	2,689,254	0.1
Total income	2,862,088,786	100.0	2,838,408,333	100.0	4,106,262,990	100.0

In 2016, the composition of the Company's income structure changed from 2015, with the proportion of insurance income reducing from 79.7 percent in 2015 to 77.4 percent.

The proportion of investment income in 2016 decreased from 20.1 percent in 2015 to 18.9 percent resulting from a reduction of profit from investment in securities in the amount of Baht 10.17 million or 17.28 percent while net investments made during 2016 were also reduced by Baht 15.92 million or 13.19 percent due to lower interest rates, which continued on a downward trend. In 2016, the Company also earned a profit from the investment in Allianz Ayudhya Assurance Public Company Limited in the amount of Baht 388.47 million, a decrease of Baht 4.28 million or 1.09 percent from the previous year.

The proportion of other income during 2016 increased from 0.2 percent in 2015 to 3.7 percent as in 2016 the Company profited from other income in the amount of 104.32 million, versus Baht 5.12 million last year, an increase of Baht 99.20 million or 1,936.31 percent resulting from a reversed record in an insurance contract of Baht 97.87 million based on a lawsuit for a claim settlement by an insured on 24 September 1997; on 15 March 2016, the Supreme Court dismissed the case thus the Company was able to reverse the record into other income for 2016.

4.5 Market and competition

(a) Product policy and market

In 2016 direct premiums of non-life insurance industry amounted to Baht 211,813.38 million, a growth of 1.21 percent from 2015, divided into fire insurance at Baht 10,233.27 million, down by 2.40 percent, marine and shipping insurance at Baht 5,267.90 million, down 1.41 percent, miscellaneous insurance at Baht 74,124.31 million, up 1.50 percent, and motor insurance at Baht 122,187.91 million, up 1.46 percent (source of data: Business Intelligence and Statistics, Office of the Insurance Commission).

Type of insurance	Direct premiums of non-life insurance business		
	2016	2015	% Increase (decrease)
Fire	10,233,267	10,484,614	(2.40)
Marine and transportation	5,267,903	5,342,974	(1.41)
Miscellaneous	74,124,306	73,027,073	1.50
Motor	122,187,906	120,423,870	1.46
Total	211,813,382	209,278,531	1.21

Competitive strategy

The Company competes using the following strategies.

1. Develop quality employees by improving their capabilities in using technology for work, and thereby improve the response rate as well as the accuracy and ability to provide speedier service.
2. Develop operational processes to ensure on-time service delivery for customers.
3. Systematically and continuously upgrade technology used in work processes, and thereby increase efficiency and accuracy of services to support expansion in insurance work in areas of underwriting and claims to satisfy customers.
4. Develop new products and services to fit customers' lifestyles.

5. Promote quality agents and brokers through training, and online connectivity to link data for faster, more accurate and efficient services.
6. Continue to build bancassurance distribution channel by developing new products and services to meet customers' needs.
7. The online distribution channel has been growing continuously and the opportunity in expanding this channel is promising. The Company plans to join hands with similar businesses and sell online.

Customer groups

Customers may be categorized into two groups: personal and corporate.

- For personal line of business

The Company focuses on groups of customers who already understand the importance of having insurance. They are experienced with insurance products having purchased insurance such as property, motor, personal accident, and travel insurance for themselves and families. Bank loan customers are required to have insurance in accordance with loan agreements to prevent possible loss.

- For corporate line of business

The Company responds to the needs of corporate clients by assessing the risks involved and proposing appropriate insurance products to mitigate risks. Targeted types of business include hotels, factories, finance companies, and retail stores. The majority of these businesses acquire insurance to cover third party liability, business interruptions, machinery used in construction, and machinery loss or damage. The Company focuses its efforts on mid-sized and SME businesses.

Remark: In the past three years, the Company has not relied on any major client whose business exceeds 30 percent of total income.

Distribution channels

The Company's distribution channels consist of the following:

1. brokers and agents;
2. financial institutions and affiliated companies; and
3. direct sales.

Distribution breakdowns in the past three years are as follows.

Distribution channels	2016	2015	2014
1. Brokers and agents	39.80%	43.08%	42.15%
2. Financial institutions and affiliated companies	53.63%	49.10%	48.95%
3. Direct sales	6.56%	7.82%	8.907%

Criteria for licensing agents and brokers

To qualify as an agent or broker for the Company, the person must possess qualifications in accordance with the Non-Life Insurance Act, B. E. 2535 (1992) (as amended) and must pass required

examinations. Those whose examination results pass the required level of non-life insurance knowledge can then submit a non-life insurance agent or broker application to the Registrar in the form prescribed.

(b) Industry competition

2016 market share of the subsidiary as provided by Statistics Division, Examination Planning and Development, Office of Insurance Commission is shown as follows:

Type of insurance	Direct premiums of the subsidiary (unit in thousand baht)	Direct premiums of 61 insurance companies (unit in thousand baht)	Market share (%)	Ranking
Fire	601,818	10,233,267	5.88	6
Marine and transportation	333,378	5,267,903	6.33	6
Miscellaneous	1,061,613	74,124,306	1.43	19
Motor	1,053,084	122,187,906	0.86	28
Total	3,049,893	211,813,382	1.44	19

As of 31 December 2016, there are 61 operating insurance companies within the country, split into 52 Thai insurance companies, 5 defined as branches of foreign insurance companies and 4 group health insurance companies.

The subsidiary has the advantage over competition on strong financial strength and number of years in business enabling it to operate efficiently over the years. The capital adequacy ratio (CAR) is at 698 percent. Additionally, the collaboration over the years with Bank of Ayudhya Public Company Limited and its network of companies generates mutual benefits. Other financial institutions work in partnership with the subsidiary in a similar manner. The subsidiary increases market share for fire, miscellaneous, marine and transportation, and motor insurance by making continuous improvements on operational procedures and service efficiency. As customers become more interested in the quality of service along with the financial stability of insurance companies, the subsidiary, more than ever, focuses its efforts in these areas. At the end of 2016, the subsidiary has 14 provincial branches and four sub-branches dedicated to servicing claims, spanning the northern, central, eastern, north eastern and southern regions. All branches are online to provide convenience and speedy service.

5. Summary of financial statements, and management discussion and analysis of financial position and operating results in the past three years and the present year until the last quarter

5.1 Statement of financial position, statement of comprehensive income, and statement of cash flow

Statement of financial position

Unit: thousand baht

	Statement of financial position			
	As at 30 September 2017	As at 31 December 2016	As at 31 December 2015	As at 31 December 2014
Assets				
Cash and cash equivalents	1,437,790	1,417,050	1,065,247	1,368,953
Premium due and uncollected - net	219,186	217,433	287,006	292,975
Accrued investment income	3,419	10,048	13,633	15,072
Reinsurance assets	948,550	1,050,276	992,160	1,089,420
Due from reinsurers	54,434	58,569	193,115	394,577
Investments				
Investment in securities	4,705,532	4,594,203	4,655,982	4,691,757
Loans	24	129	579	1,378
Investment in an associated company	3,281,285	2,830,475	2,944,764	2,717,156
Premises and equipment	56,633	60,534	75,310	55,125
Intangible assets	68,204	75,159	83,674	88,237
Deferred tax assets	159,184	185,959	225,920	211,228
Deferred commissions expenses	62,768	63,404	55,618	59,836
Other assets	<u>52,752</u>	<u>53,412</u>	<u>68,251</u>	<u>46,230</u>
Total assets	<u><u>11,049,761</u></u>	<u><u>10,616,651</u></u>	<u><u>10,661,259</u></u>	<u><u>11,031,944</u></u>

Unit: thousand baht

Statement of financial position

	As at 30 September 2017	As at 31 December 2016	As at 31 December 2015	As at 31 December 2014
Liabilities and equity				
Insurance contract liabilities	2,094,075	2,249,889	2,401,124	2,586,859
Due to reinsurers	740,508	705,692	633,352	795,481
Income tax payable	-	688	20,061	268,870
Employee benefit obligations	83,414	79,071	72,834	60,974
Premium written received in advance	352,816	337,983	305,256	334,883
Commissions and brokerage fees payable	43,586	50,979	61,587	62,710
Accrued expenses	41,823	62,104	66,405	85,377
Other liabilities	86,846	87,932	70,981	60,050
Total liabilities	3,443,068	3,574,338	3,631,600	4,255,204
Equity				
Share capital				
Authorized share capital 500,000,000 ordinary shares of Baht 1.00 each	500,000	500,000	500,000	500,000
Issued and paid-up share capital 250,000,000 ordinary shares of Baht 1.00 each	250,000	250,000	250,000	250,000
Premium on share capital	3,512,184	3,512,184	3,512,184	3,512,184
Retained earnings				
Appropriated				
Statutory reserve	50,000	50,000	50,000	50,000
Unappropriated	2,584,104	2,630,188	2,519,163	2,466,340
Other components of equity				
Changes in fair value of available-for-sale securities	(37,795)	(87,985)	(115,309)	36,794
Share of other comprehensive income of an associated	1,248,200	687,926	813,621	461,422

Unit: thousand baht

Statement of financial position

	As at 30 September 2017	As at 31 December 2016	As at 31 December 2015	As at 31 December 2014
company				
Total equity	7,606,693	7,042,313	7,029,659	6,776,740
Total liabilities and equity	11,049,761	10,616,651	10,661,259	11,031,944

Statement of profit or loss and other comprehensive income

Unit: thousand baht

Statement of financial position

	As at 30 September 2017	As at 31 December 2016	As at 31 December 2015	As at 31 December 2014
Revenues				
Gross premium written	2,167,518	3,082,392	3,137,849	3,087,165
<u>Less</u> Premium ceded	<u>922,348</u>	<u>1,286,529</u>	<u>1,239,518</u>	<u>1,269,964</u>
Net premium written	1,245,170	1,795,863	1,898,331	1,817,201
<u>Less</u> Unearned premium reserve increase (decrease)				
from previous period	<u>(1,178)</u>	<u>(96,623)</u>	<u>25,655</u>	<u>(4,492)</u>
Net premium earned	1,246,348	1,892,486	1,872,676	1,821,693
Fee and commission income	267,169	323,319	388,281	370,222
Net investment income	71,333	104,804	120,723	128,131
Gain on investment in securities	32,648	48,689	58,858	1,396,214
Share of profit on investment in an associated company	278,478	388,469	392,747	387,314
Other income	<u>2,436</u>	<u>104,322</u>	<u>5,123</u>	<u>2,689</u>
Total revenues	<u>1,898,412</u>	<u>2,862,089</u>	<u>2,838,408</u>	<u>4,106,263</u>
Expenses				

Unit: thousand baht

Statement of financial position

	As at 30 September 2017	As at 31 December 2016	As at 31 December 2015	As at 31 December 2014
Loss incurred	1,058,132	1,413,350	1,433,002	1,187,142
<u>Less</u> loss refundable from reinsurers	471,931	498,263	580,183	498,010
Commissions and brokerage fee expenses	310,266	455,697	466,290	454,614
Other underwriting expenses	340,222	473,318	424,369	378,612
Operating expenses	<u>248,535</u>	<u>357,658</u>	<u>356,978</u>	<u>367,358</u>
Total expenses	<u>1,485,224</u>	<u>2,201,760</u>	<u>2,100,456</u>	<u>1,889,716</u>
Income before income tax expense	413,188	660,329	737,952	2,216,547
Income tax expense (benefit)	<u>21,772</u>	<u>45,164</u>	<u>61,039</u>	<u>354,662</u>
Net income	<u>391,416</u>	<u>615,165</u>	<u>676,913</u>	<u>1,861,885</u>
Other comprehensive income (loss)				
	Items that will not be subsequently reclassified to profit or loss			
Actuarial loss on defined employee benefit plans		(1,666)	-	(2,177)
Share of other comprehensive income (loss) of an associated company		(3,509)	1,136	-
Income tax relating to items that will not be subsequently reclassified		<u>1,035</u>	<u>(227)</u>	<u>435</u>
		<u>(4,140)</u>	<u>909</u>	<u>(1,742)</u>
	Items that will be subsequently reclassified to profit or loss			
Changes in fair value of available-for-sale securities	62,737	34,154	(190,128)	9,705
Share of other comprehensive income of an associated company	705,351	(157,629)	-	569,545
Income tax relating to items that will be subsequently reclassified	<u>(157,624)</u>	<u>25,104</u>	<u>(50,024)</u>	<u>(115,850)</u>

Unit: thousand baht

Statement of financial position

	As at 30 September 2017	As at 31 December 2016	As at 31 December 2015	As at 31 December 2014
	610,464	(98,371)	200,097	463,400
Other comprehensive income (loss) for the periods, net of income tax	610,464	(102,511)	201,006	461,658
Total comprehensive income for the periods	1,001,880	512,654	877,919	2,323,543
Earnings per share				
Basic earnings per share	Baht			
	1.57	2.46	2.71	7.45

Statement of cash flows

Unit: thousand baht

Statement of cash flows

	As at 30 September 2017	As at 31 December 2016	As at 31 December 2015	As at 31 December 2014
Cash flows provided by (used in)				
Operating activities	2,154,707	3,152,635	3,092,015	3,010,616
Direct premium received	(109,554)	(326,319)	(447,223)	(103,661)
Cash paid to reinsurance	35,899	54,675	60,853	74,440
Interest income	418,872	52,643	60,990	58,806
Dividend income	1,780	3,571	2,627	2,004
Loss incurred from direct insurance	(1,125,085)	(1,334,065)	(1,307,675)	(1,517,977)
Commission and brokerage fees paid from direct insurance	(311,829)	(467,474)	(457,452)	(443,486)
Other underwriting expenses	(341,755)	(455,346)	(408,883)	(385,974)
Operating expenses	(245,214)	(303,714)	(343,877)	(339,828)
Income tax expense	(10,063)	(42,515)	(286,515)	(2,269)
Investment in securities	6,467	109,465	(249,890)	(67,155)

Unit: thousand baht

Statement of cash flows

	As at 30 September 2017	As at 31 December 2016	As at 31 December 2015	As at 31 December 2014
Deposits at banks with maturity over three months	(2,945)	34,437	135,688	(52,866)
Loans	105	450	799	1,299
Cash received from subscriptions receivable	-	9,268	1,570	164
Dividend from investment in an associated company	-	374,257	518,247	-
Net cash provided by operating activities	<u>471,385</u>	<u>861,968</u>	<u>371,274</u>	<u>234,113</u>
Cash flows provided by (used in) investing activities				
Cash flows provided by				
Premises and equipment	<u>1,217</u>	<u>12,451</u>	<u>6,790</u>	<u>792</u>
Cash provided by investing activities	<u>1,217</u>	<u>12,451</u>	<u>6,790</u>	<u>792</u>
Cash flows used in				
Premises and equipment	(11,540)	17,131	47,256	(24,150)
Intangible assets	<u>(2,822)</u>	<u>(5,485)</u>	<u>(9,514)</u>	<u>(4,054)</u>
Cash used in investing activities	<u>(14,362)</u>	<u>(22,616)</u>	<u>(56,770)</u>	<u>(28,204)</u>
Net cash provided by (used in) investing activities	<u>(13,145)</u>	<u>(10,165)</u>	<u>(49,980)</u>	<u>(27,412)</u>
Cash flows used in financing activities				
Dividends paid	<u>(437,500)</u>	<u>(500,000)</u>	<u>(625,000)</u>	<u>(525,000)</u>
Net cash used in financing activities	<u>(437,500)</u>	<u>(500,000)</u>	<u>(625,000)</u>	<u>(525,000)</u>
Net increase (decrease) in cash and cash equivalents	20,740	351,803	(303,706)	(318,299)
Cash and cash equivalents at the beginning of the period	<u>1,417,050</u>	<u>1,065,247</u>	<u>1,368,953</u>	<u>1,687,252</u>
Cash and cash equivalents at the end of the period	<u><u>1,437,790</u></u>	<u><u>1,417,050</u></u>	<u><u>1,065,247</u></u>	<u><u>1,368,953</u></u>

5.2 Major financial ratios reflecting financial status and operating results of the Company's core business

Major financial ratios

Financial ratio	Consolidated financial statements		
	2016	2015	2014
Liquidity ratio			
Current ratio (times)	1.54	1.49	1.48
Premium due and uncollected turnover (days)	30	34	33
Profitability ratio			
Retention rate (%)	58.26	60.50	58.86
Loss incurred per earned premium (%)	48.35	45.54	37.83
Underwriting profit per net premium written (%)	6.23	9.33	17.52
Underwriting expense per earned premium (%)	67.99	66.62	65.02
Return on investment (%)	6.05	6.78	24.09
Net premium written per equity (times)	0.26	0.27	0.31
Net profit per total income (%)	21.49	23.85	45.34
Return on equity (%)	8.74	9.81	31.68
Efficiency ratio			
Return on assets (%)	5.78	6.24	17.89
Assets turnover (times)	0.27	0.26	0.39
Financial ratio			
Debt to equity ratio (times)	0.51	0.52	0.62
Policy liability to capital fund (times)	0.31	0.33	0.37
Unearned premium reserve per equity (times)	0.20	0.21	0.21
Unearned premium reserve per total assets (%)	13.48	13.85	13.20
Payout ratio (%)	81.30	73.80	33.56
Data per share			
Par value Baht	1.00	1.00	1.00
Book value Baht	28.17	28.12	27.11
Net profit Baht	2.46	2.71	7.45
Dividend Baht	2.00*	2.00	2.50

5.3 Management discussion and analysis of financial position and operating results for the past year and the present year until the last quarter

(a) Operating results

2016 operating results

- **Operating income**

The consolidated income for 2016 was recorded at Baht 2,862.09 million, an increase of Baht 23.68 million or 0.83 percent, from Baht 2,838.41 million last year.

Revenues from underwriting for 2016, consisting of net earned premiums and commissions and brokerage fees, totaled Baht 2,215.80 million, a decrease of Baht 45.15 million or 2.00 percent from last year.

Gross premiums written for 2016 were Baht 3,082.39 million, decreased by Baht 55.46 million, or 1.77 percent from the previous year. Motor insurance segment showed 5.03 percent growth due to expansion of number of agents and brokers who brought in additional business. For fire, marine and transportation, and miscellaneous insurance segments, premiums were down from last year. Commissions and brokerage fees income for 2016 were Baht 323.32 million, down by Baht 64.96 million or 116.73 percent. This is due to the sliding scale calculation method bringing the rate of commissions for reinsurance within these segments down with commission rates that were also tied to the claim ratio for each year.

Reinsurance premiums for 2016 amounted to Baht 11,286.53 million, up by Baht 47.011 million, or 3.79 percent versus previous year, and 411.74 percent of total direct premiums. Retention was Baht 11,795.86 million. The net written premium per equity ratio dropped slightly in 2016 to 0.26 times of shareholders equity compared to the previous year at 0.27 times. Net premiums written in 2016 totaled Baht 11,795.86 million, down by Baht 1,102.47 million, or 5.40 percent versus last year, resulting in a decrease in the retention rate to 58.26 percent versus 60.50 percent last year. Net earned premium for 2016 was recorded at Baht 11,892.49 million, an increase of Baht 119.81 million, or 11.06 percent over last year.

In terms of net investment profit, in 2016 the Company and its subsidiary earned Baht 104.80 million consisting of interest and dividends, a reduction of Baht 15.92 million, or 13.19 percent due to the reduction in the interest rate and its continuing downward trend.

The total net profit generated from investments in securities was Baht 48.69 million, versus Baht 58.86 million last year, a reduction of Baht 10.17 million, or 17.28 percent due to the volatility of the Thai stock market throughout the year.

The investment in AZAY, in which the Company owns 20.17 percent of equity is categorized as an investment in an associated company and accounted for by using the equity method in the consolidated financial statements, earned a profit sharing of Baht 388.47 million, a decrease of Baht 4.28 million, or 0.83 percent, from last year.

Other income in 2016 totalled Baht 104.32 million, versus Baht 5.12 million last year, an increase of Baht 99.20 million or 1,936.31 percent as a result of a reversed record in an insurance contract of Baht 97.87 million which was a lawsuit for a claim by an insured on 24 September 1997; on 15 March 2016, the Supreme Court dismissed the case and the amount was recorded into other income for 2016.

- **Overall expenses**

Overall expenses in the consolidated statements consisted of losses incurred, loss refundable from reinsurers, commissions and brokerage fees, and other underwriting expenses on which the commissions and brokerage fees and other related expenses were variable costs associated directly with revenues from underwriting. Loss incurred was based on losses incurred by policyholders during the year. In 2016, total expenses were Baht 2,201.76 million versus Baht 2,100.46 million last year, an increase of Baht 101.30 million or an increase of 4.82 percent. The increase in expenses is due to net loss incurred which amounted to Baht 915.09 million versus Baht 861.43 million, an increase of Baht 53.65 million, or 6.24 percent while commissions and brokerage fee expenses dropped Baht 10.59 million, or 2.27 percent due to the reduction in premiums. Other underwriting expenses increased by Baht 57.56 million or 13.85 percent due to fierce competition in the lackluster market that showed no sign of growth. Operating expenses were Baht 357.66 million, an increase of Baht 0.68 million, or 0.19 percent from last year. Personnel expenses increased from last year by Baht 0.96 million, or 0.32 percent. Premises and equipment expenses were Baht 117.95 million, an increase of Baht 1.32 million, or 1.14 percent. In carrying out the insurance business, the subsidiary continued to invest in IT to increase the speed and level of service, reduce redundancy in processes, save on expenses and time, as well as support new product launches.

The ratio of underwriting expenses in 2016 equaled 67.99 percent of earned premiums, a slight increase over last year of 66.62 percent due to higher underwriting expenses in commissions and brokerage fees; other underwriting expenses were higher than last year by 3.13 percent while premiums earned increased by Baht 19.81 million, or 1.06 percent resulting in the increased ratio as shown.

Underwriting profit ratio for 2016 was 6.23 percent, a reduction from last year's rate at 9.33 percent of net written premiums, resulting from increases in losses incurred and other underwriting expenses.

2016 consolidated financial statements showed a profit before tax from the operation in the amount of Baht 660.33 million, down from Baht 737.95 million last year, a reduction of Baht 77.62 million, or 10.52 percent resulting in the income tax expense of Baht 45.16 million, versus Baht 61.04 million, a reduction of Baht 15.88 million, or 26.01 percent. Net income after tax based on 2016 consolidated financial statements showed a profit of Baht 615.17 million, and earnings per share of Baht 2.46. Net profit from last year was Baht 676.91 million, a reduction of Baht 61.74 million or 9.12 percent.

For the first time, the insurance sector grew one digit in 2016 due to erratic economic recovery. Based on the data from the Business Intelligence and Statistics, Office of the Insurance Commission (OIC), direct premiums for all types of insurance were Baht 211,813.38 million, or 1.21 percent in growth versus last year's 1.90 percent. The growth slowed due to worrying economic risks in Thailand, lackluster global economy, and stagnated spending power of Thais. The OIC continued to focus on its new third strategic development plan, paving ways to drive targeted and sustainable growth for the industry through the next five years, and to be trusted by consumers. The plan is to promote the financial stability of insurance companies, increase their capabilities to compete domestically and support AEC expansion, provide knowledge to consumers, and develop more effective channels of communications to consumers. New micro-insurance products to penetrate grassroots domestic markets will be launched in addition to Insurance 200, Insurance 100, and Sukjai Insurance which were launched last year during the festive season. At the same time, it plans to promote insurance for digital platform to improve consumer market penetration, i.e. a 'cyber attack' insurance policy which is already being sold by several insurers. More importantly, the OIC wants to implement a market conduct policy to monitor insurers and sales through distribution channels.

The OIC policies also cover promoting Thai insurers to invest in and expand insurance businesses to CLMV countries. The government's mega-projects such as infrastructure for expressways, monorails, and mobile networks will also require insurance coverage.

Moreover, the digital trend plays a more important role in the insurance business, helping to provide convenience for the insureds. Many insurers are engaging in the digital platform by penetrating consumer markets through various communication channels. It plays a more active role in marketing as Thailand is one of the top-ranked ASEAN countries with the most social network users in the world. Insurers should start developing their online community or social network, with applications to communicate with consumers via smart phones and tablets. It is expected that in the next couple of years, the digital channel will be developed to another level, and there will be more insurers selling online. There are some companies that are selling online already with simple processes, and not as sophisticated as selling on TV or via websites. Some insurers are developing applications to quote insurance products on mobiles to help agents sell faster, and more conveniently.

The competition in the insurance industry will continue to increase. Insurers with digital capabilities will have the advantage in leading and differentiating service formats to match with consumers' lifestyles that move increasingly online. Although the insurance industry is moving more toward digital platforms, consumers are still looking for more personal service and customization for their individual needs. Insurers are able to foster their relationships with customers via chat, synchronized data view, and VDO chat lines.

Today, more than ever, customers have more information at hand and therefore more power to negotiate. The digital environment influences the way consumers access the information to compare prices, policies, as well as sharing claim experiences. Insurers must be able to adjust and adapt to these trends by creating innovation and differentiation, set themselves apart from competitors as well as improving quality of products and services to be in line with the consumer behavior and answer to the lifestyle of the new generation.

As seen recently, more insurers are using digital access to strategically develop their communication channels, providing innovative services that are not just for buying insurance but for reaching out to them as well. The 24-hour service to provide convenience, search engine, responsive websites designed for various mobile devices, and the latest being Line – Official Account. More developments in the area of digital are still to be launched to service digital customers on both IOS and Android platforms.

There are advantages and disadvantages of using modern technology. If used properly, benefits abound. It is expected that the move into the digital realm will fully assist both insurers and consumers, bringing utmost benefits to all.

As seen in the past several years, the insurance business continues to expand through social development and changes. There is more concern on providing stability to family through insurance as it is seen as a tool to help reduce risks, and financial burden resulting from unforeseen events, the economic slowdown and other crises; and it is becoming the fifth basic necessity in life. Once this belief is realized, the insurance business will continue to grow with little impact from the state of the economy. With the current economic uncertainties, the fluctuation in crude oil prices, droughts, floods, earthquakes, and disturbances in the three southern provinces, it is ever more important to raise the public awareness of these risks and the importance of having insurance.

2016 Underwriting results

- Fire insurance

Gross premiums written in 2016 were Baht 604.71 million, representing 19.62 percent of total premiums. The decrease over last year was Baht 20.27 million, or 3.24 percent. The overall premiums for the fire insurance sector dropped 2.40 percent from last year as some customers moved to hold all risks insurance instead. In 2016, the Company's market ranking remained at number 6.

Net premiums written in 2016 were Baht 427.72 million, increased by Baht 0.18 million or 0.04 percent with the Company retaining 70.73 percent versus 68.41 percent last year.

Premium reserves for fire insurance in 2016 were Baht 2.55 million, down from last year by Baht 3.09 million or 54.78 percent resulting in earned premiums of Baht 425.17 million, increased from last year by Baht 3.28 million, or 0.78 percent.

Commissions and brokerage fees income for 2016 were Baht 29.55 million, down from last year by Baht 31.20 million or 51.36 percent. This is due to the decreasing reinsurance premiums and commissions which were based on the sliding scale calculation method with commission rates that were also tied to the claim ratio for each year.

2016 loss incurred for fire amounted to Baht 54.60 million, down from last year by Baht 49.24 million, or 47.42 percent. The loss ratio for fire this year is equivalent to 12.84 percent of earned premiums, a drop from last year, which stood at 24.61 percent.

Commissions and brokerage fee expenses for fire totaled Baht 134.60 million in 2016, down by Baht 4.11 million or 2.96 percent due to reduction in premiums.

Other underwriting expenses in 2016 were Baht 99.38 million, an increase of Baht 15.84 million, or 18.97 percent to due fierce competition in the lackluster market that showed no sign of growth.

Total combined expenses in 2016 were Baht 288.58 million, down by Baht 37.50 million, or 11.50 percent from last year due to reduction in both net loss incurred, and commission and brokerage fee expenses, resulting in a profit from underwriting of Baht 166.14 million, an increase of Baht 9.58 million or 6.12 percent.

A major source of insurance comes from agents and brokers, and loan customers of Bank of Ayudhya PCL and other financial institutions.

- **Marine and transportation insurance**

Marine and transportation gross premiums written in 2016 were Baht 349.57 million, and 11.34 percent share of the Company's total premiums, down by Baht 17.32 million, or 4.72 percent while the overall premiums in the marine and transportation sector dropped by 1.41 percent.

The Company has a market share ranked at number 6 in the industry, split into marine hull, with premiums down by 13.51 percent, and marine cargo, down by 2.34 percent due to slower economic growth and impact from lower than expected exports growth. The Company tried to keep the current customer base and at the same time expanded the broker and agent base.

Net premiums written for marine and transportation insurance in 2016 were Baht 104.52 million, falling by Baht 5.75 million, or 5.21 percent with the Company retaining 29.90 percent versus 30.05 percent last year.

Premium reserves in 2016 dropped Baht 2.69 million, or 514.94 percent due to the reduction in premiums.

Commissions and brokerage fee income for marine and transportation totaled Baht 65.22 million in 2016, down by Baht 3.23 million or 4.72 percent due to reduction in reinsurance premiums.

Net losses incurred in 2016 were Baht 30.22 million, a reduction of Baht 13 million from last year or 30.08 percent and the loss ratio was 28.06 percent of earned premiums, decreased from previous year of 39.02 percent.

Total combined expenses in 2016 for marine and transportation in 2016 were Baht 106.38 million, down by Baht 15.53 million, or 12.74 percent from last year due to reduction in both net loss incurred, commission and brokerage fees, and other underwriting expenses, resulting in a profit from underwriting of Baht 66.57 million, an increase of Baht 9.24 million or 16.12 percent.

The primary source of business for marine and transportation insurance in 2016 came from agents who continued to send premiums resulting from speed and efficiency of services.

- **Motor insurance**

Motor gross premiums written in 2016 were Baht 1,053.08 million, representing 34.16 percent of total premiums, increased from last year by Baht 50.44 million, or 5.03 percent while the segment grew 1.46 percent.

Since 2014, the Company used treaty reinsurance when reinsuring with overseas reinsurers. The cost of reinsurance was 36.01 percent of written premiums, retaining Baht 673.92 million, resulting in the increase of business by Baht 28.17 million or 4.36 percent. Net earned premiums for 2016 was Baht 678.42 million, an increase of Baht 63.70 million, or 10.36 percent due to a decrease in unearned premium reserve of Baht 35.54 million, or 114.51 percent.

Commissions and brokerage fee income in 2016 for motor insurance was Baht 117.78 million, a reduction of Baht 19.03 million, or 13.91 percent. This is due to the decreasing reinsurance premiums and commissions which were based on the sliding scale calculation method with commission rates that were also tied to the claim ratio for each year.

Net loss incurred for 2016 for motor insurance was Baht 442.83 million, an increase of Baht 57.67 million over last year, or 14.97 percent. The loss ratio equaled 65.27 percent of earned premiums while last year's was 62.66 percent.

Total combined expenses in 2016 for motor insurance in 2016 were Baht 753.41 million, up by Baht 86.21 million, or 12.92 percent from last year due to increases in net loss incurred, commission and brokerage fees, and other underwriting expenses, resulting in a profit from underwriting of Baht 42.79 million, reduced by Baht 41.54 million or 49.25 percent.

The primary source of business came from agents, brokers, dealers and financial institutions providing motor leasing. The Company focused on providing efficient and enhanced services for getting insurance and claims at all branches.

- **Miscellaneous insurance**

In 2016, written miscellaneous premiums totalled Baht 1,075.03 million, a decrease over last year of Baht 68.30 million, or 5.97 percent while the industry grew 1.50 percent. This segment represented 34.88 percent of overall written premiums.

Net premium written for 2016 totalled Baht 589.70 million, a reduction of Baht 125.07 million from last year, or 17.50 percent, with the Company retaining 54.85 percent down from 62.52 percent last year.

Premium reserves in 2016 reduced by Baht 80.96 million, or 770.84 percent resulting in earned premiums of Baht 681.16 million, down by Baht 44.11 million, or 6.08 percent.

Commissions and brokerage fee income for miscellaneous insurance in 2016 amounted to Baht 110.77 million, reduced by Baht 11.50 million, or 9.41 percent, over last year. This is due to the decreasing reinsurance premiums and commissions which were based on the sliding scale calculation method with commission rates that were also tied to the claim ratio for each year.

Net loss incurred for miscellaneous insurance in 2016 amounted to Baht 387.43 million, increased by Baht 66.83 million, or 20.85 percent. The loss ratio was 56.88 percent of earned premiums, versus 44.20 percent last year, due to an increase in claims this year.

Total combined expenses in 2016 for miscellaneous insurance in 2016 were Baht 695.74 million, up by Baht 67.44 million, or 10.73 percent from last year due to increases in net loss incurred, commission and brokerage fees, and other underwriting expenses, resulting in a profit from underwriting of Baht 96.20 million, reduced by Baht 123.05 million or 56.12 percent.

The primary sources of business for miscellaneous insurance included Bank of Ayudhya PCL, financial institutions, agents, brokers, and direct accounts. Bancassurance channel and partnerships with many financial institutions continue to be important distribution channels for the Company.

- **Investment**

Throughout 2016, the Stock Exchange of Thailand continued to be volatile, and at the end of 2016, the market closed at 1,542.94 points, up by 19.79 percent over last year. It was a difficult year for investments as the world market was hit hard twice: In January when China devalued its yuan, and in June, after Britain voted for BREXIT - these unexpected events caused a major stir in the money markets around the world. As for Thailand, the factors affecting the investment in the stock market were the slowing economy and exports with lower-than-expected growth; external causes included worries over the Chinese economy and the increase of interest rates in the US, and lower crude oil prices. Nevertheless the Thai stock market provided good returns with outstanding recovery of consumer prices and the political stability which paved way for increased investment in infrastructure mega-projects which in turn will provide positive impact on the performance of companies in the market, and giving more positive returns.

Net income earned from investment, which consisted of interest and dividends during 2016, was Baht 104.80 million, down by Baht 15.92 million, or 13.19 percent due to lower interest rates, and the downward trend of the interest rate.

Total profit generated from investments in securities in 2016 was Baht 48.69 million versus Baht 58.86 million last year, a reduction of Baht 10.17 million, or 17.28 percent resulting from the volatility of the Thai stock market throughout the year.

The investment in Allianz Ayudhya Assurance Public Company Limited of 20.17 percent, categorized as an investment in an associated company and used the equity method in the consolidated financial statements, showed a profit sharing in 2016 at Baht 388.47 million, a decrease of Baht 4.28 million, or 0.83 percent, from last year.

It is the Company's opinion that the profit growth for listed companies will continue solidly. The market value of Thailand Stock Exchange is still attractive and with low interest rates makes it an attractive investment alternative. The investment strategy continues to focus on choosing individual stocks, with analysis conducted on the listed companies to invest, both in quality and quantity terms, as well as monitoring performance regularly. The Company believes that this strategy can generate good returns from investment in the market, medium-to-long term. In addition to considering the satisfactory return on investment under acceptable risks, the Company emphasizes investment stability, with caution and prudence, for utmost benefit to shareholders. At the end of 2016, a total of Baht 8,841.86 million was invested, up Baht 175.29 million or 2.02 percent with return on investment at 6.05 percent versus 6.78 percent last year.

Operating results for the last nine-month period ending on 30 September 2017

The operating results under the consolidated financial statements for the nine-month period ending on 30 September 2017 showed a net profit of Baht 391.42 million (Baht 1.57 per share), reduced by Baht 124.60 million or 24.15 percent from Baht 516.02 million (Baht 2.06 per share) for the same period of the previous year.

Total income for the nine-month period of 2017 in the amount of Baht 1,898.41 million reduced by Baht 346.18 million or 15.42 percent from the same period of the previous year. Earned premium for the nine-month period of this year reduced by Baht 199.28 million or 13.79 percent, while fee and commission income increased by Baht 2.57 million or 0.97 percent. The reason for the reduction of premium for nine-month period of this year came from the adjustment of proportion in some miscellaneous insurance products that had high loss ratios.

Net income from investment under the consolidated financial statements for the nine-month period this year consisted of interest and dividend in the amount of Baht 71.33 million, reduced by Baht 15.28 million or 17.64 percent, due to decrease in dividend income, lower interest rates, and the downward trend of the interest rate.

For the nine-month period of 2017, the Company earned profits from its investment in securities in the amount of Baht 32.65 million, increased by Baht 21.44 million or 191.34 percent from Baht 11.21 million from the same period of the previous year, due to purchase by foreign investors.

The Company invests in a life insurance business. Its investment in AZAY accounts for 20.17 percent of the total investment. This investment is classified as an investment in an associated company as presented in the consolidated financial statements under the equity method. For the nine-month period of 2017, the Company recognized a share of profit from its investment in this associated company in the amount of Baht 278.48 million, reduced by Baht 53.76 million or 16.18 percent from the same period of the previous year.

Other incomes for the nine-month period of 2017 reduced by Baht 101.88 million from the same period of the previous year, as a result of a reversed record in an insurance contract of Baht 97.87 million which was a lawsuit for a claim by an insured. This lawsuit was dismissed by the Supreme Court.

Overall expenses for the nine-month period of 2017 reduced by Baht 204.46 million or 12.10 percent from the same period last year. This was due to the adjustment of proportion in some miscellaneous insurance products that had high loss ratios as mentioned in 1, which resulted in a reduction of net losses incurred by Baht 144.80 million or 19.81 percent. Furthermore, commissions and brokerage fee expenses and other underwriting expenses reduced by Baht 50.69 million or 7.23 percent. Operating expenses for nine-month period of 2017 also reduced by Baht 8.97 million or 3.48 percent from the same period of the previous year.

Profit before income tax expense for the nine-month period of 2017 was Baht 413.19 million as compared with the same period of the previous year of Baht 554.91 million, a reduction of Baht 141.72 million or 25.54 percent which resulted in the reduction of income tax expense by Baht 17.12 million or 44.02 percent from the same period of the previous year. Consequently, the consolidated financial statements for the nine-month period of 2017 showed net profit of Baht 391.42 million or Baht 1.57 per share, reduced by Baht 124.60 million or 24.15 percent from Baht 516.02 million or Baht 2.06 per share for the same period of the previous year.

(b) **Financial status**

Financial status as at 31 December 2016

• **Assets**

Components of assets

The assets of the Company and its subsidiary consist of investments in securities, loans, cash and cash equivalents, premises and equipment, intangible assets, premiums due and uncollected, accrued investment income, reinsurance assets, and other assets.

As at 31 December 2016, the Company and its subsidiary had total assets of Baht 10,616.65 million, a decrease from last year of Baht 44.61 million, or 0.42 percent.

Investment in securities as at 31 December 2016, was Baht 4,594.20 million, down by Baht 61.78 million from last year's Baht 4,655.98 million. In 2016, the Company and its subsidiary had investments in available-for-sale securities totalling Baht 2,620.35 million, down by Baht 124.99 million from last year's Baht 2,745.34 million. These available-for-sale securities consisted of government bonds, Bank of Thailand bonds, treasury bills, stocks, debentures, and unit trusts, while the investments in held-to-maturity securities in 2016 amounted to Baht 1,954.37 million, an increase of Baht 63.21 million versus Baht 1,891.16 million last year.

At the end of 2016, the Company had an unrealized loss on investments in available-for-sale securities of Baht 87.98 million, while at the end of 2015, the Company had an unrealized gain on investment in available-for-sale securities of Baht 115.31 million. In addition, the Company had a share of other comprehensive income in the associated company of Baht 687.93 million versus Baht 813.62 million last year due to the reduction of unrealized profit of available-for-sale securities in 2016.

The Company made loans to employees with guarantors in compliance with the Company's staff welfare policy, at the end of 2016, totalling Baht 0.13 million, down by Baht 0.45 million, versus Baht 0.58 million last year.

Cash and cash equivalents at year end 2016 amounted to Baht 1,417.05 million, up by Baht 351.80 million versus Baht 1,065.25 million last year.

Premises and equipment at cost as at the end of 2016 totalled Baht 165.26 million, down by Baht 18.55 million from the previous year's Baht 183.81 million, due to additional investment in IT, office renovation, and purchase of new vehicles to replace the old ones, which totalled Baht 16.33 million. Meanwhile, held-for-sale items such as old cars, office equipment, and computers that needed to be replaced were sold, with the original costs referenced at Baht 34.88 million.

Premiums due and uncollected at the end of 2016 amounted to Baht 217.43 million, versus Baht 287.01 million, a decrease of Baht 69.58 million, or 24.24 percent. The Company's emphasis on improving the efficiency in following up on outstanding premiums and concentrating on collection, is reflected in its strict policy on managing collections. The Company and its subsidiary have also taken stringent legal action against defaulting agents, brokers and clients. Additionally, the Company's internal audit department reviewed outstanding premiums, followed up on collections, payments, and recorded all related items.

In managing outstanding premiums, the Company has a clear collection policy that indicates the credit terms for long-outstanding overdue premiums. A monthly meeting on credit control is held regularly to follow up on long-overdue accounts in order to comply with the regulations specified by the Office of Insurance Commission (OIC). Once an outstanding account exceeds the specific term of

payment, the collection unit will follow up with the appropriate collection procedures as specified by the Company.

Asset quality

Assets

As at 31 December 2016, the investments in securities, including bonds, treasury bills, stocks, debentures, unit trusts, and deposits at financial institutions with a maturity of over three months totalled Baht 4,594.20 million, which was presented at fair value. Unrealized loss from revaluation of net investment and from deferred taxes on the part of shareholders equity were Baht 87.98 million.

The Company has investment in the associated company at the end of 2016 in the amount of Baht 2,830.47 million as presented in the consolidated financial statements under the equity method.

Debtors

In 2016, the Company's turnover rate on outstanding premiums was 30 days. A credit term of 30 days is given to insurance customers other than motor. For motor insurance, customers must comply with the 'Cash before Cover' policy, in which the premium must be paid prior to the effective date of cover.

At the end of 2016, the allowance for doubtful accounts totalled Baht 4.45 million. This estimate of doubtful debt as at year-end was based on the Company's experience in debt collection that the management believed adequate. The basis for calculating the reserve for doubtful accounts is as follows:

- Outstanding premiums six months to one year: The reserve is set for doubtful accounts at 50 percent
- Outstanding premiums over one year: The reserve is set for doubtful accounts at 100 percent

Liquidity

At the end of 2016, the Company had net cash for operations totalling Baht 1,417.05 million, up from last year's Baht 1,065.25 million by Baht 351.80 million, or 33.03 percent, with cash received and paid for the following activities:

	Unit: million baht	
	2016	2015
Net cash provided by (used in) operating activities	861.97	371.27
Net cash provided by (used in) investment activities	(10.17)	(49.98)
Net cash provided by (used in) financing activities	(500.00)	(625.00)
Cash and cash equivalent, increase (decrease), net	351.80	(303.71)

In 2016, cash flows were used in the operating activities in the amount of Baht 861.97 million, from cash flows received, and Baht 3,791.40 million and used in the amount of Baht 2,929.43 million. Cash received was from premiums, interest received from cash deposits in financial institutions, bonds, debentures, stocks, unit trusts, treasury bills, and mature deposits at financial institutions. Cash flows paid for expenses included reinsurer debts, claim settlements, expenses in premiums, and corporate taxes.

Cash flow used for investment activities was recorded at Baht 10.17 million which included payments for office equipment, office renovations, computer software, and vehicles.

As for cash flows used in financing activities, in 2016, the Company paid dividends totalling Baht 500 million, split into a dividend payment of Baht 1.00 per share in the second half of 2015 which totalled Baht 250 million. For the interim dividend payment for 2016, the Company paid Baht 1.00 per share, in the amount of Baht 250 million.

The cash flows received and used in these activities as at end of 2016 showed Baht 1,417.05 million in cash and cash equivalents, an increase of Baht 351.80 million, from last year's Baht 1,065.25 million.

Liquidity ratio

As at 31 December 2016, the Company recognized an outstanding liquidity ratio of 1.54 times, indicating that the Company and its subsidiary's backup assets were sufficient to pay its current liabilities.

Sources of funds

Appropriateness of capital structure

The Company had no change of capital structure during the past year. At the end of 2016, the Company's debt-to-equity ratio was 0.51 times, slightly down from 0.52 times last year.

Shareholders' equity

The Company's shareholders' equity as at 31 December 2016 was Baht 7,042.31 million, an increase of Baht 12.65 million over last year's Baht 7,029.66 million. Net profit in 2016 amounted to 615.17 million. In addition, the Company had an unrealized loss from a change in valuation of investment-available-for sale of Baht 87.98 million, and share of other comprehensive income in the associated company of Baht 687.93 million, a decrease of Baht 125.69 million versus Baht 813.62 million last year.

In 2016, the Company paid dividends and interim dividends to shareholders in the amount of Baht 500 million.

Liabilities

The Company had liabilities as at 31 December 2016 of Baht 3,574.34 million, a decrease of Baht 57.26 million from the previous year's Baht 3,631.60 million due to the reduction of loss reserves, and unearned premium reserves totalling Baht 151.24 million; and accrued corporate income tax reduced by Baht 19.37 million. Premium ceded payables to reinsurers increased to Baht 72.34 million. Advanced premium received increased Baht 32.73 million. The liabilities of the Company and its subsidiary largely arose from its operations consisting of unearned premium reserves, loss reserves, outstanding claim reserves, amounts due to reinsurers, premiums received in advance, accrued commissions, employee benefit obligations, accrued operating expenses, and accrued corporate income tax.

Financial status as at 30 September 2017

- **Assets**

Components of assets

The assets of the Company and its subsidiary consist of investments in securities, loans, cash and cash equivalents, premises and equipment, intangible assets, premiums due and uncollected, accrued investment income, reinsurance assets, and other assets.

As at 30 September 2017, the Company and its subsidiary had total assets of Baht 11,049.76 million, an increase from the end of 2016 of Baht 433.11 million, or 4.08 percent.

Investment in securities as at 30 September 2017, was Baht 4,705.53 million, an increase by Baht 111.33 million from the end of 2016, which was at Baht 4,594.20 million. In 2017, the Company and its subsidiary had investments in available for- sale securities totalling Baht 2,628.41 million, an increase by Baht 8.06 million from the end of 2016, which was Baht 2,620.35 million. These available-for-sale securities consisted of government bonds, Bank of Thailand bonds, treasury bills, stocks, debentures, and unit trusts while the investments in held-to-maturity securities amounted to Baht 2,057.63 million, an increase of Baht 103.26 million versus Baht 1,954.37 million at the end of last year.

At 30 September 2017, the Company had an unrealized loss on investments in available-for-sale securities of Baht 37.80 million, down by Baht 50.19 million from the end of 2016, which was at Baht 87.99 million. In addition, the Company had a share of other comprehensive income in the associated company of Baht 1,248.20 million at 30 September 2016, versus Baht 687.93 million at the end of 2016 due to the increase of unrealized profit of available-for-sale securities.

The Company made loans to employees with guarantors in compliance with the Company's staff welfare policy, at 30 September 2017, totalling Baht 0.02 million, down by Baht 0.11 million, versus Baht 0.13 million for the same period of the last year.

Cash and cash equivalents at 30 September 2017 amounted to Baht 1,437.79 million, up by Baht 20.74 million versus Baht 1,417.05 million at the end of 2016.

Premises and equipment at cost as at 30 September 2017 totalled Baht 171.40 million, up by Baht 6.14 million, versus Baht 165.26 million at the end of last year, due to additional investment in IT, office renovation, and purchase of new vehicles to replace the old ones, which totalled Baht 11.55 million. Meanwhile, held-for-sale items such as old cars, office equipment, and computers that needed to be replaced were sold, with the original costs referenced at Baht 5.41 million.

Premiums due and uncollected at 30 September 2017 amounted to Baht 219.19 million, versus Baht 217.43 million, an increase of Baht 1.76 million, or 0.81 percent. The Company's emphasis on improving the efficiency in following up on outstanding premiums and concentrating on collection, is reflected in its strict policy on managing collections. The Company and its subsidiary have also taken stringent legal action against defaulting agents, brokers and clients.

Asset quality

Assets

As at 30 September 2017, the investments in securities, including bonds, treasury bills, stocks, debentures, unit trusts, and deposits at financial institutions with a maturity of over three months totalled Baht 4,705.53 million, which was presented at fair value. Unrealized loss from revaluation of net investment from the income tax pending transaction on the part of shareholders equity were Baht 37.80 million.

The Company has investment in the associated company at 30 September 2017 in the amount of Baht 3,281.29 million as presented in the consolidated financial statements under the equity method.

Debtors

For the nine-month period of 2017, the Company's turnover rate on outstanding premiums was 27 days. A credit term of 30 days is given to insurance customers other than motor. For motor insurance, customers must comply with the 'Cash before Cover' policy, in which the premium must be paid prior to the effective date of cover.

At 30 September 2017, the allowance for doubtful accounts totalled Baht 4.45 million. This estimate of doubtful debt as at year-end was based on the Company's experience in debt collection that the management believed adequate. The basis for calculating the reserve for doubtful accounts is as follows:

Outstanding premiums six months to one year:	The reserve is set for doubtful accounts at 50 percent
Outstanding premiums over one year:	The reserve is set for doubtful accounts at 100 percent

Cash flow

At 30 September 2017, the Company had net cash for operations totalling Baht 1,437.79 million, down from the end of the last year, which was at Baht 1,417.05 million by Baht 20.74 million, or 1.46 percent, with cash received and paid for the following activities:

	Unit: million baht	
	2017	2016
Net cash provided by (used in) operating activities	471.39	1,024.14
Net cash provided by (used in) investment activities	(13.15)	(6.90)
Net cash provided by (used in) financing activities	(437.50)	(500.00)
Reconciled with government securities payable	-	1,244.34
Cash and cash equivalent, increase (decrease), net	20.74	1,761.58
Cash and cash equivalent as at January 1	1,417.05	1,065.25
Cash and cash equivalent as at September 30	1,437.79	2,826.83

For nine-month period of 2017, cash flows were used in the operating activities in the amount of Baht 471.39 million, from cash flows received, and Baht 2,617.83 million and used in the amount of Baht 2,146.44 million. Cash received was from premiums, interest received from cash deposits in financial institutions, bonds, debentures, stocks, unit trusts, treasury bills, and mature deposits at financial institutions. Cash flows paid for expenses included reinsurer debts, claim settlements, expenses in premiums, and corporate taxes.

Cash flow used for investment activities was recorded at Baht 13.15 million which included payments for office equipment, office renovations, computer software, and vehicles.

As for cash flows used in financing activities, for the nine-month period of 2017, the Company paid dividends totalling Baht 437.50 million, split into a dividend payment of Baht 1.00 per share in the second half of 2016 which totalled Baht 250 million. For the interim dividend payment for 2016, the Company paid Baht 0.75 per share, in the amount of Baht 187.50 million.

The cash flows received and used in these activities as at 30 September 2017 showed Baht 1,437.79 million in cash and cash equivalents, versus Baht 2,826.83 million at 30 September 2017.

Liquidity ratio

As at 30 September 2017, the Company recognized an outstanding liquidity ratio of 1.46 times, indicating that the Company and its subsidiary's backup assets were sufficient to pay its current liabilities.

Sources of funds

Appropriateness of capital structure

The Company had no change of capital structure during the past year. At 30 September 2017, the Company's debt-to-equity ratio was 1.45 times, an increase from 0.43 times at the end of the 2016.

Shareholders' equity

The Company's shareholders' equity as at 30 September 2017 was Baht 7,606.69 million, an increase of Baht 564.38 million over last year's Baht 7,042.31 million. Net profit for the nine-month period of 2017 amounted to 391.42 million. In addition, the Company had an unrealized loss from a change in valuation of investment-available-for sale of Baht 50.19 million, and share of other comprehensive income in the associated company of Baht 1,248.20 million, an increase of Baht 560.27 million versus Baht 687.93 million at the end of 2016.

For the nine-month period of 2017, the Company paid dividends totalling Baht 437.50 million, split into a dividend payment in the second half of 2016 which totalled Baht 250 million. For the interim dividend payment in the first half of 2017, the Company paid the amount of Baht 187.50 million.

Liabilities

The Company had liabilities under the consolidated financial statements as at 30 September 2017 of Baht 3,443.07 million, a decrease of Baht 131.27 million versus Baht 3,574.34 million at the end of last year, due to the reduction of loss reserves, and unearned premium reserves totalling Baht 155.81 million, accrued corporate income tax reduced by Baht 0.69 million accrued brokerage fees reduced by Baht 7.39 million, and other expenses reduced by Baht 1.09 million. Premium ceded payables to reinsurers increased to Baht 34.82 million. Advanced premium received increased Baht 14.83 million. The liabilities of the Company and its subsidiary largely arose from its operations consisting of unearned premium reserves, loss reserves, outstanding claim reserves, amounts due to reinsurers, premiums received in advance, accrued commissions, employee benefit obligations, accrued operating expenses, and accrued corporate income tax.

Major factors and influences that could affect the Company's operations and financial status in the future

The Company and its subsidiary's policy on risk management is discussed in the risk factors section herein.

Maintaining various ratios in accordance with regulatory agencies and key ratios that are characteristic of the industry

1. The Company had statutory reserves of Baht 50 million, equivalent to 10 percent of its authorized capital, in accordance with the Public Limited Company Act, B.E. 2535 (as amended), specifying that the Company must allocate a reserve fund from annual net profits of not less than 5 percent. This is calculated by the total accumulated loss brought forward (if any) until the reserve fund reaches an

amount of not less than 10 percent of the authorized capital. Such reserve fund is not available for dividend distribution.

2. The subsidiary had an allocation of unearned premium reserves in the amount of Baht 1,351.85 million at 30 September 2017 in accordance with the announcement of the Office of Insurance Commission (OIC) concerning the allocation of such reserves.

3. The loss ratio from regular operations in the nine-month period of 2017 was equal to 47.03 percent of earned premiums.

4. The Office of Insurance Commission (OIC) issued a regulation concerning funds of non-life insurance companies that use capital adequacy ratios (CAR) for insurance risk, market risk, credit risk, and concentration risk. CAR from January 1, 2013 onward shall not be less than 140 percent.

At the end of 2016, the subsidiary had a Capital Adequacy Ratio (CAR) of 698 percent.

(C) Risk factors that may affect the operations

The main factors and influence that may affect the Company's and its subsidiaries' future operating results or financial position are as follows:

Strategic risk

The strategic risk covers policy setting, strategy, planning, and implementation that may not fit with the internal structure, i.e. the Company organization or objectives, or external environment i.e. economic situation or consumer income.

Risk management guideline

The Risk Management Committee and senior management of the Company and subsidiary jointly share the responsibility for continuously monitoring, reviewing, and analyzing strategic risks. Reports are periodically presented to senior management and related departments. Major strategic decisions are pre-planned and coordinated with clear steps to be taken so that the process of translating strategy into implementation is actionable, timely and appropriate to changes.

- Product design and development, and price structure

In developing any new non-life insurance product, consideration is given to the range of coverage as well as applying actuarial science methods to calculate insurance rates. This is to ensure that products are competitive and sufficient for covering claims. Monitoring procedures and evaluations for each product are regularly conducted in order to make appropriate improvements in coverage and/or pricing.

- Risk from investment fluctuations

The Company is subject to this type of risk due to investments made in the market. Fluctuations in interest rates and in the stock market index are results of local and global political and economic conditions.

In 2016, the Thai economy continued to face all around challenges while the government investment could not bring about private sector confidence in the economic recovery. The contraction of exports, a continuing economic impact from last year, mirrored trade partners' slowing economies.

The subsidiary manages the capital market risk by establishing Investment Management Guideline (IMG). The guideline sets the framework and investment direction for the year by specifying the limitation in all types and levels of investments based on targeted rates of return and liquidity, which is then linked to the risk-based capital supervision (RBC) that the Company adheres to.

The Company closely monitors and reports all investment results to the senior management, as well as the Corporate Investment Committee. In addition, for the subsidiary, the risk management team conducts stress tests using various scenarios to ensure that risks from investments are considered and managed carefully, thoroughly, and that timely and appropriate responses and actions are taken.

The Company has no policy for investing in derivatives and currency exchanges.

The Company believes that the investment guideline helps to generate good mid-long term returns from investment in the stock market. The Company considers appropriate returns on investment based on circumstances and acceptable risks, and gives high importance to the financial stability as the foundation of good investment. Discretion and prudence precede any action in order to produce highest benefits to shareholders.

Liquidity risk

Liquidity risk arises from the inability to repay debts or obligations when due, to the inability to convert assets into cash, or the inability to mobilize funds in time, or funds have higher than acceptable costs.

Funds available for investments are for short-long term; the Company manages the liquidity availing an adequate amount of cash to operate the Company efficiently. In cases where the subsidiary needs to pay claims in large sums, the Company plans for the cash flow in advance, reserving funds to pay for claims as well as for daily running of the business. The investment policy in managing funds is continuously reviewed to achieve high yields with low risks, and with consideration given to liquidity of each asset.

Operational risk

Operational risk means any risk arising from operational errors which could cause disruption in business to the point where it results in financial loss and/or damage to its reputation.

Managing operational risk

The Risk Management Committee is authorized to oversee the operation and to ensure that the operation and procedures are in compliance with policies, rules, regulations, and resolutions of shareholders' meetings. In addition to providing training on risk management to employees, the Company has set the policy in managing operational risks with emphasis on internal, financial as well as operational controls as well as compliance with good corporate governance practices. The Internal Audit Department is in charge of reviewing and monitoring the internal control systems as set forth.

- Report and evaluation of risks based on control and risk self-assessment

The Company has established a guideline to manage operational risks by setting procedures to assess risks using CRSA: Control and Risk Self-Assessment as a tool in the operation of the Company and subsidiary under the supervision of the Risk Management Committee. The Committee regularly monitors the key risk management plan together with responsive measures against the specified risks. If faced with an operational risk that is considered to be at the organizational level, a working committee will be appointed to manage the risks raised, and take corrective actions for successful implementation.

- Risk of IT system interruption

The Company is committed to develop communication and information technology systems to increase effectiveness in providing continuous support and services to management. In the past year, the Company invested in equipment and software, and developed employee competencies by raising the level of know-how and expertise in operating IT systems especially with systems developed for use with business partners, i.e. Bank of Ayudhya PCL, and CIMB Thai Bank PCL. Although the Company places utmost importance on managing the business with continuity, important equipment and IT systems may run into problems due to factors beyond its control. The potential damage is the risk that could critically impact the Company's operation or continuity plan.

- Risk of corruption

The Company and subsidiary are committed to operate under anti-corruption policy to build confidence and to reduce damage, whether financial or reputational, from such risks. Employees are expected to adhere to Code of Ethics and Conduct that is published with penalties specified. Training is also provided covering this subject and related matters. In 2016, the Company and subsidiary conducted risk assessments covering all aspects of fraud and corruption, and made improvements to the policy and approach in managing this risk, resulting in more stringent operational standards that fit the intention in countering corruption.

- Business continuity plan

The business continuity plan (BCP) is developed to back up and recover important information, operation, and service within 30 minutes from the start of the emergency. To ensure that the Company and its subsidiary's operations will not be disrupted to the point that it can cause damage to the business performance, the backup plan is tested regularly, at least once a year. Top three priorities are:

1. telephone/communications system to service customers and to report incidents;
2. operational system to service motor and PA claims; and
3. insurance underwriting system.

Insurance risk

Insurance risk means the fluctuation of the frequency, extent of damage, and number of events that is out of the standard assumption used in establishing rate of insurance, calculations for reserve, and underwriting considerations. The Company examines thoroughly the level of risks that is acceptable to take by referring to the insurance underwriting manual, evaluating insurance rates, risk spreads, and other relevant considerations to ensure that there is no concentrated risk by way of geography or by type of risk. If the risks exceed the defined level, the Company distributes the risks to reinsurers by proportional reinsurance, and/or non-proportional reinsurance, which means that the reinsurer will take the responsibility for claim payments on extensive damage as per agreed terms.

Credit risk

Credit risk is a risk of financial loss that arises from counterparties' failure to pay debts as obligated or due to credit down-rating of counterparties. Counterparties as used herein refers to issuers of promissory notes, debtors, or reinsurance counterparties, as well as treaty-related insurance intermediaries and brokers. An example of credit risk is the default risk that an organization will not pay out, or postpone payment on, a credit insurance contract or other trade or transaction on time. A downgrade in the credit rating of the issuer or the reinsurers will eventually affect the current value of the contract. Therefore, the Company has established a policy on reinsuring with local and overseas reinsurers. In addition, investments in debt securities are only made with private companies with strong financial background

based on their credit rating. As of 31 December 2016 loans were made to employees with guarantors in the amount of Baht 0.13 million, with interest charged to employees in accordance with the rules on the employee welfare policy. Loans and investments of the subsidiary, an insurance company, fall under the regulations of the Office of Insurance Commission, the Announcement on Investment by Insurance Companies in Other Businesses, B.E. 2556 (2013).

Risk from dependence on major customers

The subsidiary receives a majority of fire and miscellaneous insurance premiums from Bank of Ayudhya PCL customers, and its savings and loan customers. If factors exist for the bank to stop expanding insurance sales, it will unavoidably impact the revenue of the subsidiary. Therefore, the Company manages this relationship by increasing competitiveness and consistently collaborating in planning at the operational level, with the bank currently acting as a broker for the subsidiary.

Risk from overdue premium collection

For the subsidiary, one of the distribution channels for the non-life insurance business is through agents and brokers. Insurance policies are issued and forwarded to agents and brokers, and premiums are to be collected at a later date under a specified term, risking uncollectible premiums. If agents and brokers face cash flow or financial problems, it is considered as a risk that is significant. In managing premium collection, the subsidiary has developed a clear and strict guideline to follow. A monthly meeting with the management is held to monitor overdue accounts by adhering to announcements and regulations of the Office of Insurance Commission (OIC) specifying premium payment periods. If outstanding premiums cannot be collected in due time and/or exceed the terms given, the collection department then takes over the debt-collection process. The subsidiary has the appraised outstanding premiums percentage higher than the standard percentage as set by the OIC which is at 80 percent minimum.

Managing risks based on RBC

As of 31 December 2016, the Company and its subsidiary have assets in cash and deposits in the amount of Baht 1,417.05 million, investment in securities available-for-sale in the amount of Baht 2,620.35 million, and bank deposits held-to-maturity exceeding three months of Baht 197.90 million. Investments stated are shown at fair value. Short-long term investments are securities that are in market demand, with secondary market to support selling and buying. In addition, the subsidiary maintains a CAR ratio that is higher than required by the Office of Insurance Commission (OIC).

(d) Maintaining various ratios in accordance with regulatory agencies and key ratios that are characteristic of the industry

- (1) The Company had statutory reserves of Baht 50 million, equivalent to 10 percent of its authorized capital, in accordance with the Public Limited Company Act, B.E. 2535 (as amended), specifying that the Company must allocate a reserve fund from annual net profits of not less than 5 percent. This is calculated by the total accumulated loss brought forward (if any) until the reserve fund reaches an amount of not less than 10 percent of the authorized capital. Such reserve fund is not available for dividend distribution.
- (2) The subsidiary had an allocation of unearned premium reserves in the amount of Baht 1,430.79 million at the end of 2016 in accordance with the announcement of the Office of Insurance Commission (OIC) concerning the allocation of such reserves.
- (3) The loss ratio from regular operations in 2016 was equal to 48.35 percent of earned premiums, an increase from last year of 45.54 percent.

- (4) The Office of Insurance Commission (OIC) issued a regulation concerning funds of non-life insurance companies that use capital adequacy ratios (CAR) for insurance risk, market risk, credit risk, and concentration risk.
- (5) CAR from January 1, 2013 onward shall not be less than 140 percent.
- (6) At the end of 2016, the subsidiary had a CAR of 698 percent.

6. Liabilities and contingent liabilities

6.1 Total amount of debt instruments that have been issued and sold, and those that have not yet been issued and sold according to the shareholders' approval

-None-

6.2 Total amount of term loans

-None-

6.3 Total amount of long-term loans with specified repayment period, and liability to place assets as collateral

6.3.1 As of 30 September 2017 and 31 December 2016, the Company and its subsidiary had no overdraft.

6.3.2 As of 30 September 2017 and 31 December 2016, the Company's and its subsidiary's deposits were placed as security for bank overdraft and promissory note facilities in the amount of Baht 40 million and Baht 10 million, respectively (the Company: Baht 20 million and Baht 10 million respectively).

6.3.3 As of 30 September 2017 and 31 December 2016, certain government and state-enterprise bonds of the Company and its subsidiary were placed as security and assets allocated as reserve with the registrar.

6.3.4 Insurance contract liabilities

Insurance contract liabilities as of 30 September 2017 and 31 December 2016 consisted of:

	Unit: thousand baht		
	Consolidated financial statements		
	As at 30 September 2017		
	Insurance contract liabilities	Reinsurance liabilities	Net
Loss reserves			
Loss incurred and reported	625,515	(409,068)	285,803
Loss incurred but not reported	116,707	(45,142)	79,090
Premium reserve			
Unearned premium reserve	1,351,853	(596,066)	834,720
Total	<u>2,094,075</u>	<u>(1,050,276)</u>	<u>1,199,613</u>

Unit: thousand baht

Consolidated financial statements			
As at 31 December 2016			
	Insurance contract liabilities	Reinsurance liabilities	Net
Loss reserves			
Loss incurred and reported	694,871	(409,068)	285,803
Loss incurred but not reported	124,232	(45,142)	79,090
Premium reserve			
Unearned premium reserve	1,430,786	(596,066)	834,720
Total	<u>2,249,889</u>	<u>(1,050,276)</u>	<u>1,199,613</u>

Insurance reserve for short term insurance contract

1. Loss reserves

Loss reserves as at 30 September 2017 and 31 December 2016 consisted of the following:

Unit: thousand baht		
Consolidated financial statements		
	As at 30 September 2017	As at 31 December 2016
Balance at beginning period/year	819,103	928,842
Loss incurred during the period/year	1,118,596	1,577,788
Changing of estimated loss and assumptions used in calculating loss reserve	(60,464)	(262,313)
Loss paid during the period/year	(1,135,013)	(1,425,214)
Balance at ending period/year	<u>742,222</u>	<u>819,103</u>

2. Unearned premium reserve

Unit: thousand baht		
Consolidated financial statements		
	As at 30 September 2017	As at 31 December 2016
As at January 1,	1,430,786	1,472,282
Premium written for the period/year	2,167,518	3,082,392
Earned premium for the period/year	(2,246,451)	(3,123,888)
As at 30 September, and 31 December	<u>1,351,853</u>	<u>1,430,786</u>

3. Unexpired risk reserve

As at 30 September 2017 and 31 December 2016, no additional reserve for unexpired risk reserve has been established as the unexpired risk reserve estimated by the subsidiary amounting to Baht 739.04 million and Baht 816.17 million, respectively is lower than the unearned premium reserve.

Due to reinsurers

Due to reinsurers as at 30 September 2017 and 31 December 2016 consisted of the following:

Unit: thousand baht		
Consolidated financial statements		
	As at 30 September 2017	As at 31 December 2016
Amount withheld on reinsurance	413,379	402,551
Reinsurance payables	327,129	303,141
Total due to reinsurers	<u>740,508</u>	<u>705,692</u>

6.3.5 Securities pledged and assets reserved with the registrar

As at 30 September 2017 and 31 December 2016, certain investments in securities of the Company and its subsidiary were pledged and used for assets reserved with the Registrar in accordance with the Insurance Act B.E. 2535 (as amended) and the Notification of the Office of Insurance Commission regarding Rates, Rules and Procedures for pledge of unearned premium reserve of Non-Life Insurance Company B.E. 2557, respectively as follows:

Unit: thousand baht

	Consolidated financial statements	
	As at 30 September 2017	As at 31 December 2016
Investment in securities used to secure the facilities collateral with the Office of Insurance Commission		
Securities pledged with the registrar		
Deposits at banks	28,000	28,000
Assets reserved with the registrar		
Government and state enterprise securities	385,267	385,690
Total due to reinsures	413,267	413,690

6.3.6 Restricted assets and commitment

- (1) As at 30 September 2017 and 31 December 2016, the subsidiary has premium saving certificates amount of Baht 4.05 million and Baht 4.10 million, respectively were used as collateral in case where the insured driver is an alleged offender.
- (2) As at 30 September 2017 and 31 December 2016, the Company has the undrawn committed borrowing facilities that is pledged as collateral by deposit at bank of the Company and its subsidiary in the same amount of credit limit as follows:

Unit: thousand baht

	Consolidated financial statements		Separate financial statements	
	As at 30 September 2017	As at 31 December 2016	As at 30 September 2017	As at 31 December 2016
Overdraft facilities	40,000	40,000	20,000	20,000
Borrowing facilities (Domestic Bill)	10,000	10,000	10,000	10,000

6.4 Contingent liabilities and commitments

The Company has contingent liabilities and commitments as follows:

6.4.1 As at 30 September 2017 and 31 December 2016, lawsuits have been brought against the subsidiary, as insurer, from which the subsidiary estimates losses, which has been set aside in the loss reserve and outstanding claims accounts, as follows:

Unit: thousand baht

	Consolidated financial statements	
	As at 30 September 2017	As at 31 December 2016
Estimated losses from lawsuits	26,188	22,326

The Company and its subsidiary's management do not expect the outcome of the litigation to result in losses that differ from the recorded liability by amounts that would be material to the Company and its subsidiary's operating results.

6.4.2 As at 30 September 2017 and 31 December 2016, the subsidiary had a capital commitment to pay computer program development expenses in the amount of approximately Baht 12.28 million and Baht 14.03 million, respectively.

6.4.3 Long-term leases and service agreements

Long-term leases and service agreements as at 30 September 2017 and 31 December 2016 consisted of the following:

Type of leases	Consolidated financial statement			Unit: thousand baht
	Remaining periods		Total rental payments for the remaining periods	
	Within 1 year	Over 1 year to 5 years		
As at 30 September 2017				
Building				
- related company	7,501	10,679	18,180	
- others	6,928	7,013	13,941	
Service - related company	7,501	10,679	18,180	
Equipment - related company	10,001	14,239	24,240	
	<u>31,931</u>	<u>42,610</u>	<u>74,541</u>	

Type of leases	Consolidated financial statement			Unit: thousand baht
	Remaining periods		Total rental payments for the remaining periods	
	Within 1 year	Over 1 year to 5 years		
As at 31 December 2016				
Building				
- related company	5,266	-	5,266	
- others	2,825	3,350	6,175	
Service - related company	4,222	-	4,222	
Equipment - related company	4,491	-	4,491	
	<u>16,804</u>	<u>3,350</u>	<u>20,154</u>	

7. Opinion of the Board of Directors on the sufficiency of the working capital

The Board of Directors is of the opinion that the funds acquired by issuing and offering newly issued ordinary shares for sale to Allianz SE and CPRN (Thailand) Co., Ltd. are sufficient for the acceptance of the entire business transfer from Allianz General Insurance Public Company Limited and the purchase of additional shares in AZAY, at approximately 11.80 percent of the total shares sold of AZAY. Therefore, this transaction will not affect the Company's and SAGI's working capital.

8. Pending material lawsuits or claims

As of 30 September 2017, the Company and its subsidiary had no lawsuit or claim that may adversely affect its assets in excess of 5 percent of the equity under the Company's consolidated financial statement as of 30 September 2017.

9. Benefits or connected transactions between the Company and its directors, executives or the shareholders of the Company holding 10 percent of the shares or more

The consolidated and separate financial statements include certain transactions with the subsidiary and related parties. The relationship may be by shareholding or the companies may have the same group of shareholders or directors. The consolidated and separate financial statements reflect the effects of these transactions on the basis determined by the Company, the subsidiary and the related parties which are as follows:

The relationships between the Company and its related parties are summarized below:

Companies	Relationship	Type of Business
Sri Ayudhya General Insurance Plc.	Some common shareholders and directors	Insurance
Bank of Ayudhya Plc.	Some common shareholders and directors	Banking
Krungsri Securities Plc.	Some common shareholders	Finance
Krungsri Asset Management Co., Ltd.	Some common shareholders	Fund management
Ayudhya Development Leasing Co., Ltd.	Some common shareholders	Hire-purchase and leasing
Siam City Cement Plc.	Some common shareholders and directors	Construction materials
Bangkok Broadcasting & T.V .Co., Ltd.	Some common shareholders and directors	Television business
Great Luck Equity Co., Ltd.	Some common shareholders	Advertising
Super Asset Co., Ltd.	Some common shareholders and directors	Investments
BBTV Equity Co., Ltd.	Some common shareholders and directors	Office space rental
CKS Holding Co., Ltd.	Some common shareholders and directors	Investments
Allianz Ayudhya Assurance Plc.	Some common shareholders and directors	Life insurance
Grand Canal Land Plc.	Some common shareholders and directors	Advertising
Ayudhya Asset Management Co., Ltd.	Some common shareholders	Asset management
Siam Realty and Service Security Co., Ltd.	Some common shareholders	Services
Ayudhya Capital Auto Lease Plc.	Some common shareholders	Hire-purchase and auto leasing
Krungsriayudhya Card Co., Ltd	Some common shareholders	Services
Eastern Star Real Estate Plc.	Some common shareholders and directors	Property

10. Summary of material agreements during the last two years

Below is a summary of the significant details of the material agreements executed by the Company in its normal course of business, based on an arm's length basis.

1. The Company has office rental, equipment rental and service agreements with BBTV Equity Company Limited for a term of three years. Rental rates and conditions are the same as the related parties offer to other companies.
2. The Company entered into a management service agreement with SAGI for providing managerial and administrative services. Service rates are agreed by both parties and are determined based on estimated time spent and cost incurred for the subsidiary company.

3. The Company entered into a management service agreement with SAGI for receiving services of personnel, internal audit and information technology. Services rates are agreed by both parties and are determined based on estimated time spent and cost incurred for the Company.
4. The Company entered into an agreement for use of services through the internet and electronic systems of Bank of Ayudhya Pulic Company Limited on 19 October 2015.
5. The Company entered into a 20-million baht overdraft agreement and a 10-million baht promissory note agreement with Bank of Ayudhya Public Company Limited.

11. Responsibility of the director with respect to the information in documents sent to shareholders

The Board of Directors of the Company have reviewed the information in this Information Memorandum with their best effort according to their capabilities and the available information, and certify that the information contained in this Information Memorandum is accurate, complete, truthful, not materially misleading, and no important information, which should be disclosed, is omitted.

The Company hereby certifies that the information herein is true and complete in all respects.

Sri Ayudhya Capital Public Company Limited



(Mr. Arnon Opaspimoltum)
President

(Mr. Virojn Srethapramotaya)
Director

Summary of the Significant Details of the Entire Business Transfer Agreement

The summary of the significant details of the Entire Business Transfer Agreement between Sri Ayudhya General Insurance Public Company Limited and Allianz General Insurance Public Company Limited is as follows:

Matter	Summary
Parties	Allianz General Insurance Public Company Limited (" AZTH "), as the "Transferor" Sri Ayudhya General Insurance Public Company Limited (" SAGI "), as the "Transferee"
Execution date	22 November 2017
The entire business transfer	Subject to the terms and conditions of the EBTA, AZTH agrees to transfer its entire business to SAGI and SAGI agrees to accept the entire transfer of business from AZTH. The term "entire business" includes all of AZTH's assets, liabilities, employees, representatives, agents, accounts receivable, accounts payable, non-life insurance reserves, contracts and insurance policies.
Consideration for the entire business transfer	Baht 1,253,794,000
Significant conditions precedent	(1) the Office of Insurance Commission approving the Entire Business Transfer Plan; (2) the approval being granted by the shareholders' meeting of AZTH; and (3) the conditions precedent in the Share Subscription and Purchase Agreement being fulfilled.

Summary of the Significant Details of the Share Subscription and Purchase Agreement

The summary of the significant details of the Share Subscription and Purchase Agreement among Sri Ayudhya Capital Public Company Limited, Allianz SE, and CPRN (Thailand) Limited (the "SPA") is as follows:

Matter	Summary	
Parties	Issuer of the newly issued ordinary shares/ Seller of ordinary shares in Allianz Ayudhya Assurance Public Company Limited ("AZAY")	Sri Ayudhya Capital Public Company Limited (the " Company ")
	Subscriber of the newly issued ordinary shares of the Company/ Seller of ordinary shares in AZAY	<ul style="list-style-type: none"> • Allianz SE • CPRN (Thailand) Limited ("CPRNT")
Execution date	22 November 2017	
The sale and purchase of ordinary shares in AZAY, the price, and the payment therefor	Subject to the terms and conditions of the SPA: <ul style="list-style-type: none"> • the Company agrees to purchase, and Allianz SE and CPRNT agrees to sell 34,810,000 ordinary shares in AZAY, for the price of Baht 112.10 per shares, totaling Baht 3,902,201,000 ; and • the Company agrees to pay for the purchase price of the ordinary shares in AZAY above by the issuance and offering by way of private placement to Allianz SE and CPRN of 73,033,895 newly issued ordinary shares of the Company. 	
The offer for sale of newly issued ordinary shares to Allianz SE and CPRNT, offering price and the payment therefor	Subject to the terms and conditions of the SPA, the Company shall issue 96,500,000 newly issued ordinary shares of the Company, and allocate those shares for offering for sale to Allianz SE and CPRNT at the offering price of Baht 53.43 each, totaling Baht 5,155,995,000, as follows. <ul style="list-style-type: none"> • The allocation and offering for sale of 23,466,105 newly issued ordinary shares of the Company to CPRNT at the offering price of Baht 53.43 each, totaling Baht 1,253,794,000, the proceeds of which will be used for subscription of newly issued ordinary shares of Sri Ayudhya General Insurance Public Company Limited ("SAGI"). CPRNT will make payment for those newly issued ordinary shares in cash. • The allocation and offering for sale of 73,033,895 newly issued ordinary shares of the Company to Allianz SE and CPRNT at the offering price of Baht 53.43 each, totaling Baht 3,902,201,000 as consideration for the purchase of 34,810,000 ordinary shares in AZAY from Allianz SE and CPRNT. 	

Matter	Summary
<p>Significant conditions precedent</p>	<ol style="list-style-type: none"> 1. The resignation of the Company's directors and SAGI's directors as stipulated by the parties. 2. The approval being granted by the shareholders' meeting(s) of the Company with respect to: <ol style="list-style-type: none"> (1) an acquisition by SAGI of the entire business of Allianz General Insurance Public Company Limited ("AZTH") and an acquisition of AZAY shares from Allianz SE and CPRNT; (2) an amendment of its articles of association concerning the payment for the shares with other assets (3) a reduction of its registered capital from Baht 500,000,000 to Baht 250,000,000 by cancelling 250,000,000 authorized but unissued ordinary shares, and an amendment of its memorandum of association to reflect the capital reduction (4) an increase of its registered capital from Baht 250,000,000 to Baht 346,500,000 by issuing 96,500,000 new ordinary shares, and an amendment of its memorandum of association to reflect the capital increase; (5) an allocation of newly issued shares of the Company to Allianz SE and CPRNT by way of private placement; (6) an approval for Allianz SE and CPRNT to acquire/subscribe for the newly issued ordinary shares without having to make a tender offer for all of the equity securities of the Company; (7) a change of the Company's name to "Allianz Ayudhya General Insurance Public Company Limited", and an amendment of its memorandum and articles of association as well as corporate seal to reflect the change of name, with effect on the date on which the subscription of the newly issued ordinary shares of the Company and the payment therefor, and the sale and purchase of the ordinary shares in AZAY and the payment therefor, have been completed (the "Closing Date"); and (8) an increase of the total number of the Company's directors from 11 to 15 directors and the appointment of persons nominated by the Allianz SE and CPRNT as the Company's directors, with effect on the Closing Date 3. the approval being granted by the shareholders' meeting(s) of SAGI with respect to: <ol style="list-style-type: none"> (1) an acquisition of the entire business of AZTH; (2) a reduction of its registered capital from Baht 2,400,000,000 to Baht 1,800,000,000 by cancelling 60,000,000 authorised but unissued ordinary shares, and an amendment of its memorandum of association to reflect the capital reduction; (3) an increase of its registered capital from Baht 1,800,000,000 to Baht 3,053,794,000 by issuing 125,379,400 new ordinary shares, and an amendment of its memorandum of association to reflect the capital increase;

Matter	Summary
	<p>(4) An allocation of newly issued ordinary shares to the Company and to other shareholders; and</p> <p>(5) a change of SAGI's name to "Allianz Ayudhya General Insurance Public Company Limited", and an amendment of its memorandum and articles of association as well as corporate seal to reflect the change of name, with effect on the Closing Date.</p> <p>4. The receipt of the approval from the Office of Insurance Commission with regard to the Business Integration Plan, and relevant matters.</p> <p>5. The receipt of the approval from the Office of the Securities and Exchange Commission with respect to the following matters:</p> <p>(1) the offering for sale of the newly issued ordinary shares of the Company by way of private placement and the extension of the offering period; and</p> <p>(2) the waiver for Allianz SE and CPRNT not having to make a tender offer for all of the equity securities of the Company;</p> <p>6. The conditions precedent in the Entire Business Transfer Agreement being fulfilled.</p>
<p>Summary of other key provisions</p>	<p>As of the execution date of this agreement, the Company has entered into the Trademark and Name License Agreement with Allianz SE for the approval for the Company to use, on a non-exclusivity basis, the "Allianz" name and trademarks without consideration for the Company's activities in Thailand, whereby its main business is to hold shares in other companies.</p>

(F 53-4)

Enclosure 4

Capital Increase Report Form
Sri Ayudhya Capital Public Company Limited
Wednesday 22 November 2017

We, Sri Ayudhya Capital Public Company Limited (the "**Company**"), hereby report to the Stock Exchange of Thailand (the "**SET**") the resolutions of Board of Directors Meeting No. 7/2017, held on Tuesday 21 November 2017 (the "**Board of Directors Meeting**"), relating to the capital increase and allocation of newly issued ordinary shares as follows:

1. Capital increase

The Board of Directors Meeting has resolved to propose to Extraordinary General Meeting of the Company No. 1/2018, held on Friday 19 January 2018 (the "**EGM**"), to consider and approve the increase of the Company's registered capital from Baht 250,000,000,00 to Baht 346,500,000 by issuing 96,500,000 new ordinary shares with a par value of Baht 1 each, totaling Baht 96,500,000. The type of the capital increase is as follows:

Type of capital increase	Type of share	Number of share (shares)	Par value (THB/share)	Total (THB)
<input checked="" type="checkbox"/> Specifying the purpose of utilizing the proceeds	Ordinary	96,500,000	1	96,500,000
	Preferred	-	-	-
<input type="checkbox"/> General mandate	Ordinary	-	-	-
	Preferred	-	-	-

2. Allocation of new shares:

2.1 If the purpose of utilizing the proceeds is specified:

Allocated to	Number of shares (shares)	Ratio (old : new)	Sale price (THB/share)	Subscription and payment period	Note
Existing shareholders	-	-	-	-	-
The public	-	-	-	-	-
Specific investors (private placement), i.e.					
(a) CPRN (Thailand) Limited (" CPRNT ")	23,466,105	-	53.43	Please see Note 1 (a)	Please see Notes 2 - 5
(b) Allianz SE and CPRNT	73,033,895	-	53.43	Please see Note 1 (b)	Please see Notes 2 - 5
To support the exercise of conversion rights/ transferable subscription rights (please specify)	-	-	-	-	-

Remark:

- The increase of the Company's registered capital by issuing 96,500,000 newly issued ordinary shares with a par value of Baht 1 each, and the allocation and offering for sale to Allianz SE and CPRNT at the offering price of Baht 53.43 per share, totaling Baht 5,155,995,000, as follows:

- (a) The allocation of 23,466,105 newly issued ordinary shares and offering for sale to CPRNT.

CPRNT will make the payment for the newly issued ordinary shares in cash, and the Company will use the proceeds derived from this portion of capital increase to subscribe for the newly issued ordinary shares in Sri Ayudhya General Insurance Public Company Limited ("**SAGI**"), in order to provide SAGI with funds to accept the transfer of the entire business from Allianz General Insurance Public Company Limited ("**AZTH**").

- (b) The allocation of 73,033,895 newly issued ordinary shares and offering for sale to Allianz SE and CPRNT.

Allianz SE and CPRNT will use 34,810,000 ordinary shares in Allianz Ayudhya Assurance Public Company Limited ("**AZAY**"), representing approximately 11.80 percent of the total shares sold in Allianz Ayudhya Assurance Public Company Limited ("**AZAY**"), at the values of Baht 112.10 per share, or approximately Baht 3,902,201,000 in total, to pay to the Company in lieu of cash payment.

The number of newly issued ordinary shares to be offered to each of Allianz SE and CPRNT will be determined based upon the foreign shareholding availability in the Company before the allocation of the newly issued ordinary shares for the purchase of AZAY shares and the number of newly issued ordinary shares to be sold and transferred to the Company by each of Allianz SE and CPRNT. This is to ensure that the offering for sale of shares would not result in the total shareholding of non-Thais in the Company exceeding 49 percent of the total voting shares in the Company after the Capital Increase Registration.

In this regard, there will be no fraction of shares from the allocation of the newly issued ordinary shares as set out above.

The Company will proceed with the offering for sale of the newly issued ordinary shares as set out above (as well as having SAGI accept the transfer of the entire business from AZTH and the purchase of AZAY shares as set out above) only when the conditions precedent specified in the Share Subscription and Purchase Agreement and/or the Entire Business Transfer Agreement are satisfied or are waived. The conditions precedent that must be satisfied include, *inter alia*, the receipt of the approval from the Office of Insurance Commission ("**OIC**") with regards to the approval of the Insurance Commission ("**Insurance Commission**") for SAGI and AZTH to proceed with the transfer and acceptance of transfer of the entire business ("**Approval of the Insurance Commission**"), which will be sought by SAGI and AZTH and the receipt of the approval from the Office of the Securities and Exchange Commission (the "**Office of the SEC**") for (i) the private placement of the newly issued ordinary shares by the Company and an extension of the offering period for more than three months after the approval being granted by the EGM; and (ii) the waiver for Allianz SE and CPRNT acquiring the newly issued ordinary shares without having to make a tender offer for all securities of the Company.

2. Brief details about Allianz SE and CPRNT

2.1 **Allianz SE**

Name of the company:	Allianz SE
Type and nature of business:	Allianz SE is a stock corporation in the form of a European company incorporated under the laws of Germany and the European Union. Allianz SE and its subsidiaries and affiliates (collectively

referred to as the "**Allianz Group**") are global financial services provider with services predominantly in the insurance and asset management businesses.

Address: Koeniginstrasse 28, 80802 München, Federal Republic of Germany

Date of incorporation: 5 February 1890

Registered capital: Euro 1,169,920,000

Paid-up capital: Euro 1,169,920,000

Total number of outstanding shares: 446,101,300 ordinary shares without par value

2.2 CPRNT

Name of the company: CPRN (Thailand) Limited.

Type and nature of business: CPRNT is a private limited company incorporated under the laws of Thailand. CPRNT is an investment holding company

Address: 2 Ploenchit Center, G Floor, Sukhumvit Road, Klongtoey Subdistrict, Klongtoey District, Bangkok

Company Registration No.: 0105558184263

Date of incorporation: 20 November 2015, which was the date of amalgamation between CPRN (Thailand) Limited (Company Registration No. 0105543022793) and CPRN Holdings Limited (Company Registration No. 0105544050847).

Registered capital: Baht 350,100,000

Paid-up capital: Baht 350,100,000

Total number of outstanding shares: 17,160,000 ordinary shares and 17,850,000 preferred shares with a par value of Baht 10 each, fully paid-up.

3. The allocation of the newly issued ordinary shares to the Allianz SE and CPRNT is considered a private placement of newly issued ordinary shares. The EGM has resolved to clearly fix the offering price at not lower than the market price according to Notification of the Capital Market Supervisory Board No. TorChor. 72/2558 re: Approval for Private Placement of Newly Issued Shares by a Listed Company, dated 28 October 2015 (as amended) (the "**PP Notification**"). The Company must seek and obtain approval from the Office of the SEC.

In addition, the Company will seek a waiver of the private placement period from the Office of the SEC, so that the Company can offer the newly issued ordinary shares for sale to Allianz SE and CPRNT after the three-month period from the date of approval by the EGM, but no more than three months from the date of receipt of the Approval of the Insurance Commission by SAGI and AZTH.

Please see the additional details about the offering for sale of the newly issued ordinary shares, including the market price of the Company's shares and the waiver of the private placement period in **Enclosure 5** (*Information Memorandum of the Company re: Private Placement of Newly Issued Ordinary Shares*)

4. Allianz SE and CPRNT are the Company's connected persons. Allianz SE is one of the major shareholders of the Company, holding 42,104,000 shares or approximately 16.84 percent of the total voting shares in the Company. Allianz SE and CPRNT are related persons of each other under Section 258 of the Securities and Exchange Act B.E. 2535 (1992), as amended (the "**SEC Act**"), because Allianz SE (either directly or indirectly) holds more than 30 percent of the total number of voting rights of the companies which hold shares in CPRNT.

Therefore, the allocation of the newly issued ordinary shares to Allianz SE and CPRNT is considered a connected transaction under the Notification of the Capital Market Supervisory Board No. Tor Chor. 21/2551 re: Connected Transaction Rules, dated 31 August 2008 (as amended), 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 Connected Transactions, 2003, dated 19 November 2003 (as amended) (collectively referred to as the "**Connected Transaction Notifications**"). The total size of these transactions is equivalent to 87.61 percent of the Company's net tangible assets ("**NTA**"), which is more than three percent of the Company's NTA.

Please see the additional details about the entry into connected transactions in **Enclosure 1** (*Information Memorandum of the Company re: Acquisition of Assets and Entry into Connected Transactions*).

5. Allianz SE and CPRNT's aggregate shareholdings in the Company after the allocation of the newly issued ordinary shares will increase from approximately 16.84 percent to 40.00 of the total voting shares in the Company, which exceeds the trigger point of 25 percent of the total voting shares in the Company. Allianz SE and CPRNT will then be required to make a tender offer for all securities of the Company according to section 247 of the SEC Act and Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 re: Rules, Conditions, and Procedures for the Acquisition of Securities for Business Takeovers, dated 13 May 2011 (as amended).

However, Allianz SE and CPRNT will seek a waiver of the requirement to make a tender offer for all securities of the Company according to Notification of the Office of the SEC No. SorChor. 36/2546 re: Rules for the Application for a Waiver of the Requirement to Make a Tender Offer for all Securities of the Business by Virtue of a Resolution of a Shareholders Meeting of the Business, dated 17 November 2003. Allianz SE and CPRNT will jointly prepare a written request to seek an approval from the shareholders meeting in order to acquire securities without being required to make a tender offer for all securities of the Company (Form 247-7), which will be sent to shareholders along with an invitation to EGM No. 1/2018, to be held on Friday 19 January 2018.

2.2 General mandate

- None -

3. Schedule of a general/extraordinary general meeting of shareholders for the purpose of approving the capital increase and allocation of newly issued shares

The Company's EGM No. 1/2018 is scheduled for Friday 19 January 2018, at 14.00 hrs. The date and time will be fixed later.

- The closure of share register and suspension of share transfers for the purpose of determining the right to attend the shareholding meeting is scheduled for until completion of the meeting.
- The record date for determining the shareholders who are entitled to attend the EGM is scheduled for Wednesday 6 November 2017 (Record Date).

4. Approval for the capital increase and the allocation of newly issued shares from the relevant authorities, and conditions thereto (if any)

- 4.1 SAGI and AZTH will seek the Approval of the Insurance Commission for the acceptance of transfer of the entire business from AZTH.
- 4.2 Allianz SE and CPRNT will seek a waiver, by resolution of a shareholders meeting (Whitewash), of the requirement to make a tender offer for all securities of the Company from the Office of the SEC
- 4.3 The Company will seek a waiver of the private placement period from the Office of the SEC, so that the Company can offer the newly issued ordinary shares for sale to Allianz SE and CPRNT at the price of Baht 53.43 per share after the three-month period from the date of approval by the EGM, but not more than three months from the date on which SAGI and AZTH receive the Approval of the Insurance Commission.
- 4.4 The Company will register the related changes or amendments with the Department of Business Development, Ministry of Commerce, such as amendment to the registered capital, amendment to the Memorandum of Association, and amendment to the paid capital after the Capital Increase Registration.
- 4.5 The Company will file an application with the SET for listing its newly issued ordinary shares as listed securities.

5. Objectives of the capital increase and proceeds utilization plan

The capital increase and the offering of the newly issued ordinary shares to Allianz SE and CPRNT is part of the co-operation in insurance business in Thailand between the Company and the Allianz Group with the following objectives:

- 5.1 To enable the Company to use the proceeds derived from the allocation of the newly issued ordinary shares to pay for the subscription of newly issued ordinary shares in SAGI, so that SAGI will use such funds to pay the consideration for the purchase and acceptance of the transfer of the entire business from AZTH.
- 5.2 To pay for the purchase of 34,810,000 AZAY shares, representing approximately 11.80 percent of the total shares sold in AZAY.

6. Benefits that the Company will receive from the capital increase and allocation of newly issued shares

The capital increase and the allocation of the newly issued ordinary shares to Allianz SE and CPRNT will provide SAGI with funds for the acceptance of the transfer of the entire business without affecting the Company's and SAGI's financial position and financing cost because the Company and SAGI will not have to borrow funds from financial institutions or seek other funding sources.

The Company expects that the acceptance of transfer of the entire business from AZTH and the purchase of AZAY shares will benefit the Company and SAGI. Please see the additional details in **Enclosure 1** (Information Memorandum of the Company re: Acquisition of Assets and Entry into Connected Transactions).

7. Benefits that the shareholders will receive from the capital increase and allocation of newly issued shares

The shareholders will receive indirect benefits from the benefits to be received by the Company in the capital increase/allocation of the New Shares as stated in clause 6 in the form of the increased capacity to pay more dividends to shareholders.

8. Other details necessary for shareholders to support their decision to approve the capital increase and allocation of shares

The additional details to support the consideration and decision to approve the capital increase/allocation of the New Shares are provided in **Enclosure 1** (Information Memorandum of the Company re: Acquisition of Assets and Entry into Connected Transactions) and **Enclosure 5** (Information Memorandum of the Company re: Private Placement of Newly Issued Ordinary Shares).

9. Schedule of actions if the Board of Directors passes a resolution approving the capital increase or allocation of the New Shares

No.	Process	Day/month/year
1.	The Company, Allianz SE, and CPRNT execute the Share Subscription and Purchase Agreement	Wednesday 22 November 2017
2.	SAGI and AZTH jointly apply for the Approval of the Insurance Commission for the plan to transfer the entire business from AZTH to SAGI (" Entire Business Transfer Plan ")	Within December 2017
3.	The Company applies for a waiver of the private placement period from the Office of the SEC	Within December 2017 and before the EGM
4.	Determination of the list of shareholders who are entitled to attend the EGM (Record Date)	Wednesday 6 December 2017
5.	Allianz SE and CPRNT jointly file an application for approval in order to acquire securities without being required to make a tender offer for all securities of the Company, by virtue of a resolution of a shareholders meeting (Whitewash), with the Office of the SEC.	Within December 2017 and before the EGM
6.	The EGM of the Company is held to consider various matters, including having SAGI accept the transfer of the entire business from AZTH, the purchase of AZAY shares, the reduction of the Company's registered capital by canceling registered shares which have not yet been sold, and the allocation and offering for sale of the Company's newly issued ordinary shares	Friday 19 January 2018
7.	The Company registers the amendment to the Articles of Association and the amendment to clause 4 of the Memorandum of Association (capital increase/reduction) with the Ministry of Commerce.	Within 14 days from the date of approval of the EGM

No.	Process	Day/month/year
8.	The Company applies for the approval of the Office of the SEC for the private placement of the newly issued ordinary shares.	after the receipt of the OIC Approval for the Entire Business Transfer Plan
9.	<ul style="list-style-type: none"> The Company offers the New Shares for sale to Allianz SE and CPRNT; CPRNT pays for 23,466,105 newly issued ordinary shares in lieu of cash payment; and Allianz SE and CPRNT pay for 73,033,895 newly issued ordinary shares with 34,810,000 AZAY shares. 	Within 3 months from the date SAGI and AZTH receive the Approval of the Insurance Commission
10.	The Company registers the amendment to its paid-up capital with the Ministry of Commerce.	Within 14 days from the date of the receipt of payment for the newly issued ordinary shares
11.	The Company files an application with the SET for listing the newly issued ordinary shares as listed securities.	After the registration of amendment to paid-up capital

Remark:

The Board of Directors will propose to the EGM to consider and approve the delegation of authority to the Board of Directors, President, or persons designated by the Board of Directors or President to take any acts pertaining to the capital increase and the allocation of the newly issued ordinary shares.

The Company hereby certifies that the information contained in this report form is true and complete in all respects.

Sri Ayudhya Capital Public Company Limited

Signed

(Mr. Arnon Opaspimoltum)

Chief Executive Officer



Signed

(Mr. Virojn Srethapramotaya)

Director

Information Memorandum of Sri Ayudhya Capital Public Company Limited

Re: Private Placement of Newly Issued Ordinary Shares

The Board of Directors Meeting of Sri Ayudhya Capital Public Company Limited (the "**Company**") No. 7/2017, held on Tuesday 21 November 2017 (the "**Board of Directors Meeting**"), considered the potential co-operation in insurance business in Thailand between the Company and the Allianz Group, and approved the proposal of relevant matters to Extraordinary General Meeting of Shareholders of the Company No. 1/2018, to be held on Friday 19 January 2018 (the "**EGM**"), for its consideration and approval. These matters include, *inter alia*,

(1) the approval for Sri Ayudhya General Insurance Public Company Limited ("**SAGI**") to purchase and accept the transfer of the entire business from Allianz General Insurance Public Company Limited ("**AZTH**") (the "**Acceptance of the EBT**");

(2) the approval for the Company to purchase 34,810,000 additional ordinary shares in Allianz Ayudhya Assurance Public Company Limited ("**AZAY**") from Allianz SE and CPRN (Thailand) Limited ("**CPRNT**") (the "**Purchase of AZAY Shares**");

(3) the increase of the Company's registered capital from Baht 250,000,000 to Baht 346,500,000 by issuing 96,500,000 newly issued ordinary shares of the Company, representing approximately 27.85 percent of the total voting shares in the Company after completion of the registration of the increase of paid-up capital derived from the offering for sale of the newly issued shares (the "**Capital Increase Registration**") with a par value of Baht 1 each, and the allocation and offering for sale of the newly issued shares to Allianz SE and CPRNT at the offering price of Baht 53.43 per share.

The allocation and offering for sale of these newly issued ordinary shares to Allianz SE and CPRNT is the private placement of newly issued ordinary shares according to Notification of the Capital Market Supervisory Board No. TorChor. 72/2558 re: Approval for Private Placement of Newly Issued Shares by a Listed Company, dated 28 October 2015 (as amended) (the "**PP Notification**").

The Company hereby provides the significant details of the private placement of newly issued ordinary shares as follows:

1. The details of the private placement of newly issued ordinary shares

1.1 Newly issued ordinary shares to be offered for sale

96,500,000 newly issued ordinary shares of the Company (the "**New Shares**"), representing approximately 27.85 percent of the total voting shares in the Company after the Capital Increase Registration, with a par value of Baht 1 each, will be offered for sale at the offering price of Baht 53.43 per share, as specified below.

(1) The allocation and offering for sale of 23,466,105 newly issued ordinary share of the Company to CPRNT (the "**New Shares for EBT Acceptance**"), at the offering price of 53.43 per share, totaling approximately Baht 1,253,794,000.

CPRNT will pay for the New Shares for EBT Acceptance in cash, and the Company will use the proceeds derived from this portion of capital increase to subscribe for newly issued ordinary shares in SAGI, in order to provide SAGI with funds for the Acceptance of the EBT.

(2) The allocation and offering for sale of 73,033,895 newly issued ordinary shares of the Company to Allianz SE and CPRNT (the "**New Shares for AZAY Share Purchase**") at the offering price of Baht 53.43 per share, totaling approximately Baht 3,902,201,000, as payment of consideration for AZAY shares to Allianz SE and CPRNT.

Allianz SE and CPRNT will transfer 34,810,000 AZAY shares, representing approximately 11.80 percent of the total shares sold in AZAY, at the values of Baht 112.10 per share, totaling Baht 3,902,201,000 to the Company for the payment for the New Shares for AZAY Share Purchase in lieu of cash payment.

The New Shares for AZAY Share Purchase to be allocated and offered for sale to each of Allianz SE and to CPRNT will be determined based upon the foreign shareholding availability in the Company before the allocation of the New Shares for the Purchase of AZAY Shares, and the numbers of shares in AZAY to be respectively sold by Allianz SE and CPRNT to the Company. This is to ensure that the offering would not result in the total shareholding of non-Thais in the Company exceeding 49 percent of the total voting shares in the Company after the Capital Increase Registration.

The Company and/or SAGI will proceed with the transaction above only when the conditions precedent specified in both the Share Subscription and Purchase Agreement (the "**Share Subscription and Purchase Agreement**") among the Company, Allianz SE, and CPRNT and the Entire Business Transfer Agreement (the "**EBT Agreement**") between SAGI and AZTH are satisfied or are waived. The conditions precedent that must be satisfied include, *inter alia*, the receipt from the Office of Insurance Commission ("**OIC**") of the approval of the Insurance Commission on the transfer and acceptance of the transfer of the entire business by AZTH and SAGI (the "**OIC Approval**"), which SAGI and AZTH have already submitted the request for approval from the Insurance Commission on 1 December 2017, the receipt of the approval from the Office of the Securities and Exchange Commission (the "**Office of the SEC**") for (i) the private placement of the New Shares by the Company and an extension of the offering period for more than three months after the approval being granted by the EGM; and (ii) the waiver for Allianz SE and CPRNT acquiring the New Shares without having to make a tender offer for all securities of the Company (the "**SEC Approvals**").

The summary of material details of the draft Share Subscription and Purchase Agreement and the draft EBT Agreement, as well as the conditions precedent thereunder is provided in **Enclosure 3 and Enclosure 2**.

1.2 Description of the private placement investors, and relationship with these investors

The Company will allocate the New Shares for sale to Allianz SE and CPRNT. The material information of Allianz SE and CPRNT and relationship between them and the Company is as described below.

(a) Allianz SE

Name, Incorporation Date, Paid-up Capital, Type of Business, Nature of Business

Name of the company:	Allianz SE
Type and nature of business:	Allianz SE is a stock corporation in the form of a European company incorporated under the laws of Germany and the European Union. Allianz SE and its subsidiaries and affiliates, (collectively referred to as the " Allianz Group ") are global financial services providers with services predominantly in the insurance and asset management businesses.
Address:	Koeniginstrasse 28, 80802 München, Federal Republic of Germany
Date of incorporation:	5 February 1890
Registered capital:	Euro 1,169,920,000
Paid-up capital:	Euro 1,169,920,000
Total number of outstanding shares:	446,101,300 ordinary shares without par value

List of Allianz SE's top ten major shareholders and their shareholdings as of 15 November 2017:

Name	No. of shares	% of the total number of shares and voting rights
1. Blackrock	31,004,040	6.95
2. Deutsche Bank AG	20,792,482	4.66
3. Vanguard Group	12,935,144	2.9
4. Norges Bank	8,562,859	1.92
5. Artisan Partners LTD Partnership	6,950,763	1.56
6. Harris Associates LP	6,793,644	1.52
7. Dekabank Deutsche Girozentral	5,599,747	1.26
8. Ratio Capital Management BV	4,539,200	1.02
9. Dimensional Fund Advisors LP	3,922,292	0.88
10. Government Pension Investment Fund Japan	3, 531,512	0.79

List of Allianz SE's members of the board of management as of 21 November 2017

Name	Position
1. Mr. Oliver Bäte	Chairman of the Board of Management of Allianz SE (CEO)
2. Mr. Sergio Balbinot	Member of the Board of Management of Allianz SE, Insurance Western & Southern Europe, Middle East, Africa, Asia Pacific
3. Ms. Jacqueline Hunt	Member of the Board of Management of Allianz SE, Asset Management, US Life Insurance
4. Dr. Helga Jung	Member of the Board of Management of Allianz SE, Insurance Iberia & Latin America, Legal, Compliance, Mergers & Acquisitions
5. Dr. Christof Mascher	Member of the Board of Management of Allianz SE, Operations, Allianz Worldwide Partners (COO)
6. Dr. Günther Thallinger	Member of the Board of Management of Allianz SE, Investment Management
7. Dr. Axel Theis	Member of the Board of Management of Allianz SE, Global Insurance Lines & Anglo Markets, Environment, Social and Governance (ESG)

Name	Position
8. Dr. Dieter Wemmer	Member of the Board of Management of Allianz SE, Finance, Controlling, Risk (CFO)
9. Dr. Werner Zedelius	Member of the Board of Management of Allianz SE, Insurance German-speaking countries and Central & Eastern Europe

Relationship with the Company

Allianz SE is a shareholder of the Company holding 42,104,000 shares representing approximately 16.84 percent of the total voting rights in the Company as of 7 December 2017, which was the latest date that the Company determines the list of shareholders (Record Date).

In addition, Mr. Bryan James Smith is a representative director nominated by Allianz SE.

(b) **CPRNT**

Name, Incorporation Date, Paid-up Capital, Type of Business, Nature of Business

Name of the company:	CPRN (Thailand) Limited.
Type and nature of business:	CPRNT is a private limited company incorporated under the laws of Thailand. CPRNT is an investment holding company
Address:	2 Ploenchit Center, G Floor, Sukhumvit Road, Klongtoey Subdistrict, Klongtoey District, Bangkok
Company Registration No.:	0105558184263
Date of incorporation:	20 November 2015, which was the date of amalgamation between CPRN (Thailand) Limited (Company Registration No. 0105543022793) and CPRN Holdings Limited (Company Registration No. 0105544050847).
Registered capital:	Baht 350,100,000
Paid-up capital:	Baht 350,100,000
Total number of outstanding shares:	17,160,000 ordinary shares and 17,850,000 preferred shares with a par value of Baht 10 each, fully paid-up.

List of CPRNT's major shareholders and their shareholdings as of 20 April 2017:

Name	No. of shares	% of the total number of shares and voting rights
1. BSMC (Thailand) Limited	17,154,898	49.00
2. SOFE One Limited	8,927,551	25.50
3. SOFE Two Limited	8,927,551	25.50
Total	35,010,000	100.00

List of CPRNT's board of directors and board of management as of 21 November 2017:

Name	Position
1. Ms. Julia Rui Zheng	Director
2. Ms. Ng Lee Meng	Director
3. Ms. Renate Wagner	Director

Relationship with the Company

Allianz SE and CPRNT are related persons of each other under Section 258 of the Securities and Exchange Act B.E. 2535 (1992), as amended (the "**SEC Act**"), because Allianz SE (either directly or indirectly) holds more than 30 percent of the total number of voting rights of the companies which hold shares in CPRNT. In addition, Allianz SE is one of the major shareholders of the Company, holding 42,104,000 shares or approximately 16.84 percent of the total voting shares in the Company as of 7 December 2017 which is the most recent date that the Company determines the list of shareholders (Record Date). Therefore, Allianz SE and CPRNT are the Company's connected persons.

The offering for sale of the New Shares to Allianz SE and CPRNT is the entry into connected transactions according to the additional details in clause 1.6 hereof.

1.3 Determination of the offering price of the New Shares and the market price

The Board of Directors proposes to the EGM, for its consideration, the offering price of the New Shares which is clearly determined at Baht 53.43 per share. Such offering price has been mutually agreed upon among the Company, Allianz SE and CPRNT according to the Share Subscription and Purchase Agreement, taking into account various factors including the price of the Company's shares which are traded on the Stock Exchange of Thailand (the "**SET**") during 1 November 2017 to 20 November 2017, and the Company's asset value, financial condition and operating results, expertise and experience in operating the business, as well as growth prospect in the insurance business.

The offering price of the New Shares at Baht 53.43 per share is not lower than the market price of the Company's shares, which is Baht 30.10 per share calculated according to the PP Notification. This market price is calculated based on the weighted average price of the Company's shares traded on the SET between 1 November 2017 and 20 November 2017, which was the 14-business day period before the Board of Directors Meeting on Tuesday 21 November 2017 resolved to propose to the EGM to approve the allocation of the New Shares. This weighted average price is calculated based on the trading value and volume of all shares in the Company traded on the SET as shown on the SET's SETSMART (www.setsmart.com).

If the offering price of the New Shares is lower than 90 percent of the market price of the Company's shares immediately before the date of the offering for sale of the New Shares to Allianz SE and CPRNT, calculated based on the SET Notification re: Rules, Conditions, and Procedures Governing the Listing of Ordinary Shares or Preferred Shares Issued for Capital Increase, B.E. 2558 (2015) dated 11 May 2015, the Company will have to prohibit Allianz SE and CPRNT from selling all the New Shares during the period of one year from their first trading day on the SET. After a lapse of six months from the first trading day of the New Shares on the SET, Allianz SE and CPRNT can gradually sell the shares subject to that prohibition at 25 percent of the total number thereof.

1.4 Seeking approval for private placement of the New Shares, and waiver of offering period requirement

The offering for sale of the New Shares to Allianz SE and CPRNT is considered a private placement of newly issued ordinary shares with the offering price being clearly determined by shareholders, for which the Company must seek and obtain approval from the Office of the SEC according to the PP Notification.

According to the PP Notification, if the approval is obtained by a resolution of the EGM, the Company must complete the offering for sale of the New Shares within the period approved by the EGM, but no more than three months from the date the EGM resolves to approve the offering for sale of the New Shares. As stated above, the Company will offer the New Shares for sale to Allianz SE and CPRNT only when the conditions precedent specified in the Share Subscription and Purchase Agreement are satisfied or are waived. The conditions precedent that must be satisfied include, *inter alia*, the receipt of the OIC Approval and the SEC Approvals. Therefore, the period necessary for the satisfaction of these conditions precedent remains uncertain. The Company might be unable to offer the New Shares for sale to Allianz SE and CPRNT within three months from the date of approval by the EGM. Therefore, the Company wishes to seek a waiver of the private placement period under the PP Notification from the Office of the SEC, so that the Company can offer the New Shares for sale to Allianz SE and CPRNT at the price of Baht 53.43 per share after the three-month period from the date of approval by the EGM, but no more than 3 months from the date of receipt of the OIC Approval. The Company shall submit the request for waiver of the private placement period to the Office of the SEC together with the application for the Company to offer newly issued shares under private placement scheme.

1.5 Information memorandum on the acquisition of assets and the entry into connected transactions

The allocation of the New Shares to Allianz SE and CPRNT, the Acceptance of the EBT, and the Purchase of AZAY Shares, as stated in clause 1.1, are part of the co-operation in insurance business in Thailand between the Company and the Allianz Group.

The Acceptance of the EBT and the Purchase of AZAY Shares are acquisition of assets transactions by the Company and its subsidiary under the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 re: Rules Concerning the Material Transactions in the Acquisition or Disposal of Assets, dated 31 August 2008 (as amended) and the Notification of the Board of Governors of the SET re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposal of Assets, 2004, dated 29 October 2004 (as amended) (collectively referred to as the "**Notifications on Assets Acquisition or Disposal**"). The total size of these transactions, based on the Company's consolidated financial statements for the nine-month period ending on 30 September 2017, and AZTH's and AZAY's financial statements for the nine-month period ending on 30 September 2017, as reviewed by their respective auditors, is equivalent to 52.97 percent. These transactions are categorized as type 1 transactions (transactions with a total value of at least 50 percent or higher but lower than 100 percent).

In addition, Allianz SE and CPRNT are considered connected persons of the Company as stated in clause 1.2. Therefore, the allocation of the New Shares to Allianz SE and CPRNT, the Acceptance of the EBT and the Purchase of AZAY Shares are connected transactions under the Notification of the Capital Market Supervisory Board No. Tor Chor. 21/2551 re: Connected Transaction Rules, dated 31 August 2008 (as amended), and the Notification of the Board of Governors of the SET re: Disclosure of Information and Other Acts of Listed Companies Concerning Connected Transactions, 2003, dated 19 November 2003 (as amended) (collectively referred to as the "**Connected Transaction Notifications**"). The total size of these transactions is equivalent to 87.61 percent of the Company's net tangible assets ("**NTA**"), based on the Company's consolidated financial statements for the nine-month period ending on 30 September 2017, which is more than three percent of the Company's NTA. Therefore, the Company will have to prepare and disclose an information memorandum relating to the transactions to the SET, to appoint an independent financial advisor to express opinions on the transactions, and to seek approval from a shareholders meeting, with a vote of not less than three-fourths of the total number of votes of shareholders attending the meeting and having the right to vote, excluding shareholders who have interest, for the entry into these

transactions, according to the Notifications on Assets Acquisition or Disposal and the Connect Transaction Notifications.

The additional details about the entry into the acquisition-of-assets transactions and the connected transactions are provided in **Enclosure 1** (Information Memorandum of the Company re: Acquisition of Assets and Entry into Connected Transactions).

1.6 Waiver of the requirement to make a tender offer for all securities of the Company by virtue of a resolution of the shareholders meeting (Whitewash)

After the allocation of the New Shares to Allianz SE and CPRNT and the Capital Increase Registration, the shareholding ratio in the Company of Allianz SE will increase from approximately 16.84 percent, to approximately 40.00 percent of the total voting shares in the Company and, when combining with the shareholding in the Company of CPRNT, who will become new shareholder of the Company and is a related person of Allianz SE under section 258 of the SEC Act, it will exceed the trigger point of 25 percent of the total voting shares in the Company. Allianz SE and CPRNT will then be required to make a tender offer for all securities of the Company according to section 247 of the SEC Act and Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 re: Rules, Conditions, and Procedures for the Acquisition of Securities for Business Takeovers, dated 13 May 2011 (as amended).

However, Allianz SE and CPRNT wish to seek a waiver of the requirement to make a tender offer for all securities of the Company according to Notification of the Office of the SEC No. SorChor. 36/2546 re: Rules for the Application for a Waiver of the Requirement to Make a Tender Offer for all Securities of the Business by Virtue of a Resolution of a Shareholders Meeting of the Business, dated 17 November 2003. Allianz SE and CPRNT will jointly prepare a written request to seek approval from the EGM in order to acquire securities without being required to make a tender offer for all securities of the Company. The Request Form for Shareholders Meeting's Resolution to Approve Acquisition of New Securities without Requirement to Make a Tender Offer for All Securities of the Business (Form 247-7) has been sent to shareholders along with an invitation to EGM No. 1/2018.

2. Objectives of the issuance of the New Shares and proceeds utilization plan

The objectives of this issuance of the New Shares are as follows:

(1) To enable the Company to use the proceeds derived from the offering for sale of the New Shares for EBT Acceptance to pay for the subscription of newly issued ordinary shares in SAGI, SAGI will use such funds to pay the consideration for the Acceptance of the EBT.

(2) To enable the Company to use the New Shares for AZAY Share Purchase as consideration for the Purchase of AZAY Shares, in the amount of 34,810,000 shares representing approximately 11.80 percent of the total shares sold in AZAY.

The accomplishment of the objectives of the issuance of the New Shares as stated above is subject to the satisfaction of the conditions precedents specified in the Share Subscription and Purchase Agreement and the EBT Agreement, which include, *inter alia*, the receipt of the OIC Approval and the SEC Approvals. However, if the Company does not receive the OIC Approval and the SEC Approvals, it will not proceed with the offering for sale of the New Shares, the Acceptance of the EBT and the Purchase of AZAY Shares.

The additional details about the implementation of the objectives of the issuance of the New Shares and the proceeds utilization plan are provided in **Enclosure 4** (the Company's capital increase report form (F 53-4)) and **Enclosure 1** (Information Memorandum of the Company re: Acquisition of Assets and Entry into Connected Transactions).

3. Impact of the offering for sale on shareholders

3.1 Effect on the Company's share price (price dilution)

$$\begin{aligned} &= \frac{(\text{Market price before the offering}) - (\text{Market price after the offering})}{\text{Market price before the offering}} \\ &= \frac{30.10 - 36.60}{30.10} \\ &= -21.59 \text{ percent} \end{aligned}$$

As the offering price of the newly issued ordinary shares of the Company is materially higher than the market price before the offering, the offering of the newly issued ordinary shares under the private placement scheme shall not affect the share price of the Company.

*Market price after the offering shall be calculated as follows.

$$\frac{(\text{Market price before the offering} \times \text{Total paid-up shares}) + (\text{Offering price} \times \text{Number of newly issued ordinary shares})}{\text{Number ordinary shares after the increase in registered capital}}$$

3.2 Effect on the shareholders' voting right (control dilution)

$$\begin{aligned} &= \frac{\text{Number of shares offered in this offering}}{(\text{Number of paid-up shares}) + (\text{Number of shares offered in this offering})} \\ &= \frac{96,500,000}{250,000,000 + 96,500,000} \\ &= 27.85 \text{ percent (the number of shares and voting rights will be diluted by 27.85 percent of the existing number of shares and voting rights)} \end{aligned}$$

3.3 Effects on the shareholders' earnings (earning per share dilution)

$$\begin{aligned} &= \frac{(\text{Earnings per share before the offering} - \text{earnings per share after the offering})}{\text{Earnings per share before the offering}} \\ &= \frac{1.57 - 1.13}{1.57} \\ &= 28.05 \text{ percent (the earning per share will be diluted by 28.05 percent of the existing earning per share).} \end{aligned}$$

* Earnings per share before the offering = net profit/ total paid-up shares

** Earnings per share after the offering = net profit / Number ordinary shares after the increase in registered capital

3.4 Shareholding structure of the Company

The table below provides the details about the Company's shareholding structure as of the most recent date that the Company determines the list of shareholders (Record Date) on 7 December 2017, and the shareholding structure after the registration of capital increase, based on an assumption that the shareholdings by other shareholders have remained unchanged since the most recent record date, with the details as follows.

Name of shareholders	No. of shares as of 29 August 2017	Percent	No. of shares after the Capital Increase Registration	Percent
Allianz SE	42,104,000	16.84	138,604,000 ¹	40.001
CPRNT	0	0		
Bangkok Broadcasting & T.V. Co., Ltd.	28,802,500	11.521	28,802,500	8.312
Triple Prime Team Holdings Company Limited	25,238,750	10.096	25,238,750	7.284
BBTV Equity Co., Ltd.	21,946,000	8.778	21,946,000	6.334
Bank of Ayudhya Public Company Limited	21,250,800	8.500	21,250,800	6.133
Thongthai (1956) Co., Ltd.	9,610,000	3.844	9,610,000	2.773
Miss Suthida Ratanarak	7,624,970	3.050	7,624,970	2.201
UBS AG London Branch	7,380,500	2.952	7,380,500	2.130
Great Fortune Equity Company Limited	7,045,250	2.818	7,045,250	2.033
Krungthai Panich Insurance Public Company Limited	3,938,400	1.575	3,938,400	1.137
Other shareholders	75,058,830	30.024	75,058,830	21.662
Total	250,000,000	100.00	346,500,000	100.00

3.5 Worthiness of the benefits to be received by shareholders, compared to the impact of the offering for sale on them

The allocation of the New Shares for offering for sale to Allianz SE and CPRNT at the offering price of Baht 53.43 per share, which is higher than the market price as calculated under clause 1.3, will benefit the Company according to the details of the Board of Directors' opinion on the entry into the transactions in **Enclosure 1** (Information Memorandum of the Company re: Acquisition of Assets and Entry into Connected Transactions). Therefore, this offering for sale of the New Shares should benefit the shareholders, and be worthwhile compared to its impact on them.

4. Opinions of the Board of Directors

The Board of Directors (excluding Mr. Bryan James Smith, an interested director who did not take part in the consideration for the entry into transactions) has the opinions as follows:

¹ The New Shares to be allocated and offered for sale to each of Allianz SE and to CPRNT will be determined based upon the foreign shareholding availability in the Company before the allocation of the New Shares, and the numbers of shares in AZAY to be respectively sold by Allianz SE and CPRNT to the Company.

4.1 Reasons and necessities for the capital increase

The objectives of this capital increase and private placement of New Shares are stated in clause 2 of this Information Memorandum.

This capital increase and private placement of New Shares will provide SAGI with funds for the Acceptance of the EBT, and will enable the Company to acquire additional shares in AZAY which will be paid for by the Company by allocating the New Shares for AZAY Share Purchase to Allianz SE and CPRNT. These transactions will not affect the Company's financial condition and operating results, as well as SAGI's financial cost, because the Company and SAGI will not have to secure additional funding from financial institutions or other sources.

For the reasons mentioned above, the Company does not offer for sale its New Shares by other means.

4.2 Reasons and necessities for the offering for sale of the New Shares to Allianz SE and CPRNT

The offering for sale of the New Shares to Allianz SE and CPRNT is appropriate and necessary as follows.

- (1) The allocation of the New Shares for the offering for sale to Allianz SE and CPRNT is part of the co-operation in insurance business in Thailand between the Company and the Allianz Group.
- (2) The allocation of the New Shares for the offering for sale to Allianz SE and CPRNT will make the Allianz Group become the Company's closer strategic partner under a long-term relationship.
- (3) The allocation of the New Shares for the offering for sale to Allianz SE and CPRNT is appropriate because the Allianz Group has solid financial status and capacity and experience in insurance business for over 127 years, and has the expertise in complex products to meet the diversity of customer needs, technology and other proficiency. Thus, the co-operation with the Allianz Group will integrate experience, know-how, capability and expertise in business operation of SAGI and AZTH, and expand customer base and distribution channel, which would result in SAGI having better management and ability to compete sustainably in the current insurance market.
- (4) The Acceptance of the EBT and the Purchase of AZAY Shares allocation of New Shares are the accomplishment of the objectives of the capital increase, which will benefit the Company as stated in clause 1.8 and clause 2.8 of the Information Memorandum of the Company re: Acquisition of Assets and Entry into Connected Transactions (**Enclosure 1**).

4.3 Base for the determination of the offering price, and reasonableness of the price of the New Shares

The offering price of the New Shares at Baht 53.43 per share has been mutually agreed upon among the Company, Allianz SE and CPRNT according to the Share Subscription and Purchase Agreement, taking into account various factors including the price of the Company's shares which are traded on the SET from 1 November 2017 to 20 November 2017, and the Company's asset value, financial condition and operating results, expertise and experience in operating the business, as well as growth prospect in the insurance business.

The Board of Directors is of the opinion that the offering price of the New Shares as stated above is appropriate, and in the best interest of the Company and shareholders as a whole. This price is higher than the Company's book value per share (based on the Company's consolidated financial statements for the nine-month period ending on 30 September 2017), which is Baht 30.43 per share, and higher than the market price of the Company's shares (calculated under the PP Notification), which is Baht 30.10 per share.

4.4 Feasibility of the proceeds utilization plan

(1) The Acceptance of the EBT

The total consideration that the Company will receive from the offering for sale of the New Shares for EBT Acceptance is approximately Baht 1,253,794,000 which is sufficient for the Company to use to pay for the newly issued ordinary shares of SAGI for proceeding with the Acceptance of the EBT.

(2) The Purchase of AZAY Shares

The Company will allocate the New Shares for AZAY Share Purchase, in the amount of 73,033,895 shares, as consideration to Allianz SE and CPRNT for the AZAY Shares, in the amount of 34,810,000 shares without additional payment in cash.

4.5 Reasonableness of the capital increase, the proceeds utilization plan, and the projected scheme

This capital increase and the offering for sale of shares to Allianz SE and CPRNT is for the purpose of the Acceptance of the EBT and the Purchase of AZAY Shares which is part of the co-operation in the insurance business in Thailand between the Company and Allianz Group which has solid financial status, capacity and experience in insurance business for over 127 years. In addition, Allianz Group has the expertise in complex products to meet the diversity of customer needs, technology and other proficiency. The co-operation with Allianz Group will integrate experience, know-how, capability and expertise in business operation of Allianz Group with the Company to enhance the capability of the Company and SAGI in the insurance business competition and result in the best interest of the Company and SAGI.

The capital increase, the proceeds utilization plan, and the projected scheme are reasonable as follows:

(1) The capital increase for the Acceptance of the EBT

- (a) The capital increase by the issuance of the New Shares for EBT is part of the procurement of funds by SAGI for the Acceptance of the EBT. Therefore, the Company and SAGI will not have to secure additional funding from financial institutions or other sources. CPRNT will subscribe for the New Shares for EBT Acceptance and make payment therefor in cash. The Company will use this amount to pay for the newly issued ordinary shares in SAGI, in order to provide SAGI with funds for the Acceptance of the EBT.
- (b) The Acceptance of the EBT will benefit the Company, briefly as follows
 - Support of the integration and share of resources individually invested in by both companies in order to achieve optimal benefits on an economies of scale basis, thereby reducing SAGI's operating cost.
 - Expand customer base and distribution channel which would result in SAGI having better management and ability to compete sustainably in the current insurance market.
 - After the Acceptance of the EBT, SAGI's size will increase significantly. Based on the SAGI's and AZTH's market share of direct income premiums in 2016, the expected income from insurance premium of all type of insurance will increase to approximately Baht 5,436,065,000 with the market share at approximately 2.57 percent, which will make SAGI rank No. 12 for the non-life insurance business in Thailand.

More details regarding the benefits to the Company will be as stated in clause 1.8 of the Information Memorandum of the Company re: Acquisition of Assets and Entry into Connected Transactions (**Enclosure 1**).

- (2) The capital increase for the Purchase of AZAY Shares
- (a) The capital increase by the issuance of the New Shares for AZAY Share Purchase is reasonable. This is because the Company will not have to secure additional funding from financial institutions or other sources for the Purchase of AZAY Shares.
- (b) The Purchase of AZAY Shares will increase the Company's investment in AZAY from 59,500,280 shares, or 20.17 percent of the total shares sold in AZAY, to 94,310,280 shares representing 31.97 percent of the total shares sold in AZAY, which will benefit the Company, briefly as follows.
- The Company will receive higher dividends from AZAY in proportion to the increase of the Company's shareholding in AZAY.
 - The Company will have more voting rights in the shareholders meeting of AZAY and could have higher level of participation in the management and decision-making of significant strategies of AZAY.

More details regarding the benefits to the Company will be as stated in clause 2.8 of the Information Memorandum of the Company re: Acquisition of Assets and Entry into Connected Transactions (**Enclosure 1**).

4.6 Projected impact on the Company's business operation, financial position and operating results as a result of the capital increase and implementation of the proceeds utilization plan

- (1) The offering for sale of the New Shares is beneficial to the Company's financial position and operating results, as stated below.
- (a) The Acceptance of the EBT will enable SAGI to expand its customer bases, distribution channels, and market share of direct insurance premiums.
- (b) The Company anticipates to obtain attractive returns from the Purchase of AZAY Shares, because AZAY is an insurance company with sound financial position and operating results, as well as continuing growth prospect.
- (2) Allianz SE and CPRNT plan to enhance business co-operation between AZAY and the SAGI after the Acceptance of the EBT to improve operational efficiency and minimize repetitive costs and expenses by way of, amongst others, sharing of certain resources and centralized functions as well as cross-selling of insurance products to their respective customer bases.
- (3) The Company and SAGI will change of the Company's and SAGI's name, common seal, logo, as well as change of their directorship structure as follows:

Change of names of the Company and SAGI

Current name	Proposed name
Company	
Sri Ayudhya Capital Public Company Limited	Allianz Ayudhya Capital Public Company Limited
SAGI	
Sri Ayudhya General Insurance Public Company Limited	Allianz Ayudhya Insurance Public Company Limited

Change of structures of the boards of directors of the Company and SAGI

Description	Current structure	Proposed structure
Company		
Total number of directors	11 persons	15 persons
SAGI		
Total number of directors	8 persons	8 persons

The Board of Directors will propose the foregoing changes to another shareholders meeting of the Company.

5. Certification of the Board of Directors

In considering and examining the information of Allianz SE and CRPNT, the Board of Directors has conducted careful due diligence regarding their status and found that they are investors with potential to invest.

6. Right to claim compensation if the Company's directors fail to perform the fiduciary duty

If the Company's directors fail to perform duties in good faith and with due care to preserve the interest of the Company on matters relating to the increase of capital, thereby causing damage to the Company, the Company may claim compensation from the directors. If the Company fails to make such claim, any shareholders holding shares in aggregate not less than 5 percent of the total number of shares sold may notify the Company to make such a claim. If the Company fails to take action as notified by the shareholders, the shareholders may file a lawsuit in court to claim compensation on behalf of the Company according to section 85 of the Public Limited Companies Act, B.E. 2535 (as amended).

Furthermore, if that failure to perform the duties causes the directors or any related persons to obtain undue benefits, any shareholders holding shares in aggregate not less than 5 percent of the total number of shares sold may notify the Company to bring a lawsuit against the directors for disgorgement of the benefits to the Company. If the Company fails to take action as notified by the shareholders within 1 month from the date of receiving the notification, the shareholders may file a lawsuit against the directors on behalf of the Company for their disgorgement of benefits according to section 89/18 of the SEC Act.

Supporting Documents for Attending the Meeting

**Provisions of the Articles of Association
relating to the Extraordinary Shareholders Meeting No. 1/2018**

Chapter 6 Shareholder Meeting

31. The Board of Directors shall hold the shareholders meeting within four months after the end of the fiscal year of the Company.

All other general meetings are called "Extraordinary General Meetings". The board of Directors may summon the Extraordinary General Meetings whenever they deem fit.

34. In calling a shareholders' meeting, the Board of Directors shall prepare a written notice, specifying place, date, time, agenda of the meeting and the matters to be proposed to the meeting with reasonable details by indicating clearly whether it is the matter proposed for information, for approval or for consideration, as the case may be, including the opinion of the Board of Directors in the said matters (if any), and the said notice shall be delivered to the shareholders and the Registrar for their information at least seven days prior to the date of the meeting. The notice shall also be published in a newspaper at least three consecutive days prior to the date of the meeting at least three days.

35. Shareholders are entitled to attend and vote at the shareholders' meeting but they may authorize other sui juris persons as proxies to attend and vote at any meeting on their behalf. The appointment shall be made in writing pursuant to the proxy form specified by the Registrar and signed by the principal and proxy. The proxy shall be submitted to the Chairman on the Board or to the person designated by the Chairman of the Board at the place, which the meeting is held before the meeting starts.

36. In order to constitute a quorum, there shall be shareholders and proxies (if any) attending at a shareholders' meeting amounting to not less than twenty-five persons or not less than one half of the total number of shareholders, whichever is lesser and either case such shareholders shall hold in an aggregate amount of not less than one-third of the total number of shares sold by the Company, unless otherwise specified by the law.

At any shareholders' meeting, if one hour has passed since the time specified for the meeting and the number of shareholders attending the meeting is still inadequate for the quorum as defined in the first paragraph, and if such shareholders' meeting is called as a result of a request by the shareholders, such meeting shall be cancelled. If such meeting was not called as a result of a request by the shareholders, the meeting shall be called once again and the notice calling such meeting shall be delivered to the shareholders at least seven days prior to the date of the meeting. In the subsequent meeting a quorum is not required.

37. The Chairman of the Board shall be the Chairman of the shareholders' meetings. If the Chairman of the Board is not present at a meeting or cannot perform his duty, and if there is a vice-Chairman, the vice-Chairman present at the meeting shall be the Chairman of the meeting. If there is no vice-Chairman or there is a vice-Chairman but cannot perform his duty, the shareholders present at them meeting shall elect one of the shareholders present at the meeting to act as the Chairman of the meeting.

38. The Chairman of the shareholders' meeting has the duty to conduct the meeting in compliance with the Articles of Association of the Company relating to meetings and to follow the sequence of the agenda specified in the notice calling for the meeting, provided that the meeting may pass a resolution allowing a change in the sequence in the agenda with a vote of not less than two-thirds of the number of the shareholders present at the meeting.

39. Unless otherwise specified in this Articles of Association or by the Law, any decision or passing of the resolution of the shareholders' meeting requires a majority vote by the shareholders who attend the meeting and vote. In exercising their votes, the shareholder shall have one vote per one share. In the event of a tie, the Chairman shall have a casting vote.

Evidence Required for the Eligibility to Attend the Meeting

◆ Registration and Presence of the Documents Prior to Attending the Meeting

In the date of meeting shareholders or principal have to register and confirm the document for verify from 12.00 hours henceforth at Grand Ballroom 3rd floor the Okura Prestige Bangkok at 57 Wireless Road, Lumpini, Pathumwan, Bangkok 10330.

Company has used Barcode system with the registration so participant at a meeting please come with the document which company had delivered to shareholders including the notice of the date of Annual General Meeting of Shareholders which had Barcode for the registration. Participants at a meeting have to confirm the document to company staff for register before meeting (depending on circumstances).

1. Shareholder as natural person

1.1 In case of shareholders comes to attend the meeting in person must show documents that government issued with a photo of the shareholder along with valid id card such as Identification card / identification card of government officer / identification card of state enterprise officer / driver license or passport

1.2 In case of the shareholder appoints a proxy to attend the meeting

- (1) Proxy documents attached with the notice of meeting which must be completely filled out and signed by the shareholder and the proxy.
- (2) Documents copy that government issued of the shareholder; details as topic no. 1.1 and proxy has signed with certified true copy
- (3) Document copy that government issued of the shareholder and proxy has signed with certified true copy

2. Shareholder as Juristic Person

2.1 In case of Authorized Person as Juristic Person come to attend the meeting in person

- (1) Documents that government officer issued of authorized of juristic person (Details as topic no.1.1 above)
- (2) Copy of corporate affidavit issued by Department of Business Development, Ministry of Commerce no longer than 6 months which has certified true copy by authorized of juristic person as required together with company' seal (if any)

2.2 In case of the shareholder appoint a proxy to attend the meeting

- (1) Proxy form as attachment along with registration form with Barcode enclosed the notice of the meeting that must be completed filled and authorized of juristic person signed with the company' seal (if any)
- (2) Photo copy of certificate of juristic person issued by Department of Business Development, Ministry of Commerce validity no longer than 6 months with certified true copy by authorized of juristic person as required with the company seal (if any)
- (3) Documents issued by government officer as topic no. 1.1 above of authorized director of juristic person who signed a proxy form with certified true copy
- (4) Documents issued by government officer as topic no. 1.1 above of the attorney signed in the proxy form and certified true copy

3. In case of the shareholder not having Thai nationality or is juristic entity incorporated under the foreign laws

The case of the shareholder is an individual person (topic o.1) and the case of shareholder is an juristic person (topic no. 2) apply mutatis mutandis to shareholders or persons who attend the meeting are not Thai Nationality or juristic person established under international laws based on the case under the subject as follows.-

- (1) Shareholder of shareholders' representatives (director) or a proxy who is an individual which will attend the meeting must show documents Certificate of Alien Registration or passport or document in lieu of passport to the officer additionally prior attending the meeting.
 - (2) Photo copy of documents issued by government of the country that juristic person has registered or juristic person' document or condition or limitation authorization in signing and document has been certified by Notary Public.
 - (3) The original documents are in English must be prepared Thai Version as attachment and the shareholder or juristic representatives must certify translation as well.
- 4. In case of the shareholder is foreign investor and appoint Custodian in Thailand as depositary and caretaker of shares**

4.1 Prepare document and show document as same as the case of juristic person

4.2 In case of the shareholder is a foreign investor appointing Custodian to sign in proxy form, there shall be delivery of the following evidences additionally

- (1) Proxy form from the shareholder who is a foreign investor appointing the Custodian to sign in proxy form.
- (2) Certified letter of Deputy in proxy form is certified to conduct Custodian business

The original documents which are not in English must be provided with an English translation attached and the shareholders or the corporate entity that certifies the accuracy of the translation.

5. In case the shareholder has passed away

Trustee to attend the meeting in person or appoint a proxy to attend the meeting by doing the following.

- (1) Using topic no. 1 to apply mutatis mutandis
- (2) The court appointed a trustee no over than 6 months before the meeting, which was endorsed by the authority of additional information as well.

6. The shareholder is a minor

A parent or legal guardian to attend the meeting in person or appoint a proxy to attend the meeting by bringing a copy of his/her ID card or a copy of house registration of the shareholder who is a minor for additional documents

7. The shareholder is an incompetent or quasi-incompetent

A curator or guardian to attend the meeting in person or appoint a proxy to attend the meeting and bring court order appointing a curator or guardian not over than six months before the meeting which has endorsed by authorized person.

Remark *** The Company reserves the right to allow only shareholders or proxies have documentation is accurate and complete in attendance. In case of the proxy; a proxy form must be as scheduled.

Granting Proxy to participate in the Extraordinary General Meeting of Shareholders No.1/2018

With reference to the Invitation to of the date of the Extraordinary General Meeting of Shareholders No.1/2018 which will be held on Friday, January 19, 2018 at 14.00 hr. at Grand Ballroom 3rd floor at the Okura Prestige Bangkok Hotel, 57 Wireless Road, Lumpini, Pathumwan, Bangkok 10330.

For this Extraordinary General Meeting of Shareholders, if you are unable to participate in the meeting personally, please grant a Proxy to the other person to participate in the meeting and to vote on your behalf in order to constitute a quorum according to the Articles of Association of the company.

The proxy form in accordance with the Announcement of the Department of Commercial Registration on the proxy form (Issue 5) B.E. 2550 (Announced on February 2nd, 2007, are determined into 3 types which can be summarized as follows.-

- (1) Proxy Form A is a general proxy form which is not complicated. The shareholder can print this Proxy Form A from the website of the Company www.ayud.co.th
- (2) Proxy Form B is a proxy form, which has stipulated the list of items for proxy in details and with clarity. The Company has already delivered to the shareholders together with the invitation to the meeting, as in the attachment.
- (3) Proxy Form C is a proxy form for the shareholders who is a Non-Thai Nationality and appoint the Custodian in Thailand to be depositary. The shareholder can print this Proxy Form C from the website of the Company www.ayud.co.th

If you desire to grant a Proxy to a Director of the company as a proxy to participate and vote in the meeting on your behalf, the Company hereby proposes the following Directors under your discretion:-

- | | |
|------------------------------|----------------------|
| 1. Mr. Veraphan Teepsuwan | Chairman |
| 2. Mr. Surachai Prukbamroong | Independent Director |
| 3. Mr. Vichit Kornvityakoon | Independent Director |

Please indicate the name of director to be appointed as your proxy in the proxy form. After completing, making and signing the said proxy form and please kindly return to the Corporate Secretary earlier than the date of the Shareholders' Meeting at least 1 day at Address 898 Ploenchit Tower, 7th Floor, Ploenchit Rd., Lumpini, Pathumwan, Bangkok 10330.

Therefore, details of this 3 directors that the company proposed to the Shareholders as a proxy to participate and vote in the Extraordinary General Meeting of Shareholders No.1/2018 which details appear as shown below.-

Profiles of the Directors proposed to the shareholders as proxy

(1) Mr. Veraphan Teepsuwan The Board of Director as a proxy



Age	:	76 years	
Nationality	:	Thai	
Address	:	No 7/68 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120 Thailand	
Type of Director	:	Director who is not an executive	
Education Background	:	MBA, Northeastern University, U.S.A. Bachelor of Economics, Boston University, U.S.A.	
Program attended in Thai Institute of Directors (IOD)	:	Role of Chairman Program (RCP) in 2008	
No. of Shareholding at the latest Record Date (As of 7 December 2017)	:	-None-	
Work experiences (the past 5 years)	:		
2006 - Mar 2017		Chairman	Siam City Cement PCL
1995 - Jan 2011		Chairman	Allianz Ayudhya Assurance PCL
1983 - Mar 2014		Director	Bangkok Broadcasting & TV Co., Ltd.
- Current position in the Company	:		
2002 - Present		Chairman	
- Current position in other organization	:		
3 Jan 2007 - Present		Chairman	Bank of Ayudhya PCL
2003 - Present		Vice-President	Eastern Star Real Estate PCL
Sep 2010 - Present		Director (Authorized Signatory)	Exclusive Senior Care International., Ltd.
Position as Executive Director in other organizations that has conflict with the Company	:	-None-	

Profiles of the Directors proposed to the shareholders as proxy

(2) Mr. Surachai Prukbamroong
The Board of Director as a Proxy



Age	:	79 Years
Nationality	:	Thai
Address	:	95/4 Baromratchachonnanee Road, Khwaeng Arun Amarin, Bangkoknoi District, Bangkok 10700
Education Background	:	<ul style="list-style-type: none"> - Bachelor of Accounting and Bachelor of Commerce, Thammasat University - Certificate of Bank Examiner from Bank of Examination School, Federal Deposit Insurance Corporation, U.S.A - Certificate of Pacific Rim Bankers Program from University of Washington, U.S.A. - Certificate of Senior Management, University of California, Berkeley, U.S.A. - Certificate of Banking, the Bank of Tokyo, Japan - Senior Executive Program, Sasin Graduate Institute of Business Administration of Chulalongkorn University - Certificate - Financial Executive, the Thai Institute of Banking and Finance Association - Certificate - Executive Information System, IBM Certificate of Executive Information System, IBM Education Center
Program attended in of Directors(IOD)	:	<ul style="list-style-type: none"> • Role of the Chairman Program (RCP) (Chairman 2000) • Directors Accreditation Program (DAP) • Board Performance Evaluation (BPE) • Corporate Governance Report of Thai Listed Companies (CGR) • DCP Refresher Course, Director Forum
No. of Shareholding at the latest Record Date (As of 7 December 2017)	:	-None-
Working Experiences (The past 5 years) 1999 - Apr 2012	:	Independent Director and Chairman of Audit Committee Bank of Ayudhya PCL
-Current position in the Company 1999 - Present	:	Independent Director and Chairman of Audit Committee
- Current position in other organizations : Nov 2010 - Present	:	Independent Director and Chairman of Audit Committee Sri Ayudhya General Insurance PCL
Taking the position as Executive Director in other organizations that has conflict with the Company	:	-None-

Profiles of the Directors proposed to the shareholders as proxy

(3) Mr. Vichit Kornvityakoon
The Board of Director as a Proxy



Age	:	67 Years							
Nationality	:	Thai							
Address	:	222/13 Soi Yotse, Bamrungmueang Rd., Wathepsirin, Pomprapsattruphai, Bangkok 10100							
Type of position	:	Independent Director							
Education Background	:	<ul style="list-style-type: none"> • Master of Business Administration Program, Thammasat University • Bachelor of Accountant, Chulalongkorn University • Bachelor of Laws, Thammasat University 							
Program attended in of Directors(IOD)	:	<ul style="list-style-type: none"> • Director Certification Program (DCP 172/2013) • Advanced Audit Committee Program (AACP 14/2014) • Anti-Corruption for Executive Program (ACEP 14/2015) • Role of the Nomination & Governance (RNG 7/2015) • Risk Management Program for Corporate Leaders (RCL 2/2015) • Boards that Make a Difference (BMD) 1/2016 							
No. of Shareholding at the latest Record Date (As of 7 December 2017)	:	-None-							
Working Experiences (The past 5 years)	:	<table border="0" style="width: 100%;"> <tr> <td style="width: 30%;">Jul 2014 - Apr 2015</td> <td style="width: 30%;">Director/ Executive</td> <td style="width: 40%;">Director Small and Medium Enterprise Development Bank of Thailand</td> </tr> <tr> <td>Apr 2015 - Dec 2015</td> <td>Executive Director</td> <td>Small and Medium Enterprise Bank of Thailand</td> </tr> </table>	Jul 2014 - Apr 2015	Director/ Executive	Director Small and Medium Enterprise Development Bank of Thailand	Apr 2015 - Dec 2015	Executive Director	Small and Medium Enterprise Bank of Thailand	
Jul 2014 - Apr 2015	Director/ Executive	Director Small and Medium Enterprise Development Bank of Thailand							
Apr 2015 - Dec 2015	Executive Director	Small and Medium Enterprise Bank of Thailand							
- Present Position in the Company	:	Jan 2013-the present	Independent Director, Audit Committee Member and Chairman of Corporate Governance Committee						
- Other listed company	:	-None-							
- Present Designation With other organization	:	2013 - Present	Independent Director /Audit Committee and Sri Ayudhya General Insurance PCL (SAGI) Chairman of Corporate Governance Committee						

2013 - Present

Sub-Committee Developed Supervision in Deposit Protection System, Deposit Protection Agency

2012 - Present

Director Ex.Com Group of Sukhumvit Asset Management Co.,Ltd.

2016 - Present

Director Federation of Accounting Professions

Taking the position as Executive Director in other organizations that has conflict with the Company

: -None-

แบบหนังสือมอบฉันทะ แบบ ข

Proxy Form B.

.....
เขียนที่
Written at
วันที่.....เดือน.....พ.ศ.
Date Month Year

(1) ข้าพเจ้า..... สัญชาติ..... อยู่บ้านเลขที่.....
I/We nationality Residing at
ถนน.....ตำบล/แขวง.....อำเภอ/เขต.....จังหวัด.....รหัสไปรษณีย์.....
Road Tambol/Khwaeng Amphur/Khet Province Postal Code

(2) เป็นผู้ถือหุ้นของ **บริษัท ศรีอยุธยา แคปปิตอล จำกัด (มหาชน)**
Being a shareholder of **Sri Ayudhya Capital Public Company Limited**
โดยถือหุ้นสามัญจำนวนทั้งสิ้นรวม.....หุ้น และออกเสียงลงคะแนนได้เท่ากับ.....เสียง
Holding the total amount of ordinary shares shares and has the right to vote equal to votes

(3) ขอมอบฉันทะให้(ผู้ถือหุ้นสามารถมอบฉันทะให้ประธานกรรมการ หรือ กรรมการอิสระ ของบริษัทฯ ได้โปรดใช้ข้อมูลตามหมายเหตุข้อ 4.)
Hereby appoint (The shareholder may appoint the Chairman or the Independent Director of the company to be the proxy, please use details in Remark No.4)

(1) ชื่อ.....อายุ.....ปี อยู่บ้านเลขที่.....
Name age year, residing at
ถนน.....ตำบล/แขวง.....อำเภอ/เขต.....
Road Tambol/Khwaeng Amphur/Khet
จังหวัด.....รหัสไปรษณีย์.....หรือ
Province Postal Code or

(2) ชื่อ.....อายุ.....ปี อยู่บ้านเลขที่.....
Name age year, residing at
ถนน.....ตำบล/แขวง.....อำเภอ/เขต.....
Road Tambol/Khwaeng Amphur/Khet
จังหวัด.....รหัสไปรษณีย์.....หรือ
Province Postal Code or

(3) ชื่อ.....อายุ.....ปี อยู่บ้านเลขที่.....
Name age year, residing at
ถนน.....ตำบล/แขวง.....อำเภอ/เขต.....
Road Tambol/Khwaeng Amphur/Khet
จังหวัด.....รหัสไปรษณีย์.....
Province Postal Code

คนหนึ่งคนใดเพียงคนเดียวเป็นผู้แทนของข้าพเจ้าเพื่อเข้าประชุมและออกเสียงลงคะแนนแทนข้าพเจ้าในการประชุมวิสามัญผู้ถือหุ้น ครั้งที่ 1/2561 ในวันศุกร์ที่ 19 มกราคม 2561 เวลา 14.00 น. ณ ห้องแกรนด์ บอลรูม ชั้น 3 โรงแรม ดิโอกูระ เพรสทิจ กรุงเทพฯ เลขที่ 57 ถนนวิทยุ แขวงลุมพินี เขตปทุมวัน กรุงเทพมหานคร 10330 หรือที่จะพึงเลื่อนไปในวัน เวลา และสถานที่อื่นด้วย

Only one of these to be my/our proxy to attend and vote on my/our behalf at the Extraordinary Meeting of Shareholders No. 1/2018 on Friday 19 January 2018 at 2.00 p.m. at The Grand Ballroom 3rd floor at The Okura Prestige Bangkok at 57 Wireless Road, Lumpini, Pathumwan Bangkok 10330 or at any adjournment there of to any other date, time and venue.

(4) ข้าพเจ้าขอมอบอำนาจให้ผู้รับมอบอำนาจออกเสียงลงคะแนนแทนข้าพเจ้าในการประชุมครั้งนี้ ดังนี้

In this Meeting, I/We grant my/our proxy to vote on my/our behalf as follows:

วาระที่ 1 **พิจารณารับรองรายงานการประชุมสามัญผู้ถือหุ้น ครั้งที่ 68 เมื่อวันที่ 24 เมษายน 2560**

Agenda No.1 To consider and approve the Minutes of the General Meeting No. 68, held on 24 April 2017.

(ก) ให้ผู้รับมอบอำนาจมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.

(ข) ให้ผู้รับมอบอำนาจออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

(b) To grant my/our proxy to vote at my/our desire as follows:

เห็นด้วย

ไม่เห็นด้วย

งดออกเสียง

Approve

Disapprove

Abstain

วาระที่ 2 **พิจารณาอนุมัติให้บริษัท ศรีอยุธยา เจนเนอรัล ประกันภัย จำกัด (มหาชน) ซื้อและรับโอนกิจการทั้งหมดจาก บริษัท อลิอันซ์ ประกันภัย จำกัด (มหาชน)**

Agenda No.2 To consider and approve the purchase and acceptance of the transfer of the entire business of Allianz General Insurance Public Company Limited by Sri Ayudhya General Insurance Public Company Limited.

(ก) ให้ผู้รับมอบอำนาจมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.

(ข) ให้ผู้รับมอบอำนาจออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

(b) To grant my/our proxy to vote at my/our desire as follows:

เห็นด้วย

ไม่เห็นด้วย

งดออกเสียง

Approve

Disapprove

Abstain

วาระที่ 3 **พิจารณาอนุมัติให้บริษัทฯ ซื้อหุ้นสามัญในบริษัท อลิอันซ์ อยุธยา ประกันชีวิต จำกัด (มหาชน) เพิ่มเติมจาก Allianz SE และบริษัท ซีพีอาร์เอ็น (ประเทศไทย) จำกัด**

Agenda No.3 To consider and approve the purchase of additional ordinary shares in Allianz Ayudhya Assurance Public Company Limited from Allianz SE and CPRN (Thailand) Limited.

(ก) ให้ผู้รับมอบอำนาจมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.

(ข) ให้ผู้รับมอบอำนาจออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

(b) To grant my/our proxy to vote at my/our desire as follows:

เห็นด้วย

ไม่เห็นด้วย

งดออกเสียง

Approve

Disapprove

Abstain

วาระที่ 4 **พิจารณาอนุมัติการแก้ไขเพิ่มเติมข้อบังคับของบริษัทฯ ข้อ 3**

Agenda No.4 To consider and approve the amendment to article 3 of the Company's Articles of Association.

(ก) ให้ผู้รับมอบอำนาจมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.

(ข) ให้ผู้รับมอบอำนาจออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้

(b) To grant my/our proxy to vote at my/our desire as follows:

เห็นด้วย ไม่เห็นด้วย งดออกเสียง
Approve Disapprove Abstain

วาระที่ 5 **พิจารณาอนุมัติการลดทุนจดทะเบียนของบริษัทฯ จาก 500,000,000 บาท เป็น 250,000,000 บาท โดยการตัดหุ้นจดทะเบียนที่ยังไม่ได้ออกจำหน่าย และการแก้ไขเพิ่มเติมหนังสือบริคณห์สนธิของบริษัทฯ ข้อ 4 เพื่อให้สอดคล้องกับการลดทุนจดทะเบียน**

Agenda No.5 **To consider and approve the decrease of the Company's registered capital from Baht 500,000,000 to Baht 250,000,000, by canceling the registered shares that have not yet been sold, and the amendment to clause 4 of the Company's Memorandum of Association to be consistent with the decrease of the registered capital.**

(ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้า ได้ทุกประการตามที่เห็นสมควร
(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.

(ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้
(b) To grant my/our proxy to vote at my/our desire as follows:

เห็นด้วย ไม่เห็นด้วย งดออกเสียง
Approve Disapprove Abstain

วาระที่ 6 **พิจารณาอนุมัติการเพิ่มทุนจดทะเบียนของบริษัทฯ จาก 250,000,000 บาท เป็น 346,500,000 บาท โดยการออกหุ้นสามัญใหม่ และการแก้ไขเพิ่มเติมหนังสือบริคณห์สนธิของบริษัทฯ ข้อ 4 เพื่อให้สอดคล้องกับการเพิ่มทุนจดทะเบียน**

Agenda No.6 **To consider and approve the increase of the Company's registered capital from Baht 250,000,000 to Baht 346,500,000, by issuing new ordinary shares, and the amendment to clause 4 of the Company's Memorandum of Association to be consistent with the increase of the registered capital.**

(ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้า ได้ทุกประการตามที่เห็นสมควร
(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.

(ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้
(b) To grant my/our proxy to vote at my/our desire as follows:

เห็นด้วย ไม่เห็นด้วย งดออกเสียง
Approve Disapprove Abstain

วาระที่ 7 **พิจารณาอนุมัติการจัดสรรหุ้นสามัญเพิ่มทุนให้แก่ Allianz SE และบริษัท ซีพีอาร์เอ็น (ประเทศไทย) จำกัด**

Agenda No.7 **To consider and approve the allocation of newly issued ordinary shares to Allianz SE and CPRN (Thailand) Limited.**

(ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้า ได้ทุกประการตามที่เห็นสมควร
(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.

(ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้
(b) To grant my/our proxy to vote at my/our desire as follows:

เห็นด้วย ไม่เห็นด้วย งดออกเสียง
Approve Disapprove Abstain

วาระที่ 8 **พิจารณาอนุมัติให้ Allianz SE และบริษัท ซีพีอาร์เอ็น (ประเทศไทย) จำกัด ได้มาซึ่งหุ้นสามัญเพิ่มทุนของบริษัทฯ โดยไม่ต้องทำคำเสนอซื้อหลักทรัพย์ทั้งหมดของบริษัทฯ (Whitewash)**

Agenda No.8 **To consider and approve the acquisition of newly issued ordinary shares in the Company by Allianz SE and CPRN (Thailand) Limited without being required to make a tender offer for all securities of the Company (whitewash)**

- (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร
 (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.
- (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้
 (b) To grant my/our proxy to vote at my/our desire as follows:
- เห็นด้วย ไม่เห็นด้วย งออกเสียง
 Approve Disapprove Abstain

วาระที่ 9 พิจารณานุมัติการมอบอำนาจเพื่อดำเนินการตามวาระที่ 2 ถึงวาระที่ 8

Agenda No.9 To consider and approve the delegation of authority for the acts under agenda items 2 to 8

- (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร
 (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.
- (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้
 (b) To grant my/our proxy to vote at my/our desire as follows:
- เห็นด้วย ไม่เห็นด้วย งออกเสียง
 Approve Disapprove Abstain

วาระที่ 10 พิจารณาเรื่องอื่นๆ (ถ้ามี)

Agenda No.10 To consider other matters (If any)

- (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร
 (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.
- (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้
 (b) To grant my/our proxy to vote at my/our desire as follows:
- เห็นด้วย ไม่เห็นด้วย งออกเสียง
 Approve Disapprove Abstain

(5) การลงคะแนนเสียงของผู้รับมอบฉันทะในวาระใดที่ไม่เป็นไปตามที่ระบุไว้ในหนังสือมอบฉันทะนี้ ให้ถือว่ากรลงคะแนนเสียงนั้นไม่ถูกต้อง และไม่ใช้เป็นการลงคะแนนเสียงของข้าพเจ้าในฐานะผู้ถือหุ้น

Where any vote taken by the Proxy does not conform to those specified herein, it shall be deemed that such vote is invalid and not my/our voting as a shareholder.

(6) ในกรณีที่ข้าพเจ้าไม่ได้ระบุความประสงค์ในการออกเสียงลงคะแนนในวาระใดไว้ หรือระบุไว้ไม่ชัดเจนหรือในกรณีที่ที่ประชุมมีการพิจารณา หรือลงมติในเรื่องใดนอกเหนือจากเรื่องที่ระบุไว้ข้างต้น รวมถึงกรณีที่มีการแก้ไขเปลี่ยนแปลงหรือเพิ่มเติมข้อเท็จจริงประการใด ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

In case I/we have not specified my/our voting intention in any agenda or not clearly specified or in case the meeting considers or passes resolutions in any matters other than those specified above, including in case there is any amendment or addition of any fact, the proxy shall have the right to consider and vote on my/our behalf as he/she may deem appropriate in all respects.

กิจการใดที่ผู้รับมอบฉันทะได้กระทำไปในการประชุม เว้นแต่กรณีที่ผู้รับมอบฉันทะไม่ออกเสียงตามที่ข้าพเจ้าระบุในหนังสือมอบฉันทะให้ถือเสมือนว่าข้าพเจ้าได้กระทำเองทุกประการ

Any act performed by the Proxy in this meeting shall be deemed to be the action performed by myself/ourselves, expected for the case that the Proxy does not cast the vote as specified herein.

ลงนาม/Signed.....ผู้มอบฉันทะ/Grantor
()

ลงนาม/Signed.....ผู้รับมอบฉันทะ/Proxy
()

ลงนาม/Signed.....ผู้รับมอบฉันทะ/Proxy
()

ลงนาม/Signed.....ผู้รับมอบฉันทะ/Proxy
()

หมายเหตุ / Remarks

1. ผู้ถือหุ้นที่มอบฉันทะจะต้องมอบฉันทะให้ผู้รับมอบฉันทะเพียงรายเดียวเป็นผู้เข้าร่วมประชุม และออกเสียงลงคะแนน ไม่สามารถแบ่งแยกจำนวนหุ้นให้ผู้รับมอบฉันทะหลายคนเพื่อแยกการลงคะแนนเสียงได้

The shareholder appointing the proxy must authorize only one proxy to attend and vote at the meeting and may not split the number of shares to many proxies for splitting votes.

2. ผู้ถือหุ้นจะต้องมอบฉันทะเท่ากับจำนวนหุ้นที่ถือตามที่ระบุไว้ในข้อ (2) โดยไม่สามารถจะมอบฉันทะเพียงบางส่วนน้อยกว่าจำนวนที่ถือตามที่ระบุไว้ในข้อ (2) ได้

The shareholder shall grant the power to the proxy for all of the shares specified in Clause (2) and shall not grant only a portion of the shares less than those specified in Clause (2) to the proxy.

- 3 ในกรณีที่มิวาระที่จะพิจารณาในการประชุมมากกว่าวาระที่ระบุไว้ข้างต้น ผู้มอบฉันทะสามารถระบุเพิ่มเติมได้ในใบประจำต่อแบบหนังสือมอบฉันทะแบบ ข. ตามแนบ

In case there is any agenda to be consider other than those Specified above, the Grantor may specify such addition in the attached Supplemental Proxy Form B.

4. ผู้ถือหุ้นสามารถมอบฉันทะให้ประธานกรรมการ หรือ กรรมการอิสระของบริษัทฯ คนใดคนหนึ่งตามรายชื่อข้างท้ายนี้เป็นผู้รับมอบฉันทะเข้าร่วมประชุมและออกเสียงลงคะแนนแทนผู้ถือหุ้นได้

The shareholder may appoint anyone of the followings the Chairmang or the Independent Director as the proxy to attend the meeting and vote on the shareholder's behalf.

- | | | |
|-------------------|---------------|-------------------------|
| (1) นายวีระพันธุ์ | ทีปสุวรรณ | ประธานกรรมการ หรือ |
| Mr.Veraphan | Teepsuwan | Chairman or |
| (2) นายสุรชัย | พฤกษ์บำรุง | กรรมการอิสระ หรือ |
| Mr.Surachai | Prukbamroong | Independent Director or |
| (3) นายวิจิต | กรวิทยาคุณ | กรรมการอิสระ |
| Mr.Vichit | Kornvityakoon | Independent Director |

(รายละเอียดประวัติประธานกรรมการ และกรรมการอิสระ ของบริษัทฯ ปรากฏตามเอกสารประกอบการเข้าร่วมประชุม)

(Profile of the Chairman and the Independent Directors are shown in the supporting document for meeting attendance)

ใบประจำต่อแบบหนังสือมอบฉันทะแบบ ข.

Supplemental Proxy Form B

การมอบฉันทะในฐานะเป็นผู้ถือหุ้นของ บริษัท ศรีอยุธยา แคปปิตอล จำกัด (มหาชน)

The proxy is granted by shareholder of **Sri Ayudhya Capital Public Company Limited.**

ในการประชุมวิสามัญผู้ถือหุ้น ครั้งที่ 1/2561 ในวันศุกร์ที่ 19 มกราคม 2561 เวลา 14.00 น. ณ ห้องแกรนด์ บอลรูม ชั้น 3 โรงแรม ดิโอกุระ เพรสทีจ กรุงเทพฯ เลขที่ 57 ถนนวิทยุ แขวงลุมพินี เขตปทุมวัน กรุงเทพมหานคร 10330 หรือที่จะพึงเลื่อนไปใน วัน เวลา และ สถานที่อื่นด้วย

For the Extraordinary Meeting of Shareholders No. 1/2018 on Friday 19 January 2018 at 2.00 p.m. at The Grand Ballroom 3rd floor at The Okura Prestige Bangkok at 57 Wireless Road, Lumpini, Pathumwan Bangkok 10330 or at any adjournment thereof to any other date, time and venue.

วาระที่ _____ เรื่อง _____

Agenda

Re:

- (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร
(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.
- (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้
(b) to grant my/our proxy to vote and at my/our desire as follows:
- | | | |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve | Disapprove | Abstain |

วาระที่ _____ เรื่อง _____

Agenda

Re:

- (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร
(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.
- (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้
(b) to grant my/our proxy to vote and at my/our desire as follows:
- | | | |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve | Disapprove | Abstain |

วาระที่ _____ เรื่อง _____

Agenda

Re:

- (ก) ให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร
(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.
- (ข) ให้ผู้รับมอบฉันทะออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้
(b) to grant my/our proxy to vote and at my/our desire as follows:
- | | | |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve | Disapprove | Abstain |

วาระที่เรื่อง

Agenda

Re:

- (ก) ให้ผู้รับมอบอำนาจมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร
(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects.
- (ข) ให้ผู้รับมอบอำนาจออกเสียงลงคะแนนตามความประสงค์ของข้าพเจ้า ดังนี้
(b) to grant my/our proxy to vote and at my/our desire as follows:
- | | | |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve | Disapprove | Abstain |

วาระที่เรื่อง

Agenda

Re: Election of directors

ชื่อกรรมการ.....

Name of the director

- | | | |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve | Disapprove | Abstain |

ชื่อกรรมการ.....

Name of the director

- | | | |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve | Disapprove | Abstain |

ชื่อกรรมการ.....

Name of the director

- | | | |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve | Disapprove | Abstain |

ชื่อกรรมการ.....

Name of the director

- | | | |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งดออกเสียง |
| Approve | Disapprove | Abstain |

Map The Okura Prestige Bangkok Hotel No. 57 Wireless Road, Lumpini Subdistrict, Pathumwan District, Bangkok 10330, Tel: +66 (0)2 687 9000



Transportation by the skytrain

Skytrain to Ploenchit station, exit no. 2 and use the walking bridge between the Ploenchit station of the skytrain and the Okura Prestige Bangkok Hotel.