



ศรีอยุธยา แคปปิตอล
SRI AYUDHYA CAPITAL

Invitation to the Extraordinary General Meeting of Shareholders

No. 2/2018
SRI AYUDHYA CAPITAL PCL
Tuesday, 13 November 2018 at 14.00 hrs.

At the Infinity Room, 7th floor, Aetas Lumpini Hotel
1030/4 Rama IV Road, Tungmahamek, Sathorn, Bangkok 10120

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No. Lor.Bor. /61/075

29 October 2018

Subject: Invitation to Extraordinary General Meeting of Shareholders No. 2/2018

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

Board of Directors Meeting of Sri Ayudhya Capital Public Company Limited (the "**Company**") No. 5/2018, held on Monday, 24 September 2018, resolved to convene Extraordinary General Meeting of Shareholders No. 2/2018 on Tuesday, 13 November 2018, at 2:00 p.m., at the Infinity Room, 7th Floor, Aetas Lumpini Hotel, 1030/4 Rama IV Road, Tungmahamek Subdistrict, Sathorn District, Bangkok 10120, to consider the matters according to the following agenda.

Agenda item 1. To consider and approve the Minutes of Annual General Meeting of Shareholders No. 69, held on 20 April 2018

Facts and reasons The Company completely prepared the Minutes of Annual General Meeting of Shareholders No. 69, held on 20 April 2018 and submitted them to the Stock Exchange of Thailand. 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 The Board of Directors considers it appropriate to propose that Extraordinary General Meeting of Shareholders No. 2/2018 approve the minutes of the aforesaid meeting.

Voting requirement for a resolution: A 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 Board of Directors Meeting of the Company No. 5/2018, held on Monday, 24 September 2018 ("**Board of Directors Meeting No. 5/2018**") acknowledged the outcome of the discussions and negotiations between the Company's working group and the Allianz Group's working group, on the co-operation in insurance business in Thailand with Allianz Group, including the matters as specified below.

(a) 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**").

(b) The approval for the Company to purchase additional 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**").

- (c) The increase of the Company's registered capital from Baht 375,000,000 to Baht 463,473,361 by issuing 88,473,361 newly issued ordinary shares of the Company with a par value of Baht 1 each (the "**New Shares**"), and the allocation for the offering for sale of the New Shares to Allianz SE and CPRNT at the offering price of Baht 53.32 per share.

In this regard, the Company will allocate 14,043,511 new shares of the Company with a par value of Baht 1 each for offering for sale to CPRNT. CPRNT will pay for these new shares in cash and the Company will use the proceeds derived from this portion of capital increase to subscribe newly issued ordinary shares in SAGI¹ in order to provide SAGI with funds for the Acceptance of the EBT at a total value of Baht 748,800,000. In addition, the Company will allocate 74,429,850 new shares of the Company with a par value of Baht 1 each for offering for sale to Allianz SE and CPRNT at the offering price of Baht 53.32 per share, totaling approximately Baht 3,968,599,600, as consideration to Allianz SE and CPRNT for the Purchase of AZAY Shares.

- (d) The grant of consent for Allianz SE and/or its affiliate, who is a member of the Allianz Group which may be designated by Allianz SE as co-offeror (the "**Designated Person**"), to make a voluntary partial tender offer.

The Acceptance of the EBT by SAGI has a total value of Baht 748,800,000. For the purpose of the Acceptance of the EBT, a proposal will be made for the Company to increase its capital by issuing new shares, and to allocate and offer for sale a portion of New Shares of 14,043,511 shares, with a par value of Baht 1 each, to CPRNT at the offering price of Baht 53.32 per share. The Company will use the proceeds to increase the capital of SAGI for the Acceptance of the EBT. *(The additional details about the increase of the Company's registered capital and the allocation of the New Shares are provided under agenda items 5 and 6 of this Invitation.)*

Board of Directors Meeting of SAGI No. 6/2018, held on Monday, 24 September 2018, approved the Acceptance of the EBT, subject to the conditions precedent and other relevant acts.

The Company and/or SAGI will proceed with the aforementioned transaction after the conditions precedent specified in the Share Subscription and Purchase Agreement among the Company, Allianz SE and CPRNT (the "**Share Subscription and Purchase Agreement**") and/or the Entire Business

¹ SAGI has a capital increase plan by issuing newly issued ordinary shares of not exceeding 74,880,000 shares with a par value of Baht 10 each for offering for sale to existing shareholders of SAGI in proportion to their respective shareholding (the Company currently holds approximately 99.99 percent of total shares sold in SAGI), and may consider granting the right to oversubscribe in excess of their rights at the offering price of not less than Baht 10 each, at the total value of Baht 748,800,000.

Transfer Agreement between SAGI and AZTH (the "**EBT Agreement**") are satisfied or are waived as provided for thereunder. These conditions precedent include:

- (1) the receipt from the Office of the Insurance Commission (the "**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**");
- (2) the receipt of the approval from the Office of the Securities and Exchange Commission (the "**Office of the SEC**") (the "**SEC Approvals**") for:
 - (i) the private placement of the New Shares;
 - (ii) the waiver for the share offering period to allow the Company to offer for sale the New 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 New Shares (if necessary); and
 - (iii) the waiver for Allianz SE and/or the Designated Person to make the voluntary partial tender offer with an exemption from the requirement to make subsequent tender offer for all securities of the Company;
- (3) Allianz SE and/or the Designated Person having acquired a total number of 56,930,000 shares in the Company in the partial tender offer (the "**Acquisition of Shares from PTO**").

The Acceptance of the EBT under this agenda item is an acquisition-of-assets 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 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 value of the Acceptance of the EBT, which is calculated based on the Company's consolidated financial statements for the six-month period ending on 30 June 2018, and AZTH's financial statements for the six-month period ending on 30 June 2018, as reviewed by their respective auditors, is approximately 5.96 percent. The total value of this transaction combined with the Purchase of AZAY Shares (with a value of approximately 40.27 percent), as stated in agenda item 3, is approximately 46.24 percent. These transactions are categorized as type 2 transactions (transactions with a total value of at least 15 percent or higher but lower than 50 percent). Therefore, the Company is required to prepare a report and disclose information memorandum on the transactions to the Stock Exchange of Thailand (the "**SET**"), and dispatch the information memorandum to the shareholders within 21 days from the date of disclosure to the SET, without

having to seek approval for the entry into the transactions from a shareholders meeting. However, Board of Directors Meeting No. 5/2018 deemed it appropriate to propose these matters to Extraordinary General Meeting of Shareholders No. 2/2018 for consideration and approval, 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 the votes of interested shareholders. In this regard, the Company will prepare a report and disclose the information memorandum on these transactions to the SET and appoint an independent financial advisor to express opinions on the transactions, in the same way as the disclosure of information and proceeding with the entry into the transactions categorized as type 1 transactions under the Notifications on Assets Acquisition or Disposal, which requires seeking approval from a shareholders meeting.

In addition, as AZTH is considered a connected person of the Company, the Acceptance of the EBT under this agenda item is a connected transaction under Notification of the Capital Market Supervisory Board No. TorChor. 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 value of this transaction is approximately 8.68 percent. The total value of this transaction combined with the allocation of the New Shares for offering for sale to CPRNT (with a value of approximately 8.68 percent), the Purchase of AZAY Shares, and the allocation of the New Shares for offering for sale to Allianz SE and CPRNT (with a value of approximately 46.00 percent), as stated in agenda items 3 and 6, which is calculated based on the Company's consolidated financial statements for the six-month period ending on 30 June 2018, as reviewed by the auditor, is approximately 63.36 percent, which is more than 3 percent of the Company's net tangible assets ("**NTA**"). Therefore, the Company is required to prepare a report and disclose information memorandum on 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-quarters of the total number of votes of shareholders attending the meeting and having the right to vote, excluding the votes of interested shareholders, for the entry into these connected transactions.

(The 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 Significant Details of the Entire Business Transfer Agreement).)

Board of Directors Meeting No. 5/2018 also approved the appointment of 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 The Board of Directors considers it appropriate to propose that Extraordinary General Meeting of Shareholders No. 2/2018 consider and approve the purchase and acceptance of the transfer of the entire business of AZTH by SAGI , at a total value of Baht 748,800,000.

*(The 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 14.33 percent of the total shares sold of the Company) and (2) AZAY which holds 1,159,000 shares in the Company (equivalent to approximately 0.39 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 purchase by the Company of an additional 34,810,000 ordinary shares in AZAY, with a par value of Baht 10 each, representing 11.80 percent of the total shares sold in AZAY, from Allianz SE and CPRNT at the price of Baht 114.00745763 per share, and the total price of Baht 3,968,599,600, is part of the co-operation in insurance business in Thailand between the Company and the Allianz Group, as stated in agenda item 2. The Purchase of AZAY Shares 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.

For the benefit of the Purchase of AZAY Shares, the Company will issue and allocate 74,429,850 New Shares, with a par value of Baht 1 each, for the offering for sale to Allianz SE and CPRNT at the offering price of Baht 53.32 per share, with the total value of approximately Baht 3,968,599,600, as consideration for the Purchase of AZAY Shares. *(The additional details about the increase of the Company's registered capital and the allocation of the New Shares are provided under agenda items 5 and 6 of this Invitation.)*

The Company will proceed with the aforementioned transaction after the conditions precedent specified in the Share Subscription and Purchase Agreement are satisfied or are waived as provided for thereunder. These conditions precedent include the OIC Approval, the SEC Approvals and the Acquisition of Shares from PTO.

Please see the additional details in **Enclosure 2** (Summary of the Significant Details of the Share Subscription and Purchase Agreement).

The Purchase of AZAY Shares is an acquisition-of-assets transaction under the Notifications on Assets Acquisition or Disposal. The value of this transaction, which is calculated based on the Company's consolidated financial statements for the six-month period ending on 30 June 2018, and AZAY's financial statements for the six-month period ending on 30 June 2018, as reviewed by their respective auditors, is approximately 40.27 percent. The total value of this transaction combined with the Acceptance of the EBT (with a value of approximately 5.96 percent), as stated in agenda item 2, is approximately 46.24 percent. These transactions are categorized as type 2 transactions (transactions with a total value of at least 15 percent or higher but lower than 50 percent). Therefore, the Company is required to prepare a report and disclose information memorandum on the transactions to the SET, and dispatch the information memorandum to the shareholders within 21 days from the date of disclosure to the SET, without having to seek approval for the entry into the transactions from a shareholders meeting. However, Board of Directors Meeting No. 5/2018 deemed it appropriate to propose these matters to Extraordinary General Meeting of Shareholders No. 2/2018 for consideration and approval, as well as to disclose the information and proceed in the same way as the entry into the transactions categorized as type 1 transactions under the Notifications on Assets Acquisition or Disposal, which requires seeking approval from a shareholders meeting.

In addition, as Allianz SE and CPRNT are considered connected persons of the Company, the Purchase of AZAY Shares is a connected transaction under the Connected Transaction Notifications. The total value of the Purchase of AZAY Shares and the allocation of the New Shares for offering for sale to Allianz SE and CPRNT, combined with the connected transaction related to the Acceptance of the EBT, as stated in agenda item 2, and the connected transaction related to the allocation of the New Shares for offering for sale to CPRNT, as stated in agenda item 6, is approximately 63.36 percent, which is more than 3 percent of the Company's NTA. Therefore, the Company is required to prepare a report and disclose information memorandum on the transactions to the SET, as well as to do other acts including the seeking of approval from a shareholders meeting for the entry into these connected transactions.

(The 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 Significant Details of the Share Subscription and Purchase Agreement).

Board of Directors Meeting No. 5/2018 also approved the appointment of 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 The Board of Directors considers it appropriate to propose that Extraordinary General Meeting of Shareholders No. 2/2018 approve the purchase by the Company of additional 34,810,000 ordinary shares in AZAY, with a par value of Baht 10 each, representing 11.80 percent of the total shares sold in AZAY, from Allianz SE and CPRNT, at the total price of Baht 3,968,599,600.

*(The 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 14.33 percent of the total shares sold of the Company) and (2) AZAY which holds 1,159,000 shares in the Company (equivalent to approximately 0.39 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 Companies 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 Companies 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 The Board of Directors considers it appropriate to propose that Extraordinary General Meeting of Shareholders No. 2/2018 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 that are not in conflict with the currently	"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 or permitting the use of copyright in any literary, artistic or scientific works;</u>

Existing provisions	Proposed amendment
<p>applicable laws.</p> <p>The subscribers or purchasers of shares may not set off share payment against their debts with the Company."</p>	<p><u>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></p> <p>The subscribers or purchasers of shares may not set off share payment against their debts 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 that 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 14.33 percent of the total shares sold of the Company) and (2) AZAY which holds 1,159,000 shares in the Company (equivalent to approximately 0.39 percent of the total shares sold of the Company).

Agenda item 5. To consider and approve the increase of the Company's registered capital 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 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 from Baht 375,000,000 to Baht 463,473,361 by issuing 88,473,361 new ordinary shares with a par value of Baht 1 each (the "New Shares"), and to allocate and offer for sale a portion of these New Shares to CPRNT, as well as to use the proceeds to increase the capital in SAGI for the Acceptance of the EBT. The Company will also allocate the other portion of these New Shares to Allianz SE and CPRNT as consideration for the ordinary shares in AZAY, whereby Allianz SE and CPRNT will use AZAY shares to pay for this portion of New Shares in the Company in lieu of cash payment.

(The additional details about the allocation of the New Shares are provided under agenda item 6 of this Invitation.)

The New Shares represent approximately 23.14 percent of the total number of voting rights of the Company after the registration of the increase of paid-up capital in consequence of the offer for sale of these New Shares (the "**Registration of the Increase of Paid-up Capital**"), based on the assumption that none of the holders of warrants to purchase ordinary shares in Company No. 1 ("**AYUD-W1**") exercise their right to purchase ordinary shares under the unexercised AYUD-W1 before the Registration of the Increase of Paid-up Capital; or approximately 19.09 percent of the total number of voting rights of the Company after the Registration of the Increase of Paid-up Capital, based on the assumption that all the AYUD-W1 holders fully exercise their right to purchase ordinary shares under the unexercised AYUD-W1 (81,094,582 shares) and the Company completes the issuance of ordinary shares pursuant to that exercise before the Registration of the Increase of Paid-up Capital.²

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.

Board of Directors Meeting of SAGI No. 6/2018, held on Monday, 24 September 2018, approved the capital increase plan 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 oversubscribe the newly issued ordinary shares in excess of their rights (the Company currently holds approximately 99.99 percent of total shares sold in SAGI), in order to use the proceeds derived from the capital increase for the Acceptance of the EBT.

(The 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 The Board of Directors considers it appropriate to propose that Extraordinary General Meeting of Shareholders No. 2/2018 approve the increase of the Company's registered capital from Baht 375,000,000 to Baht 463,473,361 by issuing 88,473,361 New 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:

² In conclusion, the percentage of the newly issued ordinary shares to be offered for sale, compared to the total number of voting rights of the Company after the Registration of the Increase of Paid-up Capital, is dependent upon the number of ordinary shares that the Company issues to the AYUD-W1 holders pursuant to their exercise of right to purchase ordinary shares under the unexercised AYUD-W1 before the Registration of the Increase of Paid-up Capital.

From:

"Clause 4.	Registered capital:	375,000,000	Baht	(three hundred seventy-five million baht)
	divided into	375,000,000	shares	(three hundred seventy-five million shares)
	par value	1	Baht	(one baht)
	consisting of ordinary shares	375,000,000	shares	(three hundred seventy-five million shares)
	preference shares	-	shares	(-)"

To:

"Clause 4.	Registered capital:	463,473,361	Baht	(four hundred sixty-three million, four hundred seventy-three thousand, three hundred sixty-one baht)
	divided into	463,473,361	shares	(four hundred sixty-three million, four hundred seventy-three thousand, three hundred sixty-one shares)
	par value	1	Baht	(one baht)
	consisting of ordinary shares	463,473,361	shares	(four hundred sixty-three million, four hundred seventy-three thousand, three hundred sixty-one 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 14.33 percent of the total shares sold of the Company) and (2) AZAY which holds 1,159,000 shares in the Company (equivalent to approximately 0.39 percent of the total shares sold of the Company).

Agenda item 6. 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 the New Shares as stated in agenda item 5, the allocation of the New Shares must also be considered.

The offering for sale of the New Shares to Allianz SE and CPRNT is considered to be 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 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).

If the approval for the offer for sale of the New Shares is obtained, the Company must complete the offering for sale of the New Shares within the period approved by the Extraordinary General Meeting of Shareholders but no later than three months from the date the Extraordinary General Meeting of Shareholders approves 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. These conditions precedent include the receipt of the OIC Approval, the SEC Approvals, and the Acquisition of Shares from PTO. 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 the Extraordinary General Meeting of Shareholders approves the offering for sale of the New Shares. In this respect, the Company will seek a waiver of the prescribed period for private placement 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 53.32 per share after the three-month period from the date the Extraordinary General Meeting of Shareholders approves the offering for sale of the New Shares.

The offer for sale of the New Shares is a connected transaction under the Connected Transaction Notifications. Therefore, the Company is required to prepare a report and disclose information memorandum on the transaction to the SET, as well as to do other acts including the seeking of approval from a shareholders meeting for the entry into this connected transaction.

(The 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).)

Board of Directors Meeting No. 5/2018 also approved the appointment of Asia Plus Advisory Company Limited as an independent financial advisor to provide opinions on 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 The Board of Directors considers it appropriate to propose that Extraordinary General Meeting of Shareholders No. 2/2018 approve the allocation of 88,473,361 newly issued ordinary shares, with a par value of Baht 1 each, for the offering for sale to Allianz SE and CPRNT at the offering price of Baht 53.32 each, totaling approximately Baht 4,717,399,600. The significant details are summarized as follows:

- (a) the allocation of 14,043,511 newly issued ordinary shares, with a par value of Baht 1 each, for the offering for sale to CPRNT (the "**New Shares for EBT Acceptance**") at the offering price of Baht 53.32 per share, totaling approximately Baht 748,800,000.

CPRNT will make payment 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 newly issued ordinary shares in SAGI³, in order to provide SAGI with funds for the Acceptance of the EBT at the total value of Baht 748,800,000.

- (b) the allocation of 74,429,850 newly issued ordinary shares, with a par value of Baht 1 each, for the offering for sale to Allianz SE and CPRNT (the "**New Shares for AZAY Share Purchase**") at the offering price of Baht 53.32 per share, totaling approximately Baht 3,968,599,600, 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, with a par value of Baht 10 each, representing 11.80 percent of the total shares sold in AZAY, at the price of Baht 114.00745763 per share, totaling Baht 3,968,599,600 to the Company to pay for the New Shares for AZAY Share Purchase in lieu of cash payment. The Company's shareholding in AZAY will increase from 59,500,280 shares, or 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 number of the 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 New Shares for AZAY Share Purchase, and the number of the AZAY shares to be sold and transferred to the Company by each of Allianz SE and CPRNT. This is to ensure that the allocation of the New Shares for AZAY Share Purchase would not result in the total foreign shareholding in the Company exceeding 49 percent of the total voting shares in the Company after the capital increase registration.

(The 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 details about the Board of Directors' opinions regarding the entry into connected transactions are provided in Enclosure 1 (Information

³ SAGI has a capital increase plan by issuing newly issued ordinary shares of not exceeding 74,880,000 shares with a par value of Baht 10 each for offering for sale to existing shareholders of SAGI in proportion to their respective shareholding (the Company currently holds approximately 99.99 percent of total shares sold in SAGI), and may consider granting the right to oversubscribe in excess of their rights at the offering price of not less than Baht 10 each, at the total value of Baht 748,800,000.

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.

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 14.33 percent of the total shares sold of the Company) and (2) AZAY which holds 1,159,000 shares in the Company (equivalent to approximately 0.39 percent of the total shares sold of the Company).

Agenda item 7. To consider and approve the delegation of authority in order to proceed with the matters under agenda items 2 to 6

Facts and reasons For the purpose of implementing the acts under agenda items 2 to 6, 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 The Board of Directors considers it appropriate to propose that Extraordinary General Meeting of Shareholders No. 2/2018 approve the delegation of authority to the Board of Directors, the President, or the persons designated by the Board of Directors or the President to take actions under agenda items 2 to 6, including, without limitation:

- (a) to determine and/or amend or add the details, terms or conditions relating to the Acceptance of the EBT, the Purchase of AZAY Shares, the allocation or determination of number of the New 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 consider to not allocate and/or offer for sale, or to cancel an allocation and/or offering for sale of, the New 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 6, and/or the listing of the New Shares as listed securities, 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 acts necessary for, or pertaining to, the actions under agenda items 2 to 6, or as considered appropriate to accomplish these actions.

Voting requirement for a resolution: A 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 14.33 percent of the total shares sold of the Company) and (2) AZAY which holds 1,159,000 shares in the Company (equivalent to approximately 0.39 percent of the total shares sold of the Company).

Agenda item 8. To consider and grant consent for Allianz SE and/or its affiliate, who is a member of the Allianz Group which may be designated by Allianz SE as a co-offeror, to make a voluntary partial tender offer for the Company's shares

Facts and reasons Allianz SE has informed the Company that Allianz SE and/or its affiliate, who is a member of the Allianz Group which may be designated by Allianz SE as a co-offeror (collectively referred to as the "**Offerors**"), wish to make a voluntary partial tender offer (the "**Partial Tender Offer**") to purchase 56,930,000 ordinary shares representing 19.37 percent⁴ of the total issued shares with voting rights of the Company at present ("**PTO Threshold**"), at the price of Baht 53.32 per share (the "**PTO Price**").

Allianz SE anticipates that after the Partial Tender Offer, the aggregate shareholding of the Offerors and their persons under section 258 of the SEC Act will represent not less than 25 percent of the total number of votes in the Company. Therefore, the Offerors wish to seek a waiver from the Office of the SEC in order to make the Partial Tender Offer with an exemption from the requirement to make subsequent tender offer for all securities of the Company under 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). In order to seek this waiver, the Offerors as the applicants for a waiver must show and certify to the Office of the SEC that the Company's shareholders meeting has resolved to grant consent for them to make the Partial Tender Offer for the Company's shares.

Below is a summary of key terms and conditions of the Partial Tender Offer.

⁴ The percentage of the number of shares to be purchased may change due to the exercise of the AYUD-W1 on 17 December 2018.

- (1) The PTO Price will be Baht 53.32 per share, which is the same price as the price proposed by the Board of Directors to a shareholders meeting, for the issuance of the New Shares to Allianz SE and CPRNT in connection with the Acceptance of the EBT and the Purchase of AZAY Shares.
- (2) If the total number of shares tendered in the Partial Tender Offer is less than the PTO Threshold, the Offerors will cancel the Partial Tender Offer. If the total number of shares tendered in the Partial Tender Offer exceeds the PTO Threshold, the Offerors will purchase only the PTO Threshold on a pro-rata basis.
- (3) The Offerors will not be obliged to make the Partial Tender Offer until all of the following key conditions are fulfilled:
 - (3.1) receipt of an unconditional approval from a shareholders meeting of the Company with respect to the Acceptance of the EBT, the Purchase of AZAY Shares, and the Partial Tender Offer;
 - (3.2) receipt of an unconditional approval from the Office of the SEC (other than customary conditions in a transaction of a similar nature or such conditions as required by applicable laws, relating to the private placement of newly issued shares by a listed company and the period for the acquisition of shares by the Partial Tender Offer) with respect to the following:
 - (a) the offering for sale of the New Shares by the Company to CPRNT and Allianz SE, by way of a private placement, and an extension of the offering period for more than three months after the approval being granted by a shareholders meeting of the Company (if required); and
 - (b) the Partial Tender Offer;
 - (3.3) receipt of an unconditional approval from the OIC (other than customary conditions in a transaction of a similar nature relating to capital adequacy, completion period, policyholders notification and creditors consent, progress report to the OIC, and public announcement) with respect to the Acceptance of the EBT; and
 - (3.4) on the signing date of the Share Subscription and Purchase Agreement and as at the submission of the partial tender offer documents (Form 247-4) to the Office of the SEC: (i) there has been no breach by the Company of any of its pre-closing covenants as set out in the Share Subscription and Purchase Agreement, and (ii) the representations and warranties given by the Company in respect of both the Company and SAGI as set

out in the Share Subscription and Purchase Agreement remain true and correct

In this connection, the Company was informed that Allianz SE has received the undertakings from Bangkok Broadcasting and Television Company Limited, BBTV Equity Company Limited, and The Great Fortune Equity Company Limited to unconditionally accept by themselves, or procure that other shareholders within the Ratanarak family group accept, the Partial Tender Offer in respect of an aggregate amount of at least 40,000,000 ordinary shares of the Company, representing approximately 13.61 percent of the total shares sold of the Company during the period which the Partial Tender Offer is open for acceptance (if and when PTO is made).

This Partial Tender Offer is part of, and in connection with, the Acceptance of the EBT and the Purchase of AZAY Shares, and is not intended for delisting the shares of the Company from being listed securities on the SET.

The details about the intended purchasers, including the number of shares and voting rights of those persons and the persons under section 258 of those persons, both before and after the Partial Tender Offer, as well as the details about the shares to be purchased, the objective of the increase of shareholding, and the impact thereby caused to the business and the shareholders are provided in **Enclosure 6** (Significant Details of the Voluntary Partial Tender Offer).

Opinion of the Board of Directors The Partial Tender Offer is part of, and in connection with, the Acceptance of the EBT and the Purchase of AZAY Share, while the Receipt of Shares from Partial Tender Offer is one of the conditions precedent to the entry into these transactions, and to the issuance and offer for sale of the New Shares to Allianz SE and CPRNT. The Acceptance of the EBT, the Purchase of AZAY Shares, and the offer for sale of the New Shares are transactions that will benefit the Company, as stated in the foregoing agenda items. The PTO Price of Baht 53.32 per share is not less than the market price of the Company's shares.

Board of Directors Meeting of the Company No. 5/2018 considers it appropriate to propose that Extraordinary General Meeting of Shareholders No. 2/2018 consider and grant consent for Allianz SE and/or its affiliate that is a member of the Allianz Group and may be designated by Allianz SE as a co-offeror to make the Partial Tender Offer to purchase 56,930,000 ordinary shares, representing 19.37 percent⁵ of the total issued shares with voting rights of the Company at present, at the price of Baht 53.32 per share.

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

⁵ The percentage of the number of shares to be purchased may change due to the exercise of the AYUD-W1 on 17 December 2018.

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 14.33 percent of the total shares sold of the Company) and (2) AZAY which holds 1,159,000 shares in the Company (equivalent to approximately 0.39 percent of the total shares sold of the Company).

Agenda item 9. Other business (if any)

Items 2 to 8 are related to, and conditional upon, each other. Therefore, if any of these items is not approved by Extraordinary Meeting of Shareholders No. 2/2018, the other related items will not be proposed to Extraordinary Meeting of Shareholders No. 2/2018 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 that 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. 2/2018 is scheduled for Tuesday, 9 October 2018 (Record Date).

Yours sincerely,

-Virojn Srethapramotaya-

(Mr. Virojn Srethapramotaya)

President & CEO

Company Secretary
Tel. 0-2657-2977

Sri Ayudhya Capital Public Company Limited
Minutes of Annual General Meeting of Shareholders No. 69
20th April 2018

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

Mr. Veraphan Teepsuwan, the Chairman of the Board of Director, chaired the Meeting.

Miss Jiratcha Ruplek, the Secretary of the Board of Director, was the Minutes recorder.

The Chairman stated to the Meeting that there were 296 shareholders attending the Meeting, both in person and by proxy, representing a total of 194,211,837 shares or 77.6847 percent of the total number of shares sold. Therefore, a quorum was formed. The Chairman declared Annual General Meeting of Shareholders No. 69 open.

The Meeting was convened at 2.00 p.m.

Before proceeding with the agenda, the Chairman assigned the Company Secretary to introduce the directors, the executives, the auditors, and the advisors who attended the Meeting, as well as to explain the voting procedures for the respective agenda items for the good order of the Meeting.

The Company Secretary stated that the Company has 11 directors, and 10 directors were in attendance. The Company Secretary then introduced them one by one as follows:

Six Non-Executive Directors

- | | | |
|-----|-----------------------------|--|
| (1) | Mr. Veraphan Teepsuwan | Chairman |
| (2) | Mr. Bryan James Smith | Director and member of the Nomination and Remuneration Committee |
| (3) | Ms. Nopporn Tirawattanagool | Director and member of the Nomination and Remuneration Committee |
| (4) | Mr. Virojn Srethapramotaya | Director |
| (5) | Mr. Laksna Thongthai | Director |
| (6) | Mr. Chusak Salee | Director |

Three Independent Directors

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

One Executive Director

- (10) Mr. Arnon Opaspimoltum President and CEO

The executives and advisors who attended the Meeting included:

Three Executives of the Company and the Subsidiary Company

- (1) Ms. Orathai Rongthongaram Assistant Managing Director of Accounting Department
(2) Mr. Tivakorn Kanjanakit Executive Vice President – Insurance Business
 Sri Ayudhya General Insurance Public Company Limited
(3) Mr. Satja Jungnitnirundr Senior Vice President 1 – Accounting & Finance &
 Investment
 Sri Ayudhya General Insurance Public Company Limited

Three Auditors and Representatives from Deloitte Touche Tohmatsu Jaiyos Limited, as the auditors

- (1) Dr. Suphamit Techamontrikul
(2) Ms. Nisakorn Songmanee
(3) Ms. Lasita Magut

Four Independent Financial Advisors from Asia Plus Advisory Company Limited

- (1) Ms. Siriporn Laoratanakul
(2) Mr. Wit Suthipongchaweekul
(3) Mr. Naporn Meksobhon
(4) Ms. Preeyanan Chotikasilp

Two Legal Advisors from Baker & McKenzie Limited

- (1) Ms. Pornpinant Asawawattanaporn
(2) Mr. Nitikan Ramanat

The Company Secretary then explained the voting procedures for the respective agenda items.

As the Company has a great number of shareholders, to avoid unnecessary wasting of shareholders' time, the Company wished to ensure that shareholders had the same understanding about the voting and vote counting procedures before proceeding with the agenda items, as follows:

- Before voting on each agenda item, shareholders will be allowed to ask questions or express their opinions relevant to the particular agenda item. Shareholders wishing to ask questions or express their opinions are asked to raise their hands, and the Chairman will invite them to do so.
- In voting, each share has one vote. The Company will use a barcode system in vote counting.
- Any shareholders wishing to vote against, or abstain from voting on, any agenda item shall vote by ballots marked with the number of that agenda item which are distributed to them before attending the Meeting, and then give the ballots to an officer for vote counting using a barcode system.

- For the agenda item on the consideration of the election of directors, which is on individual basis, the ballots for approval, disapproval and abstention shall be collected.
- If any registered shareholders fail to give their ballots to an officer, their votes will be counted as approval votes.
- Ballots that are crossed out but not initialed, or that have more than one vote will be void, and not be counted as the vote in such agenda.
- For shareholders who have executed and voted in the proxy forms, the Company will record their votes as indicated therein and add them to the votes cast by shareholders in attendance.
- When the voting result for any agenda item is announced, it will be deemed final.

In the registration of shareholders attending the meeting and the counting of votes of shareholders for all agenda items in this Meeting today, the Company appointed OJ International Co., Ltd. to proceed and use barcode system.

For transparency, the Company invited two representatives of Baker & McKenzie Ltd., Ms. Pasinee Tangsuriyapaisan and Mr. Supakorn Chintanadilok, to inspect the registration and vote counting.

The Company Secretary reported to the Meeting that between 1st December 2017 and 31st January 2018, the Company allowed shareholders to propose agenda items, nominate persons to be elected as directors, and send questions in advance, according to the rules disclosed on the Company's website. However, no shareholders proposed any agenda items, nominated any persons, or sent questions in advance.

The Chairman stated that the Meeting today would be conducted according to the agenda provided in the invitation to Annual General Meeting of Shareholders No. 69 that was sent to shareholders in advance. However, to facilitate shareholders' consideration, the Company Secretary would brief the details for each agenda item to shareholders.

The Meeting was proceeded with the following agendas.

Agenda item 1 To consider and approve the minutes of Extraordinary General Meeting of Shareholders No. 1/2018, held on 19th January 2018

The Company Secretary stated that the minutes of Extraordinary General Meeting of Shareholders No. 1/2018, held on 19th January 2018, have the details as per a copy of the minutes that was sent to shareholders along with the invitation to Annual General Meeting of Shareholders No. 69.

The Company wished to revise the wording of the minutes of Extraordinary General Meeting of Shareholders No. 1/2018, as shown on page 21 of the invitation to Annual General Meeting of Shareholders No. 69, as follows:

From: The total value of the Acceptance of the EBT is Baht 1,253,794,000, based on the appraisal by Milliman Limited, an actuary engaged by the Company. SAGI will increase its capital by issuing 23,446,105 new ordinary shares at the offering price of Baht 53.43 per share, and will offer them for sale to its existing shareholders under a rights offering scheme. The proceeds of this capital increase will be

used to pay for the Acceptance of the EBT. Subject to approval by the Meeting, the Company will increase its capital by issuing new ordinary shares, and will allocate and offer for sale a portion of them to CPRNT. The proceeds derived from this share offering will be used to increase the capital of SAGI, to enable SAGI to accomplish the Acceptance of the EBT. The capital increase and allocation of newly issued ordinary shares will be proposed to the Meeting for consideration under agenda items 6 and 7.

To: The total value of the Acceptance of the EBT is Baht 1,253,794,000, based on the appraisal by Milliman Limited, an actuary engaged by the Company. SAGI will increase its capital, and will offer them for sale to its existing shareholders under a rights offering scheme. The proceeds of this capital increase will be used to pay for the Acceptance of the EBT. Subject to approval by the Meeting, the Company will increase its capital by issuing 23,446,105 new ordinary shares at the offering price of Baht 53.43 per share, and will allocate and offer for sale a portion of them to CPRNT. The proceeds derived from this share offering will be used to increase the capital of SAGI, to enable SAGI to accomplish the Acceptance of the EBT. The capital increase and allocation of newly issued ordinary shares will be proposed to the Meeting for consideration under agenda items 6 and 7.

Opinion of the Board: The Board of Directors considered it appropriate to propose that the minutes of Extraordinary General Meeting of Shareholders No. 1/2018 be approved by the Meeting.

The Company Secretary invited shareholders to raise their concerns or suggestions relating to this agenda item. The Board of Directors was pleased to respond to their questions, as well as to hear their suggestions. There were no questions or suggestions from shareholders.

The Meeting had considered the matter and resolved that the minutes of Extraordinary General Meeting of Shareholders No. 1/2018, held on 19th January 2018, be approved.

Shareholders casted their votes on agenda item 1 as follows:

Vote	Number of votes (1 share = 1 vote)	Percent of the total number of votes of shareholders attending the Meeting and casting their votes
Approval	204,577,798	99.9955
Disapproval	9,200	0.0045
Invalid ballots	0	0.0000
Total	204,586,998	100.0000
Abstention*	0	-

* Not included in the denominator for vote counting.

Agenda item 2 To acknowledge the 2017 annual report of the Board of Directors

The Company Secretary stated that the report on the operating results of the Company and various information for 2017 is provided in the 2017 annual report (on CD-ROM) sent along with the invitation to Annual General Meeting of Shareholders No. 69.

With respect to the result of the implementation of anti-corruption practices, the Company has received a membership certification from Thailand's Private Sector Collective Action Coalition (the "CAC") on 22nd January 2016. This certification is valid for three years from the date of a resolution to approve the membership. As part of its ongoing anti-corruption practices, the Company has regularly conducted a review of the CAC's anti-corruption measures and improved its code of conduct to ensure that its procedures are proper and suitable for current situation.

In 2017, the Company conducted anti-corruption training programs incorporating the information online for the subsidiary and branch employees to study, and tests were administered. In addition, new employees were trained on the Company's policies so that proper conduct and compliance can be expected. The Company promotes the understanding via activities that cultivate and reinforce honesty.

The Company has prepared to renew its CAC membership that will be due in January 2019. In 2017, the Company reviewed its anti-corruption and other related policies, as well as its Fraud Prevention Guidelines and anti-corruption measures that are related to internal control and data recording.

Opinion of the Board: The Board of Directors considered it appropriate to present the report on the operating results of the Company and various information for 2017 to Annual General Meeting of Shareholders No. 69 for its acknowledgement.

The Company Secretary invited shareholders to raise their concerns or suggestions relating to this agenda item. The Board of Directors was pleased to respond to their questions, as well as to hear their suggestions. There were no questions or suggestions from shareholders.

The Meeting was asked to acknowledge the report.

The Meeting acknowledged the 2017 annual report of the Board of Directors according to the details presented.

Agenda item 3 To consider and approve the statement of financial position as at 31st December 2017, the statement of comprehensive income, statement of changes in shareholders' equity, and statement of cash flow for the year 2017

The Company Secretary stated that the statement of financial position as at 31st December 2017, the statement of comprehensive income, statement of changes in shareholders' equity, and statement of cash flow for the year 2017, which were approved by the Audit Committee, and audited and certified by the Company's auditor, appear in the 2017 annual report (on CD-ROM) sent to shareholders along with the invitation to Annual General Meeting of Shareholders No. 69.

Opinion of the Board: The Board of Directors considered it appropriate to propose that Annual General Meeting of Shareholders No. 69 consider and approve the statement of financial position as at 31st December 2017, the statement of comprehensive income, statement of changes in shareholders' equity, and statement of cash flow for the year 2017, which were approved by the Audit Committee, and audited and certified by the Company's auditor.

The Company Secretary invited shareholders to raise their concerns or suggestions relating to this agenda item. The Board of Directors was pleased to respond to their questions, as well as to hear their suggestions. There were no questions or suggestions from shareholders.

The Meeting was asked to consider and approve the matter.

The Meeting had considered the matter and resolved that the statement of financial position as at 31st December 2017, the statement of comprehensive income, statement of changes in shareholders' equity, and statement of cash flow for the year 2017, which were approved by the Audit Committee, and audited and certified by the Company's auditor, be approved.

Shareholders casted their votes on agenda item 3 as follows:

Vote	Number of votes (1 share = 1 vote)	Percent of the total number of votes of shareholders attending the Meeting and casting their votes
Approval	206,276,706	99.9955
Disapproval	9,200	0.0045
Invalid ballots	0	0.0000
Total	206,285,906	100.0000
Abstention*	0	-

* Not included in the denominator for vote counting.

Agenda item 4 To consider and approve the appropriation of profit for the year 2017, and acknowledge the interim dividend payment

The Company Secretary reported the Company's operating results for the year ending on 31st December 2017, which were approved by the Audit Committee, and audited and certified by the Company's auditor, Deloitte Touche Tohmatsu Jaiyos Audit Company Limited. The Company's consolidated financial statement showed a net profit of Baht 462,910,145 (four hundred sixty-two million, nine hundred ten thousand, one hundred forty-five baht), equivalent to Baht 1.85 per share. The separate financial statement of the Company showed a net profit of Baht 433,785,900 (four hundred thirty-three million, seven hundred eighty-five thousand, nine hundred baht), equivalent to Baht 1.74 per share. The Company has a policy to pay dividends at the minimum rate of 60 percent of the net profit after income tax each year, subject to its operating results and a shareholders meeting's resolution. Consideration of dividend payment would be based upon the consolidated financial statement.

On 8th September 2017, the Company paid interim dividends for the first six-month period (January - June) of 2017 at the rate of Baht 0.75 (seventy five satang) per share, totaling Baht 187.50 million (one hundred eighty seven million, five hundred thousand baht).

The Company needs to make a reserve for future business expansion. Therefore, the Company deems it appropriate not to pay dividends from the operating results of the second half (July - December) of 2017.

The Board of Directors then presented the figures of profit allocation for the year 2017 to Annual General Meeting of Shareholders No. 69 for consideration and approval.

2017 operating results:

Profit before income tax	435,752,901 Baht
Less Corporate income tax	1,967,001 Baht
Net profit	433,785,900 Baht
Less Actuarial loss on defined employee benefit plans - net of income tax	638,836 Baht
Add Retained earnings from the previous year's allocation	1,733,796,130 Baht
Profit for this allocation	2,166,943,194 Baht
Interim dividends at Baht 0.75 per share, for a total 250 million shares, paid to shareholders on 8 September 2017	<u>187,500,500 Baht</u>
Total amount of profits allocated this year	187,500,000 Baht

Retained earnings carried forwarded

1,979,443,194 Baht

Detailed comparison of dividend payments in the past years

Details of dividend payment	2017	2016	2015
1. Net profit under separate financial statement (million baht)	433,785,900	506,025,021	591,648,783
2. Number of shares			
2.1 Number of shares on which interim dividend payment was made	250,000,000	250,000,000	250,000,000
2.2 Number of shares on which annual dividend payment was made	-	250,000,000	250,000,000
3. Dividend per share (Baht/share)	0.75	2.00	2.00
3.1 Interim dividend (Baht/share)	0.75	1.00	1.00
3.2 Dividend payment this time (Baht/share)	-	1.00	1.00
4. Total amount of dividend payment (Baht)	187,500,000	500,000,000	500,000,000
5. Percent of net profit	43.22	98.81	84.51

The Board of Directors was of the view that the Company needs to make a reserve for future business expansion, and therefore proposed that the Annual General Meeting of Shareholders consider and approve the appropriation of profit for the year 2017, and the non-payment of dividends from the operating results of the second half (July - December) of 2017.

The Company Secretary invited shareholders to raise their concerns or suggestions relating to this agenda item. The Board of Directors was pleased to respond to their questions.

A shareholder stated that the Company always made dividend payment in the past. This time, the Company would not make dividend payment for the purpose of future business expansion. However, the Company still had no explicit plan for its business expansion. The Board of Directors was asked to make clarification.

The Chairman clarified that the Company was urged by the shareholders meetings in the past two years to carry out an expansion plan. The Company admitted to take action. The Company presented the plan to shareholders in the Extraordinary General Meeting of Shareholders on 19th January 2018. However, during the process, the Company could not provide the details. Once the Company completed, the Company presented the full details to a shareholders meeting. Nonetheless, that Extraordinary General Meeting of Shareholders approved with a majority votes of 67.6811 percent of the total votes of the shareholders attending the meeting and having the right to vote for the amalgamation of the company as proposed by the Board of Directors. However, this majority vote was less than three-quarters (75 percent) of the total number of votes of shareholders attending the meeting and having the right to vote, as required by law. Therefore, it was concluded that there were insufficient votes to grant approval for Sri Ayudhya General Insurance Public Company Limited to enter into the transaction. The Company has endeavored to proceed with the expansion plan in the interests of shareholders, without causing burden to them. Therefore, shareholders were asked to accept the Board of Directors' proposal not to pay dividends, but to issue warrants to shareholders instead. The value of the warrants will certainly be 2 - 3 times the amount of dividends. Shareholders may trade these warrants on the SET, or keep it for future exercise of the right to purchase newly issued ordinary shares in the Company. Shareholders are not required to exercise the warrants immediately, because they have a term of two years from the issuance date. The timing of the project that will be carried out by the Company (if any) should be close to the period of the last exercise of warrants. At that time, shareholders could make decision by themselves.

The Company's strategy has changed from the previous policy which is to achieve higher operating results in order to pay dividends on a regular basis. However, its revised strategy will help strengthen the liquidity in the trading of its shares on the SET.

The Company cannot yet reveal the details of its future project. However, the Company will reconsider the consolidation with the Allianz Group if it is more favorable compared to other projects. The Board of Directors will protect the interests of all groups of shareholders, and take into account the Company's interests which will also benefit the shareholders.

A shareholder inquired whether shareholders no. 2 and 4 on page 38 of the annual report are of the same group, and whether the shareholding percentage of major shareholders that are of the same group or are related to each other should be indicated according to the SET's rules. The shareholders asked the Company to clarify the relationship between these shareholders. In addition, as the list of top ten major shareholders in the annual report and the current list of major shareholders are quite different, the shareholder would like to know whether the information on the SET's website is the most updated information.

The Chairman clarified that the Company has checked with the SET on disclosure of information in the annual report, and the parts of information that should be disclosed jointly or separately, and has completely taken that action. Thus, please be informed that the Company's action is correct. As for those Company's shareholders, most of them are related to each other, and are a group of shareholders who agreed to the consolidation with the Allianz Group. Their vote casting is also in accordance with the rules as prescribed by the law.

A shareholder inquired whether the Company's major shareholders also hold shares in the Allianz Group.

The Chairman clarified that the Company holds approximately 20.17 percent of the total shares sold in the life insurance company (Allianz Ayudhya Assurance Public Company Limited).

Ms. Nopporn Tirawattanagool, a director, added that the Company already presented the details about its shareholding in the life insurance company (Allianz Ayudhya Assurance Public Company Limited) to the previous Extraordinary General Meeting of Shareholders, as shown on page 55. Great Luck Equity Company Limited, Great Fortune Equity Company Limited, and Bangkok Broadcasting & Television Company Limited altogether hold approximately 16.11 percent of the total shares sold in that company. However, as the Meeting today was not related to consolidation, this issue was not introduced.

The Chairman added that if they are related but constructive, and do not cause disadvantage to shareholders, the Company would be pleased.

Ms. Nopporn Tirawattanagool, a director, asked the legal advisor (Baker & McKenzie Ltd.) to explain about the shareholding information to shareholders.

The legal advisor explained that the shareholding information was disclosed in the invitation to the previous Extraordinary General Meeting of Shareholders. Allianz SE, which is a shareholder of the Company, holds approximately 25 percent of the total shares sold in Allianz General Insurance Public Company Limited ("AZTH"). With respect to the life insurance company, i.e. Allianz Ayudhya Assurance Public Company Limited ("AZAY"), Allianz SE holds approximately 24.99 percent, the Company holds 20.17 percent, and Great Luck Equity Company Limited, Great Fortune Equity Company

Limited, and Bangkok Broadcasting & Television Company Limited altogether hold approximately 16.11 percent of the total shares sold in AZAY. This information is clearly disclosed.

A shareholder inquired that this information could confirm that the Company's major shareholders hold shares in the Allianz Group. The shareholder is concerned why the Company is willing pay approximately Baht 1.253 billion to purchase AZTH despite its operating loss.

The Chairman clarified that the value of a business is not based on its book value only, but must also be determined from its prospect. Most of the Company's profit is generated by the life insurance company (Allianz Ayudhya Assurance Public Company Limited). Although the Allianz Group is a related party, it is a world class company that must adhere to transparency and ethics, otherwise it will be closely watched. Even a small incident could cause damage to it. This is why the Company chooses to consolidate with a company that is bound to preserve its brand and reputation, instead of a new company or a company whose ethical conduct is unknown.

Ms. Nopporn Tirawattanagool, a director, added that the price of business acquisition was appraised by an actuarial consultant (Milliman Limited), and re-examined by an independent financial advisor which is Asia Plus Advisory Co., Ltd. This price was approved by the Board of Director. If there is an agenda item on this issue in the future, shareholders are invited to attend the meeting and make inquiry. A new valuation may be required.

A shareholder asked whether, for the voting on this agenda item, the non-payment of dividends would affect the consolidation because the proceeds would be used for the consolidation. The shareholder also asked whether there would be a consolidation after the approval of this agenda item, and whether the issues are related.

The Chairman explained that the issues are somewhat related. The consolidation is not desirable to some shareholders. Their desire may become true. This is because the Allianz Group does not have to consolidate with the Company. The Allianz Group may be of the view that as the Company is still unable to settle its internal issues, it cannot enter into consolidation. If the Company does not increase its capital by issuing and allocating new ordinary shares to support the exercise of warrants, or by other methods, the Allianz Group may view that the Company does not have much money and cannot do anything. Therefore, the Company must make consideration in many aspects. The Company is thinking about using the status of the Allianz Group, as a world class insurance company, to help improve the Company.

A shareholder stated that according to the strategy, it should be so. However, according to information on page 27 of the invitation to the Annual General Meeting of Shareholders, the shareholder would like AZTH to close its 2017 account first, in order to see the amount of its reserve. All the inquiries were raised due to the disclosed figures of AZTH. In principle, this can be understood and it was seen that there was no movement in share price for a long time. What is good is that the dividend payment is rather certain. It is understood that there must be competition and improvement. However, shareholders must also be confident.

The Chairman thanked the shareholder, and explained that although the Company does not pay dividends, the Company will issue and allot warrants. The Chairman is rather confident that when the warrants are traded on the SET, their value will be higher than dividends. The Company takes into consideration the returns to shareholders and thereby considering the issuance of these warrants. The Company has already considered how to compensate shareholders and how to ensure that the warrants

received by them would have higher value. This must depend on the future as to whether it can consolidate with any party or purchase any business.

A shareholder raised a concern that while the major shareholders are holding shares of both parties, the minority shareholders are holding shares of one party only. The shareholder then made inquiries as follows:

Point 1: There are concerns about the benefits, and the purchase of an insurance company that suffers a loss. The shareholder was of the view that the Company would purchase a business that suffers a loss at a high price.

Point 2: The Board of Directors stated that the Allianz Group has several capabilities. Why does it suffer a loss? This is a concern of shareholders. Besides, would there be an issue of conflict of interest because the minority shareholders are holding shares in the Company only?

Point 3: Shareholders have not yet seen a plan to use a substantial amount of money. The shareholder would like to know why the Company does not call for share payment first as its shares are not yet fully paid-up. In addition, the Company and its subsidiaries have a remaining sum of approximately Baht 4 - 5 billion. The monies they have should be combined and shown. Alternately, the Company may use a strategy it has to show to the Allianz Group that it has a capital of Baht 4 - 5 billion, which is quite substantial.

Point 4: With regard to the price of shares that had accidentally increased when the Company was about to hold a meeting for considering the consolidation, the shareholder would like to know whether this was a process for inducement or enticement.

The Chairman clarified that for the last point, the actual price of the shares should be higher than Baht 40 per share. According to information released, although these shares have the potential, it was doubtful why they did not have liquidity and the price was low. The Chairman raised an example. Ten years ago, Bank of Ayudhya Public Company Limited ("**BAY**") experienced a financial crisis. The price of its shares dropped to Baht 4 -5 each. BAY did not grow by itself. BAY tried to find out a world class shareholder to jointly invest in it, and eventually found a company in the group of G.E. Capital International Holding Corporation ("**GE Capital**"). This caused a dilution effect. The shareholding ratio of its major shareholders then dropped from approximately 60 percent to 30 percent. Its culture was to do for the survival of its organization. After the coming of GE Capital, the price of its shares rose from Baht 8 per share to Baht 16 per share. Although its major shareholders suffered a dilution effect, the price of shares increased. GE Capital subsequently sold its shares to MUFG at the price of Baht 39 per share. All were gradually improved. At present, the shareholding ratio of its major shareholders has dropped to 20 percent. This sacrifice was for the survival of the organization. Therefore, it is necessary to look into all aspects of the strategy. Shareholders should not take account of only one aspect, without any sacrifice for the organization. This is the difference, and is what the Board of Directors has considered about. A joint investment by another company should help improve the price and liquidity of the shares, which all depends on the management.

A shareholder stated that if the major shareholders do not hold shares in both parties, a transaction of this type would not cause a concern. The fact that the minority shareholders are holding shares in the Company only gives rise to a concern.

The Chairman clarified that the Company and its major shareholders (Bangkok Broadcasting & Television Company Limited, BBTV Equity Co., Ltd. and Great Fortune Equity Company Limited (which are among the top ten major shareholders of the Company)) do not hold shares in the Allianz Group and the company with which the Company will enter into consolidation (AZTH). The Company holds shares in the life insurance company (AZAY), which generated profit to it in 2017. This is the Company's investment strategy. The Company also thinks about the funds acquired by it if this transaction is not successful. The Company has another strategy. Instead of investing in the insurance business only, the Company will also invest in other shares. The Board of Directors has attempted to find out the best approach. As for shareholders' concern about how the Company would use a substantial amount of money, if the investment is made specifically in non-life and life insurance companies, a report must be made to shareholders for approval. If it is an investment in general, the Company can do so because its rules allow the Company to make investment. Shareholders have already seen the past performance, that the Company has operated in a manner which is not neglectful. The Company will invest in non-life and life insurance companies first, because the Company has expertise in this area. The Company also has liquidity from investing in other companies that are stable and pay dividends on a regular basis. If the price of their shares drops, the Company would purchase more shares because the share price of the companies which have good operating results will regain its high price in the future. The Company does not purchase shares for speculation, as this is not its investment or operating culture. The Company always keeps in mind that shareholders should not be put at risk.

There were no further questions or suggestions from shareholders.

The Meeting was asked to consider and approve the matter.

The Meeting had considered the matter and resolved to approve the appropriation of profit for the year 2017, and to acknowledge the interim dividend payment as well as the non-payment of dividends from the operating result of the second half (July - December) of 2017 in order to make a reserve for future business expansion.

Shareholders casted their votes on agenda item 4 as follows:

Vote	Number of votes (1 share = 1 vote)	Percent of the total number of votes of shareholders attending the Meeting and casting their votes
Approval	152,368,489	73.8556
Disapproval	53,937,439	26.1444
Invalid ballots	0	0.0000
Total	206,305,928	100.0000
Abstention*	0	-

* Not included in the denominator for vote counting.

Note:

For voting on this agenda item, a shareholder requested that the vote counting be examined. The Chairman therefore ordered that the votes on all agenda items be carefully counted, and asked the legal advisor to inspect the vote counting.

Agenda item 5 To consider and approve the issuance and allotment of no more than 125,000,000 units of warrants to purchase ordinary shares of Sri Ayudhya Capital Public Company Limited No.1 (AYUD-W1) to the existing shareholders under a rights offering scheme

The Company Secretary stated that Board of Directors Meeting No. 2/2018, held on 26th February 2018, has considered the issuance of no more than 125,000,000 units of warrants to purchase ordinary shares of Sri Ayudhya Capital Public Company Limited No.1 ("AYUD-W1"), and the allotment of these warrants to the existing shareholders of the Company under a rights offering scheme, at the ratio of 2 existing ordinary shares to 1 warrant (2:1), without consideration. The Company will list the AYUD-W1 on the Stock Exchange of Thailand (the "SET").

The Company will use the proceeds derived from the exercise of the right to purchase its newly issued ordinary shares under the AYUD-W1 to expand the business and/or for the business of the Company, in order to increase opportunities to generate additional income in the future. The exercise of the right to purchase newly issued ordinary shares under the AYUD-W1 will also increase liquidity in the trading of the Company's shares, because the current trading volume of the Company's shares is relatively low.

The term of the AYUD-W1 is 2 years from the date of issuance. The right to purchase newly issued ordinary shares in the Company can be exercised twice a year, on the 15th of June and December every year, at the exercise ratio of 1 unit of AYUD-W1 to 1 newly issued ordinary share, and the exercise price of Baht 39.00 (thirty nine baht) per share. The additional details about AYUD-W1 and the dilution effect are provided in **Enclosure 1 (Preliminary Details of the Warrants to Purchase Ordinary Shares of Sri Ayudhya Capital Public Company Limited No.1 (AYUD-W1) to Be Allotted to the Company's Existing Shareholders under a Rights Offering Scheme)**.

The offer for sale of the AYUD-W1, whereby the offering price of AYUD-W1 combines with the exercise price for newly issued ordinary shares in the Company is Baht 39.00, is not considered an offer for sale of warrants at a low price¹, compared to the market price of the Company's share at Baht 35.10 each² which is calculated based on the weighted average price of the Company's shares traded on the SET between 15th February 2018 and 23 February 2018 (seven consecutive business days before the date of the Board of Directors Meeting No. 2/2018, on 26th February 2018.)³ The details of the rules relating to the foregoing price are provided in agenda item 5 of the invitation to this Annual General Meeting of Shareholders.

The Company fixes the exercise price for the purchase of newly issued ordinary shares in the Company at Baht 39.00 per share, based on the weighted average price of the Company's shares at Baht

¹ Under Notification of the Capital Market Supervisory Board No.TorChor 34/2551 Re: Application for and Approval of the Offer for Sale of Warrants to Purchase Newly Issued Shares and Newly Issued Shares Underlying the Warrants (as amended) (the "Warrants Notification"), an offer for sale of warrants at a low price means an offer for sale of newly issued warrants of which the offering price combined with the exercise price for the purchase of the underlying shares falls within the meaning of an offer for sale of newly issued shares at a low price i.e. an offer for sale of newly issued shares at the offering price lower than 90 percent of the market price, provided that the market price and the offering price are in accordance with the relevant notification of the Office of the Securities and Exchange Commission.

² The weighted average price is calculated based on the value and trading volume of the Company's shares as shown on the SETSMART (www.setsmart.com).

³ The market price is calculated according to Notification of the Securities and Exchange Commission No. SorChor 39/2551 Re: Calculation of Offering Price of Securities and Determination of Market Price for the Consideration of an Offer for Sale of Newly Issued Shares at a Low Price.

35.10 each as stated above, which is the preliminary reference, as well as the potential growth of Company's business and other external factors.

The Board of Directors Meeting No. 2/2018, held on 26th February 2018, set the record date for determining shareholders who are entitled to the allotment of AYUD-W1 (Record Date – W1) for Friday, 27th April 2018. This record date is subject to the approval by this Annual General Meeting of Shareholders for the issuance and allotment of AYUD-W1, as well as its resolutions on other related matters.

Opinion of the Board: The Board of Directors considered it appropriate to propose that Annual General of Shareholders No. 69 consider and approve the issuance and allotment of no more than 125,000,000 units of warrants to purchase ordinary shares in the Company No.1 (AYUD-W1) to the existing shareholders under a rights offering scheme, as proposed, and the delegation of authority to the Board of Directors, the authorized directors, the president, and/or any persons designated by these persons to take actions necessary for, or pertaining to the aforementioned matter, including without limitation:

- (a) to determine and/or amend the rules, conditions, and/or details of the AYUDW1, including, but not limited to, the date of issuance and allotment of the AYUD-W1, the first exercise date, the last exercise date, the adjustment of change of the exercise ratio and/or exercise price;
- (b) to execute, negotiate, agree on, and sign related documents and contracts;
- (c) to liaise with, coordinate, make statements, representation and warranties, and apply for any permissions, approvals, registrations and/or waivers, as well as to provide information and/or submit documents and evidence to the concerned authorities or agencies in relation to the issuance and allotment of the AYUD-W1, and the listing of the AYUD-W1 and new ordinary shares from the exercise of the AYUD-W1 on the Stock Exchange of Thailand;
- (d) to take actions necessary for, or pertaining to, the AYUD-W1, the issuance and allotment of the AYUDW1, which include the listing of the AYUD-W1 and the new ordinary shares from the exercise of the AYUD-W1, as listed securities on the Stock Exchange of Thailand.

Agenda items 5 to 8 are related to, and conditional upon, each other. If any agenda item is not approved by Annual General Meeting of Shareholders No. 69, other related agenda items will not be introduced to it and the related agenda items that have been approved will be cancelled.

The Chairman allowed shareholders to make inquiries or express their opinions.

A shareholder inquired about the purposes for which the Company would use of proceeds derived from the exercise of warrants.

The Chairman explained that he would discuss with the Allianz Group about re-consideration of the consolidation project, and increased investment in the life insurance business of Allianz Group, as recommended by the previous shareholders meeting. The Company also intends to study about other insurance companies on the SET, which need not be those of the Allianz Group, as well as to consider their advantages and the reasonableness of the value of investment in those companies. Although the value of the Allianz Group of companies is rather high, their brand, resources, and experience should be taken into account. When the Allianz Group holds shares up to 40 percent of the total shares sold in the

Company, its management members assigned to manage the Company will not be able to neglect the Company's operating results because the Allianz Group will regularly evaluate the operating performance, which is an advantage of being a world class company. The Chairman then raised an example. Around 20 years ago, Siam City Cement Public Company Limited experienced the same economic crisis. More than 60 percent of its total shares sold were then held by Thai shareholders. It was proposed by a party that was interested in investing in that company that the shares be held on an equal basis. The buyer agreed to invest at 35 percent, and the existing shareholders continued to hold shares at approximately 30 - 35 percent of the total shares sold. In order that the company was able to grow, there was no talk about dilution effect. Shareholders were asked to consider the options of the decrease in share price and the company's ability to grow. Although the decrease in number of shares held by shareholders by one-half, the price of their shares rose three to six times. Besides, there was increased number of personnel to help manage the company. In the past few years, the shareholder that is a world class company offered to sell their shares in Siam City Cement Public Company Limited, and the Thai shareholders agreed to buy them. As they did not want to make a tender offer, there were negotiations and it was concluded that Thai shareholders would buy 10 percent of the total shares sold, and a new shareholder would buy the remaining shares. The new shareholder is also a world class company, i.e. Jardine Matheson, the owner of the Oriental group of hotels. This proves that a business partner that possesses a sound working culture, good governance, and professional management can greatly help alleviate burden.

Other factors were also taken into account, including the current value of investments of the Allianz Group which accounts for several billion baht and may increase to tens billion baht. This would increase the opportunities to seek business partners to invest in the Company. This is also in the process of consideration by the Company.

A shareholder asked why it must be the Allianz Group. Many other foreign companies are also interested in consolidating with the Company.

The Chairman explained that it is not necessary to be the Allianz Group. It could be another company if the consolidation is feasible based on various factors and the investment strategy.

A shareholder asked how an interested company could contact the Company.

The Chairman stated that they may contact and discuss with Mr. Virojn Srethapramotaya, the CEO. The Chairman will not overlook any investment opportunity.

A shareholder stated that when a proposal to enter into consolidation was made, it was not necessary to increase capital. The shareholder would like to know why a capital increase is now necessary, and whether it is related to the voting on the consolidation.

The Chairman clarified that capital increase is an option if negotiations with the company proposed by the previous shareholder are not successful. If negotiations are successful, the proceeds from capital increase will be used for that purpose. As the warrant term is two years from the issuance date, shareholders may exercise their warrants in the next two years when consolidation is feasible, or may sell their warrants. This capital increase is intended for responding to the Company's strategy, and strengthening financial readiness for a consolidation with another company.

A shareholder stated that as a shareholder who also received a letter from the shareholder mentioned by the Chairman, he would like to ask the management to clarify about the dividend payment. The Company's shares are one among those with good dividend payment. If the agenda item concerning capital increase is approved by this Meeting, what would be the tendency of dividend payment?

The Chairman clarified that dividend payment rate would be favorable to shareholders. If the Company keeps money and does not pay dividends to shareholders, the money could be used for the consolidation with a company proposed by the previous shareholder. If the Company would enter into consolidation with any company, the Company must be confident that it can pay dividends after the consolidation.

In doing business with a world class company that will a substantial number of shares in the Company, if the Company has any problem, that company could provide assistance. For the Company, this is better than solving the problem on its own. In choosing between trusting the Chairman or trusting the Allianz Group, shareholders would choose the Allianz Group. Its good and experienced team and insurance innovations will be helpful for the Company.

There were no further questions or suggestions from shareholders.

The Meeting was asked to approve the matter.

The Meeting had considered the matter and resolved to approve the issuance and allotment of no more than 125,000,000 units of warrants to purchase ordinary shares in the Company No.1 (AYUD-W1) to the existing shareholders under a rights offering scheme, as proposed, and the delegation of authority to the Board of Directors, the authorized directors, the president, and/or any persons designated by these persons to take actions necessary for, or pertaining to the aforementioned matter, as proposed.

Shareholders casted their votes on agenda item 5 as follows:

Vote	Number of votes (1 share = 1 vote)	Percent of the total number of votes of shareholders attending the Meeting and casting their votes
Approval	176,024,050	85.2673
Disapproval	30,413,850	14.7327
Invalid ballots	0	0.0000
Total	206,437,900	100.0000
Abstention*	4,900	-

* Not included in the denominator for vote counting.

Agenda item 6 To consider and approve the decrease of the Company's registered capital, from Baht 500,000,000 to Baht 250,000,000 by cancelling 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 registered capital

The Company Secretary explained that, under the Public Limited Companies Act, B.E. 2535 (1992) (as amended), 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. In this regard, 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 existing convertible debentures and warrants to purchase shares. To enable the Company to issue new ordinary shares to support the exercise of the AYUD-W1 as stated

above, the Company must reduce its registered capital by canceling registered shares which have not yet been sold.

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: The Board of Directors considered it appropriate to propose that Annual General Meeting of Shareholders No. 69 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:

Current

"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	-	share	(-)"

New

"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	-	share	(-)"

The Chairman allowed the shareholders to ask questions or provide opinions.

A shareholder asked why the Company wanted to decrease a large number of shares, and why only half of the registered shares had been paid up.

Mr. Virojn Srethapramotaya, director, explained that the Company has Baht 500,000,000 of registered capital, but only Baht 250,000,000 of this has been paid up, because, in compliance with the resolution of a shareholders meeting in 1990, before the Public Limited Companies Act, B.E. 2535, the Company had planned to further increase its capital. The initial plan to boost the capital meant the Company would need funding over the next five to seven years. However, almost 30 years have passed, and the plan to increase the capital has never materialized, while the shareholder structure has substantially changed. The Company has consulted a legal advisor. For transparency, the Company would like to clarify the matter with its current shareholders for their acknowledgement and decision. The legal advisor was asked to provide more information.

The legal advisor said that, as Mr. Virojn had mentioned, the Company's 250,000,000 registered shares which have not yet been offered for sale are in accordance with the resolution of the shareholders meeting almost 30 years ago, before the implementation of the Public Limited Companies Act, B.E. 2535, which remains in force, and amendments to which have been made from time to time. Therefore, the plan to increase the capital, as resolved at the past meeting, may no longer comply with the guidelines on public companies' capital increase, as prescribed in the Public Limited Companies Act, B.E. 2535 (as

amended), which is now in force. As Mr. Virojn said, the Board of Directors views that it is appropriate for the present shareholders meeting to get a chance to consider the allotment of newly issued shares of the Company.

For the Company's capital increase alternative by way of issuance and allotment of newly issued ordinary shares of the Company to support the exercise of the rights under warrants, the Public Limited Companies Act, B.E. 2535 (1992) (as amended) sets out that a public company limited can issue new shares only after all registered shares have been sold and fully paid up. If not all of these shares have been sold, the remaining shares must have been issued to support convertible bonds or warrants. In this regard, for the Company to issue new shares to support the exercise of the rights under warrants, it must first decrease its registered capital by cancelling the registered shares that have not yet been sold. The Board of Directors considered that it would be appropriate to propose this matter to the shareholders meeting to consider for transparency purpose.

There were no further questions or suggestions from shareholders.

The Meeting was asked to approve the matter.

The Meeting had considered the matter and resolved that the decrease of the Company's registered capital from Baht 500,000,000 to Baht 250,000,000, by cancelling the registered shares that have not yet been sold, and the amendment to clause 4 of the Company's Memorandum of Association to support the decrease of the registered capital be approved, as detailed below.

"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	-	share	(-)"

Shareholders casted their votes on agenda item 6 as follows:

Vote	Number of votes (1 share = 1 vote)	Percent of the total number of votes of shareholders attending the Meeting and having the right to vote
Approval	177,506,255	85.9832
Disapproval	28,936,750	14.0168
Abstention	0	0.0000
Invalid ballots	0	0.0000
Total	206,443,005	100.0000

A shareholder asked whether, while waiting for the voting results of agenda item 4, agenda item 5 and agenda item 6, the Meeting can consider an agenda item irrelevant to the agenda items for which the voting results were being counted.

The Chairman asked the legal advisor whether the order of the agenda items could be rearranged.

The legal advisor explained that, under applicable laws, the order of agenda items at a meeting, as specified in the invitation letter, must be followed. If anybody wishes to change the order of agenda

items, the change must be approved with at least two-thirds of the votes by the shareholders who are attending the shareholders meeting.

The Chairman proposed to the Meeting the rearrangement of the agenda item order by discussing agenda items from item 9 onwards. Once the count of the votes under agenda item 4, agenda item 5 and agenda item 6 was finished, the remaining agenda items would then be discussed in order.

The Chairman asked whether any shareholders objected to the change of the agenda item order.

No shareholder objected to the proposed change of the agenda item order.

The Chairman concluded that the Meeting resolved unanimously to change the agenda item order as proposed.

Agenda item 9 To consider the election of directors to replace those retiring by rotation

The Company Secretary stated that the Company now has 11 directors who are registered with the Ministry of Commerce's Department of Business Development. In 2018, the following four directors would retire by rotation at Annual General Meeting of Shareholders No. 69.

- | | |
|------------------------------|------------------------|
| 1. Mr. Surachai Prukbamroong | (independent director) |
| 2. Mr. Metha Suvanasarn | (independent director) |
| 3. Mr. Vichit Kornvityakoon | (independent director) |
| 4. Mr. Arnon Opaspimoltum | (executive director) |

At Board of Directors Meeting No. 2/2018, which was held on 26th February 2018, and with the Nomination and Remuneration Committee members in attendance, nominations of suitable persons were made to be the Company's directors, based on their qualifications, knowledge, capability, work experience, and past performance as the Company's directors. These nominations were suggested to the Company's Board of Directors for approval, to be proposed at Annual General Meeting of Shareholders No. 69, which would then consider the election of the Company's directors, who would retire by rotation to return to their position as a director for another term. However, Mr. Surachai Prukbamroong and Mr. Metha Suvanasarn refused to be re-elected, while Mr. Arnon Opaspimoltum asked to resign from the executive director post and refused to be re-elected as well. As a result, three director seats would be vacant. The Board of Directors therefore approved, and proposed to the Annual General Meeting of Shareholders No. 69 for election of Mr. Vichit Kornvityakoon, an independent director, who would retire by rotation, to return to the director seat for another term. No relevant director voted for himself or herself.

Board of Directors Meeting No. 2/2018 also resolved to propose to nominate persons who have appropriate qualifications and experience in relevant fields at Annual General Meeting of Shareholders No. 69 for election as directors in place of those due to retire by rotation, as follows: Mr. Sorasit Soonthornkes to be an independent director and a member of the Audit Committee in place of Mr. Surachai Prukbamroong; Mr. Suwat Laicharoensub to be an independent director and a member of the Audit Committee in place of Mr. Metha Suvanasarn; and Miss Orathai Rongthongaram to be a director in place of Mr. Arnon Opaspimoltum, who would retire by rotation.

The election of directors to replace those who would retire by rotation was proposed at the shareholders meeting in compliance with section 71 of the Public Limited Companies Act, B.E. 2535 (1992).

Between 1st December 2017 and 31st January 2018, the Company allowed shareholders to nominate people with appropriate qualifications to be elected as the Company's directors, in accordance with the criteria posted on the Company's website. The Company also announced the news on the Stock Exchange of Thailand's portal. However, none of the shareholders nominated any person for election as directors of the Company.

Opinion of the Board: The Board of Directors, excluding directors who have interest in the matter, considered it appropriate to propose that Annual General Meeting of Shareholders No. 69 consider electing Mr. Vichit Kornvityakoon (independent director) who is due to retire by rotation to be a director for another term, and consider electing Mr. Sorasit Soonthornkes to be independent director and member of Audit Committee in place of Mr. Surachai Prukbamroong; Mr. Suwat Laicharoensub to be independent director and member of Audit Committee in place of Mr. Metha Suvanasarn; and Miss Orathai ongthongaram to be director in place of Mr. Arnon Opaspimoltum.

To help with consideration, the profiles of the directors nominated for the election by shareholders are available on pages 50-60 of the invitation to Annual General Meeting of Shareholders No. 69.

The Company Secretary invited shareholders to raise their concerns or suggestions relating to this agenda item. The Board of Directors was pleased to respond to their questions, as well as to hear their suggestions. There were no questions or suggestions from shareholders.

The Meeting was asked to approve the matter.

The Meeting had considered the matter and resolved to elect Mr. Vichit Kornvityakoon, an independent director who was due to retire by rotation, to be a director for another term; Mr. Sorasit Soonthornkes to be an independent director and a member of the Audit Committee in place of Mr. Surachai Prukbamroong; Mr. Suwat Laicharoensub to be an independent director and a member of the Audit Committee in place of Mr. Metha Suvanasarn; and Miss Orathai Rongthongaram to be a director in place of Mr. Arnon Opaspimoltum, who was due to retire by rotation.

Shareholders casted their votes on agenda item 9 as follows:

Name of director (Type of director)	Vote	Number of votes (1 share = 1 vote)	Percent of the total number of votes of shareholders attending the Meeting and casting their votes
1.Mr. Vichit Kornvityakoon (independent director)	Approval	198,069,305	96.0911
	Disapproval	8,057,200	3.9089
	Invalid ballot	0	0.0000
	Total	206,126,505	100.0000
	Abstention*	316,500	-
2. Mr. Sorasit Soonthornkes 2. Mr. Sorasit Soonthornkes (independent director and member of Audit Committee)	Approval	206,117,305	99.9955
	Approval	206,117,305	99.9955
	Disapproval	9,200	0.0045
	Invalid ballot	0	0.0000
	Total	206,126,505	100.0000

Name of director (Type of director)	Vote	Number of votes (1 share = 1 vote)	Percent of the total number of votes of shareholders attending the Meeting and casting their votes
	Abstention*	316,500	-
3. Mr. Suwat Laicharoensup (independent director and member of Audit Committee)	Approval	206,097,505	99.9859
	Disapproval	29,000	0.0141
	Invalid ballot	0	0.0000
	Total	206,126,505	100.0000
	Abstention*	316,500	-
4. Miss Orathai Rongthongaram (executive director)	Approval	206,045,905	99.9827
	Disapproval	35,600	0.0173
	Invalid ballot	0	0.0000
	Total	206,081,505	100.0000
	Abstention*	361,500	-

*Not included in the denominator for vote counting.

The Company Secretary informed the meeting that the count of the votes under agenda items 4, 5, and 6 was finished, and the voting result of each agenda item was announced (the voting results of agenda items 4, 5, and 6 were included in their relative agenda items in this minutes). The Chairman was asked to continue with agenda item 7.

Agenda item 7 To consider and approve the increase of the Company's registered capital from Baht 250,000,000 to Baht 375,000,000, by issuing 125,000,000 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

The Company Secretary stated that in furtherance of the proposal for Annual General Meeting of Shareholders No. 69 to consider and approve the issuance and allotment of the AYUD-W1 to the Company's existing shareholders under a rights offering scheme under agenda item 5, the Company will have to increase its registered capital from Baht 250,000,000 to Baht 375,000,000, by issuing 125,000,000 new ordinary shares with a par value of Baht 1 each to support the exercise of the AYUD-W1. Additional details about the issuance and allotment of newly issued ordinary shares are provided in **Enclosure 2 (Capital Increase Report Form (F 53-4))**.

In addition, 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.

Opinion of the Board:

1. The Board of Directors considered it appropriate to propose that Annual General Meeting of Shareholders No. 69 consider and approve the increase of the Company's registered capital from Baht 250,000,000 to Baht 375,000,000, by issuing 125,000,000 new ordinary shares with a par value of Baht 1 each.

Board of Directors Meeting No. 2/2018, held on 26th February 2018 had the opinions about the increase of the Company's registered capital by issuing new ordinary shares to support the exercise of the AYUD-W1 as detailed below.

(1) Reasons and necessities for the capital increase

As the Board of Directors considers it appropriate to mobilize funds by means of issuance and allotment of the AYUD-W1 to the Company's existing shareholders under the rights offering scheme, according to the details under agenda item 5. The objectives, reasons, and necessities for the increase of the Company's capital are as follows:

(a) *to support the exercise of the AYUD-W1;*

(b) *to use the proceeds derived from the exercise of the right to purchase newly issued ordinary shares of the Company under the AYUD-W1 to expand the business and/or for the business of the Company as per the additional details in **Enclosure 2 (Capital Increase Report Form (F 53-4))**.*

(2) Feasibility of the plan to utilize the proceeds from the exercise of the AYUD-W1

The implementation of the plan to utilize the proceeds from the exercise of the AYUD-W1 is feasible because if all the AYUD-W1 holders fully exercise the AYUD-W1, the Company will receive funds in a total amount of approximately Baht 4.875 billion within two years from the date of issuance of the AYUD-W1. The Company will then have sufficient funds to expand its business and/or for its business.

However, if the Company receives the proceeds below the aforementioned amount due to partial exercise of the AYUD-W1, the Company is still able to use them to expand its business and/or for its business. If the proceeds from the exercise of the AYUD-W1 are insufficient, the Board of Directors may also mobilize funds by other means.

(3) Reasonableness of the capital increase, and plan to utilize the proceeds from the exercise of the AYUD-W1

The issuance and allotment of the AYUD-W1, as well as the capital increase and the plan to utilize the proceeds from the exercise of the AYUD-W1, are reasonable, because the Company needs to strengthen its financial stability and acquire additional funding source for expanding the business and/or for use in its business, other than using its net operating profit as funding source.

(4) Potential impact on the Company's business operation, financial condition, and operating results as a result of the capital increase and the implementation of the proceeds utilization plan

The exercise of right to purchase the Company's newly issued ordinary shares under the AYUD-W1 will strengthen the Company's financial stability, and provide the Company with funds

to expend its business and/or for its business. Therefore, the Company will have opportunities to generate increased income in the future. There will be no impact on the Company's financial cost burden because the Company will not have to borrow funds from financial institutions or procure funding sources by other means.

If the Company's directors fail to perform duties in good faith and with due care to preserve the interests of the Company on matters relating to this 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 shareholder or shareholders holding shares in aggregate not less than 5 percent of the total number of shares sold may notify the Company in writing to make such a claim. If the Company fails to take action as notified by the shareholders, the shareholder or shareholders may enter a lawsuit in court to claim compensation on behalf of the Company according to section 85 of the Public Limited Companies Act.

Furthermore, if that failure to perform the duties causes the directors or any related persons to obtain undue benefits, the Company can bring a lawsuit against the directors for disgorgement of the benefits to the Company. Besides, any shareholder or shareholders holding shares in aggregate not less than 5 percent of the total number of voting rights of the Company may notify the Company in writing 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 one month from the date of receiving the notification, the shareholder or shareholders may enter a lawsuit against the directors on behalf of the Company for their disgorgement of benefits according to section 89/18 of the Securities and Exchange Act B.E. 2535 (1992) (and as amended).

2. The Board of Directors considered it appropriate to propose that Annual General Meeting of Shareholders No. 69 consider and approve the amendment to clause 4 of the Company's Memorandum of Association to be consistent with the increase of the registered capital, as follows:

Current:

"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	-	share	(-)"

New:

"Clause 4.	Registered capital:	375,000,000	Baht	(three hundred seventy-five million baht)
	divided into	375,000,000	shares	(three hundred seventy-five million shares)
	par value	1	Baht	(one baht)
	consisting of			
	ordinary shares	375,000,000	shares	(three hundred seventy-five million shares)
	preference shares	-	share	(-)"

The Meeting was asked to consider and approve the matter.

The Chairman allowed shareholders to make inquiries or express their opinions.

There were no questions or opinions from shareholders.

The Meeting had considered the matter and resolved to approve the increase of the Company's registered capital from Baht 250,000,000 to Baht 375,000,000, by issuing 125,000,000 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:

"Clause 4. Registered capital: 375,000,000 Baht (three hundred seventy-five million baht)
divided into 375,000,000 shares (three hundred seventy-five million shares)
par value 1 Baht (one baht)
consisting of
ordinary shares 375,000,000 shares (three hundred seventy-five million shares)
preference shares - share (-)"

Shareholders casted their votes on agenda item 7 as follows:

Vote	Number of votes (1 share = 1 vote)	Percent of the total number of votes of shareholders attending the Meeting and having the right to vote
Approval	174,536,255	84.5445
Disapproval	31,906,450	15.4553
Invalid ballots	300	0.0001
Total	0	0.0000
Abstention*	206,443,005	100.0000

* Not included in the denominator for vote counting.

Agenda item 8 To consider and approve the allotment of no more than 125,000,000 newly issued ordinary shares to support the exercise of warrants to purchase ordinary shares of Sri Ayudhya Capital Public Company Limited, No.1 (AYUD-W1)

The Company Secretary stated that in furtherance of the proposal for Annual General Meeting of Shareholders No. 69 to consider and approve the issuance and allotment of the warrants under agenda item 5, and the increase of the registered capital by issuing new ordinary shares under agenda item 7, the Company must allot no more than 125,000,000 newly issued ordinary shares, with a par value of Baht 1 each, to support the exercise of the AYUD-W1. Additional details about the issuance and allotment of newly issued ordinary shares are provided in **Enclosure 2 (Capital Increase Report Form (F 53-4))**.

Opinion of the Board: The Board of Directors considered it appropriate to propose that Annual General Meeting of Shareholders No. 69 consider and approve the allotment of no more than 125,000,000 newly issued ordinary shares with a par value of Baht 1 each, in order to support the exercise of the AYUD-W1.

The Meeting was asked to consider and approve the matter.

The Chairman allowed shareholders to make inquiries or express their opinions.

There were no questions or opinions from shareholders.

The Meeting had considered the matter and resolved to approve the allotment of no more than 125,000,000 newly issued ordinary shares to support the exercise of warrants to purchase ordinary shares of Sri Ayudhya Capital Public Company Limited, No.1 (AYUD-W1), as proposed.

Shareholders casted their votes on agenda item 8 as follows:

Vote	Number of votes (1 share = 1 vote)	Percent of the total number of votes of shareholders attending the Meeting and casting their votes
Approval	174,565,755	84.5588
Disapproval	31,877,250	15.4412
Invalid ballots	0	0.0000
Total	206,443,005	100.000
Abstention*	0	-

* Not included in the denominator for vote counting.

Agenda item 10 To consider and approve the directors' remuneration

The Company Secretary stated that Annual General Meeting of Shareholders No. 68 held on 24th April 2017 has resolved to approve the directors' and committee members' remuneration as follows:

1. Remuneration of directors and committee members

- (1) Chairman of the Board at Baht 40,000.00 per month;
- (2) Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee, and Chairman of the Compliance Committee at Baht 38,000.00 per person per month;
- (3) Chairman of Executive Committee at Baht 35,000.00 per month;
- (4) Members of the Audit Committee at Baht 35,000.00 per person per month;
- (5) Members of the Nomination and Remuneration Committees at Baht 35,000.00 per person per month;
- (6) Other directors at Baht 30,000.00 per person per month.

This will be effective from 1st January 2017.

2. Directors' bonus

The directors' bonus totals Baht 6,800,000.00 per year, which will be the Company's expenditures. The Board of Directors will allocate this amount to each director as considered appropriate.

The remuneration fixed under 1 and 2 will be effective until any changes thereto are proposed by the Board of Directors, and approved by a shareholders meeting.

For 2018, the Nomination and Remuneration Committee has carefully considered the directors' remuneration to ensure that it is suitable for, and commensurate with, their responsibilities and obligations, and is comparable to that paid by other listed companies on the Stock Exchange of Thailand in Thailand that are in the same industry and of the equivalent size. The Nomination and Remuneration Committee proposed that the Board of Directors propose to Annual General Meeting of Shareholders No. 69 to consider approving the payment to directors, which comprises the directors' remuneration and bonus, at the same rates previously approved by the Annual General Meeting of Shareholders No. 68 on 24th April 2017, as follows:

1. Remuneration of directors and committee members

- (1) Chairman of the Board at Baht 40,000.00 per month;
- (2) Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee, and Chairman of the Compliance Committee at Baht 38,000.00 per person per month;
- (3) Chairman of Executive Committee at Baht 35,000.00 per month;
- (4) Members of the Audit Committee at Baht 35,000.00 per person per month;
- (5) Members of the Nomination and Remuneration Committees at Baht 35,000.00 per person per month;
- (6) Other directors at Baht 30,000.00 per person per month.

This will be effective from 1st January 2018.

2. Directors' bonus

The directors' bonus totals Baht 6,800,000.00 (six million eight hundred thousand baht) per year, which will be the Company's expenditures. The Board of Director will allocate this amount to each director as considered appropriate.

The remuneration fixed under 1 and 2 will be effective until any changes thereto are proposed by the Board of Directors, and approved by a shareholders meeting.

Opinion of the Board: The Board of Directors considered it appropriate to propose that Annual General Meeting of Shareholders No. 69 consider and approve the payment to directors as proposed by the Nomination and Remuneration Committee, which comprises the directors' remuneration and bonus, at the same rates previously approved by the Annual General Meeting of Shareholders No. 68 on 24th April 2017. This remuneration will be the Company's expenditure, and will be effective from 1 January 2018 until any changes thereto are proposed by the Board of Directors, and approved by a shareholders meeting.

The Company Secretary invited shareholders to raise their concerns or suggestions relating to this agenda item. The Board of Directors was pleased to respond to their questions, as well as to hear their suggestions.

A shareholder would like to know the number of other directors as stated on page 64 of the invitation to this Meeting, and suggested that the Company should also provide the details.

Ms. Nopporn Tirawattanagool, a director, clarified that there are 4 other directors, Mr. Virojn Srethapramotaya, Mr. Chusak Salee, Mr. Suwat Suksongkroh, and Mr. Laksna Thongthai.

There were no questions or suggestions from shareholders.

The Meeting was asked to consider and approve the matter.

The Meeting had considered the matter and resolved to approve the payment to directors, which comprises the directors' remuneration and bonus, as proposed by the Board of Directors. This remuneration will be the Company's expenditure, and will be effective until any changes thereto are approved by a shareholders meeting.

Shareholders casted their votes on agenda item 10 as follows:

Vote	Number of votes (1 share = 1 vote)	Percent of the total number of votes of shareholders attending the Meeting
Approval	206,194,505	99.8796
Disapproval	20,000	0.0097
Abstention	190,000	0.0920
Not entitled to vote	38,500	0.0186
Invalid ballots	0	0.0000
Total	206,443,005	100.0000

Agenda item 11 To consider the appointment of auditors and the determination of an auditing fee

The Company Secretary stated that under section 120 of the Public Limited Companies Act, B.E. 2535 (1992), an annual general meeting of shareholders must appoint an auditor and determine an auditing fee every year. The former auditor may be reappointed.

Annual General Meeting of Shareholders No. 68, held on 24th April 2017, passed a resolution to appoint Dr. Suphamit Techamontrikul, CPA No. 3356 and/or Mr. Permsak Wongpatcharapakorn, CPA No. 3427 and/or Mr.Chavala Tienpasertkij, CPA No.4301 from Deloitte Touche Tohmatsu Jaiyos Audit Company Limited as the Company's auditors for 2017, and fixed the auditing fees as follows:

1. Annual auditing fee:	Baht 530,000.00
2. Quarterly financial statement auditing fee (three quarters of Baht 130,000.00 each):	Baht 390,000.00
3. Consolidated financial statement auditing fee:	Baht 320,000.00
4. Quarterly consolidated financial statement reviewing fee (three quarter of Baht 160,000.00 each):	Baht 480,000.00

The total auditing fee for 2017 was Baht 1,720,000.00. This amount excludes other actual expenses, if any, such as transportation cost, allowance, overtime pay, insurance premiums, etc.

For the 2018 accounting period, Mrs. Nisakorn Songmanee, CPA No.5035 and/or Mr. Permsak Wongpatcharapakorn, CPA No.3427 and/or Mr.Chavala Tienpasertkij, CPA No.4301 of Deloitte Touche Tohmatsu Jaiyos Audit Company Limited are willing to be the candidates for election as the Company's auditors. Upon consulting with the Audit Committee, the auditors agree to propose the annual auditing fee, which covers audit of the 2018 consolidated financial statement for the period ending on 31st December 2018, in the amount of Baht 1,720,000.00. This auditing fee is equal to the 2017 auditing fee as per the comparison below.

(Unit: Baht)

	2018	2017	Increase / (Decrease)	Percent
1. Annual auditing fee	530,000.00	530,000.00	-	0
2. Quarterly financial statement auditing fee (three quarters of Baht 130,000.00 each)	390,000.00	390,000.00	-	0
3. Consolidated financial statement auditing fee	320,000.00	320,000.00	-	0
4. Quarterly consolidated financial statement reviewing fee (three quarter of Baht 160,000.00 each)	480,000.00	480,000.00	-	0
	1,720,000.00	1,720,000.00	-	0

The 2018 auditing fee of Baht 1,720,000.00 (one million, seven hundred twenty thousand baht) is exclusive of other actual expenses, if any, such as transportation cost, allowance, overtime pay, insurance premiums, etc.

Deloitte Touche Tohmatsu Jaiyos Audit Company Limited has also been appointed as auditors of the subsidiaries, with the auditing fee for the 2018 accounting period ending on 31st December 2018 in the amount of Baht 2,630,000.00 baht (two million, six hundred thirty thousand baht) exclusive of other actual expenses, if any, such as transportation cost, allowance, overtime pay, insurance premiums, etc.

Opinion of the Board: The Board of Directors was of the view that in nominating the Company's auditors, the Audit Committee already examined and found that these auditors are fully qualified according to the requirements specified by the Office of the Securities and Exchange Commission. The Board of Directors therefore considered it appropriate to propose that Annual General Meeting of Shareholders No. 69 consider and approve the appointment of Mrs. Nisakorn Songmanee, CPA No.5035 and/or Mr. Permsak Wongpatcharakorn, CPA No.3427 and/or Mr.Chavala Tienpasertkij, CPA No.4301 of Deloitte Touche Tohmatsu Jaiyos Audit Company Limited, as the Company's auditors for the 2018 accounting period between 1st January 2018 and 31st December 2018, with the auditing fee of 1,720,000.00 (one million, seven hundred twenty thousand baht) exclusive of other actual expenses, as determined and proposed by the Audit Committee.

The three auditors proposed for the year 2018 are not directors, staff, employees, or persons holding any other position in the Company or its subsidiaries.

The details about the auditors of Deloitte Touche Tohmatsu Jaiyos Audit Company Limited are provided on pages 67-68 of the invitation to Annual General Meeting of Shareholders No. 69.

The Company Secretary invited shareholders to raise their concerns or suggestions relating to this agenda item. The Board of Directors was pleased to respond to their questions, as well as to hear their suggestions.

A shareholder would like to know the amount of other expenses in the 2017 accounting period.

Ms. Orathai Rongthongaram, Assistant Managing Director of Accounting Department, clarified that the auditing fee would be as proposed by the auditors, and other expenses, such as transportation cost, allowance, overtime pay, insurance premiums, etc. for each quarter would be as charged by the auditors, which is approximately Baht 6,000 to Baht 7,000.

There were no further questions or suggestions from shareholders.

The Meeting was asked to consider and approve the matter.

The Meeting had considered the matter and resolved to approve the appointment of Mrs. Nisakorn Songmanee, CPA No.5035 and/or Mr. Permsak Wongpatcharapakorn, CPA No.3427 and/or Mr.Chavala Tienpasertkij, CPA No.4301 of Deloitte Touche Tohmatsu Jaiyos Audit Company Limited, as the Company's auditors for the 2018 accounting period between 1st January 2018 and 31st December 2018, with the auditing fee of 1,720,000.00 (one million, seven hundred twenty thousand baht) exclusive of other actual expenses, as determined and proposed by the Audit Committee.

Shareholders casted their votes on agenda item 11 as follows:

Vote	Number of votes (1 share = 1 vote)	Percent of the total number of votes of shareholders attending the Meeting and casting their votes
Approval	206,239,605	99.9955
Disapproval	9,200	0.0045
Invalid ballots	0	0.0000
Total	206,248,805	100.0000
Abstention*	194,200	-

* Not included in the denominator for vote counting.

Agenda item 12 Other business (if any)

The Chairman stated that shareholders may raise their concerns or suggestions. The Board of Directors was pleased to respond to their questions, as well as to hear their suggestions.

A shareholder asked about the Board of Directors' vision for the 2018 operations.

The Chairman clarified that initially, the Company must endeavor to satisfy shareholders' desire to see that the Company is growing progressively and has an important role in insurance business. The Company will take steps carefully. The Chairman thanked the Company's management, employees and working team who have devoted themselves to maintain the stability of the Company as trusted by shareholders.

A shareholder asked whether the transaction with the Allianz Group could lead to a growth in terms of profit or revenue.

The Chairman explained that there are no specific figures about the growth. However, the Company would certainly seek a project that generates profits. This industry is experiencing substantial changes, especially in area of information technology. The Company wishes to rely on the Allianz Group because the scope of changes is extensive. As a small company, the Company would incur a high cost if it works by itself. The Company wishes to obtain support from the Allianz Group which has an IT/digital center in Singapore. When visiting Singapore, the OIC was also impressed with the innovations of the Allianz Group. However, the foregoing depends on the Allianz Group. If it finds that the Company is not suitable to be its business partner, it may withdraw itself. The Company's option is not limited to the Allianz Group. As suggested by a shareholder, other person may discuss with the Company. The Company will evaluate the suitability. There are many steps, which will take years to undertake.

No shareholders proposed any other matters. The Chairman thanked all shareholders, including those who already left the Meeting. For shareholders who remain with the Company, this is an expression of patience and good wish for the Company. The Board of Directors will exercise its best efforts and endeavors for the growth of the Company as a long-established company, to ensure that the changes will lead to its survival in insurance business in which technology has played significant roles.

At Annual General Meeting of Shareholders No. 69, held on 20th April 2018, 428 shareholders were present in person and by proxy, representing a total of 206,443,005 shares, or 82.5772 percent of the total shares sold.

No shareholders proposed any other matters. The Chairman thanked all shareholders for attending the Meeting and declared the Meeting closed.

The meeting was adjourned at 5.15 pm.

- *Veraphan Teepsuwan* -
(Mr. Veraphan Teepsuwan)
Chairman

- *Jiratcha Ruplek* -
(Ms. Jiratcha Ruplek)
Minutes Recorder

Certified True Copy

- *Virojn Srethapramotaya* -
(Mr. Virojn Srethapramotaya)
President & CEO

Enclosure 1

**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 Transaction**

The Board of Directors Meeting of Sri Ayudhya Capital Public Company Limited (the "**Company**") No. 5/2018, held on Monday, 24 September 2018 (the "**Board of Directors Meeting**"), acknowledged the discussion and negotiation outcome on the co-operation in insurance business in Thailand with Allianz Group, and approved to propose to Extraordinary General Meeting of Shareholders of the Company No. 2/2018, to be held on Tuesday, 13 November 2018 (the "**EGM**"), for its consideration and approval on the matters including the following:

(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 additional 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**");

(3) the increase of the Company's registered capital from Baht 375,000,000 to Baht 463,473,361 by issuing 88,473,361 newly issued ordinary shares of the Company with a par value of Baht 1 each (the "**New Shares**"), and the allocation for the offering for sale of the New Shares to Allianz SE and CPRNT at the offering price of Baht 53.32 per share; and

(4) The grant of consent for Allianz SE and/or its affiliate, who is a member of the Allianz Group which may be designated by Allianz SE as co-offerer (the "**Designated Person**"), to make a voluntary partial tender offer.

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 value of these transactions, based on the Company's consolidated financial statements for the six-month period ending on 30 June 2018, and AZTH's and AZAY's financial statements for the six-month period ending on 30 June 2018, as reviewed by their respective auditors, is approximately 46.24 percent. These transactions are categorized as type 2 transactions (transactions with a total value of at least 15 percent or higher but lower than 50 percent) under the Notifications on Assets Acquisition or Disposal. Therefore, the Company is required to prepare a report and disclose information memorandum on the transactions to the Stock Exchange of Thailand (the "**SET**"), and dispatch the information memorandum to the shareholders within 21 days from the date of disclosure to the SET, without having to seek approval for the entry into the transactions from a

shareholders meeting. However, the Board of Directors Meeting No. 5/2018 considers it appropriate to propose the matters to the EGM for consideration and approval, 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 the votes of interested shareholders. In this regard, the Company will prepare a report and disclose the information memorandum on these transactions to the SET and appoint an independent financial advisor to express opinions on the transactions, in the same way as the disclosure of information and proceeding with the entry into the transactions categorized as type 1 transactions under the Notifications on Assets Acquisition or Disposal, which requires seeking approval from a shareholders meeting.

In addition, AZTH, Allianz SE and CPRNT are considered connected persons of the Company. Therefore, the Acceptance of the EBT, the Purchase of AZAY Shares, and the offering for sale of new ordinary shares to Allianz SE and CPRNT are connected transactions under Notification of the Capital Market Supervisory Board No. TorChor. 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 value of these transactions is approximately 63.36 percent of the Company's net tangible assets (the "NTA") based on its consolidated financial statements for the six-month period ending on 30 June 2018, as reviewed by the Company's auditor, which is more than three percent of the Company's NTA. Therefore, the Company is required to prepare a report and disclose the information memorandum on 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 the votes of interested shareholders, for the entry into the connected transactions.

In addition, AZTH, Allianz SE and CPRNT are considered connected persons of the Company. Therefore, the Acceptance of the EBT, the Purchase of AZAY Shares, and the offering for sale of new ordinary shares to Allianz SE and CPRNT are connected transactions under Notification of the Capital Market Supervisory Board No. TorChor. 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 value of these transactions is approximately 63.36 percent of the Company's net tangible assets (the "NTA") based on its consolidated financial statements for the six-month period ending on 30 June 2018, as reviewed by the Company's auditor, which is more than three percent of the Company's NTA. Therefore, the Company is required to prepare a report and disclose the information memorandum on 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 the votes of interested shareholders, for the entry into the connected transactions.

This increase of the Company's registered capital, by issuing and offering for sale newly issued ordinary shares to Allianz SE and CPRNT, represents approximately 23.14 percent of the total number of voting rights of the Company after the registration of the increase of paid-up capital in consequence of the offer for sale of newly issued ordinary shares (the "**Registration of the Increase of Paid-up Capital**"), based on the assumption that none of the holders of warrants to purchase ordinary shares in Company No. 1 ("**AYUD-W1**") exercise their right to purchase ordinary shares under the unexercised AYUD-W1 before the Registration of the Increase of Paid-up Capital ("**Assumption 1**"); or approximately 19.09 percent of the total number of voting rights of the Company after the Registration of the Increase of Paid-up Capital, based on the assumption that all the AYUD-W1 holders fully exercise their right to purchase ordinary shares under the unexercised AYUD-W1 (81,094,582 shares) and the Company completes the

issuance of ordinary shares pursuant to that exercise before the Registration of the Increase of Paid-up Capital ("**Assumption 2**").¹

The significant details of the allocation of the New Shares as stated above can be summarized as follows.

(a) the allocation of 14,043,511 New Shares, with a par value of Baht 1 each, for the offering for sale to CPRNT (the "**New Shares for EBT Acceptance**") at the offering price of Baht 53.32 per share, totaling approximately Baht 748,800,000 (the "**Share Allocation for EBT Acceptance**").

CPRNT will make payment 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 newly issued ordinary shares in SAGI², in order to provide SAGI with funds for the Acceptance of the EBT, with the total value of Baht 748,800,000.

(b) the allocation of 74,429,850 New Shares, with a par value of Baht 1 each, for the offering for sale to Allianz SE and CPRNT (the "**New Shares for AZAY Share Purchase**") at the offering price of Baht 53.32 per share, totaling approximately Baht 3,968,599,600, as consideration to Allianz SE and CPRNT for the Purchase of AZAY Shares (the "**Share Allocation for AZAY Share Purchase**").

Allianz SE and CPRNT will transfer 34,810,000 shares in AZAY, representing 11.80 percent of the total shares sold in AZAY, at the values of Baht 114.00745763 per share, totaling Baht 3,968,599,600 to the Company to pay for the New Shares for AZAY Share Purchase in lieu of cash payment. The Company's shareholding in AZAY will increase from 59,500,280 shares, or 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 offering for sale of new ordinary shares to Allianz SE and CPRNT is considered private placement of the New Shares under 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 Company will have to seek and obtain approval from the Office of the Securities and Exchange Commission (the "**Office of the SEC**") according to the notification. In this regard, the Company will seek a waiver of the prescribed period for the offering for sale of the New Shares from the Office of the SEC so that the Company can offer for sale of the New Shares to Allianz SE and CPRNT at the offering price of Baht 53.32 per share after the three-month period from the date of an EGM approving the offering for sale of the newly issued shares.

¹ In conclusion, the percentage of the newly issued ordinary shares to be offered for sale, compared to the total number of voting rights of the Company after the Registration of the Increase of Paid-up Capital, is dependent upon the number of ordinary shares that the Company issues to the AYUD-W1 holders pursuant to their exercise of right to purchase ordinary shares under the unexercised AYUD-W1 before the Registration of the Increase of Paid-up Capital.

² SAGI has a capital increase plan by issuing newly issued ordinary shares of not exceeding 74,880,000 shares with a par value of Baht 10 each for offering for sale to existing shareholders of SAGI in proportion to their respective shareholding (the Company currently holds approximately 99.99 percent of total shares sold in SAGI), and may consider granting the right to oversubscribe in excess of their rights at the offering price of not less than Baht 10 each, at the total value of Baht 748,800,000.

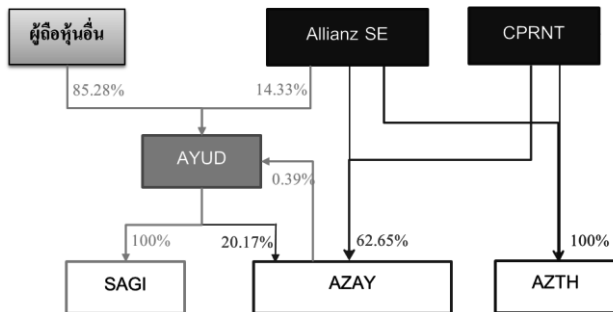
The additional details about the offering for sale of the New Shares are provided in **Enclosure 5**. (Information Memorandum of the Company re: Private Placement of Newly Issued Ordinary Shares).

In addition, Allianz SE and/or the Designated Person wish to make a voluntary partial tender offer to purchase the Company's. In this regard, Allianz SE and/or the Designated Person wish to seek a waiver from the Office of the SEC in order to make a partial tender offer with an exemption from the requirement to make subsequent tender offer for all securities of the Company under the 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) (the "**PTO Waiver**"). In order to seek this waiver, the offerors as those who seek a waiver must provide and certify to the Office of the SEC that the Company's shareholders meeting has resolved to grant consent for those who seek waiver to make a partial tender offer for the Company's shares.

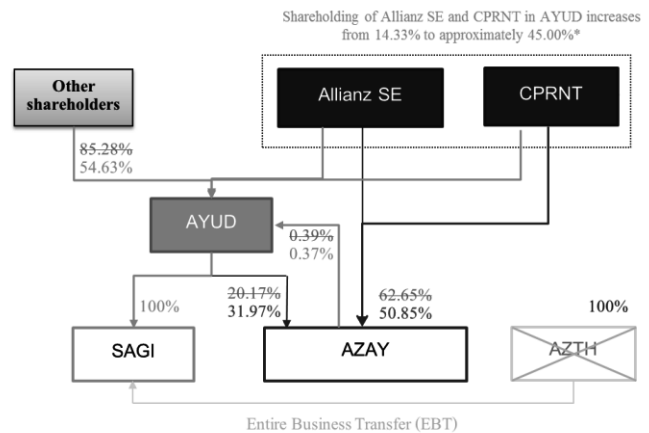
The Company has executed the Share Subscription and Purchase Agreement among the Company and Allianz SE and CPRNT (the "**Share Subscription and Purchase Agreement**"), and SAGI has executed the Entire Business Transfer Agreement between SAGI and AZTH (the "**EBT Agreement**"). The summary of the significant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

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

Before the entry into transactions



After the entry into transactions



*Remark : On assumption that (1) AYUD-W1 are fully exercised and (2) Allianz SE and/or the Designated Person acquire 56,930,000 AYUD shares from partial tender offer.

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. 5/2018, held on Monday, 24 September 2018, 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. 6/2018, held on Monday, 24 September 2018, has approved the Acceptance of the EBT and relevant acts.

AZTH's Board of Directors Meeting No. 6/2018, held on Monday, 24 September 2018, 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. 5/2018, held on 24 September 2018, 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. These conditions precedent include:

(1) the receipt of letter from the Office of Insurance Commission notifying the approval of the Insurance Commission for AZTH and SAGI to proceed with the transfer and acceptance of transfer of the entire business ("**OIC Approval**");

(2) the receipt of the following approvals and waiver from the Office of the SEC (the "**SEC Approvals**"):

(a) the approval for the private placement of the New Shares by the Company;

(b) the waiver of the prescribed period for the offering for sale of the New Shares so that the Company can offer for sale of the New Shares to Allianz SE and CPRNT after the three-month period from the date of an EGM approving the offering for sale of the newly issued shares (if required); and

(c) the PTO Waiver for Allianz SE and/or the Designated Person;

(3) Allianz SE and/or the Designated Person acquire a total number of 56,930,000 shares in the Company in the partial tender offer of the Company's shares ("**Acquisition of Shares from PTO**").

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 considered a connected person of the Company because Allianz SE holds shares in both AZTH and the Company of more than 10 percent of the total number of shares with voting rights of the respective 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 number shares with voting rights held by Allianz SE and CPRNT respectively (information as of 20 July 2018).

Allianz SE is one of the major shareholders of the Company, holding 42,104,000 shares or approximately 14.33 percent of the total number of shares with voting rights of the Company.

2) The Share Allocation for EBT Acceptance

The issuer of newly issued shares: the Company

The purchaser of newly issued shares: CPRNT

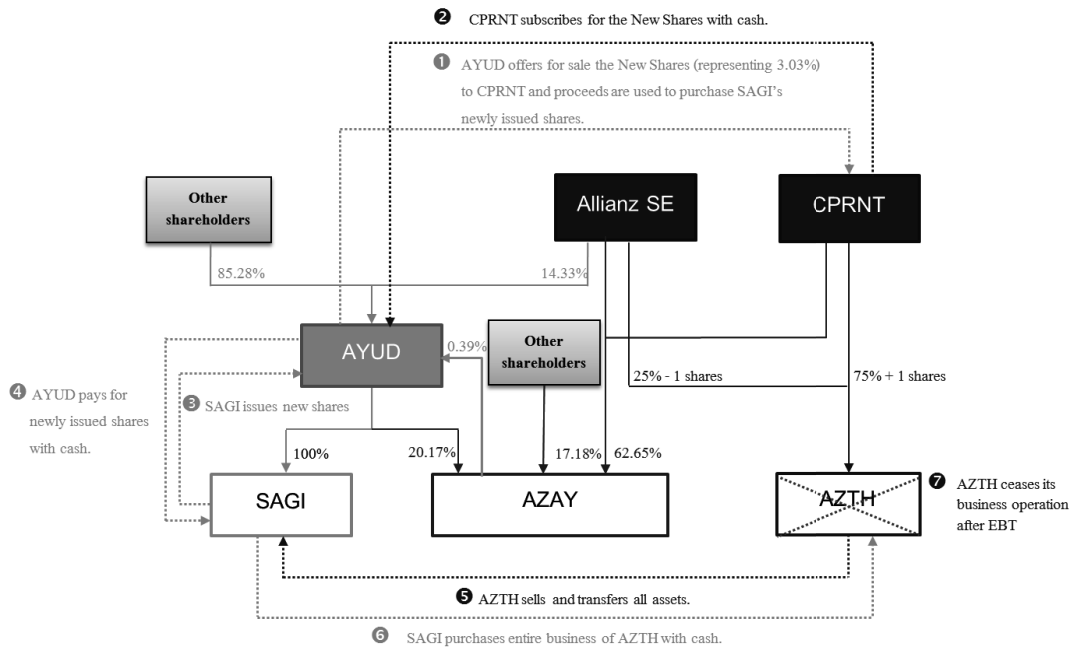
Relationship with the Company: CPRNT is considered a connected person of the Company. This is because CPRNT is a person under section 258 of the Securities and Exchange Act B.E. 2535 (1992) (as amended) (the "**SEC Act**") of Allianz SE, which is one of the major shareholders and a connected person of 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 its entire businesses to SAGI, and SAGI will purchase and accept the transfer of the entire businesses from AZTH.

The diagram illustrating the entry into the Acceptance of the EBT



*Remark (1) The percentage of the New Shares is under Assumption 2; and
 (2) The percentage of the shareholding in the Company is under Assumption 2 and under the assumption that Allianz SE and/or the Designated Person acquire 56,930,000 shares after the completion of the partial tender offer.

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 14,043,511 shares³ with a par value of Baht 1 each, at the offering price of Baht 53.32 per share, totaling approximately Baht 748,800,000.

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 value according to the Notification on Assets Acquisition or Disposal and the

³ Representing approximately 3.67 percent of the total number of voting rights of the Company after the Registration of the Increase of Paid-up Capital, based on Assumption 1 or representing approximately 3.03 percent of the total number voting rights of the Company after the Registration of the Increase of Paid-up Capital, based on Assumption 2 (Please see details of Assumption 1 and Assumption 2 on page 2 of this document).

Connected Transaction Notifications, is the value payable by SAGI to AZTH for the Acceptance of the EBT, totaling Baht 748,800,000.

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 value according to the Notifications on Assets Acquisition or Disposal and the Connected Transaction Notifications, is the proceeds from the offering for sale of the New Shares for EBT Acceptance of approximately Baht 748,800,000 (the offering price of Baht 53.32 per share of the total of 14,043,511 shares).

1.5 Transaction value

1) The Acceptance of the EBT

The Acceptance of the EBT is an acquisition of assets by the Company's subsidiary and a connected transaction, with the transaction values as follows:

Transaction value under the Notifications on Assets Acquisition or Disposal

The value of the Acceptance of the EBT, with the total value of consideration equivalent to Baht 748,800,000 which is calculated based on the Company's consolidated financial statements for the six-month period ending on 30 June 2018, and AZTH's financial statements for the six-month period ending on 30 June 2018, as reviewed by their respective auditors, is approximately 5.96 percent, which is the highest transaction value calculated based on the total value of consideration basis. The table below provides the details of the calculation.

Financial data used for calculating the transaction value

Unit: Million Baht

Financial data	The Company	AZTH
NTA*	8,627.58	366.32
Total asset value	12,556.41	4,899.26
Net profit (loss)**	501.43	(244.23)

Remarks:

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

** Trailing 12-month information (July 2017 - June 2018).

Transaction value calculation basis

Calculation basis	Details of the calculation	Transaction value (%)
1. NTA value basis	$\frac{366.32}{8,627.58} \times 100$	4.25
2. Net operating profit basis	Not applicable as AZTH does not have profit	

Calculation basis	Details of the calculation	Transaction value (%)
3. Total value of consideration basis	$\frac{748.80}{12,556.41} \times 100$	5.96
4. Value of capital shares issued as consideration for assets basis	No capital shares will be issued.	

Transaction value under the Connected Transaction Notifications

The value of the Acceptance of the EBT, with the total value of consideration equivalent to Baht 748,800,000, is approximately 8.68 percent, which is more than three percent, of the Company's NTA (approximately Baht 258,827,375) based on its reviewed consolidated financial statements for the six-month period ending on 30 June 2018, as reviewed by the Company's auditor.

2) The Share Allocation for EBT Acceptance

The Share Allocation for EBT Acceptance, with the total offering price of approximately Baht 748,800,000 is a connected transaction under the Connected Transaction Notifications. The value of this transaction is approximately 8.68 percent, which is more than three percent, of the Company's NTA (approximately Baht 258,827,375), based on the Company's consolidated financial statements for the six-month period ending on 30 June 2018, as reviewed by its auditor.

1.6 Details of the purchased assets

1) The Acceptance of the EBT

(a) The details of the purchased assets

The asset to be acquired is the entire business of AZTH which comprises total assets and total liabilities of AZTH as of the date the Acceptance of the EBT is completed.

(b) Nature of business of AZTH

AZTH has operated non-life insurance business in Thailand since 1997. In 2017, the majority of its direct premium is derived from motor insurance premiums, which account for approximately 54 percent of its total direct premium. In addition, AZTH also generates income from fire insurance, marine insurance, third-party liability insurance, personal accident insurance, etc.

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

Registered capital and paid-up capital

As of 30 June 2018, AZTH has registered capital and paid-up capital of Baht 830,000,000, and the total shares sold of 83,000,000 ordinary shares with a par value of Baht 10 each.

Shareholding structure

As of 30 June 2018, the 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	20,749,999	25.00
2. CPRNT	62,250,001	75.00
Total	83,000,000	100.00

Source: AZTH

Board of Directors

As of 30 June 2018, 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 Member of the Audit Committee
3. Mr. Zakri Mohd Khir	Chairman of the Board of Director and Member of Audit Committee
4. Mr. Narong Chulajata	Independent Director and Chairman 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 2015-2017 and the first six months of 2018

Unit: Million Baht

Financial data	2015	2016	2017	First six months of 2018
Total income	1,540.01	1,549.78	1,803.87	1,043.05
Net profit (loss)	19.70	(158.86)	(158.51)	(138.93)
Total assets	4,964.92	4,485.37	4,427.21	4,899.26
Total liabilities	3,995.26	3,674.57	3,772.15	4,207.93
Shareholders' equity	969.66	810.80	655.06	691.33

Source: AZTH

2) The Share Allocation for EBT Acceptance

No assets will be acquired or disposed because this is the allocation of the newly issued shares transaction.

1.7 Basis for determining the total value of consideration

1) The Acceptance of the EBT

The price of Baht 748,800,000 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 53.32 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 4 September 2018 to 21 September 2018, 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:

- (1) 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.
- (2) Given Allianz Group's solid financial status and capacity and experience in insurance business for over 128 years, and has the expertise in innovative 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.
- (3) Following the Acceptance of the EBT, the value of SAGI, as an insurance company that acquires the entire business from AZTH, will be significantly larger. In this regard, the calculation on a market share of direct insurance premiums of SAGI and AZTH according to an information for the period of January to June 2018 shows that the income from direct insurance premium for all types of insurance will be approximately Baht 2,998,230,000 with the market share of approximately 2.65 percent, which will make SAGI rank No. 13 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 during the first six months of 2018 (January - June 2018).

Type of Insurance Premium	Direct Insurance Premium (Thousand Baht)			Industry Direct Insurance Premium (Thousand Baht)	Market Share (Percent)			Ranking		
	SAGI	AZTH	SAGI and AZTH		SAGI	AZTH	AGI and AZTH	SAGI	AZTH	SAGI and AZTH
Fire insurance	307,652	17,072	324,724	5,465,341	5.63	0.31	5.94	6	29	6
Marine insurance	151,955	80,415	232,370	2,876,849	5.28	2.80	8.08	6	12	4
Miscellaneous insurance	460,540	501,923	962,463	37,884,716	1.22	1.32	2.54	23	21	12
Motor Insurance	605,850	872,823	1,478,673	67,153,762	0.90	1.30	2.20	25	19	14
Total	1,525,997	1,472,233	2,998,230	113,380,668	1.35	1.30	2.65	21	23	13

Source: Office of Insurance Commission (except for the aggregate numbers of SAGI and AZTH)

- (4) 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. Thus, the Acceptance of the EBT will limit the risk of concentration of insurance products distribution channel as it will help expand the customer bases and the distribution channels of SAGI.

2) The Share Allocation for EBT Acceptance

The Company will be able to use the proceeds from the offering for sale of the New Shares for EBT Acceptance for the payment of the subscription price of the newly issued ordinary shares in SAGI⁴ in order to provide SAGI with funds for the Acceptance of the EBT. The Share Allocation for EBT Acceptance will provide SAGI with funds for proceeding with the Acceptance of the EBT without

⁴ SAGI has a capital increase plan by issuing newly issued ordinary shares of not exceeding 74,880,000 shares with a par value of Baht 10 each for offering for sale to existing shareholders of SAGI in proportion to their respective shareholding (the Company currently holds approximately 99.99 percent of total shares sold in SAGI), and may consider granting the right to oversubscribe in excess of their rights at the offering price of not less than Baht 10 each, at the total value of Baht 748,800,000.

affecting the Company's and SAGI's financial position and 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 director 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 approximately Baht 53.32 per share is higher than the Company's book value per share at approximately Baht 30.41 per share (information as at the end of June 2018) and the Company's market price per share at Baht 38.57 per share, calculated by weighted average price of the Company's shares which are traded in the SET from 4 September 2018 to 21 September 2018.

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 does not have different opinion from the opinion of the Company's Board of Director, as stated in clause 1.10.

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 allocate the New Shares for AZAY Share Purchase, totaling 74,429,850 shares⁵, with a par value of Baht 1 each, 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

⁵ Representing approximately 19.46 percent of the total number of voting rights of the Company after the Registration of the Increase of Paid-up Capital, based on Assumption 1 or representing approximately 16.06 percent of the total number of voting rights of the Company after the Registration of the Increase of Paid-up Capital, based on Assumption 2 (Please see details of Assumption 1 and Assumption 2 on page 2 of this document).

AZAY, with a par value of Baht 10 each, to the Company for the payment for the newly issued ordinary shares in the Company in lieu of cash payment.

2.1 Date, month, year to enter into the transactions

The Company's Board of Directors Meeting No. 5/2018, held on 24 September 2018, 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. These conditions precedent include the receipt of the OIC Approval, the SEC Approvals and the Acquisition of Shares from PTO.

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 and CPRNT are considered connected persons of the Company.

Allianz SE is a connected person of the Company because it is one of the major shareholders of the Company holding 42,104,000 shares or approximately 14.33 percent of the total number of shares with voting rights of the Company as of 27 August 2018 which is the most recent record date of the Company.

CPRNT is a connected person of the Company as stated in clause 1.2 above.

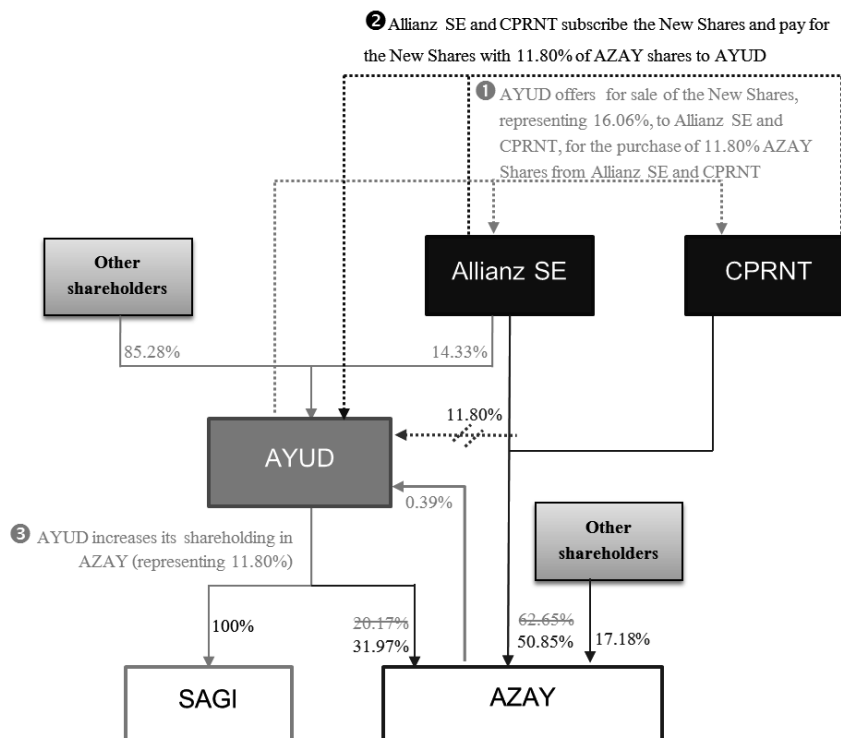
Allianz SE and CPRNT are persons under section 258 of the SEC Act of each other, because Allianz SE (either directly or indirectly) holds more than 30 percent of the total number of voting rights of the companies which hold shares in CPRNT.

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 34,810,000 ordinary shares in AZAY with a par value of Baht 10 each, which account for 11.80 percent of its total shares sold in AZAY, from Allianz SE and CPRNT at the price of Baht 114.00745763 per share, totaling Baht 3,968,599,600, 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 74,429,850 shares, to Allianz SE and CPRNT at the offering price of Baht 53.32 per share, totaling approximately Baht 3,968,599,600 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 newly issued ordinary shares in the Company 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 for sale of New Shares for AZAY Share Purchase would not result in the total foreign shareholding in the Company exceeding 49 percent of the number of voting rights of the Company after the Registration of the Increase of Paid-up Capital.



*Remark (1) The percentage of the New Shares is under Assumption 2; and

(2) The percentage of the shareholding in the Company is under Assumption 2 and under the assumption that Allianz SE and/or the Designated Person acquire 56,930,000 shares after the completion of the Partial Tender Offer.

2.4 Total value of consideration

The total value of consideration for the AZAY Share Purchase Transaction of 34,810,000 shares, for the purpose of calculating the transaction value according to the Notifications on Assets Acquisition or Disposal and the Connected Transaction Notifications, is the offering price of the New Shares for the AZAY Share Purchase, totaling approximately Baht 3,968,599,600.

2.5 Transaction value

The AZAY Share Purchase Transaction is an acquisition-of-assets transaction and a connected transaction, with the transaction value as follows:

Transaction value under the Notifications on Assets Acquisition or Disposal

The value of the AZAY Share Purchase Transaction, with the total value of consideration of approximately Baht 3,968,599,600, which is calculated based on the Company's consolidated financial statements for the six-month period ending on 30 June 2018, and AZAY's financial statements for the six-month period ending on 30 June 2018, as reviewed by the auditors, is approximately 40.27 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 value

Below is the financial data of the Company and AZAY (as of 30 June 2018) used for calculating the transaction value.

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*	8,627.58	12,568.47	1,483.08
Total asset value	12,556.41	180,248.19	21,269.29
Net profit (loss)**	501.43	1,711.43	201.95

Remarks:

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

** Trailing 12-month information (July 2017 - June 2018).

Transaction value calculation basis

Calculation basis	Details of the calculation	Transaction value (%)
1. NTA value basis	$\frac{1,483.08}{8,627.58} \times 100$	17.19
2. Net operating profit basis	$\frac{201.95}{501.43} \times 100$	40.27
3. Total value of consideration basis	$\frac{3,968.60}{12,556.41} \times 100$	31.61
4. Value of capital shares issued as consideration for assets basis	$\frac{74,429,850}{293,905,225} \times 100$	25.32

Transaction value under the Connected Transaction Notifications

The value of the AZAY Share Purchase Transaction, with the total value of consideration approximately Baht 3,968,599,600, is approximately 46.00 percent, which is more than three percent of the Company's NTA (approximately Baht 258,827,375), based on its consolidated financial statements for the six-month period ending on 30 June 2018, as reviewed by the Company's auditor.

2.6 Details of the purchased assets

1) The details of the purchased assets

The assets to be acquired are 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 products 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 Office of the Insurance Commission (the "OIC").

AZAY's market share of direct insurance premiums in the life insurance business has ranked the top 10 for a long time. From January to June 2018, AZAY's market share ranked No. 7 (source: market shares of direct insurance premiums in the life insurance business, by the OIC) with direct insurance premiums of Baht 15,584 million, and the market share at 5.42 percent, representing a growth of approximately 3.08 percent compared to the same period of 2017 when AZAY had direct insurance premiums of Baht 15,118 million, with the market share of 5.28 percent.

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

(a) Registered and paid-up capital

As of 15 June 2018, AZAY has registered capital of Baht 4,000,000,000, paid-up capital of Baht 2,950,000,000, and the total shares sold of 295,000,000 ordinary shares with a par value of Baht 10 each.

(b) Shareholding structure

As of 31 August 2018, 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. Super Assets Co., Ltd.	2,418,436	0.82
8. Mr. Pisit Prukpaiboon	96,583	0.03
9. Mr. Somsak Panichsiri	80,572	0.03
10. Mr. Chai Thongthai	60,000	0.02
11. Other minority shareholders	536,592	0.18
Total	295,000,000	100.00

Source: AZAY

(c) Board of Directors

As of 15 June 2018, AZAY has 11 directors, as follows:

Name of director	Position
1. Mr. Rowan D'Arcy	Chairman of the Board of Directors
2. Mr. Bryan James Smith	Director
3. Mr. Narong Chulajata	Independent Director, Vice Chairman of the Board of Directors, and Chairman of the Audit Committee
4. Mr. Phanchai Satayaporn	Director
5. Mr. Pongpinit Tejagupta	Director and Audit Committee Member
6. Mr. Titiwut Soukpornchaikul	Director and Audit Committee Member
7. Mr. Virojn Srethapramotaya	Director and Audit Committee Member
8. Mrs. Wanna Thamsirisup	Independent Director and Audit Committee

Name of director	Position
	Member
9. Miss Orawan Tejapaibul	Director
10. Mrs. Napaporn Landy	Independent Director and Audit Committee Member
11. Mr. Apicharti Sivayathorn	Independent Director

Source: AZAY

- (d) Summary of AZAY's significant financial figures for the years 2015-2017 and the first six months of 2018

Unit: Million Baht	2015	2016	2017	First six months of 2018
Total income	34,321.16	36,611.14	38,021.79	18,861.22
Net profit	1,947.22	1,926.01	1,644.45	1,144.82
Total assets	145,153.90	161,095.54	178,024.98	180,248.19
Total liabilities	130,793.83	147,302.10	161,630.95	167,387.55
Shareholders' equity	14,360.07	13,793.43	16,394.03	12,860.63

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 allocate 74,429,850 newly issued ordinary shares in the Company, with a par value of Baht 1 each, and offer for sale to Allianz SE and CPRNT at the offering price of Baht 53.32 per share, totaling approximately Baht 3,968,599,600 in consideration for the Purchase of AZAY Shares. 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, 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. From January to June 2018, AZAY's market share ranked No. 7 (source: market shares of direct insurance premiums in the life insurance business, by the OIC) with direct insurance premiums of Baht 15,584 million, and the market share at 5.42 percent, representing a growth of approximately 3.08 percent compared to the same period of 2017 when AZAY had direct insurance premiums of Baht 15,118 million, with the market share of 5.28 percent (source: 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

At present, 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, 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 number of shares with voting rights of 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 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 that "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 number of shares with voting rights 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 in the best interest of the Company or the Company has been granted a waiver from the Office of the SEC. Furthermore, such shareholding structure of AZAY may 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 that "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, these shareholders invest in only one life insurance company in Thailand, i.e. AZAY.

In addition, the Company has established explicit guidelines for resolving problems concerning conflict of interest and ensuring the best interest of the Company and its shareholders, to which the Company will strictly adhere in operating its business. If the entry into any transaction may cause a conflict of interest with the Company, the details of the transaction, including the parties to that transaction, the transaction value, and the reasons and necessities for the entry into that transaction must be disclosed according to the rules of the SET and the Office of the SEC. A director who has interest in any agenda item may not participate in the consideration and voting on that agenda item, so as to ensure the independence in decision making and the transparency of information. The Company has also prescribed guidelines relating to the entry into connected transactions according to the good corporate

governance principles, as well as the relevant laws, rules, and regulations. The entry into all material connected transactions requires consideration and approval by a board meeting or a shareholders meeting.

Therefore, the compliance with the foregoing laws and guidelines by the Company will help prevent a conflict of interest in the event that Allianz SE, CPRNT and the Ratanarak Group hold shares in excess of 10 percent of the total number of shares with voting rights of the Company.

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. In addition, the consideration for the AZAY Share Purchase Transaction is reasonable as it is in accordance with 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.

Information Memorandum re. Acquisition of Assets under List 2

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 Limited)
Registration number	0107537001391
Address	898 Ploenchit Tower, 7th floor, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330
Date of establishment	7 October 1950
Nature of business	Investment holding company
Registered capital as at 25 September 2018	Baht 375,000,000

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. Sorasit Soontornkes	Independent Director, and Chairman of the Audit Committee
Mr. Suwat Laicharoensup	Independent Director, and member of the Audit Committee
Mr. Vichit Kornvityakoon	Independent Director, and member of the Audit Committee
Mr. Suwat Suksongkroh	Independent Director
Ms. Nopporn Tirawattanagool	Director
Mr. Bryan James Smith	Director
Mr. Chusak Salee	Director
Mr. Laksna Thongthai	Director
Mr. Virojn Srethapramotaya	President and Chief Executive Officer
Ms. Orathai Rongthongaram	Director, and Executive Vice President

Source: The Stock Exchange of Thailand

2.2 List of executives

The first four executives below the President, and all executives holding positions equivalent to the fourth executives are as follows.

Executive name	Position
Mr. Virojn Srethapramotaya	President
Ms. Orathai Rongthongaram	Director, and Executive Vice President
Ms. Jiratcha Ruplek	Senior Vice President, Company Secretary Department, and Company Secretary
In the process of procuring and hiring for this position	Senior Vice President, Administrative Department

3. Shareholding structure

As of 9 October 2018, the Company has registered capital of Baht 375 million divided into 375 million ordinary shares with the par value of Baht 1 each. The Company has issued and paid-up registered capital of Baht 293,905,255 divided into 293,905,225 ordinary shares with the par value of Baht 1 each.

As of the most recent record date, 9 October 2018, the shareholding of the Company is as follows.

Name of shareholder	Number of shares as of 9 October 2018	Percentage
Allianz SE	42,104,000	14.33
BBTV Equity Company Limited ⁽¹⁾	35,809,350	12.18
Great Fortune Equity Company Limited ⁽¹⁾	30,233,175	10.29
Bangkok Broadcasting & Television Company Limited ⁽¹⁾	28,802,500	9.80
Bank of Ayudhya Public Company Limited	21,250,800	7.23
Mr. Krit Ratanarak ⁽¹⁾	14,867,700	5.06
CITIBANK NOMINEES SINGAPORE PTE LTD-UBS SWITZERLAND AG ⁽²⁾	14,300,000	4.87
Triple Prime Team Holdings Company Limited ⁽²⁾	10,938,750	3.72
Thongthai (1956) Company Limited ⁽²⁾	9,610,000	3.27
Ms. Sudthida Ratanarak ⁽¹⁾	8,694,970	2.96
Other shareholders	77,293,980	26.30
Total	293,905,225	100.00

Remark

- (1) BBTV Equity Co., Ltd., Great Luck Equity Company Limited, Bangkok Broadcasting & T.V. Co., Ltd., Mr. Krit Ratanarak and Miss Suthida Ratanarak are shareholders in Ratanarak group.

- (2) Shareholders holding shares through CITIBANK NOMINEES SINGAPORE PTE LTD-UBS SWITZERLAND AG, Triple Prime Team Holdings Company Limited and Thongthai (1956) Co., Ltd. are shareholders in Thongthai group.

The grouping of shareholders as shown above is only for the purpose of disclosing information to shareholders, and not for the purpose of aggregating the holding of listed securities under relevant the securities and exchange laws.

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:

1. the Company holds approximately 99.99 percent of the paid-up capital of Sri Ayudhya General Insurance Public Company Limited (“**SAGI**”), its subsidiary company that operates a non-life insurance business; and

2. the Company holds approximately 20.17 percent of the paid-up capital of Alliance Ayudhya Assurance Public Company Limited (“**AZAY**”), its associated company that operates 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, the main business of which was a non-life insurance business, and received the license to conduct all types of non-life insurance business 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 insurance includes coverage on structures, buildings, residences, commercial buildings, industrial plants including assets in buildings, inventory, machines, and raw materials, as well as insurance coverage against fire, lightning, explosion, 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 insurance on assets, statutory liabilities, engineering work, and personal insurance such as personal and group accident, domestic or overseas travel, cancer, micro insurance, money, burglary, machinery and installment, construction, workman compensation, electronics and computers, public liability, all risks, credit card, plate glass, contractors' devices and machinery, etc.
- (4) **Motor:** Covers are for damage to automobiles and devices, injury, death, statutory liabilities for death, injury, and damage to third parties' properties which only cover provisions stated by law, road accident victims protection, or insurance by voluntary basis of a car's owner.

SAGI also operates a reinsurance business and takes the reinsurance between 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), 5th floor Zone B 2, 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 and 9 May 2012, the Company purchased additionally 17,265,108 shares, and 25,072,194 shares of AZAY, respectively. As a result, the total investment made in AZAY amounted to 59,500,280 shares, or 20.17 percent of the total issued shares of AZAY, making this investment fell under the classification as an investment in the associated company.

4.4 Company revenue structure

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 2015, 2016 and 2017, and the six-month period ending on 30 June 2018 are shown as follows.

(Baht: '000)

Underwriting Income*	Jan-Jun 2018		2017		2016		2015	
	Amount	%	Amount	%	Amount	%	Amount	%
Fire	239,274	23.0	446,922	22.1	454,715	20.5	482,640	21.4
Marine and transportation	84,087	8.1	157,147	7.8	172,949	7.8	179,239	7.9
Miscellaneous	305,834	29.4	791,361	39.1	791,935	35.8	847,548	37.5
Motor	411,197	39.5	607,803	30.0	796,205	35.9	751,529	33.2
Total	1,040,392	100	2,023,232	100	2,215,804	100	2,260,956	100

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

(Baht: '000)

Premiums deemed net earned income from reinsurance	Jan-Jun 2018		2017		2016		2015	
	Amount	%	Amount	%	Amount	%	Amount	%
Fire	214,944	25.4	421,199	25.5	425,169	22.5	421,893	22.5
Marine and transportation	52,820	6.3	97,745	5.9	107,729	5.7	110,789	5.9
Miscellaneous	240,861	28.5	655,663	39.6	681,165	36.0	725,275	38.8
Motor	336,866	39.8	480,591	29.0	678,422	35.8	614,718	32.8
Total	845,491	100	1,655,198	100	1,892,485	100	1,872,676	100

(Baht: '000)

	Jan-Jun 2018		2017		2016		2015	
	Amount	%	Amount	%	Amount	%	Amount	%
1. Underwriting income	1,040,392	78.0	2,023,232	80.5	2,215,805	77.4	2,260,956	79.7
2. Investment income	292,310	21.9	485,852	19.3	541,963	18.9	572,329	20.1
3. Other income	494	0.1	3,958	0.2	104,322	3.7	5,123	0.2
Total	1,333,196	100	2,513,042	100	2,862,089	100	2,838,408	100

In 2017, the composition of the Company's income structure changed from 2016, with the proportion of insurance income in 2017 increasing from 77.4 percent in 2016 to 80.5 percent.

The proportion of investment income in 2017 increased from 18.9 percent in 2016 to 19.3 percent resulting from an increase of profit from investment in securities of Baht 3.29 million or 6.75 percent while net investments made during 2017 reduced from the same period in the previous year by Baht 5.61 million or 5.35 percent due to lower interest rates, which continued on a downward trend. In 2017, the Company also earned a profit from the investment in AZAY of Baht 331.68 million, a decrease of Baht 56.79 million or 14.62 percent from the previous year.

The proportion of other income during 2017 decreased from 3.7 percent in 2016 to 0.2 percent as in 2016 the Company profited from other income of 104.32 million, versus Baht 3.96 million in 2017, an increase of Baht 100.36 million or 2,535.96 percent resulting from the Company's reversed record in an insurance contract of Baht 97.87 million in 2016 based on a lawsuit against the Company for

a claim settlement by an insured on 24 September 1997; on 15 March 2016, the Supreme Court dismissed the case and the Company was able to reverse the record in an insurance contract into other income for 2016.

4.5 Market and competition

(a) Product policy and market

In 2017, compared between 2017 and 2016, all direct premiums of insurance industry amounted to Baht 219,606.67 million, a growth of approximately 3.52 percent from 2016, divided into direct premiums from fire insurance at Baht 9,838.72 million, down from 2016 by 2.69 percent, marine and transportation insurance at Baht 5,301.39 million, up from 2016 by 2.53 percent, miscellaneous insurance at Baht 76,956.41 million, up from 2016 by 3.96 percent, and motor insurance at Baht 127,510.14 million, up from 2016 by 3.80 percent (source of data: The Insurance Premium Rating Bureau: IPRB).

(Baht: '000)

Direct premiums of insurance business (Baht: '000)			
Type of insurance	2017	2016	Increase (decrease) %
Fire	9,838,722	10,110,857	(2.69)
Marine and transportation	5,301,394	5,170,557	2.53
Miscellaneous	76,956,410	74,022,254	3.96
Motor	127,510,140	122,845,653	3.80
Total	219,606,666	212,149,321	3.52

Competitive strategy

The subsidiary 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 quality and speedy service delivery for delivery of services to satisfy customers' needs in time.
3. Continually develop technology and operational system by applying a new technology to develop personnel operation to enhance work efficiency resulting in speedy and accurate work management, to support expansion in insurance work and to support speediness of services in areas of underwriting and claims to satisfy insured customers.
4. Develop and initiate new products and services to fit customers' lifestyles.

5. Promote quality agents and brokers through training, and online connectivity to link data with the Company for faster, more accurate and efficient services.
6. Maintain and build up bancassurance distribution channel by developing new products and services to meet customers' needs.
7. There has been development and continuous growth in the online distribution channel, providing opportunity for insurance expansion. The Company plans to join hands with similar businesses and sell online.

Customer groups

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

- **For personal and family insurance**

The Company focuses on groups of customers who already understand the importance of having insurance. They are experienced with insurance products and start prioritizing having insurances such as property, motor, personal accident, and travel insurance for themselves and their families. Customers of banks, financial institutions, and hire-purchase businesses are required to have asset insurance in accordance with each respective business' regulations to prevent possible loss.

- **For corporate insurance**

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, financial institutions, companies, and retail stores. The majority of these businesses have insurance coverage such as an 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 and the subsidiary have not relied on any major client whose business exceeds 30 percent of total income.

Distribution and distribution channels

The subsidiary's distribution channels consist of the following:

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

The subsidiary's distribution breakdowns in the past three years are as follows.

(Unit: percentage)

Distribution channels	2017	2016	2015
1. Brokers and agents	40.74	39.80	43.08
2. Financial institutions and affiliated companies	50.59	53.63	49.10
3. Direct sales	8.67	6.56	7.82

Criteria for appointing 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) (the Non-Life Insurance Act (the second amendment), B. E. 2551 (2008) has come into force from 6 February 2008) and must pass required examinations. Those whose examination results pass the required level of non-life insurance knowledge can then submit an application of a non-life insurance agent of the Company with a letter showing the Company's request of the non-life insurance agent to the registrar in the form prescribed.

(b) Industry competition

Market share of the subsidiary for the period between January and June 2018 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 (units in Baht 000)	Direct premiums of the industry (units in Baht 000)	Market share (%)	Ranking
Fire	307,652	5,465,341	5.63	6
Marine and transportation	151,955	2,876,849	5.28	6
Miscellaneous	460,540	37,884,716	1.22	23
Motor	605,850	67,153,762	0.90	25
Total	1,525,997	113,380,668	1.35	21

As of 30 June 2018, there are 60 operating insurance companies in the country, split into 51 Thai non-life insurance companies, five defined as branches of foreign insurance companies and four group health insurance companies. The Company has the advantage over competitors on strong financial status by the subsidiary's capital adequacy ratio (CAR) as of 30 June 2018 was at 886.78 percent and number of years in business. 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 Company in a similar manner. The Company 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 Company, more than ever, focuses its efforts in these areas of services. The Company has provincial branches dedicated to servicing claims spanning the northern, central, eastern, north eastern and southern regions. All branches are online in

connection with the head quarter to enable the efficient, convenient, and speedy operational management and services of all branches which can be provided to nationwide customers.

5. Summary of financial statements 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

Baht: 1,000

Statement of financial position as of

	30 June 2018	31 December 2017	31 December 2016	31 December 2015
Assets				
Cash and cash equivalents	1,511,351	1,401,893	1,417,050	1,065,247
Premium due and uncollected - net	240,935	2,381,270	217,433	287,006
Accrued investment income	7,714	6,973	10,048	13,633
Reinsurance assets	1,057,241	892,038	1,050,276	992,160
Due from reinsurers	53,025	55,745	58,569	193,115
Investments				
Investment in securities	6,602,278	4,655,891	4,594,203	4,655,982
Loans	3	15	129	579
Investment in an associated company	2,642,334	3,355,004	2,830,475	2,944,764
Land, premises and equipment	44,841	53,236	60,534	75,310
Intangible assets	59,719	67,040	75,159	83,674
Deferred tax assets	209,125	167,168	185,959	225,920
Deferred commissions expenses	63,551	62,324	63,404	55,618
Other assets	64,297	99,517	53,412	68,251
Total assets	12,556,414	11,054,971	10,616,651	10,661,259

Baht: 1,000

Statement of financial position as of

	30 June 2018	31 December 2017	31 December 2016	31 December 2015
Liabilities and equity				
Insurance contract liabilities	2,301,413	2,068,995	2,249,889	2,401,124
Due to reinsurers	680,753	667,859	705,692	633,352
Income tax payable	20,851	35,490	688	20,061
Employee benefit obligations	91,649	86,823	79,071	72,834
Premium written received in advance	355,443	348,346	337,983	305,256
Commissions and brokerage fees payable	50,728	46,327	50,979	61,587
Accrued expenses	41,450	50,493	62,104	66,405
Other liabilities	77,613	88,619	87,932	70,981
Total liabilities	<u>3,619,900</u>	<u>3,361,012</u>	<u>3,574,338</u>	<u>3,631,600</u>
Equity				
Share capital				
Authorized share capital				
375,000,000 ordinary shares of Baht 1.00 each	<u>375,000</u>			
500,000,000 ordinary shares of Baht 1.00 each		<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Issued and paid-up share capital				
293,905,225 ordinary shares of Baht 1.00 each	293,905			
250,000,000 ordinary shares of Baht 1.00 each		250,000	250,000	250,000
Premium on share capital	5,180,583	3,512,184	3,512,184	3,512,184
Retained earnings				
Appropriated				
Statutory reserve	50,000	50,000	50,000	50,000
Unappropriated	2,959,783	2,650,797	2,630,188	2,519,163
Other components of equity				
Surplus (deficit) on available-for-sale securities	(163,618)	(39,021)	(87,985)	(115,309)
Share of other comprehensive income of an associated company	615,861	1,270,000	687,926	813,621
Total equity	<u>8,936,514</u>	<u>7,693,959</u>	<u>7,042,313</u>	<u>7,029,659</u>
Total liabilities and equity	<u>12,556,414</u>	<u>11,054,971</u>	<u>10,616,651</u>	<u>10,661,259</u>

Statement of profit or loss and other comprehensive income

Baht: 1,000

Statement of profit or loss and other comprehensive income for the period ending

	30 June 2018	31 December 2017	31 December 2016	31 December 2015
Revenues				
Gross premium written	780,036	2,953,656	3,082,392	3,137,849
<u>Less</u> Premium ceded	324,404	1,266,312	1,286,529	1,239,518
Net premium written	455,632	1,687,344	1,795,863	1,898,331
<u>Less</u> Unearned premium reserve increase (decrease) from previous period	34,152	32,146	(96,623)	25,655
Net premium earned	421,480	1,655,198	1,892,486	1,872,676
Fee and commission income	97,250	368,034	323,319	388,281
Net investment income	24,145	99,199	104,804	120,723
Gain on investment in securities	(16,911)	54,974	48,689	58,858
Share of profit on investment in an associated company	120,861	331,678	388,469	392,747
Other income	158	3,958	104,322	5,123
Total revenues	646,983	2,513,042	2,862,089	2,838,408
Expenses				
Loss incurred	346,288	1,388,581	1,413,350	1,433,002
<u>Less</u> loss refundable from reinsurers	178,877	600,004	498,263	580,183
Commissions and brokerage fee expenses	112,047	415,100	455,697	466,290
Other underwriting expenses	122,339	476,444	473,318	424,369
Operating expenses	80,934	347,988	357,658	356,978
Total expenses	482,731	2,028,109	2,201,760	2,100,456
Income before income tax expense	164,252	484,933	660,329	737,952
Income tax expense	9,430	22,023	45,164	61,039

Baht: 1,000

**Statement of profit or loss and other comprehensive income for the
period ending**

	30 June 2018	31 December 2017	31 December 2016	31 December 2015
Net income	154,822	462,910	615,165	676,913
Other comprehensive income (loss)				
Items that will not be subsequently reclassified to profit or loss				
Actuarial loss on defined employee benefit plans	-	(4,401)	(1,666)	-
Share of other comprehensive income (loss) of an associated company	(1,614)	(1,601)	(3,509)	1,136
Income tax relating to items that will not be subsequently reclassified	323	1,200	1,035	(227)
	<u>(1,291)</u>	<u>(4,801)</u>	<u>(4,140)</u>	<u>909</u>
Items that will be subsequently reclassified to profit or loss				
Changes in fair value of available-for-sale securities	(115,845)	61,204	34,154	(190,128)
Share of other comprehensive income of an associated company	(541,987)	735,354	(157,629)	-
Income tax relating to items that will be subsequently reclassified	145,187	(165,521)	25,104	(50,024)
	<u>(512,645)</u>	<u>631,037</u>	<u>(98,371)</u>	<u>200,097</u>
Other comprehensive income (loss) for the periods, net of income tax	<u>(513,936)</u>	<u>626,236</u>	<u>(102,511)</u>	<u>201,006</u>
Total comprehensive income for the periods	<u><u>(359,114)</u></u>	<u><u>1,089,146</u></u>	<u><u>512,654</u></u>	<u><u>877,919</u></u>
Earnings per share				
Basic earnings per share	Baht 0.62	1.85	2.46	2.71
Diluted earnings per share	Baht 0.60	1.85	2.46	2.71

Statement of cash flows

Baht: 1,000

Statement of cash flows for the period ending

	30 June 2018	31 December 2017	31 December 2016	31 December 2015
Cash flows provided by (used in)				
Operating activities				
Direct premium received	1,529,087	2,911,354	3,152,635	3,092,015
Cash paid to reinsurance	(124,744)	(233,507)	(326,319)	(447,223)
Interest income	10,761	41,059	54,675	60,853
Dividend income	327,879	46,533	52,643	60,990
Other income	8,396	1,920	3,571	2,627
Loss incurred from direct insurance	(657,733)	(1,517,671)	(1,334,065)	(1,307,675)
Commission and brokerage fees paid from direct insurance	(215,717)	(412,188)	(467,474)	(457,452)
Other underwriting expenses	(244,804)	(465,867)	(455,346)	(408,883)
Operating expenses	(118,257)	(393,741)	(303,714)	(343,877)
Income tax expense	(8,232)	(12,461)	(42,515)	(286,515)
Investment in securities	(2,107,025)	78,035	109,465	(249,890)
Deposits at banks with maturity over three months and deposits used as collateral	(217)	6,378	34,437	135,688
Loans		114	450	799
Cash received from subscriptions receivable	-	-	9,268	1,570
Dividend from investment in an associated company	12	387,942	374,257	518,247
Net cash provided by operating activities	<u>(1,600,594)</u>	<u>437,899</u>	<u>861,968</u>	<u>371,274</u>
Cash flows provided by (used in) investing activities				
Cash flows provided by				
Premises and equipment	<u>2</u>	<u>2,672</u>	<u>12,451</u>	<u>6,790</u>
Cash provided by investing activities	<u>2</u>	<u>2,672</u>	<u>12,451</u>	<u>6,790</u>

Baht: 1,000

Statement of cash flows for the period ending

	30 June 2018	31 December 2017	31 December 2016	31 December 2015
Cash flows used in				
Premises and equipment	(1,727)	(13,333)	(17,131)	(47,256)
Intangible assets	(527)	(4,895)	(5,485)	(9,514)
Cash used in investing activities	(2,254)	(18,228)	(22,616)	(56,770)
Net cash provided by (used in) investing activities	(2,252)	(15,556)	(10,165)	(49,980)
Cash flows used in financing activities				
Increase capital	1,712,304	-	-	-
Dividends paid	-	(437,500)	(500,000)	(625,000)
Net cash used in financing activities	1,712,304	(437,500)	(500,000)	(625,000)
Net increase (decrease) in cash and cash equivalents	109,458	(15,157)	351,803	(303,706)
Cash and cash equivalents at the beginning of the period	1,401,893	1,417,050	1,065,247	1,368,953
Cash and cash equivalents at the end of the period	1,511,351	1,401,893	1,417,050	1,065,247

5.2 Tables of major financial ratios

Major financial ratios

Analysis of financial ratio	Consolidated financial statements		
	2017	2016	2015
Liquidity ratio			
Current ratio (times)	1.62	1.54	1.49
Premium due and uncollected turnover (days)	28	30	34
Profitability ratio			
Retention rate (%)	57.13	58.26	60.50
Loss incurred per earned premium (%)	47.64	48.35	45.54
Underwriting profit per net premium written (%)	20.33	6.23	9.33
Underwriting expense per earned premium (%)	74.89	67.99	66.62
Return on investment (%)	5.16	6.13	6.60
Net premium written per equity (times)	0.23	0.26	0.27
Net profit per total income (%)	18.42	21.49	23.85
Return on equity (%)	6.28	8.74	9.81
Efficiency ratio			
Return on assets (%)	4.27	5.78	6.24
Assets turnover (times)	0.23	0.27	0.26
Financial ratio			
Debt to equity ratio (times)	0.44	0.51	0.52
Policy liability to capital fund (times)	0.26	0.31	0.33
Unearned premium reserve per equity (times)	0.18	0.20	0.21
Unearned premium reserve per total assets (%)	12.59	13.48	13.85
Payout ratio (%)	40.50*	81.30	73.80
Data per share			
Par value Baht	1.00	1.00	1.00
Book value Baht	30.78	28.17	28.12
Net profit Baht	1.85	2.46	2.71
Dividend Baht	0.75*	2.00	2.00

*Interim dividend from the operating results for the period between 1 January 2017 and 30 June 2017.

5.3 Management discussion and analysis for the past year and the present year until the last quarter

(a) Operating results

The Company's 2017 operating results

- **Operating income**

The consolidated income for 2017 was recorded at Baht 2,513.04 million, a decrease of Baht 349.05 million or 12.20 percent from Baht 2,862.09 million last year, consisting of income from underwriting, investments, and others. The main income was derived from underwriting. In 2017, total income from underwriting, consisting of net earned premiums, fee and commission income totalled Baht 2,023.23 million, a decrease of Baht 192.57 million or 8.69 percent from the previous year.

Gross premiums written for 2017 were Baht 2,953.66 million, decreased from the previous year by Baht 128.74 million, or 4.18 percent due to adjustments in proportion of premiums of some products with high loss ratio. Fire insurance grew 1.34 percent due to expansion in the number of agents and brokers while premiums in marine and transportation, motor, and miscellaneous insurance segments were down from last year. Commissions and brokerage income for 2017 were Baht 366.03 million, an increase of Baht 44.71 million or 13.83 percent due to reinsurance commission received for fire, miscellaneous, and motor. The rates of reinsurance commission for these segments calculated by the sliding scale method increased from the previous year, with varying commission rates tied to the claim ratio for that year.

Reinsurance premiums for 2017 amounted to Baht 1,266.31 million, down by Baht 20.22 million, or 1.57 percent versus previous year, and 42.87 percent of total direct premiums. Retention was Baht 1,687.34 million. The net written premium ratio per equity dropped slightly in 2017 to 0.23 times shareholders equity compared to previous year at 0.26 times. Net premiums received in 2017 totalled Baht 1,687.34 million, down by Baht 108.52 million, or 6.04 percent versus last year, resulting in a decrease in the retention rate to 57.13 percent versus 58.26 percent last year. Net premium earned for 2017 was recorded at Baht 1,655.20 million, a decrease of Baht 237.29 million, or 12.54 percent.

- **Overall consolidated expenses**

Underwriting expenses in the consolidated statements consisted of losses incurred, insurance claims, loss adjustment expenses, commissions and brokerage expenses, and other operating expenses on which the commissions and brokerage expenses 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 2017, overall expenses were Baht 2,028.11 million versus Baht 2,201.76 million last year, a decrease of Baht 173.65 million or 7.89 percent. The decrease in expenses was due to net loss incurred at Baht 788.58 million versus Baht 915.09 million last year, a decrease of Baht 126.51 million, or 13.83 percent while commissions and brokerage expenses dropped Baht 40.60 million, or 8.91 percent due to the reduction in premium written. In 2017, other underwriting expenses increased by Baht 3.13 million or 0.66 percent due to fierce competition in the lackluster market that showed no sign of growth. Operating expenses were Baht 347.99 million, a decrease of Baht 9.67 million, or 2.70 percent from last year. Personnel expenses decreased from last year by Baht 11.08 million, or 3.70 percent as a result of a senior executive who retired during the year. In 2017, premises and equipment expenses were Baht 114.65 million, a decrease of Baht 3.30 million, or 2.80 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 its new product launches.

The ratio of underwriting expenses in 2017 equaled 74.89 percent of earned premiums, an increase over last year of 67.99 percent even though underwriting expenses in commissions and brokerage expenses, other underwriting expenses, and operating expenses dropped Baht 47.14 million or 3.66 percent. Earned premiums of 2017 decreased from the previous year by Baht 237.29 million, or 12.54 percent resulting in the expense ratio of 2017 increasing from the previous year.

Gross profit margin of 2017 was 20.33 percent down slightly from last year at 20.70 percent of net premium written resulting from the reduction in profit on underwriting before deducting operating expenses of Baht 28.59 million, or 7.69 percent while net premiums written were down by Baht 108.52 million, or 6.04 percent.

In 2017, one-digit growth of the non-life insurance industry is forecast as the economy continued on the path of recovery. And, although the recovery seemed sporadic, the Thai economy is estimated to expand around 3.5 to 4.0 percent backed by stimulus measures from the government to fuel the economy. Investments from both the government and private sectors also showed signs of expansion. Improvements in exports and world economy also helped to bring about growth in the non-life insurance sector. Statistics from the Insurance Premium Rating Bureau showed that in 2017, direct premiums from all categories amounted to Baht 219,606.67 million, up 3.52 percent versus 2016. The government stimulus package – personal tax deduction for health insurance paid not exceeding Baht 15,000 purchased from 1 January 2017 onwards – helped to generate sales and insureds gained the benefits of having insurance protection to help reduce the financial burden of medical expenses. The scheme also helped the government from having to directly pay for medical expenses. On the side of insurers, there were developments of new products and expansion of new distribution channels to cover various target groups. Digital insurance was developed to reduce complexity in buying insurance and technology was used to support operational processes. Insurers responded to the consumer digital lifestyle with innovation to create differentiation from competitors, increase product and service quality. Management of costs and expenses is the key to finding the right balance between premium and product to offer while giving importance to customer service over competing only on price. The focus should be on developing service quality and bringing digital system into the whole process from insuring to paying claims, and creating products to fit all stages of life. All of these factors help to drive the growth and sustainability of the insurance sector.

Operating result of each type of underwriting in 2017

- **Fire insurance**

In 2017, fire insurance premiums were Baht 612.82 million, or 20.75 percent of overall earned premiums, an increase from the previous year of Baht 8.11 million, or 1.34 percent. Fire insurance premiums of the whole industry this year decreased from the previous year by 2.69 percent due to cancellation of tariff rate for the policy with the sum insured over Baht 30 million during 2017. Even though this enhanced competition in the market, the Company could still explore a new line of business resulting in the Company's market share ranked 6th of the industry in 2017.

In 2017, net fire insurance premiums were Baht 443.91 million, an increase from the previous year by Baht 16.18 million, or 3.78 percent in which the Company took the risks at 72.44 percent, up from 70.73 percent in the previous year.

In 2017, fire insurance premiums reserve were Baht 22.71, an increase from the previous year by Baht 20.15 million, or 788.96 percent. As a result, earned fire insurance premiums in 2017 were Baht 421.20 million, a decrease from the previous year by Baht 3.97 million, or 0.93 percent.

In 2017, commission and brokerage income for fire insurance were Baht 45.72 million, an increase from the previous year by Baht 16.18 million, or 54.75 percent. As claim ratio fell, commission and brokerage fees calculated by the sliding scale method increased from the previous year, with varying commission rates tied to the claim ratio for that year.

In 2017, fire claims were Baht 43.66 million, a decrease from the previous year by 10.94 million, or 20.03 percent. Fire claims in this year were equivalent to 10.37 percent of earned premiums, a decrease from 12.84 percent in the previous year.

In 2017, commission and brokerage fees for fire insurance were Baht 135.46 million, an increase from the previous year by Baht 0.86 million, or 0.64 percent due to fierce competition in the lackluster market that showed no sign of growth.

In 2017, other underwriting expenses for fire insurance were Baht 97.14 million, a decrease of Baht 2.24 million, or 2.26 percent due to spending control of the Company.

In 2017, overall expenses for fire insurance were Baht 276.26 million, down by Baht 12.32 million, or 4.27 percent from last year due to reduction in both net loss incurred, and commission and brokerage expenses, resulting in a profit from fire insurance of Baht 190.66 million, an increase of Baht 24.53 million or 14.76 percent from the previous year.

A major source of fire insurance came from agents and brokers, and loan customers of Bank of Ayudhya Public Company Limited and other financial institutions.

- **Marine and transportation insurance**

Marine and transportation gross premiums written in 2017 were Baht 327.39 million, or 11.08 percent share of the total premiums, down by Baht 22.18 million, or 6.34 percent while the overall premiums in the marine and transportation sector increased by 2.53 percent.

The Company has a market share ranked 6th in the industry, split into marine hull, with premiums down by 16.60 percent, and marine cargo, down by 3.88 percent. This was due to the strength in the value of the Thai baht in 2017. Furthermore, the Company screened for quality insurance work while trying to keep the current customers and at the same time trying to develop new brokers and agents.

Net premiums for marine and transportation insurance in 2017 were Baht 104.43 million, a slight drop of Baht 0.09 million, or 0.09 percent with the Company retaining 31.90 percent versus 29.90 percent last year, resulting in a decrease in reinsurance premiums of Baht 22.08 million, or 9.01 percent in 2017.

Premium reserves in 2017 for the segment increased by Baht 9.89 million, or 308.17 percent resulting in earned premium of Baht 97.75 million in 2017, down from last year by Baht 9.98 million, or 9.27 percent.

Commissions and brokerage income for marine and transportation totaled Baht 59.40 million in 2017, down by Baht 5.82 million or 8.92 percent due to reduction in reinsurance premiums.

Net loss incurred in 2017 were Baht 36.20 million, an increase of Baht 5.97 million from last year or 19.76 percent and the loss ratio was 37.03 percent of earned premiums in 2017, increased by 28.06 percent over last year.

Overall expenses in 2017 for marine and transportation were Baht 113.49 million, up by Baht 7.12 million, or 6.69 percent from last year due to an increase in both net loss incurred, and other underwriting expenses, resulting in a profit from marine and transportation insurance of Baht 43.65 million, a decrease of Baht 22.92 million or 34.43 percent from previous year.

The primary source of business for marine and transportation insurance in 2017 came from agents and brokers who continued to work in the area of marine and transportation insurance with the Company because of speed and efficiency of services provided by the Company.

- **Motor insurance**

Motor gross premiums written in 2017 were Baht 1,026.53 million, representing 34.75 percent of total premiums, decreased from last year by Baht 26.56 million, or 2.52 percent as the Company reduced the portfolio of high loss ratio while the segment of the industry grew 3.80 percent.

The Company had treaty motor reinsurance with the overseas reinsurer in accordance with certain business obligations. Ceded premium of 2017 motor insurance was 35.59 percent of written premiums, retaining Baht 661.20 million, resulting in the decrease of Baht 12.72 million or 1.89 percent. Net earned premiums for 2017 was Baht 655.66 million, a decrease of Baht 22.76 million, or 3.35 percent due to an increase in unearned premium reserve of Baht 10.04 million, or 223.04 percent.

Commission and brokerage income in 2017 for motor insurance was Baht 135.70 million, an increase of Baht 17.91 million, or 15.21 percent. This is due to the increasing 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 that year.

Net loss for 2017 for motor insurance was Baht 428.13 million, a decrease of Baht 14.70 million over last year, or 3.32 percent. The loss ratio equaled 65.30 percent of earned premiums while last year's was 65.27 percent.

Overall expenses in 2017 for motor insurance were Baht 737.53 million, down by Baht 15.88 million, or 2.11 percent from last year due to a decrease in net loss incurred, and commission and brokerage expenses, resulting in a profit from underwriting of Baht 53.84 million, up by Baht 11.04 million or 25.80 percent.

The primary source of business came from agents, brokers, dealers and financial institutions providing motor leasing. The subsidiary focused on providing efficient and enhanced services to insured customers as well as efficient management for getting insurance and claims at provincial branches.

- **Miscellaneous insurance**

Miscellaneous insurance includes personal accident insurance and other miscellaneous insurance. In 2017, written miscellaneous premiums totalled Baht 986.92 million, representing 33.41 percent of total written premiums, a decrease over last year of Baht 88.11 million, or 8.20 percent while the industry grew 3.96 percent. The reason for the decrease came from the reduction in PA insurance

portfolio with high loss ratio. Competition also increased due to the announcement of cancellation of tariff rate for policies that have a sum insured exceeding Baht 30 million.

Net premium written for 2017 totalled Baht 477.81 million, a reduction of Baht 111.89 million from last year, or 18.97 percent, with the Company retaining 48.41 percent, down from 54.85 percent last year.

Premium reserves in 2017 increased from last year by Baht 88.68 million, or 96.96 percent resulting in earned premiums of Baht 480.59 million in 2017, down by Baht 200.57 million, or 29.45 percent from the previous year.

Commission and brokerage income in 2017 amounted to Baht 127.21 million, increased by Baht 16.44 million, or 14.84 percent, over last year. This is due to the increasing premiums and commissions that were based on the sliding scale calculation method with commission rates tied to the loss ratio for that year.

Net loss for miscellaneous insurance in 2017 amounted to Baht 280.59 million, decreased by Baht 106.84 million, or 27.58 percent. The loss ratio was 58.38 percent of earned premiums, versus 56.96 percent last year, due to a decrease in earned premium this year.

Operating expenses in 2017 for miscellaneous insurance were Baht 552.84 million, down by Baht 145.89 million, or 20.54 percent from last year due to decreases in net loss incurred, commission and brokerage expenses, and other expenses, while income from miscellaneous insurance was down by Baht 184.13 million or 23.25 percent resulting in a profit from underwriting in 2017 of Baht 54.96 million, down by Baht 41.24 million or 42.87 percent from the previous year.

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

- **Investment**

For the first half of 2017, the Stock Exchange of Thailand (the SET) index moved within a tight range before continuously climbing during the latter part of 2017. At the end of 2017, the SET index ended at 1,753.71, or up 13.66 percent versus last year's close at 1,542.94. The Thai stock market in 2017 yielded good returns supported by the recovery of FMCG prices, improved exports growth trends, and high liquidity. The economic reform and the increase of large scale infrastructure investment by the government should lend positive results for companies in the SET and therefore better returns. The Company maintains a positive outlook for long term investment in the stock market. Positive factors such as stable interest rates which continue to be on the low side, and continued strong growth for listed companies reaffirm that the SET is still an attractive investment alternative when compared with other markets in the region. The investment strategy continues to focus on choosing individual stocks, with analysis conducted on the listed companies to invest in, 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 the utmost benefit to shareholders.

Net income earned from investment, which consisted of interests and dividends during 2017, was Baht 99.20 million, down by Baht 5.61 million versus last year, or 5.35 percent due to lower interest rates.

Total profit generated from equity investments in 2017 was Baht 54.97 million versus Baht 48.69 million last year, an increase of Baht 6.28 million, or 12.91 percent resulting from the increase of the Thai stock market index due to foreigners investing in the market.

The Company invests in the life insurance business via Allianz Ayudhya Assurance Public Company Limited; with a 20.17 percent share, it is categorized as an investment in an associated company and therefore the equity calculation method is used in the consolidated financial statements. In 2017, the investment generated a share of profit of Baht 331.68 million, a decrease of Baht 56.79 million, or 14.62 percent, from last year.

At the end of 2017, total investment assets were Baht 9,412.80 million, up by Baht 570.95 million or 6.46 percent from the previous year.

In addition, other incomes for 2017 amounted to Baht 3.96 million, down from last year at Baht 104.32 million, a drop of Baht 100.36 million or 96.21 percent resulting from a reversal of insurance contract liabilities of Baht 97.87 million in 2016, caused by a loss claim incurred by an insured company on 24 September 1997. On 15 March 2016, the Supreme Court had passed a verdict to dismiss this case. Therefore, the Company reversed such insurance contract liabilities to be other income in 2016.

In summary of 2017 operating results, the consolidated financial statement for 2017 showed a profit before tax of Baht 484.93 million, down from last year at Baht 660.33 million, a reduction of Baht 175.40 million or 26.56 percent. As a result, the Company's income tax expense for 2017 was Baht 22.02 million, versus last year's Baht 45.16 million, down by Baht 23.14 million, or 51.24 percent. Net profit after tax was Baht 462.91 million, or Baht 1.85 profit per share. Compared to last year, net profit after tax was Baht 615.17 million, a reduction of Baht 152.26 million or 24.75 percent.

Operating results for the six-month period ending on 30 June 2018

The operating results under the consolidated financial statements for the six-month period ending on 30 June 2018 showed a net profit of Baht 310.44 million (Baht 1.23 per share), increased by Baht 38.52 million or 14.17 percent from Baht 271.92 million (Baht 1.09 per share) for the same period of the previous year.

Total income for the six-month period of 2018 of Baht 1,333.20 million increased by Baht 19.07 million or 1.45 percent from the same period of the previous year. Earned premium for the six-month period of this year of Baht 1,543.25 million increased by Baht 105.83 million or 7.36 percent. Unearned premium reserve for the six-month period of this year increased by Baht 46.19 million or 18.20 times from the same period of the previous year. Therefore, earned premium for the six-month period of this year increased by Baht 3.84 million or 0.46 percent, while fee and commission income increased by Baht 12.39 million or 6.79 percent.

Net income from investment for the six-month period this year consisted of interest and dividends of Baht 62.73 million, increased by Baht 15.80 million or 33.65 percent. A share of profit in the associated company increased by Baht 13.51 million or 6.21 percent. For the six-month period of this year, the Company incurred a loss on investment in securities of Baht 1.33 million, versus a gain of Baht 23.49 million for the six-month period of last year, due to decline of stocks in the Thai stock market.

Other incomes for the six-month period of 2018 reduced by Baht 1.65 million or 76.96 percent from the same period of the previous year.

Overall expenses for the six-month period of 2018 reduced by Baht 24.13 million or 2.34 percent from the same period last year. This was due to a reduction of net loss incurred by Baht 47.93 million or 11.29 percent. Commissions and brokerage fee expenses and other underwriting expenses reduced by Baht 27.86 million or 6.35 percent from the same period of the previous year. Operating expenses for the six-month period of 2018 reduced by Baht 4.06 million or 2.40 percent from the same period of the previous year.

According to the operating results for the six-month period ending on 30 June 2018, the Company had profit before income tax expense of Baht 324.75 million as compared with the same period of the previous year of Baht 281.55 million, an increase of Baht 43.20 million or 15.35 percent, which resulted in the increase of income tax expense by Baht 4.68 million or 48.66 percent from the same period of the previous year. Consequently, the consolidated financial statements for the six-month period of 2018 ending on 30 June 2018 showed net profit of Baht 310.44 million or Baht 1.23 per share, increased by Baht 38.52 million or 14.18 percent from Baht 271.92 million or Baht 1.09 per share for the same period of the previous year.

(b) Financial status

Financial status as at 31 December 2017

• **Assets**

Components of assets

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

According to the consolidated financial statement as at 31 December 2017, the Company and its subsidiary had total assets of Baht 11,054.97 million, an increase from last year of Baht 438.32 million, or 4.13 percent.

Investment in securities as at 31 December 2017 was Baht 4,655.89 million, up by Baht 61.69 million from last year's Baht 4,594.20 million. In 2017, investments in available-for-sale securities totalled Baht 2,586.03 million, down by Baht 34.32 million from last year's Baht 2,620.35 million. These available-for-sale securities consisted of government bonds, Bank of Thailand bonds, treasury bills, stocks, and mutual fund units. The investments in held-for-trading securities for 2017 amounted to Baht 93.67 million. Investments in held-to-maturity securities as at the end of 2017 amounted to Baht 1,956.70 million, an increase of Baht 2.33 million versus Baht 1,954.37 million last year.

At the end of 2017, the Company had an unrealized loss on investments in available-for-sale securities of Baht 39.02 million, while at the end of 2016, the Company had an unrealized loss on investment in available-for-sale securities of Baht 87.98 million as the SET index rose during the latter part of 2017. In addition, the Company had a share of profit in the associated company of Baht 1,270 million, an increase of Baht 582.07 million versus Baht 687.93 million last year due the increase of unrealized profit from investments in available-for-sale securities at the end of 2017.

The Company had employee loans with guarantors in compliance with the Company's staff welfare policy, at the end of 2017, totalling Baht 0.02 million, down by Baht 0.11 million, versus Baht 0.13 million last year.

Cash and cash equivalents at year end 2017 amounted to Baht 1,401.89 million, down by Baht 15.16 million versus Baht 1,417.05 million last year.

Premises and equipment at cost as at the end of 2017 totalled Baht 162.62 million, down by Baht 2.64 million from the previous year's Baht 165.26 million, due to additional investment in IT, office renovation, and purchase of new vehicles to replace the old ones, which totalled Baht 13.36 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 16 million.

Premiums due and uncollected at the end of 2017 amounted to Baht 238.13 million, versus Baht 217.43 million, an increase of Baht 20.70 million, or 9.52 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 has 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 the Insurance Commission (the 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's premiums collection regulation.

Asset quality

Assets

As at the end of 2017, the investments in securities, including bonds, treasury bills, stocks, investment units, and deposits at financial institutions with a maturity of over three months totalled Baht 4,655.89 million, which was presented at fair value. Unrealized loss from the changes in fair value of investment net of deferred tax in shareholders' equity was Baht 39.02 million.

The Company has investment in the associated company at the end of 2017 of Baht 3,355 million, up by Baht 524.53 million versus Baht 2,830.47 million at the end of 2016, as presented in the consolidated financial statements and are accounted for under the equity method.

Debtors

In 2017, the Company's turnover rate on outstanding premiums was 28 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 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 6 months to 1 year: The reserve is set for doubtful accounts at 50 percent.
- Outstanding premiums over 1 year: The reserve is set for doubtful accounts at 100 percent.

Cash flow

At the end of 2017, the Company had net cash and cash equivalents totalling Baht 1,401.89 million, down from last year's Baht 1,417.05 million, down by Baht 15.16 million, or 1.07 percent, with net cash provided by (used in) the following activities:

	Unit: million baht	
	2017	2016
Net cash provided by (used in) operating activities	437.90	861.97
Net cash provided by (used in) investment activities	(15.56)	(10.17)
Net cash provided by (used in) financing activities	(437.50)	(500.00)
Net increase (decrease) in cash and cash equivalents	(15.16)	(351.80)
Cash and cash equivalents as at beginning of period	1,417.05	1,065.25
Cash and cash equivalents as at end of period	1,401.89	1,417.05

In 2017, cash flows provided by the operating activities were Baht 437.90 million, from cash flows received of Baht 3,473.33 million and used in the amount of Baht 3,035.43 million. Cash received was from premiums, interests, dividends received from cash deposits in financial institutions, bonds, treasury bills, stocks, and unit trusts, as well as net investments from the investments in bonds, treasury bills, stock, unit trusts, and mature deposits at financial institutions. Cash paid for expenses included reinsurance debts, claim settlements, underwriting expenses, operating expenses and corporate income taxes.

Cash flow used in investing activities was recorded at Baht 15.56 million which included payments for office equipment, office renovations, computer software, and vehicles.

As for cash flows used in financing activities in 2017, the Company paid dividends totalling Baht 437.50 million, consisting of dividend payment of Baht 1.00 per share for the second half of 2016 in total amount of Baht 250 million; and interim dividend payment of Baht 0.75 per share for the first half year of 2017 in total amount of Baht 187.50 million.

The cash flows provided by and used in above activities at end of 2017 showed Baht 1,401.89 million in cash and cash equivalents, a decrease of Baht 15.16 million, from last year's Baht 1,417.05 million.

Liquidity ratio

Liquidity and ability to pay liabilities as at 31 December 2017 was in a fine level. The Company recognized an outstanding liquidity ratio of 1.62 times, indicating that the existing current 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 2017, the Company's debt-to-equity ratio was 0.44 times, down from 0.51 times of last year.

Shareholders' equity

The Company's shareholders' equity as at the end of 2017 was Baht 7,693.96 million, an increase of Baht 651.65 million over last year's Baht 7,042.31 million. Net profit in 2017 amounted to 462.91 million with an unrealized loss from a change in valuation of available-for-sale securities of Baht 39.02 million, and share of other comprehensive income in the associated company of Baht 1,270 million, an increase of Baht 582.07 million versus Baht 687.93 million last year. Total dividend payment, amounting to Baht 437.50 million, came from the dividend paid for the last half 2016 of Baht 250 million, and the interim dividend in 2017 of Baht 187.50 million.

Liabilities

The Company had liabilities under the consolidated financial statements as at the end of 2017 of Baht 3,361.01 million, a decrease of Baht 213.13 million from the previous year's Baht 3,574.34 million due to the reduction in cash reserves needed for claim payments, and unearned premium reserves totalling Baht 180.89 million; and premium ceded payables to reinsurers by Baht 37.83 million. The liabilities of the Company largely arose from its operations consisting of unearned premium reserves, loss reserves, outstanding claim reserves due to reinsurers, premiums received in advance, accrued commissions, employee benefit obligations, accrued operations expenses, and accrued corporate income tax.

Financial status as at 30 June 2018

Assets

(1) 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 June 2018, the Company and its subsidiary had total assets of Baht 12,556.41 million, an increase from the same period of the previous year of Baht 1,881.11 million, or 17.62 percent.

Investment in securities as at 30 June 2018 was Baht 6,602.28 million, an increase by Baht 2,156.89 million from the same period of the previous year, which was at Baht 4,445.39 million. The Company had investments in held-for-trading securities of Baht 149.66 million, investments in

available-for-sale securities of Baht 4,486.32 million, up by Baht 2,014.86 million from Baht 2,471.46 million for the same period of the previous year. These available-for-sale securities consisted of government bonds, Bank of Thailand bonds, treasury bills, stocks, and unit trusts units. Investments in held-to-maturity securities amounted to Baht 1,946.81 million, an increase of Baht 7.63 million versus Baht 1,954.44 million for the same period of the previous year.

At 30 June 2018, the Company had an unrealized loss on investments in available-for-sale securities of Baht 204.52 million, versus Baht 90.72 million for the same period of the previous year, and an unrealized loss on investment in held-for-trading securities of Baht 25.19 million. For the first six-month period of 2018, the Company had a share of other comprehensive income in the associated company of Baht 615.86 million, versus Baht 846.68 million for the same period of the previous year due to the decrease of unrealized profit of available-for-sale securities of the associated company.

Cash and cash equivalents as at 30 June 2018 amounted to Baht 1,511.35 million, up by Baht 186.81 million versus Baht 1,324.54 million for the same period of the previous year.

Premises and equipment at cost as at 30 June 2018 totalled Baht 163.85 million, down by Baht 0.69 million, versus Baht 164.54 million for the same period of the previous year.

Net premiums due and uncollected at 30 June 2018 amounted to Baht 240.94 million, versus Baht 210.33 million for the same period of the previous year, an increase of Baht 30.61 million, or 14.55 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 have also taken stringent legal action against defaulting agents, brokers and clients.

(2) Asset quality

(a) Assets

As at 30 June 2018, the investments in securities, including bonds, treasury bills, stocks, unit trusts, and deposits at financial institutions with a maturity of over three months totalled Baht 6,602.28 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 163.62 million.

The Company has investment in the associated company at 30 June 2018 of Baht 2,642.33 million as presented in the consolidated financial statements under the equity method.

(b) Debtors

For the first six-month period of 2018, the Company's turnover rate on outstanding premiums was 29 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.

As at 30 June 2018, the allowance for doubtful accounts totalled Baht 5.65 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 from 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.

2.2 Liquidity

(1) Cash flow

As at 30 June 2018, the Company had net cash and cash equivalents totalling Baht 1,511.35 million, versus Baht 1,324.54 million for the same period of the previous year, an increase of Baht 186.81 million or 14.10 percent. Breakdown of net cash provided by (used in) activities is as set out below.

	Unit: million baht	
	30 June 2018	30 June 2017
Net cash provided by (used in) operating activities	(1,600.59)	162.74
Net cash provided by (used in) investment activities	(2.25)	(5.25)
Net cash provided by (used in) financing activities	1,712.30	(250.00)
Net increase (decrease) in cash and cash equivalents	109.46	(92.51)
Cash and cash equivalents as at beginning of period	1,401.89	1,417.05
Cash and cash equivalents as at end of period	1,511.35	1,324.54

For the six-month period ending on 30 June 2018, cash flows used in the operating activities were Baht 1,600.59 million, from cash flows received of Baht 1,876.14 million and used of Baht 3,476.73 million. Cash received from operating activities in 2018 was from premiums, interest received from cash deposits in financial institutions, bonds, treasury bills, dividends from investments in stock and mutual fund units stocks as well as investments in bonds, treasury bills, and mature deposits at financial institutions. Cash flows paid for expenses included investment in the Company's securities of Baht 2,107.03 million, reinsurance debts, claim settlements, underwriting expenses, operating expenses and corporate income taxes of Baht 1,369.70 million.

Cash flow used in investing activities was recorded at Baht 2.25 million, which included payments for office equipment, office renovations, and computer software.

Cash flows provided by financing activities in 2018 were capital increase from the exercise of warrants to purchase ordinary shares of the Company of Baht 1,712.30 million.

The cash flows provided by and used in the above activities as at 30 June 2018 showed Baht 1,511.35 million in cash and cash equivalents, an increase of Baht 186.91 million, from Baht 1,324.44 million for the same period of the previous year.

(2) Liquidity ratio

Liquidity and ability to pay liabilities as at 30 June 2018 was in a fine level. The Company recognized an outstanding liquidity ratio of 2.11 times, indicating that the existing current assets were sufficient to pay its current liabilities.

2.3 Sources of funds

(1) Appropriateness of capital structure

The Company had no change of capital structure during the past year. As at 30 June 2018, the Company's debt-to-equity ratio was 0.41 times, up from 0.47 times for the same period of the previous year.

(2) Shareholders' equity

The shareholders' equity as at 30 June 2018 was Baht 8,936.51 million, an increase of Baht 1,698.11 million over Baht 7,238.40 million for the same period of the previous year, because the Company had a share of other comprehensive income in the associated company of Baht 615.86 million, a decrease of Baht 230.82 million versus Baht 846.68 million for the same period of the previous year.

(3) Liabilities

The liabilities under the consolidated financial statements as at 30 June 2018 of Baht 3,619.90 million, an increase of Baht 182.99 million from Baht 3,436.91 million for the six-month period of the previous year, due to the increase in unearned premium reserves and reserves needed for claim payments totalling Baht 129.17 million. Accrued corporate income tax increased by Baht 20.85 million. Employee benefit obligations increased by Baht 10.62 million. Premiums received in advance increased by Baht 4.29 million. Accrued commissions increased by Baht 5.56 million. Accrued expenses increased by Baht 12.53 million. Other liabilities increased by Baht 16.25 million. Premium ceded payables to reinsurers reduced by Baht 16.28 million. Liabilities of the Company were those from operations consisting of unearned premium reserves, reserves needed for claim payments, outstanding claim reserves due to reinsurers, premiums received in advance, accrued commissions, employee benefit obligations, accrued operations expenses, and accrued corporate income tax.

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

As considered from risk factors of the Company.

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, or 10 percent of its authorized capital, in accordance with the Public Limited Companies Act, B.E. 2535 (as amended), specifying that the Company must allocate to a reserve fund not less than 5 percent of annual net profits. 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. This reserve fund is not available for dividend distribution.

2. The subsidiary had an allocation of unearned premium reserves under the consolidated financial statement of Baht 1,391.83 million and Baht 1,441.68 million as at 31 December 2017 and 30 June 2018, respectively, in accordance with the OIC announcement concerning the allocation of such reserves in case of risks.

3. The loss ratio from regular operations in 2017 was equal to 47.64 percent of earned premiums, a reduction from last year of 48.35 percent; and for the six-month period of 2018 was equal to 44.54 percent of earned premiums, a reduction of 50.44 percent from the said period of last year.

4. The OIC issued a registrar regulation concerning funds of insurance companies that use capital adequacy ratios (CARs) for insurance risk, market risk, credit risk, and concentration risk. CARs required under law must not be less than 140 percent.

The subsidiary had CARs of 1,023.74 percent and 886.78 percent as at 31 December 2017 and 30 June 2018, respectively.

(c) Risk factors that may affect the Company's profits

The main factors and influences that may affect the Company's and its subsidiary' future operating results or financial position are as follows.

Strategic risk

The strategic risk covers policy setting, strategy, operational plan, and implementation plan that may be carried out inappropriately or may not align with internal factors and external environment including the changes in social and technological factors, and expectations of the public. These factors could have impact on income, reserves, or sustainability of the Company.

Risk management guideline

The Company and its subsidiary apply the enterprise risk management framework to help manage and mitigate risks. The involvement from employees at every level in the process from the board of directors to senior management and employees helps to reduce the impact from changes in the operation to an acceptable level with consideration given to size and sophistication of the business enabling the Company to achieve its short- and long-term objectives. Related activities are as follows.

- Product design and development, and premiums determination

In developing any new product and establishing premiums rate for new policies including making improvements of or changes in existing products, appropriate approvals must be sought from the Product Design and Development Committee. The committee consists of the president and CEO and representatives from business units relating to development. The committee considers the range of coverage as well as applying actuarial science methods to calculate insurance rates. This is to ensure that the 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 premiums pricing.

- Sales and distribution channel management

The Company focuses on renewals from existing sources and builds new sources of sales through agents, brokers and financial institutions. To reduce the concentration on the existing sources of sales, the Company has in place a performance-based remuneration program to support new growth and expansion that is in line with the policy. The Company's Insurance Training Center is used to train agents, partners and employees. The distribution channel unit is responsible for monitoring sales growth and

regularly reports back to relevant managers on issues and external challenges for problem solving effectiveness.

- Managing risk-based capital

The subsidiary maintains a reserve of risk-based capital ratio as specified by the government that is higher than the standard required by the OIC. The risk appetite based on risk-based capital adequacy ratio is retained at 175 percent. Any operational process that may impact on this ratio must be analyzed and brought to the Risk Management Committee or senior management for consideration and approval before action can be taken.

Insurance risk

Insurance risk refers to the fluctuation of the frequency, extent of damage, and number of events that is out of the standard assumption used in establishing rates of insurance, calculations for reserve, and underwriting considerations.

Insurance risk guidelines

The Company has in writing the underwriting policy and manual to thoroughly examine the level of risk acceptability, evaluation of insurance rates, risk spreads, and other relevant considerations to ensure that there is no concentrated risk by way of geography or by type of risks. If the risks exceed the defined level, the Company passes the risks to reinsurers by proportional reinsurance, or non-proportional reinsurance; consequently, the reinsurer takes over the responsibility for claim payments for broad damage as per agreed terms.

Market risk

This refers to the change in interest rates, currency exchange rates, and the value of stock and securities investments as well as commodities.

Managing the market risk

- Investment value fluctuation risk

The Company involves in this risk major of which is the investments of the Company. The factors contributing to the fluctuation in interest rates and the stock market index mainly resulting from the political situation and economy of the country and of the world.

The subsidiary manages the investment risks by setting in writing the 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, target, and liquidity, which are then linked to the risk-based capital supervision (RBC) that the Company adheres to.

The Company closely monitors and reports investment results to the senior management and the Corporate Investment Committee. Additionally, for the subsidiary, the risk management team conducts stress tests using various scenarios to be certain that the investment risk factors do not have any impact on the capital adequacy ratio of the Company.

The Company believes that this investment guideline helps to promote the ability of the Company to generate suitable returns on investment in the stock market for mid- and long-term prospects. Moreover, the Company takes into consideration appropriate returns balanced with acceptable risks, placing the importance on security of investment. Investments are made with the utmost care and prudence for the highest benefit to shareholders.

Liquidity risk

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

Managing liquidity risk

Investment funds, short- and long-term, are overseen with consideration given to management effectiveness in handling the liquidity. Investments are made in the government's and private sector's debt securities with low duration, and in the SET 100 stocks enabling the Company to have adequate liquidity to maintain the cash flows effectively. In cases where the Company needs to pay claims in large sums over the cash flow available in hand, the Company plans for the cash flow in advance, adequately 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 damage cause by lack of good corporate governance practices or good controls relating to internal operating procedures, personnel, systems, IT system, data security, or external incidents.

Managing operational risks

The Company has the Risk Management Committee who is authorized to oversee the operation and to ensure that the operation and procedures are in compliance with policies, rules, laws, objectives, articles of association, and resolutions of shareholders meetings. The Company has set the risk management framework, covering operational risks with emphasis on internal, financial and 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 RCSA: Risk and Control Self-Assessment

The Company establishes guidelines to mitigate operational risks by assessing risks using RCSA: Risk and Control Self-Assessment as a tool to ensure that risks and controls are effectively self-managed; compilation of reports on risk management are sent to the Risk Management Committee for review on a quarterly basis. If, after review, it is found that the risks are higher than the acceptable level, the risk owner and the risk management department jointly plan for measures to mitigate these risks, and report the result to the Risk Management Committee. 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 to take corrective actions for successful implementation.

- IT system disruption risk

The Company is committed to developing its communication and information technology system to increase effectiveness in providing continuous support and services to the management. To protect the confidentiality of the customer data, the Company establishes IT security policies and provides training to employees on role and responsibility to emphasize its importance. Audits are conducted annually by independent auditors.

- Risk of corruption

The Company and subsidiary are committed to operating 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 to employees, especially those who newly joined.

- Business continuity plan

The Company and subsidiary establish the Business Continuity Plan (BCP) to back up and recover important information, operation, and service to normal within the target time of 30 minutes. 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 under an abnormal event or circumstance, the backup plan is tested regularly on yearly basis. Top three priorities are:

1. customer service and report via telephone systems;
2. losses service system; and
3. all insurance underwritings system.

Credit risk

Credit risk is a risk arising from counterparties' failure to pay debts as obligated or due to credit down-rating of counterparties.

Managing the credit risk

The Company and subsidiary mainly focus investments in the government's debt securities. In addition, investments in private's debt securities are made only with issuing companies having strong financial background based on their credit rating. As for the subsidiary, only overseas reinsurers with credit rating not below A are considered. For local reinsurers, only the ones with CAR ratio of not less than 250 percent are considered.

- 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 later collected from agents and brokers under specified terms, risking uncollectible premiums. If agents and brokers face cash flow or financial problems, it is considered a risk that is significant for the Company. In managing overdue premiums collection, the subsidiary has in place a

clear and strict procedure to follow. A monthly meeting with the management is held to monitor overdue accounts by adhering to announcements and regulations of the OIC specifying premiums payment period. 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 in accordance with the premium collection regulation of the subsidiary. The subsidiary has a higher-than-standard rating on the appraised outstanding premiums as set by the OIC, which is at 80 percent minimum.

(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, or 10 percent of its authorized capital, in accordance with the Public Limited Companies Act, B.E. 2535 (as amended), specifying that the Company must allocate to a reserve fund not less than 5 percent of annual net profits. 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. This reserve fund is not available for dividend distribution.
- (2) The subsidiary had an allocation of unearned premium reserves of Baht 1,391.83 million at the end of 2017 in accordance with the announcement of the OIC concerning the allocation of such reserves.
- (3) The loss ratio from regular operations in 2017 was equal to 47.64 percent of earned premiums, a decrease from last year of 48.35 percent.
- (4) The 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 1 January 1 2013 must not be less than 140 percent.

At the end of 2017, the subsidiary had a CAR of 1,023.74 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 time loans

- None -

6.3 Total amount of other liabilities, including overdraft with specified liability to place assets as collateral

6.3.1 As of 30 June 2018 and 31 December 2017, the Company and its subsidiary had no overdraft.

6.3.2 As of 30 June 2018 and 31 December 2017, the Company's and its subsidiary's deposits were placed as security for bank overdraft and promissory note facilities 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 June 2018 and 31 December 2017, 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 June 2018 and 31 December 2017 consisted of:

	Unit: '000		
	Consolidated financial statements		
	As at 30 June 2018		
	Insurance contract liabilities	Reinsurance liabilities	Net
Loss reserves			
Loss incurred and reported	701,144	(449,882)	251,262
Loss incurred but not reported	158,594	(76,197)	82,397
Premium reserve			
Unearned premium reserve	1,441,675	(531,162)	910,513
Total	<u>2,301,413</u>	<u>(1,057,241)</u>	<u>1,244,172</u>

	Unit: '000		
	Consolidated financial statements		
	As at 31 December 2017		
	Insurance contract liabilities	Reinsurance liabilities	Net
Loss reserves			
Loss incurred and reported	560,142	(326,882)	233,260
Loss incurred but not reported	117,028	(40,196)	76,832
Premium reserve			
Unearned premium reserve	1,391,825	(524,960)	866,865
Total	<u>2,068,995</u>	<u>(892,038)</u>	<u>1,176,957</u>

Insurance reserve for short-term insurance contract

1. Loss reserves

Loss reserves as at 30 June 2018 and 31 December 2017 consisted of the following.

	Unit: '000	
	Consolidated financial statements	
	As at	As at
	30 June 2018	31 December 2017
Balance at beginning period/year	677,170	819,103
Loss incurred during the period/year	864,717	1,475,255
Changing of estimated loss and assumptions used in calculating loss reserve	(10,708)	(86,674)
Loss paid during the period/year	(671,441)	(1,530,514)
Balance at ending of the period/year	<u>859,738</u>	<u>677,170</u>

2. Unearned premium reserve

	Unit: '000	
	Consolidated financial statements	
	As at	As at
	30 June 2018	31 December 2017
As at 1 January	1,391,825	1,430,786
Premium written for the period/year	1,543,253	2,953,655
Earned premium for the period/year	(1,493,403)	(2,992,616)
As at 30 September, and 31 December	<u>1,441,675</u>	<u>1,391,825</u>

3. Unexpired risk reserve

As at 30 June 2018 and 31 December 2017, no additional reserve for unexpired risk reserve has been established as the unexpired risk reserve estimated by the subsidiary amounting to Baht 766.97 million and Baht 759.41 million, respectively, was lower than the unearned premium reserve.

Due to reinsurers

Due to reinsurers as at 30 June 2018 and 31 December 2017 consisted of the following:

	Unit: '000	
	Consolidated financial statements	
	As at	As at
	30 June 2018	31 December 2017
Amount withheld on reinsurance	441,868	418,789
Reinsurance payables	238,885	249,070
Total due to reinsurers	<u>680,753</u>	<u>667,859</u>

6.3.5 Securities pledged and assets reserved with the registrar

As at 30 June 2018 and 31 December 2017, certain investments in securities of the Company and its subsidiary were pledged and used for assets reserved with the registrar in accordance with the Non-life Insurance Act and the Notification of the OIC regarding Rates, Rules and Procedures for Pledge of Unearned Premium Reserve of Non-Life Insurance Company, B.E. 2557 (2014), respectively, as follows:

	Consolidated financial statements	
	As at 30 June 2018	As at 31 December 2017
Investment in securities used to secure the facilities collateral with the OIC		
Securities pledged with the registrar		
Deposits at banks	14,000	28,000
Assets reserved with the registrar		
Government and state enterprise securities	281,891	383,973
Total due to reinsurers	295,891	411,973

6.3.6 Restricted assets and commitment

- (1) As at 30 June 2018 and 31 December 2017, the subsidiary's premium saving certificates of Baht 4.30 million and Baht 3.55 million, respectively, were used as collateral in case where the insured driver is an alleged offender.
- (2) As at 30 June 2018 and 31 December 2017, the Company and its subsidiary have 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:

	Consolidated financial statements		Separate financial statements	
	As at 30 June 2018	As at 31 December 2017	As at 30 June 2018	As at 31 December 2017
Overdraft facilities	40,000	40,000	20,000	20,000
Borrowing facilities in a form of promissory notes	10,000	10,000	10,000	10,000

Unit: '000

6.4 Contingent liabilities and commitments

The Company has contingent liabilities and commitments as follows.

- 6.4.1 As at 30 June 2018 and 31 December 2017, lawsuits have been brought against the subsidiary, as insurer, from which the subsidiary estimates losses, which have been set aside in the loss reserve and outstanding claims accounts, as follows.

Unit: '000

	Consolidated financial statements	
	As at 30 June 2018	As at 31 December 2017
Estimated losses from lawsuits	30,061	24,649

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 June 2018 and 31 December 2017, the subsidiary had a capital commitment to pay computer program development expenses of approximately Baht 10.57 million.

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 June 2018, 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 June 2018.

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

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 Public Company Limited	Some common shareholders and directors	Insurance
Bank of Ayudhya Public Company Limited	Some common shareholders and directors	Banking
Krungsri Securities Public Company Limited	Some common shareholders	Securities
Krungsri Asset Management Co., Ltd.	Some common shareholders	Fund management
Ayudhya Development Leasing Co., Ltd.	Some common shareholders	Hire-purchase and leasing

Companies	Relationship	Type of Business
Siam City Cement Public Company Limited	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 Public Company Limited	Some common shareholders and directors	Life insurance
Grand Canal Land Public Company Limited	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 Public Limited Company	Some common shareholders	Hire-purchase and auto leasing
Krungsri Factoring Co., Ltd.	Some common shareholders	Factoring
Krungsriayudhya Card Co., Ltd	Some common shareholders	Services
Eastern Star Real Estate Public Company Limited	Some common shareholders and directors	Property
Tummy Tech Co., Ltd.	Some common directors	Advisory
Khao Kheow Country Club Co., Ltd.	Some common directors	Golf course
Nirvana Co., Ltd.	Some common directors	Computer training and sale

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 and its subsidiary have entered into a lease agreement in relation to office spaces and building equipment, and internal a premise service agreement with BBTV Equity Company Limited for a term of three years. Rental rates and conditions are the same as those the related companies offer to other companies.
2. The Company entered into a management service agreement with SAGI, its subsidiary, for providing managerial and administrative services. Service rates are agreed by both parties and are determined based on estimated time spent and incurred cost spent by the Company for providing services.
3. The Company entered into a management service agreement with SAGI, its subsidiary, for receiving services of personnel, internal audit, risk management, and information technology. Services rates are agreed by both parties and are determined based on estimated time spent and cost incurred for providing services.

4. An agreement for use of services through the internet network and electronic systems of Bank of Ayudhya Public Company Limited on 19 October 2015.
5. The Company and its subsidiary entered into a Baht 40 million overdraft agreement and a Baht 10 million promissory note agreement with Bank of Ayudhya Public Company Limited.
6. The subsidiary entered into a bancassurance agreement with Bank of Ayudhya Public Company Limited. The conditions and rates of expenses were as agreed upon in the agreement. The commission rates were in compliance with the OIC criteria and on the same basis as the commission rate that the subsidiary has offered to other non-life insurance broker companies.

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

The Board of Directors of the Company are responsible for the information in this Information Memorandum. The authorized directors representing the Company have reviewed the information in this Information Memorandum with care, and certify that the information contained in this Information Memorandum is accurate, complete, truthful, and that no important information that should exist or be disclosed in this Information Memorandum is omitted, as well as that there is no misleading content.

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

Sri Ayudhya Capital Public Company Limited

-Virojn Srethapramotaya-

(Mr. Virojn Srethapramotaya)
Director

-Orathai Rongthongaram-

(Ms. Orathai Rongthongaram)
Director

Enclosure 2

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 "**Share Subscription and Purchase Agreement**") 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	24 September 2018	
The sale and purchase of ordinary shares in AZAY, the price, and the payment therefor	<p>Subject to the terms and conditions of the Share Subscription and Purchase Agreement:</p> <ul style="list-style-type: none"> • the Company agrees to purchase, and Allianz SE and CPRNT agree to sell 34,810,000 ordinary shares in AZAY, for the price of Baht 114.00745763 per share, totaling Baht 3,968,599,600; 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 CPRNT of 74,429,850 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	<p>Subject to the terms and conditions of the Share Subscription and Purchase Agreement, the Company shall issue 88,473,361 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 53.32 each, totaling Baht 4,717,399,600, as follows.</p> <ul style="list-style-type: none"> • The allocation and offering for sale of 14,043,511 newly issued ordinary shares of the Company to CPRNT at the offering price of Baht 53.32 each, totaling Baht 748,800,000, the proceeds of which will be used for subscription of newly issued ordinary shares of Sri Ayudhya 	

Matter	Summary
	<p>General Insurance Public Company Limited ("SAGI"). CPRNT will make payment for those newly issued ordinary shares in cash.</p> <ul style="list-style-type: none"> • The allocation and offering for sale of 74,429,850 newly issued ordinary shares of the Company to Allianz SE and CPRNT at the offering price of Baht 53.32 each, totaling Baht 3,968,599,600 as consideration for the purchase of 34,810,000 ordinary shares in AZAY from Allianz SE and CPRNT.
<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) an increase of its registered capital from Baht 375,000,000 to Baht 463,473,361 by issuing 88,473,361 new ordinary shares, and an amendment of its memorandum of association to reflect the capital increase; (4) an allocation of newly issued shares of the Company to Allianz SE and CPRNT by way of private placement; and (5) Allianz SE and/or its designated person making the partial tender offer. 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 2,548,800,000 by issuing 74,880,000 new ordinary shares, and an amendment of its memorandum of association to reflect the capital increase; (4) an allocation of newly issued ordinary shares to the Company and to other shareholders; and (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.

Matter	Summary
	<ol style="list-style-type: none"> 4. The receipt of the approval from the Office of Insurance Commission with regard to the Business Integration Plan, and relevant matters. 5. The receipt of the approval from the Office of the Securities and Exchange Commission with respect to the following matters: <ol style="list-style-type: none"> (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 (if required); and (2) Allianz SE and/or its designated person making the partial tender offer. 6. The conditions precedent in the Entire Business Transfer Agreement being fulfilled. 7. Allianz SE and/or its designated person having acquired a total of 56,930,000 shares in the Company in the partial tender offer.
Pre-Closing Covenants	<p>Pre-Closing Covenants, between the date of this agreement and the Closing Date, include that the relevant entities which are AZAY, AZTH, the Company, and SAGI to carry out their businesses in a manner consistent and in accordance with past practices and with the ordinary course of their business and shall not declare or make payment of any dividends or other capital distributions.</p>
Summary of other key provisions	<p>As of the execution date of this agreement, the Company has entered into the Trademark and Name License Agreement with Allianz SE to allow 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>

Enclosure 3

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	24 September 2018
The entire business transfer	Subject to the terms and conditions of the Entire Business Transfer Agreement, 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 748,800,000
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.

(F 53-4)

Enclosure 4

**Capital Increase Report Form
Sri Ayudhya Capital Public Company Limited
25 September 2018 (revised as of 19 October 2018)**

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. 5/2018, held on Monday, 24 September 2018 (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. 2/2018, to be held on Tuesday, 13 November 2018 (the "**EGM**"), to consider and approve the increase of the Company's registered capital from Baht 375,000,000 to Baht 463,473,361 by issuing 88,473,361 new ordinary shares with a par value of Baht 1 each, totaling Baht 88,473,361. 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	88,473,361	1	88,473,361
	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 ")	14,043,511	-	53.32	Please see Note 1 (a)	Please see Notes 2 - 5
(b) Allianz SE and CPRNT	74,429,850	-	53.32	Please see Note 1 (b)	Please see Notes

Allocated to	Number of shares (shares)	Ratio (old : new)	Sale price (THB/share)	Subscription and payment period	Note
					2 - 5
To support the exercise of conversion rights/ transferable subscription rights (please specify)	-	-	-	-	-

Remarks:

1. The increase of the Company's registered capital by issuing 88,473,361 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 53.32 per share, totaling Baht 4,717,399,600 as follows:
 - (a) The allocation of 14,043,511 newly issued ordinary shares for the offering for sale to CPRNT. In this regard, 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")¹, in order to provide SAGI with funds to accept the transfer of the entire business from Allianz General Insurance Public Company Limited ("AZTH"), totaling Baht 748,800,000 (the "**Share Allocation for EBT Acceptance**").
 - (b) The allocation of 74,429,850 newly issued ordinary shares for the offering for sale to Allianz SE and CPRNT. In this regard, Allianz SE and CPRNT will use 34,810,000 ordinary shares in Allianz Ayudhya Assurance Public Company Limited ("AZAY"), representing 11.80 percent of the total shares sold in AZAY, at the values of Baht 114.00745763 per share, or approximately Baht 3,968,599,600 in total, to pay to the Company in lieu of cash payment (the "**Share Allocation for AZAY Share Purchase**").

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

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 the newly issued shares for the purchase of AZAY shares would not result in the total foreign shareholding in the Company exceeding 49 percent of the total number of voting rights of the Company after the registration of the increase of paid-up capital.

¹ SAGI has a capital increase plan by issuing newly issued ordinary shares of not exceeding 74,880,000 shares with a par value of Baht 10 each for offering for sale to existing shareholders of SAGI in proportion to their respective shareholding (the Company currently holds approximately 99.99 percent of total shares sold in SAGI), and may consider granting the right to oversubscribe in excess of their rights at the offering price of not less than Baht 10 each, at the total value of Baht 748,800,000.

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. These conditions precedent include:

- (1) the receipt of letter from the Office of Insurance Commission notifying the approval of the Insurance Commission for AZTH and SAGI to proceed with the transfer and acceptance of transfer of the entire business ("OIC Approval");
- (2) the receipt of the following approvals and waiver from the Office of the SEC (the "**SEC Approvals**"):
 - (a) the approval for the private placement of the New Shares by the Company;
 - (b) the waiver of the prescribed period for the offering for sale of the New Shares so that the Company can offer for sale of the New Shares to Allianz SE and CPRNT after the three-month period from the date of an EGM approving the offering for sale of the newly issued shares (if required); and
 - (c) the waiver for Allianz SE and/or its affiliate who is a member of the Allianz Group which may be designated by Allianz SE as co-offeror (the "Designated Person") to make the voluntary partial tender offer with an exemption from the requirement to make subsequent tender offer for all securities of the Company; and
- (3) Allianz SE and/or the Designated Person having acquired a total number of 56,930,000 shares in the Company in the partial tender offer of the Company's shares.

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 (Societas Europaea) incorporated under the laws of Germany and the European Union. Allianz SE and its subsidiaries and affiliates (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: 424,459,661 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 offering for sale of the Company's newly issued ordinary shares to the Allianz SE and CPRNT is considered a private placement of newly issued ordinary shares, with the EGM having a resolution 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 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 at the price of Baht 53.32 per share after the three-month period from the date of an EGM approving the offering for sale of the newly issued shares.

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 as Allianz SE is one of the major shareholders of the Company, holding 42,104,000 shares or approximately 14.33 percent of the total number of shares with voting rights in the Company. Allianz SE and CPRNT are persons under section 258 of the Securities and Exchange Act B.E. 2535 (1992) (as amended) of each other, 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. TorChor. 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). The total size of these transactions is approximately 63.36 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. This increase of the Company's registered capital, by issuing and offering for sale of newly issued ordinary shares to Allianz SE and CPRNT, represents approximately 23.14 percent of the total number of voting rights of the Company after the registration of the increase of paid-up capital in consequence of the offer for sale of newly issued ordinary shares (the "**Registration of the Increase of Paid-up Capital**"), based on the assumption that none of the holders of warrants to purchase ordinary shares in Company No. 1 (AYUD-W1) exercise their right to purchase ordinary shares under the unexercised AYUD-W1 before the Registration of the Increase of Paid-up Capital; **or** approximately 19.09 percent of the total number of shares with voting rights of the Company after the Registration of the Increase of Paid-up Capital, based on the assumption that all the AYUD-W1 holders fully exercise their right to purchase ordinary shares under the unexercised AYUD-W1 (81,094,582 shares) and the Company completes the issuance of ordinary shares pursuant to that exercise before the Registration of the Increase of Paid-up Capital.²

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**

² In conclusion, the percentage of the newly issued ordinary shares to be offered for sale, compared to the total number of voting rights of the Company after the Registration of the Increase of Paid-up Capital, is dependent upon the number of ordinary shares that the Company issues to the AYUD-W1 holders pursuant to their exercise of right to purchase ordinary shares under the unexercised AYUD-W1 before the Registration of the Increase of Paid-up Capital.

The Company's EGM No. 2/2018 is scheduled for Tuesday, 13 November 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 Tuesday, 9 October 2018 (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 OIC Approval for the acceptance of transfer of the entire business from AZTH.
- 4.2 The Company will seek an approval for the issuance of newly issued shares under private placement basis and a waiver of the prescribed period for private placement 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 53.32 per share after the three-month period from the date of an EGM approving the offering for sale of the newly issued shares.
- 4.3 Allianz SE and/or the Designated Person will seek a waiver from the Office of the SEC to make the partial tender offer with an exemption from the requirement to make subsequent tender offer for all securities of the Company.
- 4.4 The Company will register the related changes or amendments with the Department of Business Development, Ministry of Commerce, such as increase of the registered capital, amendment to the Memorandum of Association, and increase of the paid-up capital after completion of the offering for sale of shares.
- 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 for sale 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 offering for sale of the newly issued ordinary shares to CPRNT to pay for the subscription of newly issued ordinary shares in SAGI³, 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, totaling Baht 748,800,000.

³ SAGI has a capital increase plan by issuing newly issued ordinary shares of not exceeding 74,880,000 shares with a par value of Baht 10 each for offering for sale to existing shareholders of SAGI in proportion to their respective shareholding (the Company currently holds approximately 99.99 percent of total shares sold in SAGI), and may consider granting the right to oversubscribe in excess of their rights at the offering price of not less than Baht 10 each, at the total value of Baht 748,800,000.

5.2 To pay for the purchase of 34,810,000 shares in AZAY from Allianz SE and CPRNT, which represents 11.80 percent of the total shares sold in AZAY, at the price of Baht 114.00745763 per share, totaling Baht 3,968,599,600.⁴

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 to proceed with 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 other 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	Monday, 24 September 2018
2.	SAGI and AZTH jointly apply for the OIC Approval for the plan to transfer the entire business from AZTH to SAGI	Within September 2018
3.	Determination of the list of shareholders who are entitled to attend the EGM (Record Date)	Tuesday, 9 October 2018
4.	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 increase of registered capital, the allocation of the Company's newly issued	Tuesday, 13 November 2018

⁴ The purchase of AZAY shares 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.

No.	Process	Day/month/year
	ordinary shares, and the grant of consent for Allianz SE and/or the Designated Person to make a partial tender offer.	
5.	The Company registers the amendment to the Articles of Association, the capital increase and the amendment to clause 4 of the Memorandum of Association (capital increase) with the Ministry of Commerce.	Within 14 days from the date of approval of the EGM
6.	Allianz SE and/or the Designated Person file an application for a waiver with the Office of the SEC in order to make a partial tender offer.	After the date of approval of the EGM
7.	The Company files with the Office of the SEC an application to offer for sale newly issued shares under a private placement scheme, and an application for a waiver of the prescribed period for the offering for sale of newly issued shares under a private placement scheme.	After the date of approval of the EGM
8.	Allianz SE and/or the Designated Person file a tender offer application, and commence the partial tender offer.	When the conditions present to the partial tender offer are fulfilled
9.	<ul style="list-style-type: none"> • The Company offers for sale its newly issued ordinary shares to Allianz SE and CPRNT; • CPRNT pays for 14,043,511 newly issued ordinary shares in cash; and • Allianz SE and CPRNT pay for 74,429,850 newly issued ordinary shares with 34,810,000 issued ordinary shares in AZAY. 	After the partial tender offer
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 full payment for the newly issued ordinary shares
11.	The Company files an application with the Stock Exchange of Thailand 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 person(s) 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

-Virojn Srethapramotaya-

(Mr. Virojn Srethapramotaya)
Director

-Orathai Rongthongaram-

(Ms. Orathai Rongthongaram)
Director

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ประทับ

Enclosure 5

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. 5/2018 held on Monday, 24 September 2018 (the "**Board of Directors Meeting**") and acknowledged the discussion and negotiation outcome on the co-operation in insurance business in Thailand between the Company and Allianz Group, and approved to propose to Extraordinary General Meeting of Shareholders of the Company No. 2/2018, to be held on Tuesday, 13 November 2018 (the "**EGM**"), for its consideration and approval on the matters including the following:

(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**");

(3) the approval for the increase of the Company's registered capital from Baht 375,000,000 to Baht 463,473,361 by issuing 88,473,361 newly issued ordinary shares of the Company with a par value of Baht 1 each (the "**New Shares**"), and the allocation of the New Shares for the offering for sale to Allianz SE and CPRNT at the offering price of Baht 53.32 per share; and

(4) The grant of consent for Allianz SE and/or its affiliate, who is a member of the Allianz Group which may be designated by Allianz SE as co-offeror (the "**Designated Person**"), to make a voluntary partial tender offer (the "**Partial Tender Offer**").

The 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

(a) Number of the New Shares

88,473,361 newly issued ordinary shares of the Company, with a par value of Baht 1 each, will be offered for sale at the offering price of Baht 53.32 per share.

The foregoing New Shares account for approximately 23.14 percent of the total number of voting rights of the Company after the registration of the increase of paid-up capital in consequence of this offering for sale of New Shares (the "**Registration of the Increase of Paid-up Capital**"), based on the assumption that none of the holders of warrants to purchase ordinary shares in Company No. 1

(AYUD-W1)¹ exercises their right to purchase ordinary shares under the unexercised AYUD-W1 before the Registration of the Increase of Paid-up Capital ("**Assumption 1**"); or approximately 19.09 percent of the total number of voting rights of the Company after the Registration of the Increase of Paid-up Capital, based on the assumption that all the AYUD-W1 holders fully exercise their right to purchase ordinary shares under the unexercised AYUD-W1 (81,094,582 shares) and the Company completes the issuance of ordinary shares pursuant to that exercise before the Registration of the Increase of Paid-up Capital ("**Assumption 2**").²

(b) Allocation of the New Shares

The significant details of the allocation of the New Shares for the offering for sale as stated above can be summarized as follows.

(1) The allocation of 14,043,511 New Shares, with a par value of Baht 1 each, for the offering for sale to CPRNT (the "**New Shares for EBT Acceptance**"), at the offering price of Baht 53.32 per share, totaling approximately Baht 748,800,000 (the "**Share Allocation for EBT Acceptance**").

CPRNT will make payment 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 newly issued ordinary shares in SAGI³, in order to provide SAGI with funds for the Acceptance of the EBT, totaling Baht 748,800,000.

(2) The allocation of 74,429,850 New Shares, with a par value of Baht 1 each, for the offering for sale to Allianz SE and CPRNT (the "**New Shares for AZAY Share Purchase**") at the offering price of Baht 53.32 per share, totaling approximately Baht 3,968,599,600, as consideration to Allianz SE and CPRNT for the Purchase of AZAY Shares (the "**Share Allocation for AZAY Share Purchase**").

Allianz SE and CPRNT will transfer 34,810,000 ordinary shares in AZAY, representing 11.80 percent of the total shares sold in AZAY, at the value of Baht 114.00745763 per share, totaling Baht 3,968,599,600 to the Company to pay for the New Shares for AZAY Share Purchase in lieu of cash payment.

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

¹ The holders of warrants to purchase ordinary shares in Company No. 1 (AYUD-W1) can exercise their rights to purchase ordinary shares of the Company on 15 June and 15 December of every year during the term of AYUD-W1. The last exercise date is the maturity date of two years after the issuance date of the warrants, i.e. 8 May 2020. On 18 October 2018, there are the total of 81,094,582 unexercised AYUD-W1. The closing price of AYUD-W1 traded on the SET on 17 October 2018 is Baht 7.85 per share and the weighted average price of AYUD-W1 which were traded on the SET from 8 October 2018 to 17 October 2018 (7 business days) is Baht 7.28 per share.

² In conclusion, the percentage of the newly issued ordinary shares to be offered for sale, compared to the total number of shares with voting rights of the Company after the Registration of the Increase of Paid-up Capital, is dependent upon the number of ordinary shares that the Company issues to the AYUD-W1 holders pursuant to their exercise of right to purchase ordinary shares under the unexercised AYUD-W1 before the Registration of the Increase of Paid-up Capital.

³ SAGI has a capital increase plan by issuing newly issued ordinary shares of not exceeding 74,880,000 shares with a par value of Baht 10 each for offering for sale to existing shareholders of SAGI in proportion to their respective shareholding (the Company currently holds approximately 99.99 percent of total shares sold in SAGI), and may consider granting the right to oversubscribe in excess of their rights at the offering price of not less than Baht 10 each, at the total value of Baht 748,800,000.

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 and transferred by Allianz SE and CPRNT to the Company. This is to ensure that the Share Allocation for AZAY Share Purchase would not result in the total foreign shareholding in the Company exceeding 49 percent of the total number of voting rights of the Company after the Registration of the Increase of Paid-up Capital.

The Company and/or SAGI will proceed with the aforementioned transactions after the conditions precedent specified in the Share Subscription and Purchase Agreement among the Company and Allianz SE and CPRNT (the "**Share Subscription and Purchase Agreement**") and the Entire Business Transfer Agreement between SAGI and AZTH (the "**EBT Agreement**") are satisfied or are waived as provided for thereunder. These conditions precedent include:

(1) the receipt of letter from the Office of Insurance Commission notifying the approval of the Insurance Commission for AZTH and SAGI to proceed with the transfer and acceptance of transfer of the entire business ("**OIC Approval**"); the receipt of the following approvals and waiver from the Office of the SEC (the "**SEC Approvals**");

(a) the approval for the private placement of the New Shares by the Company;

(b) the waiver of the prescribed period for the offering for sale of the New Shares so that the Company can offer for sale of the New Shares to Allianz SE and CPRNT after the three-month period from the date of an EGM approving the offering for sale of the newly issued shares (if required); and

(c) the waiver for Allianz SE and/or the Designated Person to make the Partial Tender Offer with an exemption from the requirement to make subsequent tender offer for all securities of the Company; and

(3) Allianz SE and/or the Designated Person acquire a total number of 56,930,000 shares of the Company from the Partial Tender Offer ("**Receipt of Shares from Partial Tender Offer**").

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

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 of the company: Allianz SE

Type and nature of business: Allianz SE is a stock corporation in the form of a European company (Societas Europaea) incorporated under the laws of Germany and the European Union. Allianz SE, its subsidiaries and

affiliates, (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: 424,459,661 ordinary shares without par value

List of Allianz SE's top ten major shareholders and their shareholdings as of 21 September 2018:

Name	No. of shares	% of the total number of shares and voting rights
1. BlackRock Inc	31,165,995	7.34
2. Deutsche Bank AG	19,871,792	4.68
3. Harris Associates LP	12,685,605	2.99
4. Vanguard Group Inc	12,112,630	2.85
5. Norges Bank	8,766,679	2.07
6. DekaBank Deutsche Girozentrale	4,613,413	1.09
7. Ratio Capital Management BV	4,539,200	1.07
8. Artisan Partners LP	4,318,367	1.02
9. JPMorgan Chase & Co.	3,897,372	0.92
10. Government Pension Investment Fund Japan	3,444,123	0.81

List of Allianz SE's members of the board of management as of 21 September 2018

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 Europe & Southern Europe, 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, Human Resources, Legal, Compliance, Mergers & Acquisitions
5. Dr. Christof Mascher	Member of the Board of Management of Allianz SE, Operations, Allianz Services (COO)
6. Mr. Niran Peiris	Member of the Board of Management of Allianz SE, Global Insurance Lines & Anglo Markets, Reinsurance, Middle East, Africa
7. Mr. Iván de la Sota	Member of the Board of Management of Allianz SE, Business Transformation, Insurance Iberia & Latin America, Allianz Partners
8. Mr. Giulio Terzariol	Member of the Board of Management of Allianz SE, Finance, Controlling, Risk (CFO)
9. Dr. Günther Thallinger	Member of the Board of Management of Allianz SE, Investment Management
10. Dr. Axel Theis	Member of the Board of Management of Allianz SE, Insurance German Speaking Countries and Central & Eastern Europe

Relationship with the Company

Allianz SE is one of the major shareholders of the Company holding 42,104,000 shares representing approximately 14.33 percent of the total number of shares with voting rights in the Company as of 27 August 2018, which was the Company's most recent record date. Therefore, Allianz SE is considered a connected person of the Company.

At present, Mr. Bryan James Smith is a representative director nominated by Allianz SE.

(b) 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.

List of CPRNT's major shareholders and their shareholdings as of 10 July 2018:

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

Remark:

SOFE One Limited and SOFE Two Limited are wholly owned subsidiaries of BSMC (Thailand) Limited, which is owned by an entity which is directly and indirectly controlled by AZSE.

List of CPRNT's board of directors as of 10 July 2018:

Name	Position
1. Ms. Julia Rui Zheng	Director
2. Ms. Ng Lee Meng	Director
3. Ms. Renate Wagner	Director

Relationship with the Company

CPRNT is a connected person of the Company because it is a person under section 258 of the Securities and Exchange Act B.E. 2535 (1992) (as amended) of Allianz SE, which is one of the major shareholders and a connected person of the Company.

The offering for sale of the New Shares to Allianz SE and CPRNT is the connected transactions according to the additional details in clause 1.5 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 53.32 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") from 4 September 2018 to 21 September 2018, 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 of the Company.

The offering price of the New Shares at Baht 53.32 per share is not lower than the market price of the Company's shares, which is approximately Baht 38.57 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 from 4 September 2018 to 21 September 2018, which was the 14-business day period before the Board of Directors Meeting on 24 September 2018 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 the prescribed period for the offering for sale of New Shares

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.

In addition, according to the PP Notification, if the approval to offer for sale of the New Shares is obtained, the Company must complete the offering for sale of the New Shares within the period approved by the EGM but no later than three months from the date of the EGM approving the offering for sale of the newly issued shares. As stated above, as 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. These conditions precedent include the receipt of the OIC Approval, the SEC Approvals and the Acquisition of Shares from PTO. 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 an EGM approving the offering for sale of the newly issued shares. In this respect, the Company will seek a waiver of the prescribed period for private placement 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 53.32 per share after the three-month period from the date of an EGM approving the offering for sale of the newly issued shares

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 proceeding with the co-operation in insurance business in Thailand with 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 value of these transactions, based on the Company's consolidated financial statements for the six-month period ending on 30 June 2018, and AZTH's and AZAY's financial statements for the six-month period ending on 30 June 2018, as reviewed by their respective auditors, is approximately 46.24 percent. These transactions are categorized as type 2 transactions (transactions with a total value of at least 15 percent or higher but lower than 50 percent). Therefore, the Company is required to prepare a report and disclose information memorandum on the transactions to the Stock Exchange of Thailand (the "**SET**"), and dispatch the information memorandum to the shareholders within 21 days from the date of disclosure to the SET, without having to seek approval for the entry into the transactions from a shareholders meeting. However, the Company will still propose the matters to the EGM for consideration and approval, 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 the votes of interested shareholders. In this regard, the Company will prepare a report and disclose the information memorandum on these transactions to the SET and appoint an independent financial advisor to express opinions on the transactions, in the same way as the disclosure of information and proceeding with the entry into the transactions categorized as type 1 transactions under the Notifications on Assets Acquisition or Disposal.

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. TorChor. 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 value of these transactions is approximately 63.36 percent of the Company's net tangible assets ("**NTA**"), based on the Company's consolidated financial statements for the six-month period ending on 30 June 2018, which is more than three percent of the Company's NTA. Therefore, the Company is required to prepare a report and disclose information memorandum on the connected transaction transactions to the SET and appoint an independent financial advisor to express opinions on the transactions, and 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 the votes of interested shareholders, for the entry into these transactions under 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).

2. Objectives of the issuance of the New Shares and proceeds utilization plan

The issuance of the New Shares is part of the cooperation in insurance business in Thailand with the Allianz Group, with the objectives 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 SAGI⁴ in order to provide SAGI with funds for the Acceptance of the EBT, with the total value of Baht 748,800,000.

(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 at the price of Baht 114.00745763 per share, totaling Baht 3,968,599,600, 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 proceed according to the objectives of the issuance of the New Shares as stated above after the conditions precedent specified in the Share Subscription and Purchase Agreement are satisfied or are waived as provided for thereunder. If the conditions precedent are not satisfied nor waived, the Company will not offer the New Shares for sale and will not proceed with 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 plan for utilization of the proceeds derived from this offering for sale of New Shares are provided in **Enclosure 4** (the Company's capital increase report form (F 53-4)) and **Enclosure 1**

⁴ SAGI has a capital increase plan by issuing newly issued ordinary shares of not exceeding 74,880,000 shares with a par value of Baht 10 each for offering for sale to existing shareholders of SAGI in proportion to their respective shareholding (the Company currently holds approximately 99.99 percent of total shares sold in SAGI), and may consider granting the right to oversubscribe in excess of their rights at the offering price of not less than Baht 10 each, at the total value of Baht 748,800,000.

(Information Memorandum of the Company re: Acquisition of Assets and Entry into Connected Transactions).

3. Impacts of the offering for sale on shareholders

Below are impacts on shareholders from the offering for sale of the New Shares under two scenarios: the first scenario is based on Assumption 1 (as discussed under clause 1.1(a)) and the second scenario is based on Assumption 2 (as discussed under clause 1.1(a)).

3.1 Effect on the Company's share price (price dilution)

First scenario:

$$\begin{aligned} &= \frac{(\text{Market price before the offering}) - (\text{Market price after the offering})}{\text{Market price before the offering}} \\ &= \frac{38.57 - 41.98}{38.57} \\ &= -8.85 \text{ percent} \end{aligned}$$

Second scenario:

$$\begin{aligned} &= \frac{(\text{Market price before the offering}) - (\text{Market price after the offering})}{\text{Market price before the offering}} \\ &= \frac{38.57 - 41.38}{38.57} \\ &= -7.30 \text{ percent} \end{aligned}$$

As the offering price of the New Shares is materially higher than the market price before the offering, the offering of the New 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.

$$\frac{(\text{Market price before the offering} \times \text{Total paid-up shares}) + (\text{Offering price} \times \text{Number of the New Shares})}{\text{Number of ordinary shares after the Registration of the Increase of Paid-up Capital}}$$

3.2 Effect on the shareholders' voting right (control dilution)

First scenario:

$$\begin{aligned} &= \frac{\text{Number of shares offered in this offering}}{(\text{Number of paid-up shares}) + (\text{Number of shares offered in this offering})} \\ &= \frac{88,473,361}{293,905,225 + 88,473,361} \end{aligned}$$

= 23.14 percent (the number of shares and voting rights will be diluted by 23.14 percent of the existing number of shares and voting rights)

Second scenario:

=
$$\frac{\text{Number of shares offered in this offering}}{(\text{Number of paid-up shares}) + (\text{Number of shares offered in this offering})}$$

=
$$\frac{88,473,361}{374,999,807 + 88,473,361}$$

= 19.09 percent (the number of shares and voting rights will be diluted by 19.09 percent of the existing number of shares and voting rights)

3.3 Effects on the shareholders' earnings (earning per share dilution)

First scenario:

=
$$\frac{(\text{Earnings per share before the offering}^* - \text{earnings per share after the offering}^{**})}{\text{Earnings per share before the offering}}$$

=
$$\frac{1.71 - 1.31}{1.71}$$

= 23.14 percent (the earning per share will be diluted by 23.14 percent of the existing earning per share)

Second scenario:

=
$$\frac{(\text{Earnings per share before the offering}^* - \text{earnings per share after the offering}^{**})}{\text{Earnings per share before the offering}}$$

=
$$\frac{1.34 - 1.08}{1.34}$$

= 19.09 percent (the earning per share will be diluted by 19.09 percent of the existing earning per share)

* Earnings per share before the offering = net profit/ total number of paid-up shares

** Earnings per share after the offering = net profit / total number of paid-up shares after the Registration of the Increase of Paid-up Capital

3.4 Shareholding structure of the Company

The table below provides the details about the Company's shareholding structure as of 9 October 2561, which was the Company's most recent record date, and the Company's shareholding structure after the Registration of the Increase of Paid-up Capital, based on the assumptions that (a) none of the AYUD-W1 holders exercise their right to purchase ordinary shares under the unexercised AYUD-W1 before the Registration of the Increase of Paid-up Capital, and (2) there is no change in the shareholding by any shareholder from that as of the most recent record date. Please note that if the Partial Tender Offer is completed, Allianz SE and/or the Designated Person will acquire 56,930,000 shares in the

Company from the Partial Tender Offer, and the number of shares held by shareholders who sell their shares in the Partial Tender Offer will decrease from the number shown in the table below.

Name of shareholders	No. of shares as of 9 October 2018	Percent	No. of shares after the Registration of the Increase of Paid-up Capital ⁵	Percent
Allianz SE	42,104,000	14.33	130,577,361 ⁶	34.15
CPRNT ⁽¹⁾	0	0		
BBTV Equity Co., Ltd. ⁽²⁾	35,809,350	12.18	35,809,350	9.36
Great Luck Equity Company Limited ⁽²⁾	30,233,175	10.29	30,233,175	7.91
Bangkok Broadcasting & T.V. Co., Ltd. ⁽²⁾	28,802,500	9.80	28,802,500	7.53
Bank of Ayudhya Public Company Limited	21,250,800	7.23	21,250,800	5.56
Mr. Krit Ratanarak ⁽²⁾	14,867,700	5.06	14,867,700	3.89
CITIBANK NOMINEES SINGAPORE PTE LTD-UBS SWITZERLAND AG ⁽³⁾	14,300,000	4.87	14,300,000	3.74
Triple Prime Team Holdings Company Limited ⁽³⁾	10,938,750	3.72	10,938,750	2.86
Thongthai (1956) Co., Ltd. ⁽³⁾	9,610,000	3.27	9,610,000	2.51
Miss Suthida Ratanarak ⁽²⁾	8,694,970	2.96	8,694,970	2.27
Other shareholders	77,293,980	26.30	77,293,980	20.21
Total	293,905,225	100.00	382,378,586	100.00

Remark:

- (3) (a) CPRNT is a subsidiary which BSMC (Thailand) Limited holds 49.00 percent, SOFE One Limited holds 25.50 percent and SOFE Two Limited holds 25.50 percent; (b) SOFE One Limited and SOFE Two Limited are wholly owned subsidiaries of BSMC (Thailand) Limited; and (c) BSMC (Thailand) Limited is owned by an entity which is directly and indirectly controlled by AZSE.
- (4) BBTV Equity Co., Ltd., Great Luck Equity Company Limited, Bangkok Broadcasting & T.V. Co., Ltd., Mr. Krit Ratanarak and Miss Suthida Ratanarak are shareholders in Ratanarak group.
- (5) Shareholders holding shares through CITIBANK NOMINEES SINGAPORE PTE LTD-UBS SWITZERLAND AG, Triple Prime Team Holdings Company Limited and Thongthai (1956) Co., Ltd. are shareholders in Thongthai group.

⁵ The number of shares shown in this column does not take into account the shares to be acquired by Allianz SE and/or the Designated Person in the Partial Tender Offer, and the shares that other shareholders may sell to Allianz SE and/or the Designated Person in the Partial Tender Offer.

⁶ The respective number of shares in the Company that will be held by Allianz SE and CPRNT is dependent upon the foreign shareholding in the Company before the offering for sale of New Shares, and the respective number of AZAY shares that will be sold and transferred to the Company by Allianz SE and CPRNT.

The grouping of shareholders as shown above is only for the purpose of disclosing information to shareholders, and not for the purpose of aggregating the holding of listed securities under relevant the securities and exchange laws.

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 is part of the cooperation in insurance business in Thailand with the Allianz Group, which will cause tighter business partnership and long-term relationship between the Company and the Allianz Group. In addition, the proceeding according to the objectives as set out under clause 2 of this Information Memorandum will benefit the Company as set out in clause 1.8 and 2.8 of **Enclosure 1** (Information Memorandum of the Company re: Acquisition of Assets and Entry into Connected Transactions), which can be summarized as follows.

- (1) The Acceptance of the EBT will (a) reduce SAGI's operating cost; (b) help SAGI to have better management and ability to sustainably compete in the current insurance market of Thailand; (c) increase SAGI's market share of direct insurance premium; and (d) expand SAGI's customer bases and the distribution channels.
- (2) The Purchase of AZAY Shares will cause the Company to receive higher dividends from AZAY and more voting rights in the shareholders meeting of AZAY according to the increasing shareholding proportion of the Company in AZAY.

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:

4.1 Reasons and necessities for the capital increase

The capital increase by issuance of the New Shares is part of the cooperation in insurance business in Thailand with the Allianz Group and has objectives as set out 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. Therefore, these transactions will not affect the Company's and SAGI's financial condition and financing 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 proceeding with the co-operation in insurance business in Thailand with Allianz Group.
- (2) The allocation of the New Shares for the offering for sale to Allianz SE and CPRNT will make 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 Allianz Group has solid financial status and capacity and experience in insurance business for over 128 years, and has the expertise in complex products to meet the diversity of customer needs, technology and other proficiency. Thus, 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.
- (4) The Acceptance of the EBT and the Purchase of AZAY Shares, which are the objectives of this capital increase, 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 Basis 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 53.32 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 were traded on the SET from 4 September 2018 to 21 September 2018 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 six-month period ending on 30 June 2018), which is approximately Baht 30.41 per share, and higher than the market price of the Company's shares (calculated under the PP Notification), which is approximately Baht 38.57 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 748,800,000 which is sufficient for the Company to use to pay for the newly issued ordinary shares of SAGI⁷ in order to provide SAGI with funds for the Acceptance of the EBT.

⁷ SAGI has a capital increase plan by issuing newly issued ordinary shares of not exceeding 74,880,000 shares with a par value of Baht 10 each for offering for sale to existing shareholders of SAGI in proportion to their respective shareholding (the Company currently holds approximately 99.99 percent of total shares sold in SAGI), and may consider granting the right to oversubscribe in excess of their rights at the offering price of not less than Baht 10 each, at the total value of Baht 748,800,000.

(2) The Purchase of AZAY Shares

The Company will allocate the New Shares for AZAY Share Purchase, in the amount of 74,429,850 shares, as consideration to Allianz SE and CPRNT for the purchase of 34,810,000 ordinary shares in AZAY, without additional payment in cash.

The Company and/or SAGI will proceed with the aforementioned transaction after the conditions precedent specified in the Share Subscription and Purchase Agreement and EBT Agreement are satisfied or are waived as provided for thereunder. These conditions precedent include the OIC Approval, the SEC Approvals and the Acquisition of Shares from PTO.

4.5 Reasonableness of the capital increase, the proceeds utilization plan, and the projected scheme

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 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 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 representing approximately 20.17 percent of the total shares sold in AZAY to 94,310,280 shares representing approximately 31.97 percent of the total shares sold in AZAY, which will benefit the Company 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 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 General 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 one or more shareholders holding shares in aggregate not less than 5 percent of the total number of shares sold may notify the Company in writing 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 from the directors 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, the Company may claim that the directors return such benefits to the Company. In the event that any one or more shareholders holding shares in aggregate not less than 5 percent of the total number of voting rights of the Company notify the Company in writing to bring a lawsuit against the directors for disgorgement of the benefits to the Company, and if the Company fails to take action as notified by the shareholders within 1 month from the date of 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.

**Provisions of the Articles of Association
relating to the Extraordinary Shareholders Meeting No. 2/2018**

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 authorization 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 of the Board or to the person designated by the Chairman of the Board at the place, which the meeting is held before the meeting commences.

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 the 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.

Chapter 8 Capital Increase and Decrease

50. The company may increase its capital from the registered amount by issuing new shares.

The issuance of new shares under the first paragraph may be carried out when:

(1) All shares have been issued and payment has been received in full, or in the case where all shares have not yet been issued, the remaining shares must be shares issued to support convertible debentures or warrants to purchase shares, or as otherwise specified by the Laws;

(2) The general meeting of shareholders has passed a resolution by a vote of not less than three-fourths of the total number of votes of shareholders attending the general meeting and having the right to vote; and

(3) Such resolution is to be registered for the change of the registered capital with the Registrar within 14 days from the date of the resolution.

51. The new shares issued in accordance with 50. may be offered for sale in whole or in part, and to the shareholders in proportion to the number of shares currently held by them first or to the public or other persons either in whole or in part, in accordance with the resolution of the general meeting of shareholders.

In case the newly issued shares have not been sold as the registered amount, the company may also act according to No.45.

52. The Company may reduce the capital from the registered amount either by reducing the par value of each share or reducing the number of shares. However, the capital cannot be reduced to lower than one-fourth of the total existing capital. In case the Company has accumulated losses and has compensated the accumulated losses according to the Laws but there still remain accumulated losses, the Company may reduce its capital to less than one-fourth of its total capital. The reduction of the par value or number of shares in paragraphs one and two to any amount and by any means shall be made only when the shareholders' meeting resolves with a vote of no less than three-fourths of the total votes of shareholders attending the meeting and having voting rights, provided that the Company shall apply to register such resolution within 14 days from the date of the resolution.

53. The general meeting of shareholders may pass a resolution to reduce capital by eliminating the registered shares which cannot be sold or which have not been offered for sale. Upon the meeting's resolution, the Company shall apply to register the capital reduction within 14 days from the date of the resolution.

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 the Infinity Room, 7th floor, Aetas Lumpini Hotel, No. 1030/4 Rama IV Road, Tungmahamek, Sathorn, Bangkok 10120.

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 (as the case may be).

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 law

The case of the shareholder is an individual person (topic no. 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.2/2018

With reference to the Invitation to of the date of the Extraordinary General Meeting of Shareholders No.2/2018 which will be held on Tuesday, November 13, 2018 at 14.00 hr. at Infinity Room, 7th floor, Aetas Lumpini Hotel, No. 1030/4 Rama IV Road, Tungmahamek, Sathorn, Bangkok 10120.

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, 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. Sorasit Soonthornkes Independent Director and Chairman of the Audit Committee
3. Mr. Vichit Kornvityakoon Independent Director and Member of the Audit Committee

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.2/2018 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	:	77 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)	:		
November 2006 - 31 March 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
- Position as Executive Director in other organizations that has conflict with the Company	:	-None-	
- Interests in any agenda item	:	-None-	

2. Mr. Sorasit Soontornkes
The Board of Director as a Proxy



Age : 65

Nationality : Thai

Address : 5/1936 Moo 10 , Samakkee Road,
Bang Talat, Pak kret, Nonthaburi, 11120

Type of position : Independent Director

Education background : • Bachelor of Accounting, Chulalongkorn University
• Master of Accounting, Chulalongkorn University
• Master of Business Economics, Thammasat University

Courses attended : • Senior Executive Program, SASIN,
Chulalongkorn University
• Executive Development Program (Wharton School),
University of Pennsylvania, U.S.A.
• Capital Market Academy Leader Program

Training courses attended at Thai Institute of Directors (IOD) : • Director Certification Program (DCP)

No. of Shareholding At the later Record Date (As of 9 October 2018) : -None-

Working Experiences

2012-2016 • President and Member of Board of Director,
Deposit Protection Agency

2011-2012 • Deputy Governor, Bank of Thailand
• Member, Board of Director, Bank of Thailand
• Member, Monetary Policy Committee, Bank of Thailand
• Member, Payment Systems Committee, Bank of Thailand

2007-2011 • Assistant Governor, Supervision Group, Bank of Thailand
• Member, Board of Director, Exim Bank of Thailand
• Member, Board of Director, Financial Institution Development
Fund
• Member, Capital Market Supervision, SEC Thailand

Present Position in the Company

Apr 2018 – the present : Independent Director , and Chairman of Audit Committee

Current position in other organizations

1. Listed Company : 2017 – Present Advisor to Board of Director and
Member of Risk Oversight Committee,
Nok Air PCL

2. Non-listed Companies : 2017 – Present Director, Internal Audit Office,
Chulalongkorn University

2017 – Present Member, Audit Committee,
Bank of Thailand
Apr 2018-Present Independent Director , and Chairman of
Audit Committee
Sri Ayudhya General Insurance PCL (SAGI)

**Director or executive positions in other
Companies which may result in conflicts of
interests** :

-None-

Stakeholder in various agendas :

-None-

3. Mr. Vichit Kornvityakoon (Independent Director)
The Board of Director as a Proxy



Age : 68 Years

Nationality : Thai

Address : 222/13 Soi Yotse ,
Bamrungmueang Road , Khwaeng Wattheprasin,
Pomprapsattruphai , Bangkok 10100

Type of position : Independent Director

Education Background : • Master of Business Administration Program, Thammasat University
• Bachelor of Accountant, Chulalongkorn University
• Bachelor of Laws, Thammasat University

Training courses attended at Thai Institute of Director (IOD) : • Directors 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)
• Board that Make a Difference (BMD 2/2017)
• Ethical Leadership Program (ELP 7/2017)

No. of Shareholding : -None-
At the later Record Date
(As of 9 October 2018)

Work experiences

2009 – 2010 Director of Business Policy and Financial Institution
Financial Institutions Policy Department, Bank of Thailand

2010 Director of Planning and Development
Financial Institution Application Department, Bank of Thailand

Jul 2014 – Apr 2015 Director / Executive Director
SME Development Bank

Apr 2015 – Dec 2015 Executive Director
SME Development Bank

2013 – Jul 2017 Sub-Committee of Developed Supervision in Deposit Protection System
Deposit Protection Agency

Current position in the Company

January 2013 – Present : Independent Director and Audit Committee and Chairman
of Corporate Governance Committee

Current position in other organizations

Listed Company : -None-

3 Non-listed Companies : Jan 2013 – Present Independent Director/Audit Committee and
Chairman of Compliance Committee,

2012 – Present	Sri Ayudhya General Insurance PCL Director in Ex.Com Group,
2016 – Present	Sukhumvit Asset Management Co., Ltd Director of Professional Conduct, Federation of Accounting Professions

**Director or executive positions in other
Companies which may result in conflicts of
interests**

: -None-

Stakeholder in various agendas

: -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 กรรมการ หรือ กรรมการอิสระ ของบริษัทฯ ได้โปรดใช้
ข้อมูลตามหมายเหตุข้อ 4.)

Hereby appoint (The shareholder may appoint the Chairman or Director or the Independent Director of the company to be the
proxy, please use details in Remarks 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 2/2561 ในวันอังคารที่ 13 พฤศจิกายน 2561 เวลา 14.00 น. ณ ห้องอินฟินิตี้ ชั้น 7 โรงแรมเอทัส ลุมพินี - เลขที่ 1030/4 ถนนพระราม 4 แขวงทุ่งมหาเมฆ เขตสาทร กรุงเทพมหานคร 10120 หรือที่จะพึงเลื่อนไปในวัน เวลา และสถานที่อื่นด้วย

Only one of these to be my/our proxy to attend and vote on my/our behalf at the Extraordinary General Meeting of Shareholders No. 2/2018 on Tuesday, 13 November 2018 at 2.00 p.m. at Infinity Room, 7th Floor, Aetas Lumpini, No. 1030/4 Rama IV Road, Khwaeng Thungmahamek, Khet Sathorn, Bangkok Metropolis 10120 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 69 เมื่อวันที่ 20 เมษายน 2561**

Agenda No. 1 To consider and approve the Minutes of the Annual General Meeting of Shareholders No. 69, held on 20 April 2018

- (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:
- | | | |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งคออกเสียง |
| Approve | Disapprove | Abstain |

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

Agenda No. 2 To consider and approve the purchase and acceptance, by Sri Ayudhya General Insurance Public Company Limited, of the entire business transfer from Allianz 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:
- | | | |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งคออกเสียง |
| 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:
- | | | |
|-----------------------------------|--------------------------------------|-------------------------------------|
| <input type="checkbox"/> เห็นด้วย | <input type="checkbox"/> ไม่เห็นด้วย | <input type="checkbox"/> งคออกเสียง |
| 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 **พิจารณาอนุมัติการเพิ่มทุนจดทะเบียนของบริษัทฯ โดยการออกหุ้นสามัญใหม่ และการแก้ไขเพิ่มเติมหนังสือบริคณห์สนธิของบริษัทฯ ข้อ 4 เพื่อให้สอดคล้องกับการเพิ่มทุนจดทะเบียน**

Agenda No. 5 **To consider and approve the increase of the Company's registered capital by issuance of new ordinary shares, and the amendment to clause 4 of the Company's Memorandum of Association to be consistent with the increase of its 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 **พิจารณาอนุมัติการจัดสรรหุ้นสามัญเพิ่มทุนให้แก่ Allianz SE และบริษัท ซีพีอาร์เอ็น (ประเทศไทย) จำกัด**

Agenda No. 6 **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 7 **พิจารณาอนุมัติการมอบอำนาจเพื่อดำเนินการตามวาระที่ 2 ถึงวาระที่ 6**

Agenda No. 7 **To consider and approve the delegation of authority in order to proceed with the matters under agenda items 2 to 6.**

- (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

พิจารณายินยอมให้ Allianz SE และ/หรือ บริษัทในเครือซึ่งเป็นสมาชิกของกลุ่ม Allianz ซึ่ง Allianz SE อาจกำหนดให้เป็นผู้ร่วมทำคำเสนอซื้อ ทำคำเสนอซื้อหุ้นบางส่วนของบริษัทฯ (Voluntary Partial Tender Offer)

Agenda No. 8 To consider and grant consent for Allianz SE and/or its affiliate who is a member of the Allianz Group which may be designated by Allianz SE as co-offerer to make a voluntary partial tender offer for the Company's shares

- (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

พิจารณาเรื่องอื่นๆ (ถ้ามี)

Agenda No. 9 Other business (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 ให้ถือว่าการลงคะแนนเสียงนั้นไม่ถูกต้อง และไม่ใช่เป็นการลงคะแนนเสียงของข้าพเจ้าในฐานะผู้ถือหุ้น

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 รวมถึงกรณีที่มีการแก้ไขเปลี่ยนแปลงหรือเพิ่มเติมข้อเท็จจริงประการใดให้ผู้รับมอบฉันทะมีสิทธิพิจารณาและลงมติแทนข้าพเจ้าได้ทุกประการตามที่เห็นสมควร

In case I/we do not specify my/our voting intention in any agenda items or not clearly specify 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, except 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. ผู้ถือหุ้นจะต้องมอบฉันทะเท่ากับจำนวนหุ้นที่ตามที่ระบุไว้ในข้อ (2) โดยไม่สามารถจะมอบฉันทะเพียงบางส่วนน้อยกว่าจำนวนที่ตามที่ระบุไว้ในข้อ (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. ในกรณีที่มีวาระที่จะพิจารณาในการประชุมมากกว่าวาระที่ระบุไว้ข้างต้น ผู้มอบฉันทะสามารถระบุเพิ่มเติมได้ในใบประจำต่อแบบหนังสือมอบฉันทะแบบ ข. ตามแนบ
In case there is additional agenda item to be considered other than those specified above, the Grantor may specify such additional agenda item to the attached Supplemental Proxy Form B.
4. ผู้ถือหุ้นสามารถมอบฉันทะให้ประธานกรรมการ หรือ กรรมการ หรือ กรรมการอิสระของบริษัทฯ คนใดคนหนึ่งตามรายชื่อข้างท้ายนี้เป็นผู้รับมอบฉันทะเข้าร่วมประชุมและออกเสียงลงคะแนนแทนผู้ถือหุ้นได้
The shareholder may appoint anyone of the following Chairman or Director or the Independent Director as the proxy to attend the meeting and vote on the shareholder's behalf.

(รายละเอียดประวัติประธานกรรมการ กรรมการ และกรรมการอิสระ ของบริษัทฯ ปรากฏตามเอกสารประกอบการเข้าร่วมประชุม)

(Profiles of the Chairman, Director and the Independent Director 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 2/2561 ในวันอังคารที่ 13 พฤศจิกายน 2561 เวลา 14.00 น. ณ ห้องอินฟินิตี้ ชั้น 7 โรงแรม เอทัส ลุมพินี เลขที่ 1030/4 ถนนพระราม 4 แขวงทุ่งมหาเมฆ เขตสาทร กรุงเทพมหานคร 10120 หรือที่จะพึงเลื่อนไปในวันเวลา และ สถานที่อื่นด้วย

For the Extraordinary General Meeting of Shareholders No. 2/2018 on Tuesday, 13 November 2018 at 2.00 p.m. at Infinity Room, 7th Floor, Aetas Lumpini, No. 1030/4 Rama IV Road, Khwaeng Thungmahamek, Khet Sathorn, Bangkok Metropolis 10120 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

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| Approve | Disapprove | Abstain |

วาระที่ _____ เรื่อง _____

Agenda

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| Approve | Disapprove | Abstain |



วาระที่ _____ เรื่อง _____

Agenda

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(b) to grant my/our proxy to vote and at my/our desire as follows:
- เห็นด้วย ไม่เห็นด้วย งดออกเสียง
Approve Disapprove Abstain

วาระที่ _____ เรื่อง เลือกตั้งกรรมการ (ต่อ) _____

Agenda

Re: Election of directors

ชื่อกรรมการ.....

- เห็นด้วย ไม่เห็นด้วย งดออกเสียง
Approve Disapprove Abstain

ชื่อกรรมการ.....

- เห็นด้วย ไม่เห็นด้วย งดออกเสียง
Approve Disapprove Abstain

ชื่อกรรมการ.....

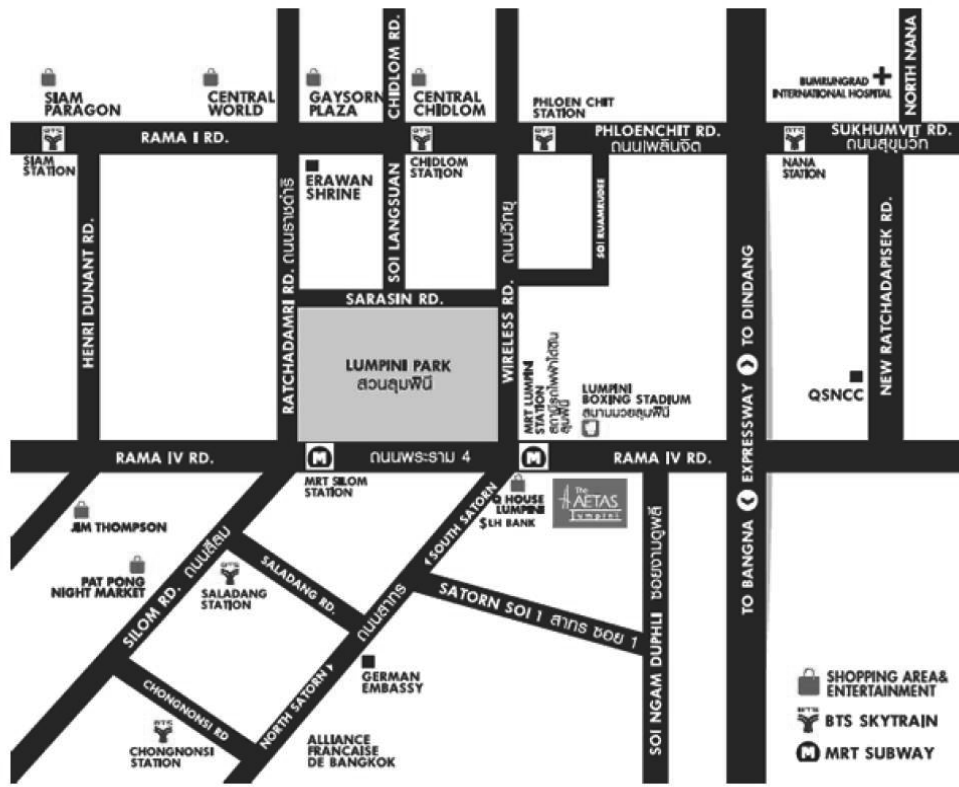
- เห็นด้วย ไม่เห็นด้วย งดออกเสียง
Approve Disapprove Abstain

ชื่อกรรมการ.....

- เห็นด้วย ไม่เห็นด้วย งดออกเสียง
Approve Disapprove Abstain



Location map of Aetas Lumpini



Venue: Infinity Room, 7th Floor, Aetas Lumpini,
No. 1030/4 Rama IV Road, Khwaeng Thungmahamek,
Khet Sathorn, Bangkok Metropolis 10120

Transportation : MRT Lumpini Station, Exit no. 1