

Dear shareholders,

Sri Ayudhya Capital Public Company Limited (AYUD) will convene an extraordinary general meeting (“EGM”) on 13 November 2018 for AYUD shareholders to vote on several proposed transactions which will have a significant impact on the strategic future of the company. We would like to share with you some key facts to help you make a decision.

STRATEGIC OVERVIEW OF THE PROPOSED TRANSACTIONS



The proposed transactions (if approved) will result in the following:

- a larger and more competitive non-life insurance business for AYUD through the purchase of the entire business of Allianz General Insurance Public Company Limited (AZTH);
- an increase in AYUD's stake in a life insurance business with consistent growth potential via the acquisition of additional 11.8% stake in Allianz Ayudhya Assurance Public Company Limited (AZAY); and
- Allianz becoming the largest shareholder in AYUD via the issuance of new AYUD shares to Allianz and CPRN (Thailand) Limited (CPRNT), and a proposed voluntary partial tender offer (PTO).



WHO IS ALLIANZ?

Allianz is a world-renowned insurance company that has more than 128 years of experience in the insurance business, along with strong financial position, technology for insurance business, capacity and expertise in innovative products to meet a diversity of customer needs.

WHAT ARE THE BENEFITS FROM THE PROPOSED TRANSACTIONS?



Sri Ayudhya General Insurance Public Company Limited (SAGI)'s purchase and acceptance of the transfer of the entire business from AZTH will significantly enlarge its non-life insurance business and elevate its market position. It will also allow AYUD to leverage Allianz's expertise and technology to improve SAGI's sustainable competitiveness in the Thai non-life insurance market.



AYUD will increase its shareholding in AZAY to 32.0%, by purchasing an additional 11.8% of shares from Allianz and CPRNT in exchange for the issuance of new AYUD shares. AZAY has a good track record of growth and profitability in Thailand. The higher equity interest in AZAY will allow AYUD to benefit from higher dividend income.



The issuance of new AYUD shares to Allianz and CPRNT and the PTO by Allianz and/or a designated person will make Allianz a close strategic partner under a long-term relationship with AYUD. The PTO is subject to the fulfilment of certain conditions (including shareholders' approvals for the above transactions). The offering price for AYUD new shares and the PTO will be at Baht 53.32 per share, which is higher than the trading price of AYUD shares prior to the disclosure of the transactions to the Stock Exchange of Thailand.

YOUR VOTE IS IMPORTANT

Please attend the EGM in person or by proxy on

13 November 2018
At Aetas Lumpini Hotel (Rama 4 road)
2.00 pm

The Board of Directors of AYUD would like to urge you to attend the EGM and exercise your voting rights.

Should you have any queries, please contact Ms. Jiratcha Ruplek on 02-657-2977 / Jiratcha@ayud.co.th or visit www.ayud.co.th for more details.

Yours sincerely,

Virojn Srethapramotaya
President and CEO, AYUD



ศรีอยุธยา แคปปิตอล
SRI AYUDHYA CAPITAL