



Thanachart Capital Public Company Limited

Information Memorandum on Business Restructuring and
Merger Plan between Thanachart Bank Public Company Limited
and TMB Bank Public Company Limited and Assets after the Business Restructuring

Monday, 23 September 2019, at 10.00 Hours,
the Athenee Crystal Hall, 3rd Floor,
The Athenee Hotel, a Luxury Collection Hotel, Bangkok,
61 Wireless Road (Witthayu), Lumpini, Pathumwan, Bangkok 10330.

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Insertion

of Support Documents Book 2 Part 1 (*Information Memorandum on Business Restructuring and Merger Plan between Thanachart Bank Public Company Limited and TMB Bank Public Company Limited (Schedule 1)*)

of Notice of the Extraordinary General Meeting of Shareholders No. 1/2019 of TCAP

1. Remark (1) of Shareholding Structures of TMB and TBANK before and after the Sale of TBANK Ordinary Shares

The following details of Pages 10 and 11 shall be amended

From

Remarks: (1) It is subject to an assumption that (1) all existing shareholders of TMB exercise their rights to subscribe for the newly issued ordinary shares per TSRs in full; (2) private placement investors subscribe for the newly issued ordinary shares in full; and (3) all existing shareholders of TBANK exercise their rights to subscribe for TMB's newly issued ordinary shares, whereby (i) TCAP will subscribe for TMB's newly issued ordinary shares at approximately 20.1 - 23.3 percent (ii) BNS will subscribe for TMB's newly issued ordinary shares at approximately 5.6 – 6.4 percent; and (iii) TCAP will subscribe for such newly issued ordinary shares on behalf of TBANK's minority shareholders, representing approximately 0.03 – 0.04 percent of all paid-up shares of TMB (after the offering of newly issued ordinary shares to (1) holders of TSR (2) private placement investors and (3) all shareholders of TBANK, excluding TMB Stock Retention Program on this occasion).

Amended to

Remarks: (1) It is subject to an assumption that (1) all existing shareholders of TMB exercise their rights to subscribe for the newly issued ordinary shares per TSRs in full; (2) private placement investors subscribe for the newly issued ordinary shares in full; and (3) all existing shareholders of TBANK exercise their rights to subscribe for TMB's newly issued ordinary shares, excluding TMB Stock Retention Program on this occasion. In this regard, the shareholding proportion is derived from TMB's book value as of March 31, 2019

2. Other Material Information

The following details shall be added as Section 10.7 of Page 62

“10.7 Effect to Minority Shareholders of TBANK Who Did Not Sell the Ordinary Shares of TBANK to TMB under the Merger

In the event that there is a minority shareholder of TBANK who did not sell the ordinary shares of TBANK to TMB under the Merger, such shareholder shall remain a shareholder of TBANK. In this regard, upon the transfer of TBANK's entire business to TMB according to the Integration Plan as approved by the Bank of Thailand and upon the dissolution and liquidation of TBANK in accordance with the relevant laws, if there is any amount of money remained under the liquidation, such shareholder of TBANK shall be entitled to the remaining amount in proportion to their respective shareholding in TBANK.”

Thanachart Capital Public Company Limited**Information Memorandum on Business Restructuring and Merger Plan between
Thanachart Bank Public Company Limited and TMB Bank Public Company Limited (Schedule 1)****Principle and Rationale**

Whereas, (a) Thanachart Capital Public Company Limited (“**TCAP**”) and The Bank of Nova Scotia, and (b) TMB Bank Public Company Limited (“**TMB**”) have voluntarily contemplated to merge the businesses of Thanachart Bank Public Company Limited (“**TBANK**”) and TMB in accordance with the policy supported by the government, which includes tax incentives pursuant to the measures applicable to such transaction. The business merger between the two banks will result in the formation of a larger-scale commercial bank, improve the competitiveness in financial business sector, minimize management costs, enhance the efficiency of provision of a wider variety of products and services to cater to customers’ needs, and efficiently promote the economic development to the country, which will strengthen and stabilize the financial institution system, and boost the people’s confidence in Thailand’s financial institution system. The major shareholders of the bank formed by the merger between TBANK and TMB (the “**Merged Bank**”) will comprise ING Group N.V. (“**ING**”), TCAP, and the Ministry of Finance.

The merger will significantly build up the Merged Bank’s business size and potential towards being the leading large-scale bank in the country. After the merger, the Merged Bank will have total assets of approximately THB 1.9 Trillion, with over 10 million customers, and will be ranked as the sixth largest bank in the Thai commercial bank industry.

The strengths of both banks’ businesses are supportive to each other. In other words, TMB’s strengths stand out by its ability to strategically raise deposits through innovative deposit products distinctively from conventional products, while TBANK is the leader in retail lending portfolios, particularly auto loan portfolio. Therefore, the merger will help improve the potential for raising deposits from more customers and create a well-balanced loan portfolio, which will optimize the business operations in three key synergies:

Balance Sheet Synergies: The merger will increase the business value as a result of the balance sheet optimization through utilization of assets and fund raising with efficiency, which will bring about the opportunity of deriving a higher rate of return on assets and keeping the cost of fund down.

Cost Synergies: The merger will enjoy the benefit of greater economy of scale, particularly the integration of key supporting units, such as, IT investment infrastructures and marketing.

Revenue Synergies: The merger will help double size the customer base and generate revenue synergies. The integrated operations will efficiently enhance the ability to introduces more innovative financial products and services to cater customers’ needs.

In this respect, TCAP and the respective parties, namely, 1) ING; 2) The Bank of Nova Scotia; 3) TBANK; and 4) TMB, have signed a Non-binding Memorandum of Understanding in relation to the merger between TBANK and TMB on February 26, 2019 to set out the scope of their mutual understanding and basis of further discussion in relation to series of transactions among the parties. The purpose of such business merger between TBANK and TMB is to integrate the business operations for a larger and stronger commercial bank.

Formats and Structures of the Merger

The implementation for the merger between TBANK and TMB can be divided into 2 phases as follows:

- I. Prior to the Merger, through the business restructuring of TBANK and TCAP, whereby TBANK will sell all ordinary shares held by it in subsidiaries and certain other companies to all of TBANK's shareholders in proportion to their respective shareholdings.
- II. The Merger, of which the plan comprises 1) TMB offering to purchase ordinary shares of TBANK from all of TBANK's shareholders, 2) TMB offering its newly issued ordinary shares to all of TBANK's shareholders, and 3) TBANK's entire business transfer to TMB.

I. Prior to the Merger

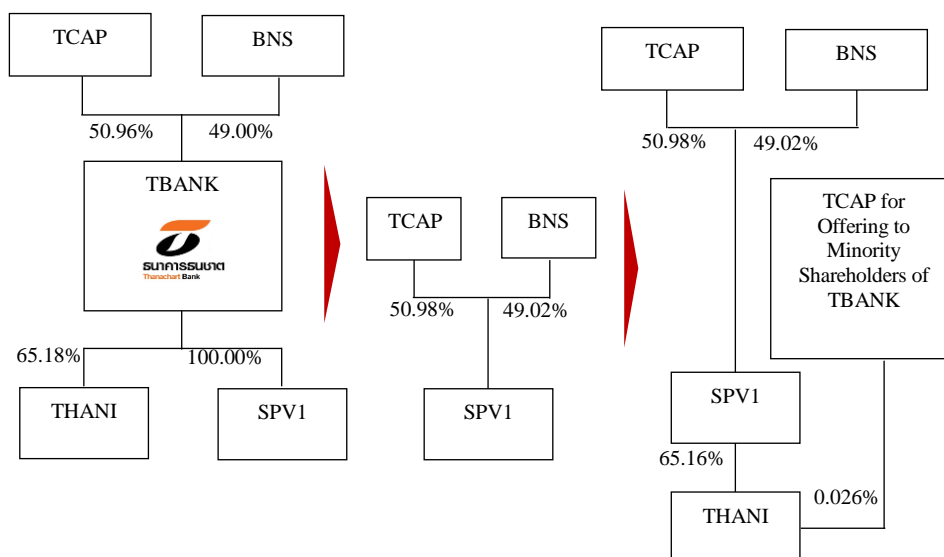
Prior to the merger, TCAP and TBANK will proceed with the business restructuring of TCAP and TBANK (the “**Restructuring**”) to enhance TCAP's role as a holding company that operates financing business by downsizing TBANK's business to the size comparable to TMB (after TMB has increased its capital to finance the implementation under this integration plan) for suitability of the merger. TBANK will sell all of ordinary shares held by it in its subsidiaries as well as certain other companies (collectively, “**Subsidiaries and Other Companies**”) to all of TBANK's shareholders in proportion to their respective shareholdings, by offering shares in the Subsidiaries and Other Companies to (a) TCAP, a shareholder of TBANK who holds 50.96 percent of shares in TBANK, (b) Scotia Netherlands Holdings B.V. (“**BNS**”), a shareholder of TBANK who holds 49.00 percent of shares in TBANK, and (c) TBANK's minority shareholders (as of April 4, 2019, TBANK has 743 minority shareholders), holding collectively 0.04 percent of total paid-up shares of TBANK, in order to ensure the equal treatment of all shareholders in TBANK.

As part of the Restructuring, TBANK will sell such ordinary shares in the Subsidiaries and Other Companies to all shareholders of TBANK in proportion to their respective shareholdings, with the details as follows:

1. 492,999,434 ordinary shares of Thanachart Insurance Public Company Limited (“**TNI**”), representing 100.00 percent of all paid-up shares of TNI;
2. 1,659,999,930 ordinary shares of Thanachart Securities Public Company Limited (“**TNS**”), representing 100.00 percent of all paid-up shares of TNS;
3. 199,999,997 ordinary shares of TS Asset Management Company Limited (“**TSAMC**”), representing 100.00 percent of all shares of TSAMC;
4. 2,460,861,562 ordinary shares of Ratchthani Leasing Public Company Limited (“**THANI**”), representing 65.18 percent of all paid-up shares of THANI. In this regard, TBANK will offer to sell such shares of THANI held by it to:
 - 4.1 A special-purpose vehicle no. 1 (“**SPV1**”) to be incorporated by TBANK with registered capital of THB 1 Million with a par value of THB 10.00 per share, divided into 100,000 shares, which TBANK will hold 100.00 percent of all shares in SPV1. TBANK will later sell THANI's shares at the amount of 2,459,878,098 shares, or representing 65.16 percent of all paid-up shares of THANI (or representing 99.96 percent of all shares held by TBANK in THANI at 65.18 percent), at the same proportion of shares held by TCAP and BNS in TBANK; and
 - 4.2 TCAP through the account “TCAP for Offering to Minority Shareholders of TBANK,” in the amount of 983,464 shares, representing 0.026 percent of all paid-up shares of THANI.

In this regard, prior to the acquisition of THANI shares by SPV1, TBANK will offer to sell all shares of SPV1 to TBANK's major shareholders, namely, TCAP and BNS at 50.98

percent and 49.02 percent of all shares in SPV1, respectively, which is in the same manner as TCAP's and BNS's shareholding in TBANK. Later, SPV1 will increase the capital and offer its newly issued shares to TCAP and BNS in proportion to their respective shareholdings as a source of funds for acquiring shares in THANI, and TBANK will later make an offer to sell such shares held by it in THANI to SPV1 in accordance with the following chart:



Moreover, after the completion of the Restructuring, the sale of TBANK ordinary shares, and the subscription of TMB newly issued ordinary shares, TCAP will purchase shares in SPV1 from BNS at 49.02 percent of all shares of SPV1 as detailed in the Supporting Documents for Meeting Agenda Book 2, Part 2. Nevertheless, the aforesaid purchase of SPV1 from BNS is not a part of the Restructuring nor the merger between TBANK and TMB.

In addition, as ordinary shares of THANI are securities listed on the Stock Exchange of Thailand (“**SET**”), the Restructuring as well as the acquisition of SPV1 shares as mentioned above may require TCAP or SPV1 to make a tender offer to purchase all securities of THANI pursuant to Notification of the Capital Market Supervisory Board No. Tor Jor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (as amended). Nevertheless, the aforesaid Restructuring and the acquisition of shares are not of the objective to change the controlling power in THANI, since after the Restructuring and the acquisition of shares, TCAP will remain the shareholders of SPV1, holding more than 50.00 percent of all shares of SPV1, which is in the same manner as the current shareholding structure of TCAP in TBANK which is also more than 50.00 percent of all issued shares of TBANK, whereby SPV1 will be a shareholder of THANI holding 65.16 percent, and TCAP for Offering to Minority Shareholders of TBANK shall hold 0.026 percent of shares, and in total of 65.18 percent of all paid-up shares of THANI, which is equal to TBANK shareholding in THANI prior to the Restructuring. Nevertheless, TCAP and/or SPV1 will later proceed to request a waiver of the requirement a tender offer of all securities of THANI from the Office of the Securities and Exchange Commission (the “**SEC Office**”).

5. 167,797,300 ordinary shares of MBK Public Company Limited (“**MBK**”), representing 9.90 percent of all paid-up shares of MBK;

In this regard, prior to the merger, TNI and TNS will sell the ordinary shares of MBK in the amount of 34,365,000 shares and 75,603,000 shares, or representing 2.03 percent and 4.46 percent of all paid-up shares of MBK, respectively, to TBANK. On the transaction Date,

TBANK will thereafter sell the ordinary shares of MBK bought from TNI and TNS together with shares already held by TBANK at the amount of 57,829,300 shares, representing 3.41 percent of all paid-up shares of MBK, to all shareholders of TBANK in proportion to their respective shareholdings.

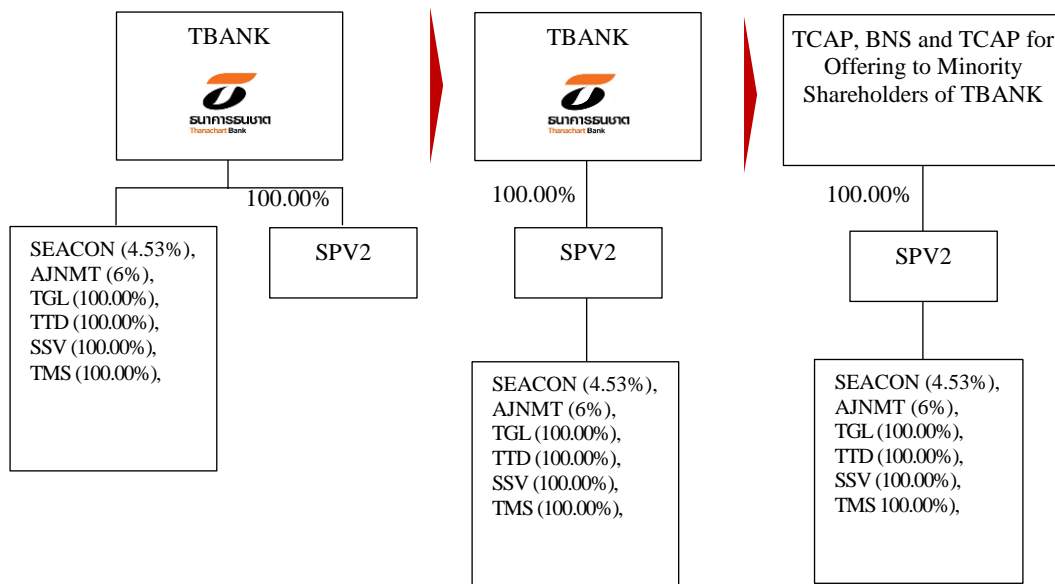
6. 58,844,130 ordinary shares of Patum Rice Mill and Granary Public Company Limited (“**PRG**”), representing 9.81 percent of all paid-up shares of PRG;

In this regard, prior to the merger, TNI and TNS will sell the ordinary shares of PRG in the amount of 12,800,000 shares and 26,424,130 shares, or representing 2.13 percent and 4.40 percent of all paid-up shares of PRG, respectively, to TBANK. Later, on the transaction date, TBANK will thereafter sell the ordinary shares of PRG bought from TNI and TNS as well as shares held by TBANK at the amount of 19,620,000 shares, representing 3.27 percent of all paid-up shares of PRG, to all shareholders of TBANK in proportion to their respective shareholdings.

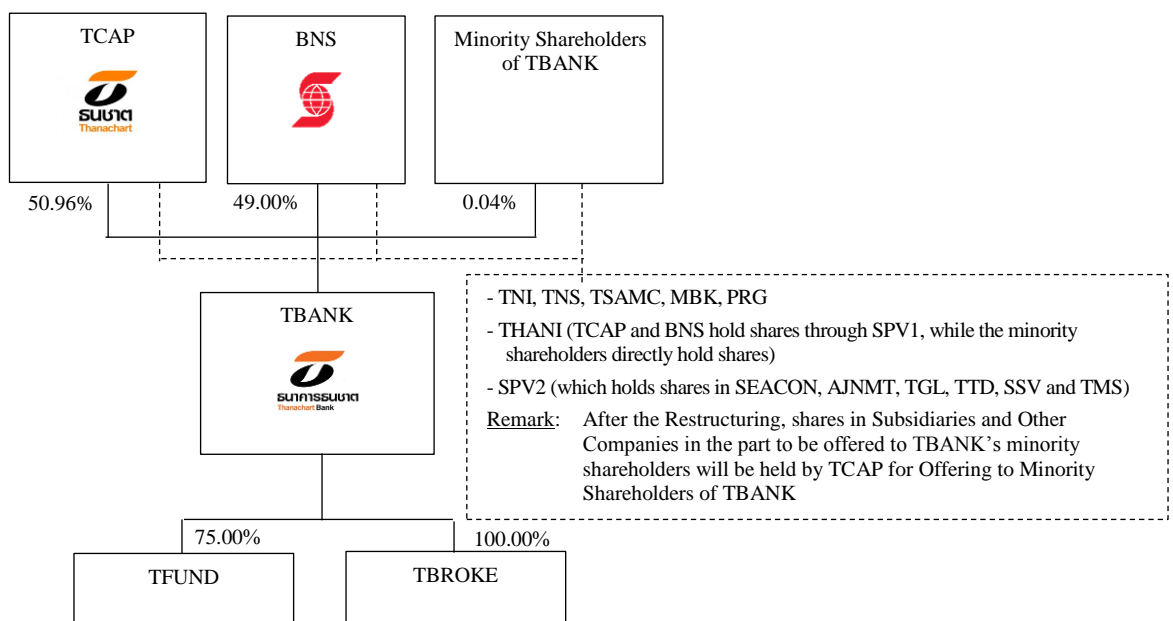
7. ordinary shares of a special-purpose vehicle no. 2 (“**SPV2**”) to be incorporated by TBANK which will hold 100.00 percent of all shares thereof. Prior to the merger, TBANK will increase the capital in SPV2 and later offer to sell shares of the following companies to SPV2:

- 7.1. 260,284 ordinary shares of Seacon Development Public Company Limited (“**SEACON**”), representing 4.53 percent of all paid-up shares of SEACON;
- 7.2. 477,816 ordinary shares of Ajinomoto Co., (Thailand) Ltd. (“**AJNMT**”), representing 6.00 percent of all shares of AJNMT;
- 7.3. 35,999,994 ordinary shares of Thanachart Group Leasing Company Limited (“**TGL**”), representing 100.00 percent of all shares of TGL;
- 7.4. 499,993 ordinary shares of Thanachart Training and Development Company Limited (“**TTD**”) representing 100.00 percent of all shares of TTD;
- 7.5. 99,998 ordinary shares of Security Scib Services Company Limited (“**SSV**”), representing 100.00 percent of all shares of SSV;
- 7.6. 599,993 ordinary shares of Thanachart Management and Service Company Limited (“**TMS**”), representing 100.00 percent of all shares of TMS.

In addition, since certain companies listed in 7.1 – 7.6 are subject to share transfer restriction or limitation provided under their articles of association or respective agreements, or some of the companies do not intend to distribute their shares to third party, it is necessary for TBANK to establish SPV2 as an entity in which TBANK will hold 100.00 percent of shares. In this regard, After establishing SPV2, with registered capital of THB 1 Million with a par value of THB 10.00 per share, divided to 100,000 shares, SPV2 will increase its capital and offer its newly issued ordinary shares to TBANK to raise funds for the acquisition of shares in those companies. SPV2 will thereafter purchase shares in those companies from TBANK and TBANK will sell all shares held by it in SPV2 to all shareholders of TBANK in proportion to their respective shareholdings in accordance with the following chart:



Therefore, the shareholding structure of TBANK after the Restructuring will be as follows:



In this regard, the Restructuring must be completed before TMB makes an offer to acquire the ordinary shares of TBANK from all of TBANK's existing shareholders and offer its newly issued ordinary shares to all of TBANK's shareholders. Initially, the acquisition and sale of ordinary shares in TBANK and the subscription of newly issued ordinary shares of TMB have been scheduled to take place in December 2019 (the "**Transaction Date**"). In order for the Restructuring to be completed before or on the Transaction Date, TBANK will offer to sell such shares of the Subsidiaries and Other Companies, which are intended to be offered to all of TBANK's minority shareholders, to TCAP through the account "TCAP for Offering to Minority Shareholders of TBANK" so that TCAP will later re-offer such shares of the Subsidiaries and Other Companies to all of TBANK's minority shareholders. In so doing, TCAP will allow the minority shareholders of TBANK to subscribe for such shares of the Subsidiaries and Other Companies promptly after the completion of the sale of ordinary shares in TBANK and the subscription of TMB's newly issued ordinary shares.

II. The Merger

After TCAP and TBANK complete the Restructuring, the merger (the "**Merger**") shall be proceeded by the following material steps:

1) TMB will offer to purchase ordinary shares of TBANK from all shareholders of TBANK

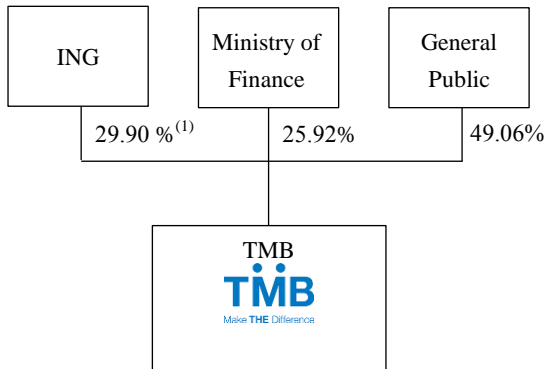
After the conditions precedent under the agreement for the sale and purchase of ordinary shares of TBANK have been satisfied, which, amongst others, include the completion of the Restructuring, and the Integration Plan to Acquire Shares for the Transfer and the Acceptance of the Entire Business Transfer of TBANK to TMB (the "**Integration Plan**") has obtained an approval by the Bank of Thailand, TMB agrees to offer to purchase the ordinary shares of TBANK from the two shareholders of TBANK. In this regard, TCAP will sell to TMB all 3,090,699,234 ordinary shares held by it in TBANK, representing 50.96 percent of all paid-up shares of TBANK (the "**Sale of TBANK Ordinary Shares**"). According to the terms under the agreement for the sale and purchase of ordinary shares of TBANK, BNS also agrees to sell to TMB all 2,971,739,163 ordinary shares held by it in TBANK, representing 49.00 percent of all paid-up shares of TBANK. In addition to the purchase of shares from two major shareholders under the aforementioned agreement, TMB will proceed to offer to purchase the remaining shares of TBANK at the amount of 2,423,773 shares (representing 0.04 percent of all paid-up shares of TBANK) from all minority shareholders of TBANK as well. In this regard, the price for the sale and purchase of TBANK's ordinary shares will be determined from the basis as specified in Section 5.2.

After the Restructuring, TBANK will remain owning shares in 2 of subsidiaries, namely, Thanachart Fund Management Company Limited ("**TFUND**") and Thanachart Broker Company Limited ("**TBROKE**") at the ratio of 75.00 percent and 100.00 percent, respectively.

However, in relation to TFUND, the parties have mutually agreed under the agreement for the sale and purchase of ordinary shares of TBANK that TBANK shall sell all shares in TFUND held by TBANK, representing 75.00 percent of all shares of TFUND, to third party after the completion of the Sale of TBANK Ordinary Shares under the agreement for the sale and purchase of ordinary shares of TBANK. For the shares of TBROKE, as of the date of this memorandum, the parties have no intention to sell such shares to third party.

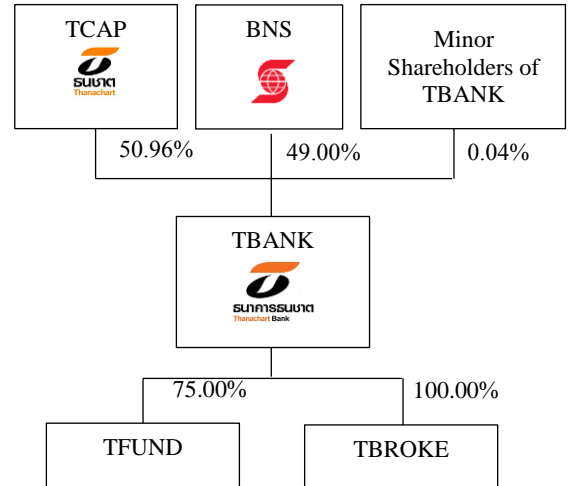
The shareholding structures of TMB and TBANK before and after the Sale of TBANK Ordinary Shares (based on the assumption that all minority shareholders of TBANK agree to sell all their shares in TBANK to TMB) will be as follows:

Shareholding Structure of TMB
before the acquisition of TBANK ordinary shares

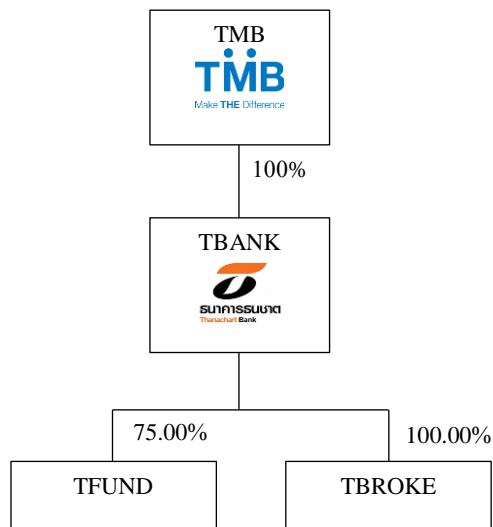


(1) including the non-voting depository receipts (THAI NVDR) of 4.88 percent, which are held by ING Support Holding B.V. If ING Support Holding B.V. could not convert such non-voting depository receipts (THAI NVDR) to TMB's ordinary shares, ING group will hold share in TMB at approximately 25.02 percent of total issued shares of TMB.

Shareholding Structure of TBANK
after the Restructuring and before the Sale of
TBANK Ordinary Shares



Shareholding Structures of TMB and TBANK
after the Sale of TBANK Ordinary Shares



In this regard, TMB will seek financing for the acquisition of TBANK's ordinary shares in the total amount of not less than THB 158,371 Million (amount of which already includes surplus cash from the Restructuring of approximately THB 20,000 – 30,000 Million which will remain with TBANK after TMB has acquired TBANK's ordinary shares) by way of:

- (a) Issuance and offering of its newly issued ordinary shares to accommodate the exercise of rights to subscribe for the newly issued ordinary shares under the transferable subscription rights (“TSR”) allocated by TMB to the existing shareholders of TMB, whereby TMB wishes to raise funds from TSR at the amount not exceeding THB 42,500,000,000;
- (b) Issuance and offering of its newly issued ordinary shares by way of offering to (a) private placement investors, which TMB expects to derive proceeds from such issuance and offering of the newly issued ordinary shares in the amount up to THB 6,400,000,000 Million, and (b) all existing shareholders of TBANK, which TMB expects to derive proceeds from such issuance and offering of the newly issued ordinary shares in the amount up to THB 57,635,000,000;
- (c) Issuance and offering of financial instruments counted as Tier 1 capital (Additional Tier 1) to foreign institutional investors in the amount of approximately THB 9,600,000,000 – 16,000,000,000;
- (d) Offering of subordinated instrument which can be counted as Tier 2 capital (Tier 2 Subordinated Debt) to institutional investors and high net worth investors in the amount of approximately THB 15,000,000,000;
- (e) Surplus cash from the restructuring of TBANK of in the amount of approximately THB 20,000,000,000 – 30,000,000,000 which will remain in TBANK when the shares thereof are acquired by TMB;
- (f) Utilizing TMB's short-term debt instruments and excess liquidity in the amount of up to THB 20,000,000,000, which will be utilized if proceeds from (a) – (e) are insufficient for the transaction.

In addition, under the completion of the acquisition of TBANK ordinary shares by TMB, TMB will issue and offer its newly issued ordinary shares to directors, managements, and employees of TMB and its subsidiaries pursuant to TMB Stock Retention Program at the amount up to 200,000,000 shares, representing not exceeding 0.19 percent of all paid-up shares of TMB (after the offering of newly issued ordinary shares to (1) holders of TSR (2) private placement investors and (3) all shareholders of TBANK).

2) TMB will offer to sell the newly issued ordinary shares to all shareholders of TBANK

After the completion of the Restructuring, in addition to TMB offering to purchase ordinary shares of TBANK from all of TBANK's shareholders, TMB also will offer for subscription of up to 27,622,837,416 newly issued ordinary shares, with a par value of THB 0.95 per share, to all of TBANK's shareholder, with the price as determined by the basis as specified in Section 5.3

Nevertheless, each of TBANK's groups of existing shareholders (TCAP, BNS, and TCAP for Offering to Minority Shareholders of TBANK) will be able to exercise the right to subscribe for TMB newly issued ordinary shares at the amount of not higher than the amount provided in the table below. Even if TBANK's existing shareholders have not exercised the right to subscribe for the newly issued ordinary shares in their allocated proportion in full or none of the shareholders has exercised such right at all, resulting in unsubscribed amount of newly issued ordinary shares offered to TBANK's existing shareholders, TMB will not allocate such unsubscribed amount of shares to other existing shareholders

of TBANK. In this regard, with respect to the allocation to TBANK's minority shareholders by TCAP, if there is any unsubscribed share from the offering to TBANK's minority shareholders in proportion to their respective shareholdings, TCAP will allocate such shares to TBANK's minority shareholders who have expressed the intention to exercise their rights to subscribe for such shares beyond the pro rata basis. However, should there still be any shares of TMB remaining from such allocation, TCAP may necessarily continue to hold such shares.

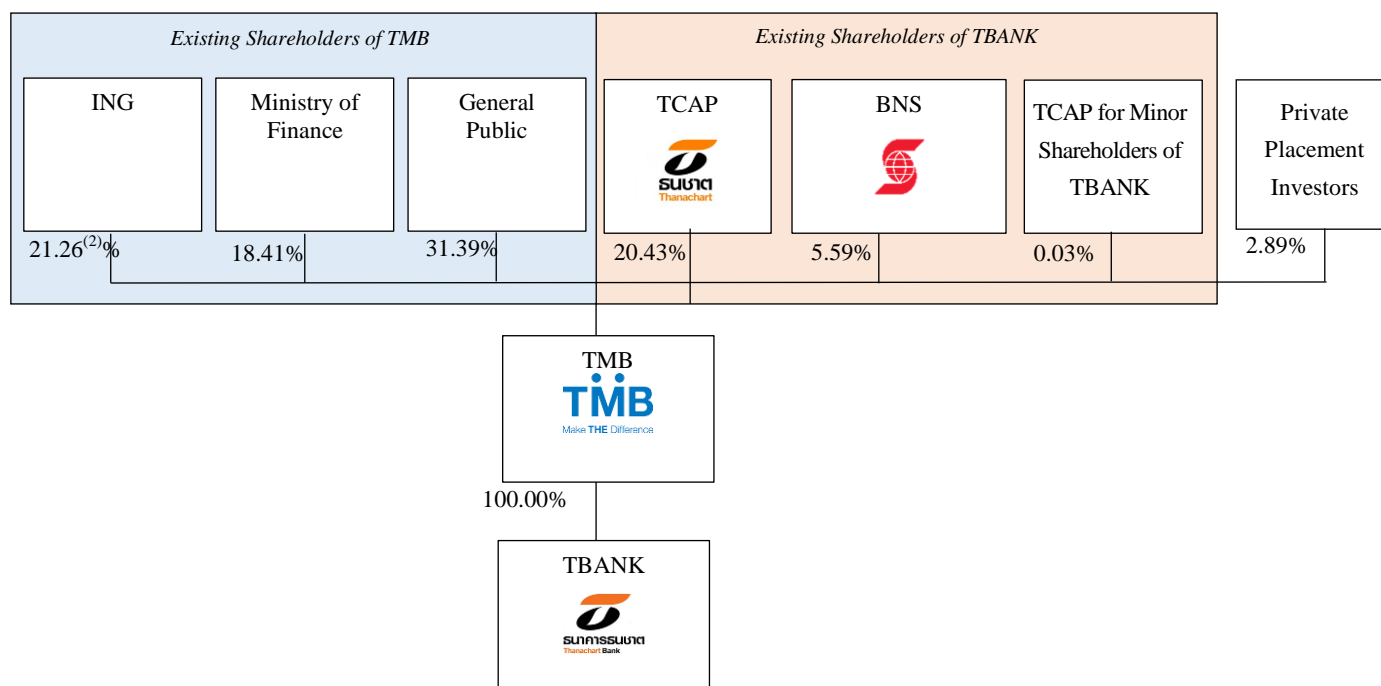
In this regard, according to the share subscription agreement for the newly issued ordinary shares of TMB, TMB will allocate the newly issued ordinary shares to the respective TBANK's shareholders at the following ratio:

Shareholders of TBANK	Number of Allocated Shares
TCAP	Up to 21,663,091,024 shares or approximately 20.1 - 23.3 percent of all paid-up shares of TMB (after the offering of its newly issued ordinary shares to (1) holders of TSR (2) private placement investors and (3) all shareholders of TBANK, excluding TMB Stock Retention Program on this occasion). In this regard, the amount of capital increased by TCAP will not exceed THB 45,200 Million; the amount may be higher if TCAP holds shares in TMB less than 20.1 percent.
BNS	Up to 5,926,197,357 shares or approximately 5.6 – 6.4 percent of all paid-up shares of TMB (after the offering of its newly issued ordinary shares to (1) holders of TSR (2) private placement investors and (3) all shareholders of TBANK, excluding TMB Stock Retention Program on this occasion). In this regard, the amount of capital increased by BNS will not exceed THB 12,365 Million.
TCAP for Offering to Minority Shareholders of TBANK	Totaling up to 33,549,035 shares or approximately 0.03 – 0.04 percent of all paid-up shares of TMB (after the offering of its newly issued ordinary shares to (1) holders of TSR (2) private placement investors and (3) all shareholders of TBANK, excluding TMB Stock Retention Program on this occasion), which will be allocated in proportion to the minority shareholders' respective shareholdings in TBANK.

Source: TMB

In this regard, TCAP agrees to subscribe for TMB's newly issued ordinary shares to be offered to TCAP in accordance with the aforementioned allocation amount. Nevertheless, in order to complete the subscription of TMB's newly issued ordinary shares on the Transaction Date, TCAP agrees to subscribe for the portion of TMB's newly issued shares intended to be offered to TBANK's minority shareholders through the account "TCAP for Offering to Minority Shareholders of TBANK". TCAP will re-offer such newly issued ordinary shares to TBANK's minority shareholders at a later date. TCAP will commence the process of re-offering the newly issued ordinary shares for the minority shareholders to acquire such shares promptly after the completion of the subscription of TMB's newly issued ordinary shares (the "**Subscription of TMB Newly Issued Ordinary Shares**").

Therefore, the shareholding structures of TBANK and TMB after the Sale of TBANK Ordinary Shares and the Subscription of TMB Newly Issued Ordinary Shares will be as follows⁽¹⁾:

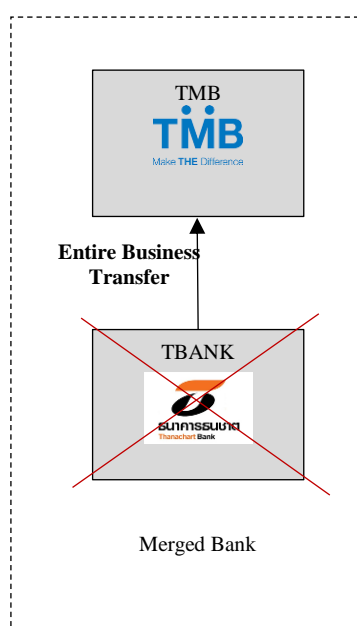


- Remarks:**
- (1) It is subject to an assumption that (1) all existing shareholders of TMB exercise their rights to subscribe for the newly issued ordinary shares per TSRs in full; (2) private placement investors subscribe for the newly issued ordinary shares in full; and (3) all existing shareholders of TBANK exercise their rights to subscribe for TMB's newly issued ordinary shares, whereby (i) TCAP will subscribe for TMB's newly issued ordinary shares at approximately 20.1 - 23.3 percent (ii) BNS will subscribe for TMB's newly issued ordinary shares at approximately 5.6 - 6.4 percent; and (iii) TCAP will subscribe for such newly issued ordinary shares on behalf of TBANK's minority shareholders, representing approximately 0.03 - 0.04 percent of all paid-up shares of TMB (after the offering of newly issued ordinary shares to (1) holders of TSR (2) private placement investors and (3) all shareholders of TBANK, excluding TMB Stock Retention Program on this occasion).
 - (2) In this regard, including the non-voting depository receipts (THAI NVDR) of 3.47 percent, which are held by ING Support Holding B.V. If ING Support Holding B.V. could not convert such non-voting depository receipts (THAI NVDR) to TMB's ordinary shares, ING group will hold share in TMB at approximately 17.79 percent of total paid-up shares of TMB (after the offering of newly issued ordinary shares to (1) holders of TSR (2) private placement investors and (3) all shareholders of TBANK, excluding TMB Stock Retention Program on this occasion).

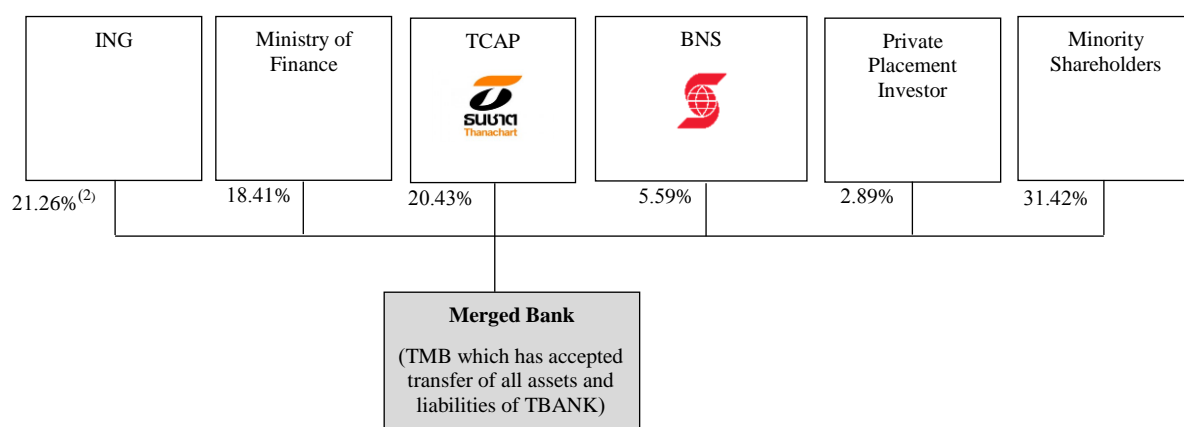
3) Entire Business Transfer of TBANK to TMB

After completion of the Sale of TBANK Ordinary Shares and the Subscription of TMB Newly Issued Ordinary Shares, TMB and TBANK will proceed with the Integration Plan as approved by the Bank of Thailand, and will comply with the procedures under the applicable laws in order to ensure the completion of TBANK's entire business transfer to TMB, which is expected to be completed by 2021.

In this connection, TBANK will proceed with the entire business transfer to TMB, whereby TMB will accept the transfer of the entire assets and liabilities of TBANK, and TBANK will then discontinue the business operations, surrender the commercial banking business license, and undergo its dissolution for further liquidation process.



After TBANK's entire business transfer to TMB, the shareholding structure of the Merged Bank will be as follows⁽¹⁾:



- Remarks:**
- (1) It is subject to an assumption that (1) all existing shareholders of TMB exercise their rights to subscribe for the newly issued ordinary shares per TSRs in full; (2) private placement investors subscribe for the newly issued ordinary shares in full; and (3) all existing shareholders of TBANK exercise their rights to subscribe for TMB's newly issued ordinary shares, whereby (i) TCAP will subscribe for TMB's newly issued ordinary shares at approximately 20.1 - 23.3 percent; (ii) BNS will subscribe for TMB's newly issued ordinary shares at approximately 5.6 – 6.4 percent; and (iii) TCAP will subscribe for such shares on behalf of TBANK's minor shareholders, representing approximately 0.03 – 0.04 percent of all paid-up shares of TMB (after the offering of newly issued ordinary shares to (1) holders of TSR (2) private placement investors and (3) all shareholders of TBANK, excluding TMB Stock Retention Program on this occasion).
 - (2) In this regard, including the non-voting depository receipts (THAI NVDR) of 3.47 percent, which are held by ING Support Holding B.V. If ING Support Holding B.V. could not convert such non-voting depository receipts (THAI NVDR) to TMB's ordinary shares, ING will hold share in TMB at approximately 17.79 percent of total paid-up shares of TMB (after the offering of newly issued ordinary shares to (1) holders of TSR (2) private placement investors and (3) all shareholders of TBANK, excluding TMB Stock Retention Program on this occasion).

TCAP's Board of Directors, in its Meeting No. 9/2019 held on August 7, 2019, has resolved to approve the Restructuring, the Merger, and the relevant arrangements, including such approval to convene the Extraordinary General Meeting of Shareholders No. 1/2019 to be held on September 23, 2019 to consider approving the relevant arrangements, with the essential details as follows:

Restructuring: The offering for sale of shares of the Subsidiaries and Other Companies of TBANK to all shareholders to TBANK in proportion to their respective shareholding, whereby TCAP, as a major shareholder of TBANK, will acquire such shares of the Subsidiaries and Other Companies in proportion to their respective shareholdings, is regarded as a shareholding restructuring by way of share transfer and acceptance of share transfer between companies within the same group. As such, this is not deemed as an acquisition or disposal of assets under the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transaction Deemed as Acquisition or Disposal of Assets, 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 and Disposition of Assets B.E. 2547 (2004) (as amended) (the “**Notifications on Acquisition or Disposal of Assets**”), and is not deemed as a connected transaction under the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) (as amended) (the “**Notifications on Connected Transactions**”). However, the acquisition of shares of the Subsidiaries and Other Companies from TBANK under the Restructuring is deemed as an acquisition or acceptance of transfer of business of another company or private company as part of TCAP pursuant to Section 107(2)(b) of the Public Company Limited Act B.E. 2535 (1992) (and its amendments) (the “**Public Company Limited Act**”), and as such, TCAP requires approval from its shareholders' meeting with not less than three-fourths of all votes of the shareholders who attend the meeting and have the right to vote, excluding such votes of the shareholders having interest. In this regard, MBK, as one of TCAP's major shareholders, is not considered shareholder having interest in approving the Restructuring.

Sale of TBANK Ordinary Shares: The Sale of TBANK Ordinary Shares held by TCAP, representing 50.96 percent of all paid-up shares of TBANK, to TMB is not deemed as a connected transaction under the Notifications on Connected Transactions. However, this transaction is deemed as a disposal of assets under the Notifications on Acquisition or Disposal of Assets. The highest transaction size of the Sale of TBANK Ordinary Shares, which is calculated on the value of net tangible assets basis which gives the highest transaction value, is equal to 145.56 percent. Therefore, the Sale of TBANK Ordinary Shares falls into Class 1 Transaction, that is, transaction with a size equal to or higher than 50 percent and as such, TCAP is required to disclose the information memorandum regarding the Sale of TBANK Ordinary Shares to the SET, obtain approval from its shareholders' meeting with not less than three-fourths of all votes of the shareholders who attend the meeting and have the right to vote, excluding such votes of the shareholders having interest, and appoint an independent financial advisor to offer its opinion on the Sale of TBANK Ordinary Shares, which must be submitted to the SEC Office, the SET and TCAP's shareholders for further consideration. In this connection, TCAP has appointed Silom Advisory Services Co., Ltd. as its independent financial advisor to offer an opinion on the execution of such transaction under the Notifications on Acquisition or Disposal of Assets. Moreover, the Sale of TBANK Ordinary Shares is also deemed as a disposal or transfer of TCAP's business in substantial part to another person pursuant to Section 107(2)(a) of the Public Company Limited Act, and as such, TCAP requires approval from its shareholders' meeting with not less than three-fourths of all votes of the shareholders who attend the meeting and have the right to vote, excluding such votes of the shareholders having interest.

Subscription of TMB Newly Issued Ordinary Shares: TCAP's acquisition of approximately 20.1 - 23.3 percent of TMB's newly issued ordinary shares is not deemed as a connected transaction under the Notifications on Connected Transactions. However, this transaction is deemed as an acquisition of assets under the Notifications on Acquisition or Disposal of Assets. The highest transaction size of the

Subscription of TMB Newly Issued Ordinary Shares, which is calculated on the value of net tangible assets basis which gives the highest transaction value, is equal to 92.37 percent. However, upon combination of this transaction size with other acquisition transactions of the past 6 months which have not been approved by the shareholders' meeting, namely the acquisition of shares of the Subsidiaries and Other Companies from BNS, as detailed in the Supporting Documents for Meeting Agenda Book 2, Part 2, the transaction size is equal to 107.44 percent. Therefore, the Subscription of TMB Newly Issued Ordinary Shares falls into Class 1 Transaction, that is, transaction with a size equal to or higher than 50 percent and as such, TCAP is required to disclose the information memorandum regarding the Subscription of TMB Newly Issued Ordinary Shares to the SET, obtain approval from its shareholders' meeting with not less than three-fourths of all votes of the shareholder who attend the meeting and have the right to vote, excluding such votes of the shareholders having interest, and appoint an independent financial advisor to offer an opinion on the Subscription of TMB Newly Issued Ordinary Shares, which must be submitted to the SEC Office, the SET and TCAP's shareholders for further consideration. In this connection, TCAP has appointed Silom Advisory Services Co., Ltd. as its independent financial advisor to offer an opinion on the execution of such transaction under the Notifications on Acquisition or Disposal of Assets.

However, as TCAP is holding treasury stock from the repurchase of 19,467,000 shares, representing 1.67 of all paid-up shares of TCAP. These shares shall not be counted to constitute the quorum of a shareholders' meeting and shall have no right to vote in approval of the Restructuring, the Sale of TBANK Ordinary Shares, and the Subscription of TMB Newly Issued Ordinary Shares.

In addition, TCAP and TBANK are required to submit the project with detailed description of the implementation under the whole Integration Plan to the Bank of Thailand in order to obtain the Bank of Thailand's approval. After receiving such approval from the Bank of Thailand, TBANK will be required to convene a shareholders' meeting once again to consider approving the business transfer with not less than three-fourths of the votes of the shareholders who attend the meeting, pursuant to Section 73 and Section 74 of the Financial Institution Business Act B.E. 2551 (2008) (as amended), whereby this shareholders' meeting is exempted from compliance with Section 107 of the Public Company Limited Act.

In this regard, the Restructuring and the Merger as mentioned above are an acceptance to enter into the transactions under the relevant agreements which contain conditions precedent and other material terms and conditions as detailed in Section 3.1.2, and the Board of Directors of TCAP have resolved to approve the entry into these agreements at the same time.

TCAP hereby submits the information memorandum to the SET under the Notifications on Acquisition or Disposal as follows:

1. Transaction Date

After TCAP's Board of Directors has passed resolutions to approve the entry into the transaction, TCAP will execute (a) the agreements for the sale and purchase of ordinary shares of the subsidiaries and other companies between TCAP, TBANK, and BNS (the "**Agreements for the Sale and Purchase of Ordinary Shares of Subsidiaries and Other Companies**") for the purpose of the Restructuring after TBANK has successfully established SPV1 and SPV2; (b) the agreement for the sale and purchase of ordinary shares of TBANK between TCAP, BNS, and TMB (the "**Agreement for the Sale and Purchase of Ordinary Shares of TBANK**") on August 8, 2019, under which, TCAP and BNS will sell to TMB all shares held by them in TBANK at a total of not less than 6,062,438,397 shares, representing not less than 99.96 percent of all paid-up shares of TBANK; and (c) the share subscription agreement for the newly issued ordinary shares of TMB between TCAP, BNS, and TMB (the "**Share Subscription Agreement for the Newly Issued Ordinary Shares of TMB**"), under which, TMB will offer its newly issued ordinary shares of up to 27,622,837,416 shares to all shareholders of TBANK on August 8, 2019.

In this regard, TCAP expects that the implementation under the Restructuring, the Sale of TBANK Ordinary Shares and the Subscription of TMB Newly Issued Ordinary Shares will be completed by 2019 after relevant permissions have been obtained from the relevant authorities and all conditions precedent under the relevant agreements have been satisfied or waived by the relevant parties; and various arrangements as required by the relevant agreements as per the details in Section 3.1.2 have been completed. Nevertheless, the Restructuring and the Merger must conform to the applicable laws, rules and regulations, and subject to the fulfillment of the conditions for the execution of the transaction as per the details in Section 13.

Moreover, TCAP expects that the implementation under the entire business transfer of TBANK to TMB will be completed by 2021 after all relevant parties have complied with the applicable laws.

2. Relevant Parties and Relationships with TCAP

2.1 Restructuring

Seller	:	TBANK
Buyers	:	TCAP and BNS
Relationship with TCAP	:	TCAP and BNS are the major shareholders of TBANK. The Restructuring represents the offering of shares in the Subsidiaries and Other Companies of TBANK (as per the details in item I. Prior to the Merger) to all shareholders of TBANK in proportion to their respective shareholdings, which involves share transfer and acceptance of share transfer between companies within the same group, and as such, it is not deemed as a connected transaction under the Notifications on Connected Transactions.

2.2 Sale of TBANK Ordinary Shares

Seller	:	TCAP
Buyer	:	TMB
Relationship with TCAP	:	TMB and its connected persons are not TCAP's connected persons, therefore, the Sale of TBANK Ordinary Shares is not deemed as a connected transaction under the Notifications on Connected Transactions.

TBANK may sell to third parties, 7,499,993 shares held by TBANK in TFUND, or representing 75.00 percent of all shares of TFUND after the completion of the sale of shares of TBANK under the Agreement for the Sale and Purchase of Ordinary Shares of TBANK, provided that such third parties must not be TCAP's connected persons.

2.3 Subscription of TMB Newly Issued Ordinary Shares

Issuer	:	TMB
Subscriber	:	TCAP
Relationship with TCAP	:	TMB and its connected persons are not TCAP's connected persons, therefore, the Subscription of TMB Newly Issued Ordinary Shares is not deemed as a connected transaction under the Notifications on Connected Transactions.

3. General Description and Size of the Transaction

3.1 General Description of the Transaction

3.1.1 Details and Procedures for Implementation

The procedures for implementation under the Merger between TBANK and TMB include the implementation prior to the Merger, namely, the Restructuring and process of the Merger, including, the Sale of TBANK Ordinary Shares, and the Subscription of TMB Newly Issued Ordinary Shares; and TBANK's entire business transfer to TMB, in accordance with the Integration Plan as approved by the Bank of Thailand, which involves the compliance with the procedures under the applicable laws in order to ensure the completion of TBANK's entire business transfer to TMB. In this connection, the details of the Restructuring, the Sale of TBANK Ordinary Shares and the Subscription of TMB Newly Issued Ordinary Shares may be summarized as follows:

(1) Restructuring

Before or on the Transaction Date, after relevant permissions have been obtained from the relevant authorities and the conditions precedent as specified in the relevant agreements have been satisfied or waived by the relevant parties, TBANK will offer to sell all shares held by it in the Subsidiaries and Other Companies to all shareholders of TBANK, whereby TCAP will acquire shares of the Subsidiaries and Other Companies in proportion to its respective shareholding in TBANK, where the prices of the ordinary shares of the Subsidiaries and Other Companies will be determined from the basis as specified in Section 5.1.

Furthermore, in order for the Restructuring to be completed before or on the Transaction Date, TBANK will offer to sell to TCAP such shares in the Subsidiaries and Other Companies, which are intended to be offered to all minority shareholders of TBANK, through the account "TCAP for Offering to Minority Shareholders of TBANK" so that TCAP will re-offer such shares to all minority shareholders of TBANK in proportion to their respective shareholdings in TBANK at a later date. TBANK's minor shareholders will be entitled to choose to acquire shares of any particular or several Subsidiaries and Other Companies in proportion to their respective shareholdings. In so doing, TCAP will re-offer to TBANK's minority shareholders such shares of the Subsidiaries and Other Companies promptly after the completion of the Sale of TBANK Ordinary Shares and the Subscription of TMB Newly Issued Ordinary Shares at the same price paid by TCAP to TBANK.

In this regard, TCAP will offer to sell to TBANK's minority shareholders such shares in the Subsidiaries and Other Companies within 90 days from the completion of the Restructuring. Nevertheless, in the event of necessity or reason causing the failure to offer such shares for sale within such period, TCAP may consider extending the period to sell such shares to TBANK's minority shareholders as appropriate. In this connection, TCAP will comply with the applicable rules. And should there be any shares remaining from the offering of such shares of the Subsidiaries and Other Companies to the minority shareholders in proportion to their respective shareholdings, TCAP will allocate such shares to TBANK's minority shareholders who have expressed the intention to exercise their rights to subscribe for such shares beyond the pro rata basis. However, should there still be any shares of the Subsidiaries and Other Companies remaining from such allocation, TCAP may necessarily continue to hold such shares. In this regard, the holding of such shares will in no way affect the value of TCAP's business.

Furthermore, for the purpose of offering of shares of the Subsidiaries and Other Companies in the account "TCAP for Offering to Minority Shareholders of TBANK" to all minority shareholders of TBANK in proportion to their respective shareholdings in TBANK, should there be any fraction of

shares, representing 0.50 or higher, but less than 1 share, the number of shares to be offered to TBANK minority shareholders will be rounded up. However, under any circumstances, the offering of such shares to TBANK's minor shareholders will not be less than 1 share. Should the number of shares not be sufficient for allocation, TCAP will offer its shares in the Subsidiaries and Other Companies for allocation to the minority shareholders in full according to the rights of the minor shareholders who have expressed the intention to subscribe for shares of the Subsidiaries and Other Companies.

Key Summary of the Restructuring^{1/}

Restructured Subsidiaries and Other Companies		Shares to be offered by TBANK and/or Subsidiaries		Shares to be acquired pro rata by TCAP		Shares to be acquired by TCAP through the account of "TCAP for Offering to Minor Shareholders of TBANK"	
		Amount of Shares	percent (%)	Amount of Shares	percent (%)	Amount of Shares	percent (%)
1	TNS	1,659,999,930	100.00%	845,948,410	50.96%	663,406	0.04%
2	TNI	492,999,434	100.00%	251,236,207	50.96%	197,024	0.04%
3	TSAMC	199,999,997	100.00%	101,921,497	50.96%	79,929	0.04%
4	MBK	167,797,300	9.90%	85,510,760	5.05%	67,061	0.004%
5	PRG	58,844,130	9.81%	29,987,408	5.00%	23,518	0.004%
6	SPV1	99,998	100.00%	50,980	50.98%	-	-
7	THANI ^{2/}	2,460,861,562	65.18%	- ^{2/}	0.00%	983,464	0.03%
8	SPV2 ^{3/}	405,359,484 ^{4/}	100.00%	206,574,232	50.96%	161,999	0.04%
9	AJNMT	477,816	6.00%	-	-	-	-
10	SEACON	260,284	4.53%	-	-	-	-
11	TGL	35,999,994	100.00%	-	-	-	-
12	TTD	499,993	100.00%	-	-	-	-
13	SSV	99,998	100.00%	-	-	-	-
14	TMS	599,993	100.00%	-	-	-	-

Remarks: ^{1/} In this Restructuring, TBANK will offer all shares held by TBANK in the Subsidiaries and Other Companies to all shareholders of TBANK in proportion to their respective shareholdings as at the Transaction Date. In this connection, the amount of shares provided in the table above may be varied from the date of the Board of Directors' meeting until to the Transaction Date.

^{2/}TCAP will indirectly hold shares of THANI through SPV1, as TCAP will hold shares in SPV1 at the proportion of 50.98 percent of all shares of SPV1, and SPV1 will hold shares in THANI at the amount of 2,459,878,098 shares or representing 65.16 percent of all paid-up shares of THANI.

^{3/}TCAP and TCAP for Minority Shareholders of TBANK will indirectly hold shares in AJNMT, SEACON, TGL, TTD, SSV and TMS through SPV2, as TCAP and TCAP for Minority Shareholders of TBANK will hold shares in SPV2, representing 50.96 percent and 0.04 percent of all shares of SPV2, respectively, and SPV2 will hold shares in AJNMT, SEACON, TGL, TTD, SSV and TMS at the amount of 477,816 shares, 260,284 shares, 35,999,994 shares, 499,993 shares, 99,998 shares, and 599,993 shares, respectively, or representing 6.00, 4.53, 100.00, 100.00, 100.00 and 100.00 percent of all shares of AJNMT, SEACON, TGL, TTD, SSV and TMS, respectively.

^{4/}The registered capital as of incorporation of SPV2 will be THB 1 million, with a par value of THB 10 per share, divided into 100,000 shares. Prior to the Transaction Date, TBANK will increase the capital in SPV2 as a source of fund for the acquisition of shares in AJNMT, SEACON, TGL, TTD, SSV and TMS from TBANK at such price determined from basis as specified in Section 5.2. The price of shares to be offered for sale by SPV2 to all shareholders will be equivalent to the total price paid for shares of these

companies. In this regard, subject to the assumption that if the Transaction Date takes place on December 31, 2018, the total value of shares in AJNMT, SEACON, TGL, TTD, SSV and TMS is equivalent to THB 4,054 Million. Therefore, after the capital increase, the registered and paid-up capital of SPV2 shall be equivalent to THB 4,054 Million, divided into 405,359,484 shares, whereby TBANK will offer shares in SPV2 for sale to TCAP, BNS, and TCAP for Minority Shareholders of TBANK in proportion to their respective shareholdings, equivalent to 206,574,232 shares, 198,623,253 shares, and 161,999 shares, respectively.

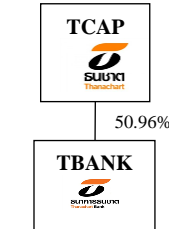
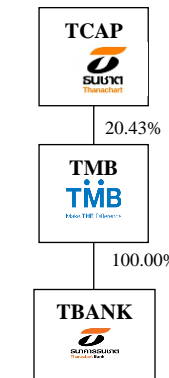
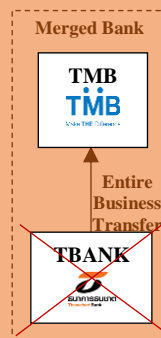
(2) Sale of TBANK Ordinary Shares and Subscription of TMB Newly Issued Ordinary Shares

Before or on the Transaction Date, after the conditions precedent as specified in the relevant agreements and the Restructuring have been satisfied or waived by the relevant parties, TCAP will sell 3,090,699,234 ordinary shares of TBANK, or representing 50.96 percent of all paid-up shares of TBANK to TMB. The price of TBANK shares under the transaction will be determined from the basis as specified in Section 5.2.

After the Restructuring, TBANK will remain a shareholder of TFUND and TBROKE at the ratio of 75.00 percent and 100.00 percent, respectively. However, in relation to TFUND, the parties have mutually agreed under the Agreement for the Sale and Purchase of Ordinary Shares of TBANK that TBANK shall sell all shares held by TBANK in TFUND, representing 75.00 percent of all shares of TFUND, to third parties after the completion of the Sale of TBANK Ordinary Shares under the Agreement for the Sale and Purchase Ordinary Shares of TBANK.

At the same time, TCAP will acquire TMB's newly issued ordinary shares after the financial close of TMB whereby the subscription price for TMB newly issued ordinary shares will be determined from the basis as specified in Section 5.3. TCAP will subscribe for TMB's newly issued ordinary shares of approximately 20.1 - 23.3 percent of all paid-up shares of TMB (after the offering of its newly issued ordinary shares to (1) holders of TSR (2) private placement investors and (3) all shareholders of TBANK, excluding TMB Stock Retention Program on this occasion).

In addition, in order for the Subscription of TMB Newly Issued Ordinary Shares to be completed on the Transaction Date, TMB will offer to sell its newly issued ordinary shares, which are intended to be offered to all minority shareholders of TBANK, worth approximately 0.03 – 0.04 percent of all paid-up shares of TMB (after the offering of its newly issued ordinary shares to (1) holders of TSR (2) private placement investors and (3) all shareholders of TBANK, excluding TMB Stock Retention Program on this occasion) to TCAP through the account "TCAP for Offering to Minority Shareholders of TBANK" so that TCAP will re-offer such newly issued ordinary shares to all minority shareholders of TBANK in proportion to their respective shareholdings at a later date at the same price paid by TBANK to TMB for the subscription. The subsequent re-offering of TMB's newly issued ordinary shares will comply with the same rules, procedures and steps as those of the sale of the ordinary shares of the Subsidiaries and Other Companies to TBANK's minor shareholders, as per the details in (1) above, provided that all shareholders of TBANK will be entitled to acquire TMB's newly issued ordinary shares, regardless of whether or not such shareholders sell their shares held in TBANK to TMB according to TMB's offer to acquire such shares from the existing shareholders of TBANK.

Restructuring		Implementation of the Merger		
Restructuring (within TCAP Group)	Transactions between TBANK and TMB		Structure after the Transactions	Implementation under the Integration Plan
<p>(1) TBANK will offer to sell shares held by it in the Subsidiaries and Other Companies to all shareholders of TBANK in proportion to their respective shareholdings.</p> <p>(2) TCAP will acquire such shares (a) at the portion offered to TCAP; and (b) at the portion offered to TBANK's minority shareholders through the account "TCAP for Offering to Minority Shareholders of TBANK."</p> <p>(3) TCAP will re-offer such shares under (2)(b) to TBANK's minority shareholders at a later date</p>	Sale of TBANK Shares	Subscription of TMB Shares	<p><u>Structure before the Transactions</u></p>  <p><u>Structure after the Transactions</u></p> 	<p>TBANK will proceed with the entire business transfer to TMB, and TBANK will undergo its dissolution for further liquidation process under the applicable rules.</p>  <p>Merged Bank (TMB accepts transfer of assets and liabilities from TBANK.)</p>
	<p>(1) TMB will offer to acquire TBANK's ordinary shares from TBANK's shareholders.</p> <p>(2) TCAP will sell 3,090,699,234 ordinary shares held by it in TBANK, representing 50.96 percent, to TMB.</p>	<p>(1) TMB will offer its newly issued ordinary shares to all shareholders of TBANK for subscription.</p> <p>(2) TCAP will subscribe for TMB's newly issued ordinary shares (a) at the portion offered to TCAP; and (b) at the portion offered to TBANK's minority shareholders through the account of "TCAP for Offering to Minor Shareholders of TBANK."</p> <p>(3) TCAP will re-offer such shares under (2)(b) to TBANK's minor shareholders at a later date.</p>		

3.1.2 Details of the Relevant Agreements

(1) Agreements for the Sale and Purchase of Ordinary Shares of the Subsidiaries and Other Companies

The Agreements for the Sale and Purchase of Ordinary Shares of the Subsidiaries and Other Companies comprise a total of 9 agreements as follows:

Parties	Acquired Shares
1. Buyers: <ul style="list-style-type: none"> • TCAP • BNS Seller: TBANK	492,999,434 ordinary shares of TNI to be sold by TBANK to the following parties: <ul style="list-style-type: none"> • TCAP at the amount of 251,236,207 shares; • BNS at the amount of 241,566,203 shares; • TCAP for Offering to Minority Shareholders of TBANK at the amount of 197,024 shares.
2. Buyers: <ul style="list-style-type: none"> • TCAP • BNS Seller: TBANK	1,659,999,930 ordinary shares of TNS to be sold by TBANK to the following parties: <ul style="list-style-type: none"> • TCAP at the amount of 845,948,410 shares; • BNS at the amount of 813,388,114 shares; • TCAP for Offering to Minority Shareholders of TBANK at the amount of 663,406 shares.
3. Buyer: <ul style="list-style-type: none"> • TCAP • BNS Seller: TBANK	199,999,997 ordinary shares of TSAMC to be sold by TBANK to the following parties: <ul style="list-style-type: none"> • TCAP at the amount of 101,921,497 shares; • BNS at the amount of 97,998,571 shares • TCAP for Offering to Minority Shareholders of TBANK at the amount of 79,929 shares.
4. Buyer: <ul style="list-style-type: none"> • TCAP • BNS Seller: TBANK	99,998 ordinary shares of SPV1 to be sold by TBANK to the following parties: <ul style="list-style-type: none"> • TCAP at the amount of 50,980 shares; • BNS at the amount of 49,018 shares.
5. Buyers: <ul style="list-style-type: none"> • TCAP • SPV1 Seller: TBANK	2,460,861,562 ordinary shares of THANI to be sold by TBANK to the following parties: <ul style="list-style-type: none"> • SPV1 at the amount of 2,459,878,098 shares; • TCAP for Offering to Minority Shareholders of TBANK at the amount of 983,464 shares.
6. Buyer: TBANK Sellers: <ul style="list-style-type: none"> • TNI • TNS 	(a) 109,968,000 ordinary shares of MBK, comprising: <ul style="list-style-type: none"> - 34,365,000 shares to be sold by TNI; - 75,603,000 shares to be sold by TNS;

Parties	Acquired Shares
	(b) 39,224,130 ordinary shares of PRG, comprising: <ul style="list-style-type: none"> - 12,800,000 shares to be sold by TNI; - 26,424,130 shares to be sold by TNS.
7. Buyer: <ul style="list-style-type: none"> • TCAP • BNS Sellers: <ul style="list-style-type: none"> • TBANK 	(a) 167,797,300 ordinary shares of MBK to be sold to the following parties: <ul style="list-style-type: none"> • TCAP at the amount of 85,510,760 shares; • BNS at the amount of 82,219,479 shares; • TCAP for Offering to Minority Shareholders of TBANK at the amount of 67,061 shares. (b) 58,844,130 ordinary shares of PRG to be sold to the following parties: <ul style="list-style-type: none"> • TCAP at the amount of 29,987,408 shares; • BNS at the amount of 28,833,204 shares; • TCAP for Offering to Minority Shareholders of TBANK at the amount of 23,518 shares.
8. Buyers: SPV2 Seller: TBANK	(a) 260,284 ordinary shares of SEACON; (b) 477,816 ordinary shares of AJNMT; (c) 35,999,994 ordinary shares of TGL; (d) 499,993 ordinary shares of TTD; (e) 99,998 ordinary shares of SSV; (f) 599,993 ordinary shares of TMS.
9. Buyers: <ul style="list-style-type: none"> • TCAP • BNS Seller: TBANK	Ordinary shares of SPV2 after capital increase to be sold to the following parties: <ul style="list-style-type: none"> • TCAP at the proportion of approximately 50.96 percent of all shares of SPV2 after capital increase; • BNS at the proportion of approximately 49.00 percent of all shares of SPV2 after capital increase; • TCAP for Offering to Minority Shareholders of TBANK at the proportion of approximately 0.04 percent of all shares of SPV2 after capital increase.

Key terms and conditions of the Agreements for the Sale and Purchase of Ordinary Shares of the Subsidiaries and Other Companies can be summarized as follows:

Execution Date	After TBANK has successfully established SPV1 and SPV2
Selling Price	The selling price of ordinary shares of the Subsidiaries and Other Companies will be determined from the basis as specified in Section 5.1.
Key Conditions	The sale and purchase of ordinary shares of the Subsidiaries and Other Companies as mentioned above will take place only if the

Precedent	conditions precedent under the Agreement for the Sale and Purchase of Ordinary Shares of TBANK has been satisfied or waived (as the case may be).
Other Key Conditions	<ul style="list-style-type: none"> • For the Agreements for the Sale and Purchase of Ordinary Shares of TNI and TNS It is prescribed that, until BNS has disposed the ordinary shares in the companies which BNS acquires under the agreements, TCAP shall undertake to perform the followings: <ul style="list-style-type: none"> (a) TCAP shall not sell, transfer or otherwise dispose or create any third-party right over the ordinary shares of the companies which TCAP acquires under the agreements; (b) Except with the prior written consent of TCAP and BNS, both TCAP and BNS shall procure: <ul style="list-style-type: none"> - the Board of Directors of TNI and TNS (including their subsidiaries) not to pass any resolution in connection with the operations or business of the companies; - the management of TNI and TNS (including their subsidiaries) not to make any material decisions in connection with the operations or business of the companies.
Closing Date	The agreements provide that the purchase and sale of shares shall take place before or on the Transaction Date, but before completion of the Sale of TBANK Ordinary Shares.

(2) Agreement for the Sale and Purchase of Ordinary Shares of TBANK

Key terms and conditions of the Agreement for the Sale and Purchase of Ordinary Shares of TBANK can be summarized as follows:

Buyer	TMB
Sellers	TCAP and BNS
Shares	At least 6,062,438,397 shares in TBANK, representing 99.96 percent of all paid-up shares of TBANK
Selling Price	The selling price of ordinary shares of TBANK will be determined from the basis as specified in Section 5.2.
Termination of the Agreement	The parties shall further negotiate to agree on the sale of shares if (1) the initial price increases or decreases from the selling price of TBANK shares which was calculated based on the audited consolidated financial statements as of December 31, 2018 at the ratio of 15 percent or higher, or (2) in the event that TMB's book value after the issuance and offering of shares to accommodate the exercise of TSR and the issuance and offering of shares via private placement based on the consolidated financial statements of TMB as of September 30, 2019 which have been audited by TMB's certified public accountant and financial information prepared by TMB's management for the operating results after the end date of such most recent audited consolidated financial statements up to

	<p>October 31, 2019 increases or decreases from TMB's book value which include the issuance and offering of shares to accommodate the exercise of TSR and the issuance and offering of shares via private placement based on the consolidated for the year ended December 31, 2018 at the ratio of 15 percent or higher. In this regard, if the parties to the agreement fail to mutually agree within the period prescribed in the agreement, the agreement for the sale and purchase of shares shall be terminated.</p>
Key Conditions Precedent	<p>The acquisition of shares in TBANK will take place only after the conditions precedent as specified in the Share Purchase Agreement for Ordinary Shares of TBANK have been satisfied or waived (as the case may be). Such conditions precedent include:</p> <ul style="list-style-type: none"> • The relevant parties and TBANK shall have obtained permissions from the relevant authorities to proceed with the business merger and any other related arrangements as required by laws, including, but not limited to, such permissions from the Bank of Thailand, and the SEC Office, etc. • The relevant parties and TBANK shall have obtained approvals for the relevant matters from their respective shareholders' meetings as required by laws. • The relevant licenses material to the operating of TMB's and TBANK's businesses are still effective as at the Transaction Date. • TBANK has been exempted or waived the right to terminate agreement, damages from breach of agreement, termination fees, or any other expenses from termination of agreement, any damages which are higher than 5 percent of the initial price from third parties who are a party to the relevant agreements for the period not less than 12 months from the Transaction Date. • TMB's prospectus prepared for the offering of TMB's newly issued ordinary shares to TBANK's shareholders shall have come into effect. • TMB shall have fully and successfully secured necessary financing for the business merger. • TCAP and BNS shall have signed the agreement for the sale and purchase of shares in certain companies in which BNS holds shares, immediately after the completion of the Restructuring. • The Restructuring shall have been completed. • The European Central Bank and The Dutch Central Bank shall have issued a letter of non-objection to the entry to any transactions or arrangements arising from the prescribed transaction in an appropriate form. <p>In this regard, TCAP expects that the above conditions precedent will be satisfied by December 31, 2019 (or such any other date to be mutually agreed upon by the parties), subject to the terms and conditions of the Agreement for the Sale and Purchase of Ordinary Shares of TBANK.</p>

(3) Share Subscription Agreement for Newly Issued Ordinary Shares of TMB

Key terms and conditions of the Share Subscription Agreement for Newly Issued Ordinary Shares of TMB can be summarized as follows:

Subscriber	TCAP and BNS
Issuer	TMB
Shares	At least 27,622,837,416 newly issued ordinary shares of TMB, representing approximately 33.8 percent of total paid-up shares of TMB (after the offering of its newly issued ordinary shares to (1) holders of TSR and (2) private placement investor.
Subscription price	The subscription price of newly issued ordinary shares of TMB will be determined from the basis specified in Section 5.3.
Key Conditions Precedent	<ul style="list-style-type: none">• The Subscription of TMB Newly Issued Ordinary Shares will take place only after the successful completion of the Sale of TBANK Ordinary Shares between TCAP, BNS, and TMB.• Should the Sale of TBANK Ordinary Shares between TCAP, BNS, and TMB be not able to complete on the date specified in the Agreement for the Sale and Purchase of Ordinary Shares of TBANK, certain provisions in Shares Subscription Agreement for Newly Issued Ordinary Shares of TMB shall terminate and cease to take effect. However, the termination and cessation of such provisions shall not prejudice the rights, obligations, and responsibilities of the parties in respect of making compensation for the non-performance of obligations under the agreement when due and shall not affect any action taken prior to the termination and cessation of the Shares Subscription Agreement for Newly Issued Ordinary Shares of TMB.

4. Details of the Acquired and Disposed Assets

4.1 Assets to be Acquired from the Restructuring

4.1.1 Ordinary Shares of TNI

Acquired Assets	251,236,207 ordinary shares of TNI, representing 50.96 percent of all paid-up shares of TNI
Company Name	Thanachart Insurance Public Company Limited
Type of Legal Entity	Public Limited Company
Type of Business	Non-Life Insurance
Registered Capital	THB 4,930,000,000, divided into 493,000,000 shares, with a par value of THB 10.00 per share
Paid-up Capital	THB 4,930,000,000, divided into 493,000,000 shares, with a par value of THB 10.00 per share

List of Shareholders	List of Shareholders before the Restructuring (as of February 7, 2019)		
	Name	Amount of Shares	Percent
	1. TBANK	492,999,434	100.00
	2. 6 other shareholders	566	0.00
	Total	493,000,000	100.00
	<i>Source: List of Shareholders</i>		
	List of Shareholders after the Restructuring		
	Name	Amount of Shares	Percent
	1. TCAP	251,236,207	50.96
	2. BNS	241,566,203	49.00
Other Information	3. TCAP for Offering to Minority Shareholders of TBANK	197,024	0.04
	4. 6 other shareholders	566	0.00
	Total	493,000,000	100.00
	Other information is described in <u>Annex 1</u> .		

4.1.2 Ordinary Shares of TNS

Acquired Assets	845,948,410 ordinary shares of TNS, representing 50.96 percent of all paid-up shares of TNS
Company Name	Thanachart Securities Public Company Limited
Type of Legal Entity	Public Limited Company
Type of Business	<ul style="list-style-type: none"> Type A securities business (Full License), namely, securities brokerage, securities underwriting, investment advisory service, securities borrowing and lending, financial advisory service, investment unit selling and repurchase agency, securities registrar; Type Sor-1 derivatives business, namely, derivatives brokerage, issuer and offeror of derivative warrants, issuer and offeror of structured note.
Registered Capital	THB 1,660,000,000.00, divided into 1,660,000,000 shares, with a par value of THB 1.00 per share
Paid-up Capital	THB 1,660,000,000.00, divided into 1,660,000,000 shares, with a par value of THB 1.00 per share

List of Shareholders	List of Shareholders before the Restructuring (as of March 31, 2019)		
	Name	Amount of Shares	Percent
	1. TBANK	1,659,999,930	100.00
	2. 15 other shareholders	70	0.00
	Total	1,660,000,000	100.00
	<i>Source: List of Shareholders</i>		
	List of Shareholders after the Restructuring		
	Name	Amount of Shares	Percent
	1. TCAP	845,948,410	50.96
	2. BNS	813,388,114	49.00
Other Information	3. TCAP for Offering to Minority Shareholders of TBANK	663,406	0.04
	4. 15 other shareholders	70	0.00
	Total	1,660,000,000	100.00
	Other information is described in <u>Annex 1</u> .		

4.1.3 Ordinary Shares of TSAMC

Acquired Assets	101,921,497 ordinary shares of TSAMC, representing 50.96 percent of all shares of TSAMC
Company Name	TS Asset Management Company Limited
Type of Legal Entity	Limited Company
Type of Business	Financial Institution Asset Management
Registered Capital	THB 2,000,000,000, divided into 200,000,000 shares, with a par value of THB 10.00 per share
Paid-up Capital	THB 2,000,000,000, divided into 200,000,000 shares, with a par value of THB 10.00 per share

List of Shareholders	<u>List of Shareholders before the Restructuring (as of April 30, 2019)</u>		
	Name	Amount of Shares	Percent
	1. TBANK	199,999,997	100.00
	2. 3 other shareholders	3	0.00
	Total	200,000,000	100.00
	<i>Source: List of Shareholders</i>		
	<u>List of Shareholders after the Restructuring</u>		
	Name	Amount of Shares	Percent
	1. TCAP	101,921,497	50.96
	2. BNS	97,998,571	49.00
Other Information	3. TCAP for Offering to Minority Shareholders of TBANK	79,929	0.04
	4. 3 other shareholders	3	0.00
	Total	200,000,000	100.00
	Other information is described in <u>Annex 1</u> .		

4.1.4 Ordinary Shares of SPV1 Which Will Hold Shares in THANI

50,980 ordinary shares of SPV1, representing 50.98 percent of all paid-up shares of SPV1. SPV1 will hold shares in THANI with the following details:

Assets to be Acquired by SPV1	2,459,878,098 ordinary shares of THANI, representing 65.16 percent of all paid-up shares of THANI		
Company Name	Ratchthani Leasing Public Company Limited		
Type of Legal Entity	Public Limited Company		
Type of Business	Leasing		
Registered Capital	THB 3,775,354,601, divided into 3,775,354,601 shares, with a par value of THB 1.00 per share		
Paid-up Capital	THB 3,775,353,450, divided into 3,775,353,450 shares, with a par value of THB 1.00 per share		
List of Shareholders	<u>List of Shareholders before the Restructuring (as of July 17, 2019)</u>		
	Name	Amount of Shares	Percent
	1. TBANK	2,460,861,562	65.18
	2. Other shareholders	1,314,491,888	34.82
	Total	3,775,353,450	100.00
	<i>Source: www.setsmart.com</i>		

	<u>List of Shareholders after the Restructuring</u>		
	Name	Amount of Shares	Percent
	1. TCAP	2,459,878,098	65.16
	2. TCAP for Offering to Minority Shareholders of TBANK	983,464	0.03
	3. Other shareholders	1,314,491,888	34.82
	Total	3,775,353,450	100.00
Other Information	Other information is described in <u>Annex 1</u> .		

4.1.5 Ordinary Shares of MBK

Acquired Assets	85,510,760 ordinary shares of MBK, representing 5.05 percent of all paid-up shares of MBK		
Company	MBK Public Company Limited		
Type of Legal Entity	Public Limited Company		
Type of Business	Real property lease to hotels and companies		
Registered Capital	THB 1,694,923,000, divided into 1,694,923,000 shares, with a par value of THB 1.00 per share		
Paid-up Capital	THB 1,694,923,000, divided into 1,694,923,000 shares, with a par value of THB 1.00 per share		
List of Shareholders	<u>List of Shareholders before the Restructuring (as of March 22, 2019)</u>		
	Name	Amount of Shares	Percent
	1. TBANK	57,829,300	3.41
	2. TCAP	169,493,100	10.00
	3. TNS	75,603,000	4.46
	4. TNI	34,365,000	2.03
	5. Other shareholders	1,357,632,600	80.10
	Total	1,694,923,000	100.00
	<i>Source: www.setsmart.com</i>		
	<u>List of Shareholders after the Restructuring</u>		
	Name	Amount of Shares	Percent
	1. TCAP	255,003,860	15.05
	2. BNS	82,219,479	4.85
	3. TCAP for Offering to Minority Shareholders of TBANK	67,061	0.004
	4. Other shareholders	1,357,632,600	80.10
	Total	1,694,923,000	100.00

Other Information	Other information is described in <u>Annex 1</u> .
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4.1.6 Ordinary Shares of PRG

Acquired Assets	29,987,408 ordinary shares of PRG, representing 5.00 percent of all paid-up shares of PRG		
Company Name	Patum Rice Mill and Granary Public Company Limited		
Type of Legal Entity	Public Limited Company		
Type of Business	Food and Beverage		
Registered Capital	THB 900,000,000, divided into 900,000,000 shares, with a par value of THB 1.00 per share		
Paid-up Capital	THB 600,000,000, divided into 600,000,000 shares, with a par value of THB 1.00 per share		
List of Shareholders	List of Shareholders before the Restructuring (as of March 21, 2019)		
	Name	Amount of Shares	Percent
	1. TBANK	19,620,000	3.27
	2. TCAP	58,755,000	9.79
	3. TNS	26,424,130	4.40
	4. TNI	12,800,000	2.13
	5. Other shareholders	482,400,870	80.40
	Total	600,000,000	100.00
	Source: www.setsmart.com		
	List of Shareholders after the Restructuring		
	Name	Amount of Shares	Percent
	1. TCAP	88,742,408	14.79
	2. BNS	28,833,204	4.81
	3. TCAP for Offering to Minority Shareholders of TBANK	23,518	0.004
	4. Other shareholders	482,400,870	80.40
Total	600,000,000	100.00	
Other Information	Other information is described in Annex 1.		

4.1.7 Ordinary Shares of SPV2 Which Will Hold Shares in SEACON, AJNMT, TGL, TDD, SSV, and TMS

206,685,540 ordinary shares of SPV2, representing 50.96 percent of all shares of SPV2.

In this regard, the registered capital as of incorporation of SPV2 will be THB 1 million, with a par value of THB 10 per share, divided into 100,000 shares. Prior to the Transaction Date, TBANK will increase the capital in SPV2 as a source of fund for the acquisition of shares in AJNMT, SEACON, TGL, TTD, SSV and TMS from TBANK at such price determined from the basis as specified in Section 5.2. The price of shares to be offered for sale by SPV2 to all shareholders will be equal to the total price paid for shares of these companies. In this regard, subject to the assumption that the Transaction Date takes place on December 31, 2018, total value of shares in these companies is equivalent to THB 4,055,779,020 Million. Therefore, the registered and paid-up capital of SPV2 shall be equivalent to THB 4,055,779,020 Million, with a par value THB 10 per share, divided into 405,577,902 shares, whereby TBANK will offer shares in SPV2 for sale to TCAP, BNS, and TCAP for Minority Shareholders of TBANK in proportion to their respective shareholdings, equivalent to 206,685,540 shares, 198,730,276 shares, and 162,086 shares, respectively. SPV2 will hold shares in AJNMT, SEACON, TGL, TDD, SSV, and TMS with the following details:

4.1.7.1. Ordinary Shares of SEACON

Acquired Assets	260,284 ordinary shares of SEACON, representing 4.53 percent of all paid-up shares of SEACON		
Company	Seacon Development Public Company Limited		
Type of Legal Entity	Public Limited Company		
Type of Business	Lease and management of real property, either owned or leased from others, for non-residential purpose		
Registered Capital	THB 574,000,000, divided into 5,740,000 shares, with a par value of THB 100.00 per share		
Paid-up Capital	THB 574,000,000, divided into 5,740,000 shares, with a par value of THB 100.00 per share		
List of Shareholders	<u>List of Shareholders before the Restructuring (as of February 1, 2019)</u>		
	Name	Amount of Shares	Percent
	1. TBANK	260,284	4.53
	2. Other shareholders	5,479,716	95.47
	Total	5,470,000	100.00
	<i>Source: List of Shareholders</i>		
	<u>List of Shareholders after the Restructuring</u>		
	Name	Amount of Shares	Percent
	1. SPV2	260,284	4.53
	2. Other shareholders	5,479,716	95.47
	Total	5,470,000	100.00
Other Information	Other information is described in <u>Annex 1</u> .		

4.1.7.2. Ordinary Shares of AJNMT

Acquired Assets	477,816 ordinary shares of AJNMT, representing 6.00 percent of all shares of AJNMT		
Company Name	Ajinomoto Co., (Thailand) Ltd.		
Type of Legal Entity	Limited Company		
Type of Business	Production of monosodium glutamate		
Registered Capital	THB 796,362,800, divided into 7,963,628 shares, with a par value of THB 100.00 per share		
Paid-up Capital	THB 796,362,800, divided into 7,963,628 shares, with a par value of THB 100.00 per share		
List of Shareholders	List of Shareholders before the Restructuring (as of June 14, 2019)		
	Name	Amount of Shares	Percent
	1. TBANK	477,816	6.00
	2. Other shareholders	7,485,812	94.00
	Total	7,963,628	100.00
	Source: List of Shareholders		
	List of Shareholders after the Restructuring		
	Name	Amount of Shares	Percent
	1. SPV2	477,816	6.00
	2. Other shareholders	7,485,812	94.00
Total	7,963,628	100.00	
Other Information	Other information is described in Annex 1.		

4.1.7.3. Ordinary Shares of TGL

Acquired Assets	35,999,994 ordinary shares of TGL, representing 100.00 percent of all shares of TGL
Company Name	Thanachart Group Leasing Company Limited
Type of Legal Entity	Limited Company
Type of Business	Leasing
Registered Capital	THB 360,000,000, divided into 36,000,000 shares, with a par value of THB 10.00 per share
Paid-up Capital	THB 360,000,000, divided into 36,000,000 shares, with a par value of THB 10.00 per share

List of Shareholders	<u>List of Shareholders before the Restructuring (as of April 30, 2019)</u>		
	Name	Amount of Shares	Percent
	1. TBANK	35,999,994	100.00
	2. 6 other shareholders	6	0.00
	Total	36,000,000	100.00
	<i>Source: List of Shareholders</i>		
	<u>List of Shareholders after the Restructuring</u>		
	Name	Amount of Shares	Percent
	1. SPV2	35,999,994	100.00
	2. 6 other shareholders	6	0.00
	Total	36,000,000	100.00
Other Information	Other information is described in <u>Annex 1</u> .		

4.1.7.4. Ordinary Shares of TTD

Acquired Assets	499,993 ordinary shares of TTD, representing 100.00 percent of all shares of TTD		
Company Name	Thanachart Training and Development Company Limited		
Type of Legal Entity	Limited Company		
Type of Business	Provision of training services		
Registered Capital	THB 5,000,000, divided into 500,000 shares, with a par value of THB 10.00 per share		
Paid-up Capital	THB 5,000,000, divided into 500,000 shares, with a par value of THB 10.00 per share		
List of Shareholders	<u>List of Shareholders before the Restructuring (as of May 10, 2019)</u>		
	Name	Amount of Shares	Percent
	1. TBANK	499,993	100.00
	2. 7 other shareholders	7	0.00
	Total	500,000	100.00
	<i>Source: List of Shareholders</i>		
	<u>List of Shareholders after the Restructuring</u>		
	Name	Amount of Shares	Percent
	1. SPV2	499,993	100.00
	2. 7 other shareholders	7	0.00
	Total	500,000	100.00
Other Information	Other information is described in <u>Annex 1</u> .		

4.1.7.5. Ordinary Shares of SSV

Acquired Assets	99,998 ordinary shares of SSV, representing 100.00 percent of all shares of SSV		
Company Name	Security Scib Services Company Limited		
Type of Legal Entity	Limited Company		
Type of Business	General administration services		
Registered Capital	THB 10,000,000, divided into 100,000 shares, with a par value of THB 100.00 per share		
Paid-up Capital	THB 10,000,000, divided into 100,000 shares, with a par value of THB 100.00 per share		
List of Shareholders	<u>List of Shareholders before the Restructuring (as of April 25, 2019)</u>		
	Name	Amount of Shares	Percent
	1. TBANK	99,998	100.00
	2. 2 other shareholders	2	0.00
	Total	100,000	100.00
	<u>Source: List of Shareholders</u>		
	<u>List of Shareholders after the Restructuring</u>		
	Name	Amount of Shares	Percent
	1. SPV2	99,998	100.00
	2. 2 other shareholders	2	0.00
Total	100,000	100.00	
Other Information	Other information is described in <u>Annex 1</u> .		

4.1.7.6. Ordinary Shares of TMS

Acquired Assets	599,993 ordinary shares of TMS, representing 100.00 percent of all shares of TMS
Company Name	Thanachart Management and Service Company Limited
Type of Legal Entity	Limited Company
Type of Business	Provision of staff services
Registered Capital	THB 6,000,000, divided into 600,000 shares, with a par value of THB 10.00 per share
Paid-up Capital	THB 6,000,000, divided into 600,000 shares, with a par value of THB 10.00 per share

List of Shareholders	<u>List of Shareholders before the Restructuring (as of April 30, 2019)</u>		
	Name	Amount of Shares	Percent
	1. TBANK	599,993	100.00
	2. 7 other shareholders	7	0.00
	Total	600,000	100
	<i>Source: List of Shareholders</i>		
	<u>List of Shareholders after the Restructuring</u>		
	Name	Amount of Shares	Percent
	1. SPV2	599,993	100.00
	2. 7 other shareholders	7	0.00
	Total	600,000	100.00
Other Information	Other information is described in <u>Annex 1</u> .		

4.2 Assets to Be Disposed from the Sale of TBANK Ordinary Shares

The assets to be disposed in this regard are 3,090,699,234 ordinary shares of TBANK held by TCAP, representing 50.96 percent of all paid-up shares of TBANK. The general information of TBANK is described as follows:

(1) General Information

Company Name	Thanachart Bank Public Company Limited
Type of Legal Entity	Public Company Limited
Type of Business	Commercial Bank
Registered Capital	THB 99,136,649,030.00, divided into 9,913,664,903 shares, with a par value of THB 10.00 per share
Paid-up Capital	THB 60,648,621,700.00, divided into 6,064,862,170 shares, with a par value of THB 10.00 per share
Head Office	444 MBK Tower, Phayathai Road, Wangmai, Pathumwan, Bangkok 10330
Other Information	Other information is described in <u>Annex 1</u> .

(2) Board of Directors and Shareholders of TBANK

List of Board of Directors

List of Board of Directors of TBANK as of April 2, 2019

List of Directors	Positions
1. Mr. Banterng Tantivit	Director
2. Mr. Narong Chivangkur	Director
3. Mr. Suphadej Poonpipat	Director

List of Directors	Positions
4. Ms. Suvarnapha Suvarnaprathip	Director
5. Mr. Somjai Phagaphasvivat	Director
6. Mr. Rod Michael Reynolds	Director
7. Mr. Walter Tas	Director
8. Mr. Thanachart Numnonda	Director
9. Ms. Mookda Pairatchavet	Director
10. Mr. William George Said	Director
11. Mr. Alexander Kwai Lap Choi	Director
12. Mr. Praphan Anupongongarch	Director

Source: The Company Affidavit issued by the Department of Business Development, Ministry of Commerce, as of April 2, 2019

Board of Directors of TBANK after the Sale of TBANK Ordinary Shares will be as appropriately appointed afterwards.

List of Shareholders

List of Shareholders of TBANK before and after the Sale of Ordinary Shares of TBANK (subject to the assumption that all minority shareholders of TBANK agree to sell all shares held by them in TBANK to TMB) will be as follows:

No.	List of Shareholder (as of April 4, 2019)			List of Shareholders after the Transaction		
	Name	Amount of Shares (Shares)	Shareholding (Percent)	Name	Amount of Shares (Shares)	Shareholding (Percent)
1.	TCAP	3,090,699,234	50.96	TMB	6,064,862,170	100.00
2.	BNS	2,971,739,163	49.00	-	-	-
3.	743 minority shareholders	2,423,773	0.04	-	-	-

Source: Report on the list of major shareholders, prepared by Thailand Securities Depository Company Limited as of April 4, 2019

4.3 Assets to Be Acquired from the Acquisition of TMB Newly Issued Ordinary Shares

The assets to be acquired in this regard are up to 21,663,091,024 newly issued ordinary shares of TMB, representing 20.1 – 23.3 percent of all paid-up shares of TMB (after the offering of its newly issued ordinary shares (1) holders of TSR (2) private placement investors and (3) all shareholders of TBANK, excluding TMB Stock Retention Program on this occasion). The general information of TMB is described as follows:

(1) **General Information of TMB**

Company Name	TMB Bank Public Company Limited
Type of Legal Entity	Public Limited Company
Type of Business	Finance/Banking Business
Registered Capital (as of March 31, 2019)	THB 41,903,301,555.05, divided into 43,851,893,110 shares, with a par value of THB 0.95 per share
Paid-up Capital (as of March 31, 2019)	THB 41,659,298,454.50
Head Office	3000 Phaholyothin Road, Chomphon, Chatuchak, Bangkok

(2) **Board of Directors and Shareholders of TMB**

List of Board of Directors

Current List of Board of Directors of TMB

List of Directors	Positions
1. Mr. Prasong Poontaneat	Chairman of the Board
2. Mr. Philippe G.J.E.O. Damas	Chairman of the Board of Executive Directors / Director
3. Mr. Piti Tantakasem	Chief Executive Officer / Director
4. General Nattaphon Narkphanit	Director
5. Ms. Catherine Peck Cheng Low	Director
6. Mr. Chumpol Rimsakorn	Director
7. Mr. Vaughn Nigel Richtor	Director
8. Mr. Yokporn Tantisawetrat	Director
9. Mr. Singha Nikornpun	Independent Director / Chairman of the Audit Committee
10. Mr. Siripong Sombutsiri	Independent Director
11. Mr. Christopher John King	Independent Director / Member of the Audit Committee
12. Mr. Praisun Wongsmith	Independent Director / Member of the Audit Committee

Source: www.set.or.th

In this regard, after the Subscription of TMB Newly Issued Ordinary Shares, the composition of TMB's Board of Directors may change from 12 persons to 14 persons. It is expected that the composition of TMB's Board of Directors after the Subscription of TMB Newly Issued Ordinary Shares will be as follows:

Directors	Amount
1. Directors nominated by ING	2 persons
2. Directors nominated by TCAP	2 persons
3. Directors nominated by the Ministry of Finance	2 persons
4. Chief Executive Officer	1 person
5. Other directors (e.g. independent director and/or person to be appointed from the nomination by the Royal Thai Army)	7 persons
Total	14 persons

List of Shareholders

List of shareholders of TMB before and after the Subscription of TMB Newly Issued Ordinary Shares (subject to the assumption that (a) TMB's existing shareholders exercise their rights to subscribe for newly issued ordinary shares under TSR in full, (b) private placement investors subscribe for newly issued ordinary shares allocated to them in full, (c) TBANK's existing shareholder subscribe for newly issued ordinary shares under preferential public offering in full) will be as follows:

No.	List of TMB's Major Shareholder (as of April 24, 2019) ⁽¹⁾		List of TMB's Major Shareholder after the Transaction	
	Name	Shareholding (Percent)	Name	Shareholding (Percent)
1.	Ministry of Finance	25.92	ING Bank N.V. ⁽²⁾	21.26
2.	ING Bank N.V.	25.02	TCAP	20.83
3.	Thai NVDR Co., Ltd. ⁽³⁾	10.13	Ministry of Finance	18.41
4.	South East Asia UK (Type C) Nominees Limited	1.71	BNS	5.59
5.	Mrs. Somporn Juangroongruangkit	1.41	Private Placement Investors	2.89

Remarks:

(1) Source: www.set.or.th

(2) Including the non-voting depository receipts (THAI NVDR) of 4.88 percent, which ING Support Holding B.V. may convert into ordinary shares in the future.

(3) ING Support Holding B.V. holds the non-voting depository receipts (THAI NVDR) of 4.88 percent.

(3) Business Operations

TMB was established on November 5, 1957 with Field Marshall Sarit Tanarat positioned as Chairman of the Board of Directors and most of the shareholders in the initial stage were military personnel. TMB, later, was listed on the Stock Exchange of Thailand on December 23, 1983. Later in September 2004, TMB was merged with DBS Thai Danu Bank and the Industrial Finance Corporation of Thailand, resulting in TMB having an insurance company and an asset management company under its umbrella enabling TMB to operate as a universal bank. In December 2007, TMB successfully increased its registered capital of THB 37,622 Million, having ING, a financial institution from Netherlands, as a new partner, strengthen TMB's financial position.

As of today, TMB is ranked as the 7th largest commercial bank of Thailand. TMB offers deposit products, loan products, financial transaction services, international trading services, insurance products, business card services, agency and securities services, and investment banking and investment advisory services, credit card products, investment products, and wealth management to its customers, which are divided into 3 segments, namely, wholesale banking group, SME banking group, and retail banking group.

As of December 31, 2018, TMB has total 416 branch in Thailand (including 1 branch of ME by TMB1) and oversea branches, namely Cayman Islands Branch and Vientiane branch, Lao P.D.R.. Moreover, there are also 55 zone offices for small enterprise, 42 zone offices for business banking, and 1 foreign currency exchange booth. TMB also offers electronic banking through (1) ATM and ADM, (2) merchant acquiring business, (3) digital banking, such as TMB Internet Banking, TMB Touch, ME by TMB, TMB Business Click, and TMB Business Touch.

(4) Other Legal Entities with 10 Percent of Shares or More Held by TMB⁽¹⁾

Item	Company Name	Type of Business	Amount of All Issued Shares (shares)	Shareholding Ratio (percent)
1.	Phayathai Asset Management Co., Ltd. ⁽²⁾	Finance Business	107,000,000	100.00
2.	Phahonyothin Asset Management Co., Ltd.	Finance Business	2,500,000	100.00
3.	TMB Asset Management Co., Ltd.	Finance Business	10,000,000	35.00
4.	TMB Property Development Co., Ltd.	Real Estate	10,000	99.93
5.	N D Group Feedmill Co., Ltd.	Retail/Wholesale	120,000	25.00
6.	National ITMX Co., Ltd.	Services	500,000	10.74
7.	M Thai Estate Co., Ltd.	Real Estate	30,000,000	10.00
8.	Thai Charoenphol Industry Co., Ltd.	Manufacturing	15,500	16.13
9.	TRIS Corporation Limited	Services	1,000,000	15.30
10.	Wholesale Town Co., Ltd.	Transportation	22,000	10.00
11.	Wing Group Co., Ltd.	Production of Ready-To-Wear Clothes	9,000	25.00

Remarks:

(1) Information from Form 56-1 for the year 2018

(2) This company registered its dissolution with the Ministry of Commerce on December 26, 2018

(5) **Key Financial Information of TMB**

Summary of Financial Position

Information (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Cash and cash equivalents	16,531	17,872	15,234	11,678
Interbank and money market items-net	113,858	112,534	113,522	104,248
Derivatives assets	10,460	8,674	7,916	7,980
Investments-net	62,985	61,305	73,477	84,223
Investments in subsidiaries and associated companies-net	-	-	4,577	4,637
Loans to customers and accrued interest receivables-net	569,268	619,373	654,040	656,846
Properties foreclosed-net	1,506	2,214	2,614	2,688
Land, premises and equipment-net	12,383	12,071	11,876	11,741
Goodwill and intangible assets-net	1,704	2,132	2,592	2,608
Other assets	8,620	7,698	5,864	5,574
Total assets	797,316	843,872	891,713	892,224
Deposits	598,948	611,430	649,568	661,287
Interbank and money market items	45,417	60,349	64,267	51,266
Payable on demand liabilities	4,032	3,665	3,505	5,018
Financial liabilities designated at fair value through profit or loss	362	386	397	401
Derivatives liabilities	10,728	8,559	7,328	7,139
Debt issued and borrowings	39,874	33,352	35,124	34,852
Provisions for obligations on transfers of Non-performing assets	1,657	-	-	-
Provisions for employee benefits	1,453	1,301	1,221	1,584
Provisions for other liabilities	701	544	630	646
Deferred revenue	218	18,908	17,594	17,334
Other liabilities	10,078	15,523	13,302	12,302
Total liabilities	713,468	754,016	792,934	791,830
Registered capital	41,903	41,903	41,903	41,903
Issued and paid-up capital	41,617	41,648	41,659	41,659

Information (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Share premium	325	379	404	404
Other components of equity	5,278	5,097	4,811	4,829
Retained earnings/ (losses)	36,502	42,731	51,905	53,501
Equity attributable to owners of the Company	83,723	89,856	98,779	100,394
Non-controlling interests of subsidiaries	125	-	-	-
Total shareholders' equity	83,848	89,856	98,779	100,394

Income Statements

Information (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Net interest income	24,761	24,734	24,497	6,236
Net fees and service income	7,997	10,586	9,338	1,722
Other operating income	2,465	2,119	14,208	558
Total operating income	35,223	37,439	48,042	8,517
Operating expenses	16,589	17,792	17,475	4,738
Impairment losses of loans and debt securities	8,649	8,915	16,100	1,839
Total expenses	25,238	26,707	33,575	6,577
EBT	9,984	10,732	14,467	1,940
Income tax expenses	1,740	2,004	2,866	361
Net profit/(loss)	8,244	8,728	11,601	1,579
Profit attributable to equity holders of the company	8,226	8,687	11,601	1,579
Profit (Loss) attributable to non-controlling interest	-	-	-	-
Earnings per share (THB)	0.1879	0.1982	0.2646	0.0360

Source: Consolidated Financial Statements of TMB

(6) **Comparison of Financial Statements of TMB as of December 31, 2018 and Pro Forma Consolidated Financial Statements of TMB and TBANK after the Merger as of December 31, 2018**

TMB has conducted pro forma consolidated financial statements of TMB and TBANK after the Merger based on the financial statements of TMB for the year ended December 31, 2018 and pro forma consolidated financial statements of TBANK for the year ended December 31, 2018 to illustrate the statement after the Restructuring which is a pro forma consolidated financial statements prepared by TMB and assured as to the preparation standard by KPMG Phoomchai Audit Ltd.. In this regard, the pro forma consolidated financial statement is not an indicator of the actual operating results as the financial information in the pro forma consolidated financial statements have been prepared by assumption of the event that did not actually occur at the time. Key details in TMB's financial statements compared to pro forma consolidated financial statements of TMB and TBANK after the Merger can be summarized as follows:

Information (Unit : THB Million)	TMB as of December 31, 2018	TMB and TBANK after the Merger as of December 31, 2018	Increased by
Statement of Financial Position			
Assets			
Cash	15,234	26,246	72.3
Interbank and money market items-net	113,522	193,744	70.7
Loans to customers	685,793	1,446,080	110.9
Total loans to customers and accrued interest receivables	687,102	1,448,034	110.7
Total loans to customers and accrued interest receivables-net	654,040	1,334,627	104.1
Properties foreclosed-net	2,614	4,247	62.5
Goodwill and intangible assets-net	2,592	25,285	875.5
Total assets	891,713	1,860,556	108.6
Liabilities			
Deposits	649,568	1,403,301	116.0
Interbank and money market items	64,267	106,185	65.2
Debt issued and borrowings- net	35,124	78,490	123.5
Total liabilities	792,934	1,655,242	108.7
Equity			
Share capital and premium on share capital	42,063	148,598	253.3
Other reserves	4,811	4,811	-
Retained earnings	51,905	51,905	-
Equity attributable to owners of the bank	98,779	205,314	107.9
Total equity	98,779	205,314	107.9
Total liabilities and equity	891,713	1,860,556	108.6

Information (Unit : THB Million)	TMB as of December 31, 2018	TMB and TBANK after the Merger as of December 31, 2018	Increased by
Statement of comprehensive income			
Interest income	35,128	77,754	121.3
Net interest income	24,497	51,737	111.2
Net fees and service income	9,338	14,212	52.2
Total operating income	48,042	82,029	70.7
Total other operating expenses	17,475	35,399	102.6
Impairment losses of loans and debt securities	16,100	20,565	27.7
Profit before income tax	14,467	26,064	80.2
Profit for the year	11,601	21,924	89.0
Other comprehensive income for the year, net of tax	(48)	(1,031)	2,047.9
Total comprehensive income for the year	11,554	20,893	80.8
Key ratios			
Loan yield	4.9%	5.1%	
Cost of deposit	1.4%	1.5%	
NIM	2.9%	2.9%	
Cost to income	36.0%	43.2%	
Earning per shares	0.26	0.21	
Return on Asset	1.4%	1.2%	
Return on Equity	12.4%	10.7%	
Loan to deposit ratio	105.6%	98.7%	
Loan loss reserve to total loans	4.7%	3.8%	
NPL ratio	2.8%	2.4%	
NPL coverage ratio	152.0%	139.9%	
Tier 1 Ratio	13.6%	13.7%	
Capital Adequacy Ratio (CAR)	17.5%	17.7%	

Source: TMB

Basis for Preparation of Pro Forma Statements of TMB and TBANK after the Merger

The pro forma consolidated financial information is based on the information provided in the pro forma consolidated financial statements prepared by TMB as assured as to the preparation standard by KPMG Phoomchai Audit Ltd. which is prepared based on the audited consolidated financial statements of TMB and TBANK and its subsidiaries for the year ended December 31, 2018, with the purpose to reflect the acquisition of TBANK after the Restructuring by TMB as if the Merger had been completed on January 1, 2018 for the pro forma consolidated statement of comprehensive income and on December 31, 2018 for the pro forma consolidated statement of financial position.

1) *Disposal of Non-Transferred Entities*

TBANK will dispose certain subsidiaries and associate companies as part of the Restructuring. The disposed investments will be adjusted with interbank and money market items as it is a condition before the acquisition whereby TMB will acquire TBANK immediately after TBANK disposes the non-transferred entities and receives related consideration from the disposal.

2) *Acquisition of TFUND by TMB with a View to Resale*

TMB managements have the intention to accept the transfer of TFUND with a view to resale. TMB therefore present the value of investment in TFUND at deemed fair value and classify as a single unit in other assets. In the pro forma consolidated statement of comprehensive income will exclude TFUND's operating results in order to reflect the on-going performance. Any intercompany transactions with TFUND will be treated as third party transactions and have not been eliminated.

3) *Depreciation on Fair Value Uplift of Buildings for Own Use*

From the assumption as if the Merger had been completed on January 1, 2018, in preparing the pro forma consolidated statement of comprehensive income, TBANK's operating results also reflect additional depreciation on fair value uplift of buildings for own use by divided fair value uplift with remaining useful life as implied from the appraisal report.

4) *Financial Structure Established to Fund the Acquisition by TMB*

With reference to the assumption that the Merger had been completed on December 31, 2018, in preparing the pro forma consolidated statement of financial position, the pro forma financial information has reflected the following financing transaction as proceeds to fund the consideration:

- issuing subordinated debentures of THB 25,000 Million;*
- issuing share on right offering and private placement of THB 48,900 Million;*
- issuing share for preferential public offering to TBANK's shareholders equivalent to fair value of THB 58,635 Million;*
- the rest will be funded by TMB's liquidity.*

According to the assumption that the Transaction had been completed on January 1, 2018, in preparing the pro forma consolidated statement of comprehensive income, the performance of the Merged Bank also reflects interest expenses from subordinated debentures issued by applying expected interest rates to be incurred, net of tax.

The above consideration and the pro forma consolidated financial information have not yet reflected transaction costs relating to the funding.

5) *Identification of Intangible Assets and Goodwill from the Merger*

The intangible assets and goodwill from the Merger have been computed together by using the difference between the expected consideration paid or payable to the seller and the adjusted net asset value of TBANK and deferred tax liabilities.

Given that the information regarding fair value of intangible assets identified from the Merger is not available yet, therefore, it has been shown together with goodwill. As a result, no related amortization of those identified intangible assets has been reflected in the pro forma consolidated statement of comprehensive income.

The goodwill in the pro forma consolidated financial information will be different, as the allocation of the purchase price has not been finalized. Accordingly, there can be no assurance that the final

allocation of the purchase price will not differ from the preliminary allocation reflected in the pro forma consolidated financial information.

Supplementary Information

The pro forma consolidated statement of comprehensive income for the year ended December 31, 2018 included the following items:

- *Gains on investments include gain on loss of control in TMB Asset Management Co., Ltd. of THB 11,852 Million.*
- *Impairment losses of loans and debt securities includes additional allowance set by TMB of approximately THB 5,000 Million in anticipation of strengthening regulatory measures.*

Income tax includes utilization of tax losses not previously recognized as deferred tax asset amounting to of THB 4,742 Million.

5. Basis for Determination of Value of Consideration

The value of consideration in the transactions will be determined in accordance with the basis for pricing as approved by the shareholders' meetings and the financial information as shown below, provided that TCAP and TMB will have resolution passed by their respective boards of directors declaring the selling prices of the transactions before the Transaction Date (the "**Selling Price**"), which may be adjusted for the respective transactions after the Transaction Date. The basis for pricing are as follows:

5.1 Basis for Determination of the Selling Price of the Ordinary Shares of the Subsidiaries and Other Companies

TBANK sets out the basis of pricing of the Selling Price for the restructuring of the Subsidiaries and Other Companies, which will be offered to all shareholders of TBANK in proportion to their respective shareholdings, comprising:

5.1.1 Subsidiaries with 100.00 Percent of All Paid-up Shares Held by TBANK

There are 3 subsidiaries under the Restructuring in which TBANK holds 100.00 percent of all paid-up shares, including TNI, TNS and TSAMC.

The basis for determination of initial price on the Transaction Date for TNI, TNS, and TSAMC will be from the book value per share based on the financial information under the most recent financial statements which have been audited by the certified public accountants of such companies.

After the Transaction Date, the company's certified public accountant will audit the financial information and the operating results up to the end date of the latest month immediately preceding the Transaction Date to determine the final price which may be higher or lower than the initial price on the Transaction Date.

Condition for price adjustment and settlement of the price for the sale and purchase of shares of subsidiaries under the Restructuring.

- 1) If the initial price paid as at the Transaction Date is higher than the final price, TBANK shall pay the surplus amount to shareholders of TBANK who purchased shares in such subsidiaries. As for the minority shareholders, TBANK will pay the surplus amount to TCAP to further pay to the minority shareholders who purchased shares in such subsidiaries.

- 2) If the initial price as at the Transaction Date is lower than the final price, the major shareholders shall pay the surplus amount to TBANK. In this regard, TCAP will pay the surplus amount on part of the minority shareholders who purchased shares in such subsidiaries.

5.1.2 Subsidiary Listed on the SET

THANI is a subsidiary in which TBANK holds 65.18 percent of all paid-up shares and is listed on the SET. Prior to the Transaction Date, TBANK will proceed with the restructuring by selling shares of SPV1, a company to be incorporated for specific purpose, in which TBANK will hold 100.00 percent of its shares, to TCAP and BNS. The basis for determination of the Selling Price will be determined from the book value per share based on the financial information under the most recent financial statements of SPV1 which have been audited or reviewed by the certified public accountant, or, in the absence of the financial figures which have been audited or reviewed by the auditor, the value of issued and paid-up registered capital of SPV1 in absence of financial information audited or reviewed by the auditor.

Thereafter, on the Transaction Date, TBANK will sell shares of THANI to SPV1 and TBANK's minority shareholders in proportion to their respective shareholdings in TBANK. The basis for determination of the Selling Price of shares in THANI will be determined at 90 percent of the volume-weighted average market price of THANI shares as from 30 business days of securities trading that is 6 business days prior to the Transaction Date (T-6), multiplied by the amount of shares to be sold.

5.1.3 Other Companies Listed on the SET

There are 2 other companies under the Restructuring which are listed on the SET and in which TBANK and the subsidiaries hold their shares, namely, MBK in which TBANK and the subsidiaries hold 9.90 percent of its shares in aggregate, and PRG in which TBANK and the subsidiaries hold 9.81 percent in aggregate of all paid-up shares.

The basis for determination of the Selling Price in respect of the other companies listed on the SET under the Restructuring will be determined at 90 percent the volume-weighted average market price of such shares as from 30 business days of securities trading that is 6 business days prior to the Transaction Date (T-6), multiplied by amount of shares to be sold.

5.1.4 Companies Restructured by way of Share Offering to SPV2

There are 6 companies which will be restructured by way of share offering to SPV2, comprising (1) 2 companies in which TBANK holds certain portion of shares, namely, SEACON and AJNMT in which TBANK holds 4.53 and 6.00 percent of all paid-up shares, respectively, and the (2) 4 other subsidiaries in which TBANK holds 100.00 percent of all shares, comprise TGL, SSV, TMS and TTD.

Before the Transaction Date, TBANK will proceed with the restructuring by offering shares of the above companies to SPV2 to be incorporated for specific purpose, in which TBANK will hold 100 percent of all shares. The basis for determination of the Selling Price includes:

- For shares of AJNMT: determined from the value ascribed to AJNMT shares at which TBANK acquired shares of AJNMT from Siam City Bank Public Company Limited which is higher than the book value ascribed to AJNMT shares under AJNMT's latest financial statements which have been audited by the certified public accountant.

- For shares of SEACON: determined from book value per share based on the most recent annual financial statements which have been audited by the company's certified public accountant minus any dividends declared and paid.
- For, shares of TGL, SSV, TMS and TTD: determined from the book value per share based on the financial information under the most recent financial statements of such companies which have been audited or reviewed by the certified public accountants of such company. Should the shareholders' equity of SSV be negative, the Selling Price shall be THB 1 (One Baht only).

Thereafter, on the Transaction Date, TBANK will sell shares of SPV2 to all shareholders of TBANK in proportion to their respective shareholdings. The price of shares of SPV2 will be determined from the total value of investments in SEACON, AJNMT, TGL, SSV, TMS and TTD acquired by SPV2 from TBANK.

5.2 Basis for Determination of the Selling Price of the Ordinary Shares of TBANK

Price per share of TBANK on the Transaction Date will be determined from

- (1) Book value of TBANK shares in accordance with consolidated financial statements;
- (2) **Plus**: Profits from the Restructuring;
- (3) **Plus**: Premium in an amount of THB 9,245 million;
- (4) **Deduct**: Book Value of TBROKE in accordance with TBANK's consolidated financial statements;
- (5) **Deduct**: Book Value of TFUND in accordance with TBANK's consolidated financial statements;
- (6) **Divided by**: Number of all issued and paid up ordinary shares of TBANK;

whereby the financial information shall be derived from TBANK's latest consolidated financial statements which have been audited by TBANK's certified public accountant and the operating results of the immediate following month after the end date of such latest audited financial statements which is the financial information prepared by TBANK's managements, and deduct an adjustment to reflect the effects of provisions in relation to a cash reserve as required by the Thai Financial Reporting Standards No. 9 Re: Financial Instruments (TFRS 9) (if any).

After the Transaction Date, the TBANK's certified public accountant will audit the financial information of such audited consolidated financial statements of TBANK after the end date of the latest audited financial statements to the end date of the latest month immediately preceding the Transaction Date to calculate the price and adjusted by TBANK's and TBROKE's average net profits per day as from January 1 to the end date of the latest month immediately preceding the Transaction Date, multiplied by number of days from the first date of the month to the Transaction Date to determine the final price accordingly.

If the Transaction Date takes place in December 2019, TBANK's consolidated financial statement as of September 30, 2019 which have been audited by the certified public accountant and the operation results of TBANK of October 2019 prepared by TBANK's management will be used as reference for the determination of the initial price, and the TBANK's consolidated

financial statement as of November 30, 2019 which have been audited by the certified public accountant, plus the average net profits per day as from January 1 to November 30, 2019, multiplied by the number of days as from December 1, 2019 up to the Transaction Date will be used as reference for the determination of the final price.

Conditions for Price Adjustments and Settlement for the Sale of TBANK Ordinary Shares

The adjustment of final price for the ordinary shares of TBANK on part of the major shareholders, namely, TCAP and BNS, will be considered from the difference between the initial price and the final price of TBANK shares and the difference between the subscription price of TMB newly issued ordinary shares on the Transaction Date and the actual price of TMB newly issued shares determined in accordance with the basis for pricing of TMB ordinary shares based on TMB's financial information provided in the latest audited consolidated financial statements which have been audited by TMB's certified public accountant, plus the average net profits per day as from January 1 to November 30, 2019, multiplied by the number of days as from December 1, 2019 up to the Transaction Date as a reference for the determination of the final price, to make a payment for the difference between the selling price of the sale of TBANK shares and the subscription price of TMB newly issued ordinary shares between the major shareholders and TMB.

As for the conditions for price adjustment for the sale of TBANK shares and settlement for TBANK's minority shareholders are as follows:

- 1) If the initial price is lower than the final price, TMB will pay the surplus amount to all of TBANK's minority shareholders who sold TBANK shares.
- 2) If the initial price is higher than the final price, TMB will give the benefit to all of TBANK's minority shareholders who sold TBANK shares.

5.3 Basis for Determination of the Price of the Newly Issued Ordinary Shares of TMB

The price per share of TMB newly issued ordinary shares as at the Transaction Date will be from:

- (1) 1.1 times the book value per share of TMB based on the financial information provided in the most recent consolidated financial statements of TMB which have been audited by the certified public accountant of TMB and the operating results of the following month after the end date of such most recent consolidated financial statements which is information prepared by TMB's managements;
- (2) **Plus** the amount of funds raised from the issuance of newly issued ordinary shares to accommodate the exercise of TSR allocated to TMB's existing shareholders in accordance with the procedures and steps prescribed;
- (3) **Deduct** adjustments of impact from the provision of reserve pursuant to the Thai Financial Reporting Standard No. 9: Financial Instruments (TFRS9);
- (4) **Divided by** Number of all issued and paid up ordinary shares of TMB after securing sources of funds from the exercise of rights by TMB's existing shareholders via TSR.

6. Total Value of Consideration and Conditions for Payment

Given that the value of consideration used in the transactions will be calculated in accordance with the basis of pricing as provided in the relevant agreements and the financial information based on the most recent financial statements which have been audited or reviewed by the certified public accountants, and/or the relevant market price data up to the Transaction Date, as the case may be, provided that TCAP and TMB will have resolutions passed by their respective boards of directors declaring the Selling Prices of the transactions before the Transaction Date and payments will be made in cash. Therefore, in order for TCAP's shareholders to have information in support of their consideration, the Selling Prices used in the transactions will be calculated in accordance with the basis of pricing provided in the Agreement for the Sale and Purchase of Ordinary Shares of TBANK and the Share Subscription Agreement for Newly Issued Ordinary Shares of TMB based on the financial information per the financial statements for the year ended December 31, 2018 audited by the certified public accountants and the market price data, under the assumption that the Transaction Date takes place on December 31, 2018, the total value of consideration will be as follows:

6.1. Total Value of Consideration in the Restructuring

Subject to the assumption that, if the Transaction Date takes place on December 31, 2018, the calculation of the total value of consideration to be received by TBANK from the divestment of the Subsidiaries and Other Companies will be equivalent to THB 29,175 Million and the estimated tax payable will be equivalent to THB 2,552 Million. The total value of consideration to be used by TCAP in acquiring shares in the Subsidiaries and Other Companies under the Restructuring will be equivalent to THB 14,868 Million, with the details as follows:

Subsidiaries and Other Companies under the Restructuring	Equivalent Total Value of Consideration Assuming the Transaction Date Occurs on December 31, 2018			
	Price per Share (THB per Share)	Total Value of Sale by TBANK (THB Million)	Total Value of Pro Rata Acquisition by TCAP (THB Million)	Total Value of Acquisition by TCAP through "TCAP for Offering to Minority Shareholders of TBANK" (THB Million)
TNI	10.40	5,128	2,613	1.05
TNS	1.33	2,206	1,124	0.88
TSAMC	12.32	2,463	1,255	0.98
THANI	4.59	11,304	5,761 ^{2/}	4.52
SPV1	10.00	1	0.5	-
MBK	19.83	3,327	1,695	1.33
PRG	11.77	693	353	0.28
SPV2 ^{1/}	10.00	4,054	2,066	1.62
Total		29,175	14,868	11.66

Remark: ^{1/}The value of SPV2 to be sold by TBANK is equal to the total investment in SEACON, AJNMT, TGL, SSV, TMS, and TDD bought by SPV2 from TBANK.

The value ascribed to AJNMT shares at which TBANK acquired shares of AJNMT from Siam City Bank Public Company Limited is equivalent to THB 3,423 Million which is higher than the book value ascribed to AJNMT shares under AJNMT's latest financial statements as of March 31, 2019. The proportion to TBANK's shareholding is equivalent to THB 2,428 Million.

^{2/}TACP will not directly purchase THANI shares, but will invest in THANI through SPV1 in which TCAP will be a shareholder holding 50.98 percent of all shares in SPV1, and SPV1 will purchase THANI shares at 99.96 percent of total value of THANI shares to be sold by TBANK. Therefore, TCAP will indirectly invest in THANI shares at the value equivalent to THB 5,761 million.

6.2. Total Value of Consideration in the Sale of TBANK Ordinary Shares

Subject to the assumption that, if the Transaction Date takes place on December 31, 2018, the calculation of the Selling Price of all of TBANK's ordinary shares according to the basis provided in the Agreement for the Sale and Purchase of Ordinary Shares of TBANK and adjusted by the value of lands and buildings re-evaluated pursuant to the fair value of assets derived from the latest evaluation conducted by independent evaluator in 2019, resulting in total value of consideration equivalent to THB 158,371 Million or THB 26.11 per share, whereby TCAP will offer to sell all 3,090,699,234 shares held by it in TBANK, representing 50.96 percent of all paid-up shares of TBANK. Therefore, the total value of consideration in the Sale of TBANK Ordinary Shares on December 31, 2018 will be equivalent to THB 80,707 Million.

6.3. Total Value of Consideration for the Subscription of TMB Newly Issued Ordinary Shares

The total value of consideration for the Subscription of TMB Newly Issued Ordinary Shares by TCAP as at December 31, 2018 will not exceeding THB 45,200 Million. In this regard, TMB will allocate the newly issued ordinary shares to TCAP as follows:

Shareholders of TBANK	Number of Allocated Shares
TCAP	Up to 21,663,091,024 shares or approximately 20.1 - 23.3 percent of all paid-up shares of TMB (after the offering of its newly issued ordinary shares to (1) holders of TSR (2) private placement investors and (3) all shareholders of TBANK, excluding TMB Stock Retention Program on this occasion). In this regard, the amount of capital increased by TCAP will not exceed THB 45,200 Million; the amount may be higher if TCAP holds shares in TMB less than 20.1 percent.

Source: TMB

Subject to the assumption that the Transaction Date takes place on December 31, 2018 and that TMB secures financing from the existing shareholders of TMB and other investors under the specified procedures and steps in full amount, the calculation of the Selling Price of TMB's newly issued ordinary shares will be equivalent to not exceeding to THB 57,635 Million, whereby TCAP will acquire approximately 20.1 - 23.3 percent of all paid-up shares of TMB (after the offering of its newly issued ordinary shares to (1) holders of TSR (2) private placement investors and (3) all shareholders of TBANK, excluding TMB Stock Retention Program on this occasion).

7. Value of Acquired and Disposal Assets

7.1 Restructuring

The value of assets to be acquired under the Restructuring based on the book value per the financial statements of the Subsidiaries and Other Companies for 2018 will be as follows:

Value of Assets	Book Value per the Financial Statements of the Subsidiaries and Other Companies for 2018	
	Price per Share (THB per Share)	Total Value (THB Million)
1. TNI	77.83	5,759
2. TNS	2.05	3,072
3. TSAMC	12.32	2,463
4. TGL	11.26	405
5. TMS	16.29	10
6. TTD	75.91	38
7. SSV	(341.93)	(34)
8. THANI	2.38	7,195
9. MBK	13.13	22,247
10. PRG	14.63	8,780
11. AJNMT	5,080.70	40,461
12. SEACON	731.30	4,198

The value of assets which are securities listed on the SET to be acquired by TCAP under the Restructuring base on the volume-weighted average market prices of shares listed on the SET for the past 30 business days before December 31, 2018 (from November 15, 2018 to December 28, 2018) will be as follows:

Value of Assets	Volume-Weighted Average Market Price	
	Price per Share (THB per Share)	Total Value (THB Million)
1. THANI	6.38	19,271
2. MBK	22.03	37,331
3. PRG	13.08	7,845

7.2 Sale of TBANK Ordinary Shares

The values of ordinary shares of TBANK based on its financial information after the Restructuring referred from the notes to the pro forma consolidated financial statements of TMB assured as to the preparation standard by KPMG Phoomchai Audit Ltd., TMB's auditor, for the year 2018, are as follows:

Value of Assets	Book Value per the Pro Forma Financial Information of TBANK after the Restructuring for the Year 2018	
	Price per Share (THB per Share)	Total Value (THB Million)
TBANK	21.56	130,775

The market prices of TBANK and its subsidiaries after the Restructuring, namely, TFUND and TBROKE, are not available because they are not listed on the Stock Exchange of Thailand.

7.3 Acquisition of TMB Newly Issued Ordinary Shares

The value of TMB based on the book value per its consolidated financial statements for the year 2018 is as follows:

Value of Assets	Book Value per the Financial Statements for 2018	
	Price per Share (THB per Share)	Total Value (THB Million)
TMB	2.25	98,779

8. Transaction Size

Given that the value of consideration used in the transactions will be calculated in accordance with the basis for pricing as specified in the relevant agreements, and based on the financial information up to the Transaction Date, provided that TCAP and TMB will have resolution passed by their respective boards of directors declaring the Selling Prices of the transactions before the Transaction Date. Therefore, for the calculation of the transaction size under the Notifications on Acquisition or Disposal of Assets will be based on the equivalent value of consideration as calculated under Section 6 to measure the transaction size on the basis of total value of consideration, with the details of calculation as follows:

8.1 Restructuring

The Restructuring is the offering of shares in the Subsidiaries and Other Companies of TBANK to all shareholders of TBANK in proportion to their respective shareholdings, which involves share transfer and acceptance of share transfer between companies within the same group. As such, it is not deemed as an acquisition or disposal of assets under the Notifications on Acquisition or Disposal of Assets and is not deemed as a connected transaction under the Notifications on Connected Transactions.

8.2 Sale of TBANK Ordinary Shares

Under the conditions precedent for the Merger, TBANK will proceed with the Restructuring by offering the ordinary shares in the Subsidiaries and Other Companies to all shareholders of TBANK. As a result, after the Restructuring, TBANK will have 2 subsidiaries, namely, TFUND and TBROKE. In this regard, TCAP will calculate the transaction size of the Sale of TBANK Ordinary Shares by referring to the financial information of TBANK after the Restructuring, which represents such information used in the preparation of the pro forma consolidated financial statements of TMB as assured as to the preparation standard by KPMG Phoomchai Audit Ltd., TMB's auditor, for the year 2018 to calculate the value of net tangible assets and net operating profits in comparison with the financial information of TCAP per TCAP's consolidated financial statements for the year ended December 31, 2018 which have been audited by the certified public accountant. The details of calculation of the transaction size of the sale of TBANK shares will be as follows:

Accounting Information (Unit : THB Million)	TCAP's consolidated financial statements for the year ended December 31, 2018 (audited)	TBANK's financial information after the Restructuring (as assured as to the preparation standard) ⁽¹⁾
Total Assets	1,060,929	982,191
Intangible Asset ^{2/}	20,428	1,365
Total Liabilities	923,011	851,416
Non-controlling Interest	72,183	-
Net Tangible Assets (NTA)	45,307	129,410
Net Operating Profits	7,839	11,222

Remark: ⁽¹⁾ TBANK's financial information after the Restructuring as of December 31, 2018 is derived from notes to the pro forma consolidated financial statements of TMB as assured as to preparation standard by KPMG Phoomchai Audit Ltd., TMB's auditor, for the year 2018, which is a pro forma financial information as if TBANK completes the Restructuring on December 31, 2018 prior to the Merger with TMB.

^{2/} Intangible asset includes deferred tax asset.

Basis of Calculation

Calculation Method

- Value of Net Tangible Assets = (TBANK's NTA x disposed assets) x 100 / NTA per (NTA)
TCAP's consolidated financial statements, less non-controlling interest
= (129,410 x 50.96%) x 100 / 45,307
= 145.56 percent
- Net Operating Profits = TBANK's net operating profits x disposed ratio x 100 / net operating profits per TCAP's consolidated financial statements, less non-controlling interest
= (11,222 x 50.96%) x 100 / 7,839
= 72.95 percent
- Total Value of Consideration = Value of consideration x 100 / total assets per TCAP's consolidated financial statements in respect of TBANK
= (158,371 x 50.96%) x 100 / 1,060,929
= 7.61 percent
- Value of Equity Shares Issued = This is not applicable because TCAP does not issue any securities as payment in consideration of the acquired assets.

The calculation of transaction size of the Sale of TBANK Ordinary Shares based on the value of net tangible assets gives the highest value equal to 145.56 percent. In this regard, TCAP does not have any other transaction on disposal of assets over the past 6 months before the date on which the Board of Directors resolves to approve the Sale of TBANK Ordinary Shares. Therefore, the Sale of TBANK Ordinary Shares falls into Class 1 Transaction, namely, transaction with a size equal to or higher than 50 percent under the Notifications on Acquisition or Disposal of Assets.

8.3 Subscription of TMB Newly Issued Ordinary Shares

TCAP will calculate the transaction size of the Subscription of TMB Newly Issued Ordinary Shares based on the financial information per the pro forma consolidated financial statements of TMB as assured as to the preparation standard by KPMG Phoomchai Audit Ltd., TMB's auditor, for the year 2018 to calculate the value of net tangible assets and net operating profits from the Subscription of TMB Newly Issued Ordinary Shares in comparison with TCAP's financial information per TCAP's consolidated financial statements for the year ended December 31, 2018 which have been audited by the certified public accountant. The details of calculation of the transaction size of the Subscription of TMB Newly Issued Ordinary Shares will be as follows:

Information (Unit : THB Million)	TCAP's consolidated financial statements for the year ended December 31, 2018 (audited)	Merged Bank's Pro Forma consolidated financial statements for the year ended December 31, 2018 (as assured as to preparation standard)⁽¹⁾
Total Assets	1,060,929	1,860,556
Intangible Asset ^{2/}	20,428	25,691
Total Liabilities	923,011	1,655,242
Non-controlling Interest	72,183	-
Net Tangible Assets (NTA)	45,307	179,623
Net Operating Profits	7,839	21,924

Remark: ^{1/} TMB's pro forma consolidated financial statements as assured as to preparation standard by KPMG Phoomchai Audit Ltd., TMB's auditor, for the year 2018.

^{2/} Intangible asset includes deferred tax asset.

Basis of Calculation

Calculation Method

- Value of Net Tangible Assets (NTA) = (Merged Bank's NTA x approximate highest acquired assets) x 100 / NTA per TCAP's consolidated financial statements, less non-controlling interest

$$= (179,623 \times 23.3\%) \times 100 / 45,307$$

$$= 92.37 \text{ percent}$$
- Net Operating Profits = Merged Bank's net operating profits x approximate highest acquired ratio x 100 / net operating profits per TCAP's consolidated financial statements, less non-controlling interest

$$= (21,924 \times 23.3\%) \times 100 / 7,839$$

$$= 65.16 \text{ percent}$$
- Total Value of Consideration = Value of consideration x 100 / total assets per TCAP's consolidated financial statements in respect of TBANK

$$= 45,200 \times 100 / 1,060,929$$

$$= 4.26 \text{ percent}$$

4. Value of Equity Shares Issued = This is not applicable because TCAP does not issue any securities as payment in consideration of the acquired assets.

The calculation of transaction size of the Subscription of TMB Newly Issued Ordinary Shares based on the value of net tangible assets gives the highest value equal to 92.37 percent. However, upon combination of the size of this transaction with TCAP's other transactions on acquisition of assets, that is the acquisition of the Subsidiaries and Other Companies after the restructuring, the total transaction size is equal to 107.44 percent. Therefore, the Subscription of TMB Newly Issued Ordinary Shares falls into Class 1 Transaction, namely, transaction with a size equal to or higher than 50 percent under the Notifications on Acquisition or Disposal of Assets.

9. Expected Benefits for TCAP

Should the execution of the transactions on this occasion successfully materialize, the expected benefits from the Merger will be as follows:

1. The Merger will result in the formation of a larger-scale commercial bank, whereby the Merged Bank will have the total assets of approximately THB 1.9 Trillion, with over 10 million customers, and will be ranked as the sixth largest bank in the Thai commercial bank industry. In this regard, the Merged Bank's competitiveness will be enhanced, the management costs will be minimized, and the economy of scale will be achieved.
2. The Merger will improve the efficiency and more comprehensive in the offering of products and services to customers to cater customers' needs. The Merged Bank's strategies after the Merger can be summarized as follows:

2.1) Better and more comprehensive offerings of products that cater customers' needs

The Merged Bank will select existing products of both banks that could create value for customers of both banks and offer to them in a better way. For example, the offering of TBANK's auto loans to TMB's customers. In this regard, the more effective and comprehensive offering of financial products and services would allow greater accessibility to financial products to cater customers' needs.

2.2) More convenience from better network coverage

The Merger will add more channel to access the services in wider area, including through branches or electronic channels, which will be more comprehensive compared to other major banks and will allow more conveniently accessibility to customers.

2.3) Customer experience enhancement

The Merged Bank will apply customer experience management approaches which have been well developed by both banks and will gather their understandings as to customers' behaviors to enhance customer experience management. Moreover, the Merged Bank will continuously conduct customer experience measurement to improve its products and services.

2.4) Innovation and continuous improvement

The Merged Bank will be more able to utilize the large investment and resource to continuously improve and offer its innovative products to customers.

3. The Merger represents the integration of the strength of both banks together to maximize the benefit in business operation, which can be summarized as follows:
 - 3.1) Top-notch deposit and investment products

The Merged Bank will focus on being the leader in selecting investment products from open architecture for its customers to have the best product and cater variety needs of different segments of customers. The Merger would allow the Merged Bank to have wider customer base and resources which will turn into the top-notch deposit and investment products.
 - 3.2) Leading in auto loan and lending products

The Merged Bank will further the strength of auto loan products of which TBANK is the leader, equipped with available personnel, car dealer network, and brand's strength, as well as improve other retail lending products to cater customers' needs and keep up with changes in market conditions and competition to maintain its leadership.
 - 3.3) Enriching wholesales banking solution

Wholesale banking customers are key in terms of stability of both deposit and loan products. The Merger will create more opportunity to widen customer base for wholesale banking customers, such as supply chain financing and cash management, which will enrich customers' business efficiency and network for customers in key industries in which both banks are proficient, such as car distribution industry.
 - 3.4) Distributor business model / open architecture

To fully and excellently cater customers' need, the Merged Bank will focus on the development of products and services that harmonize with the key strategy and further the expertise of each bank, and will focus on selecting the greatest business partner and products to offer products and services to customers through variety of sale channels, including mutual fund products or life insurance products.
 - 3.5) Advancing digital / data analytics capabilities

The Merged Bank will further the approach for digital transformation which both banks have continuously and excellently performed, together with the utilization of the more replete resource after the Merger. Moreover, Merged Bank will invest in the development of IT system, cyber security system, and customer data security to be the best-in-class, as well as enhance employees' knowledge, build up corporate culture, digitalize working procedure to fasten product and service development to create customer experience. In addition, the Merged Bank will gather information for an in-depth analysis to create financial products and service to cater the needs of each group of customers.
4. The Merger by way of entire business transfer will enable TCAP to enjoy tax incentives under the applicable measures, which will reduce costs and increase profits from the operations.
5. The Merger will increase profits to TCAP, as a major shareholder of the Merged Bank will have more assets and likely derive more dividends from the operations of the Merged Bank.

10. Other Material Information

10.1 TCAP's Pro Forma Financial Statements as Assured by TCAP's Auditor for the Year 2018

The financial information and the pro forma consolidated financial statements of TCAP is of the purpose to illustrate the impact of the Restructuring and the Merger, based on the audited consolidated financial statements of TCAP for the year ended December 31, 2018, the audited consolidated financial statements of TBANK for the year ended December 31, 2018, and the pro forma consolidated financial information of TMB after the Merger which have been prepared by TMB and assured by KPMG Phoomchai Audit Limited, while TCAP's pro forma consolidated financial statements have been prepared by TCAP and assured by EY Office Limited. The pro forma consolidated financial information is not the indicator of actual operating outcome as it has been prepared in accordance with the assumptions on the event or transaction which did not actually occur at certain dates.

After the Merger, TCAP will be a shareholder of the Merged Bank in the proportion no less than 20 percent of total issued shares of the Merged Bank. Therefore, the investment in the Merged Bank will be recorded by TCAP in its consolidated financial statements as investment in associated company by the equity method. After the Restructuring, the shareholding structure of TCAP will be as follows.

Subsidiaries and Other Companies under TCAP	Prior to the Restructuring and the Merger		After the Restructuring and the Merger	
	Percentage of TCAP's Shareholding	Percentage of TCAP's Subsidiaries' Shareholding	Percentage of TCAP's Shareholding	Percentage of TCAP's Subsidiaries' Shareholding
1. Thanachart Bank Public Company Limited	50.96	-	-	-
2. Thanachart Broker Company Limited	-	100.00	-	-
3. Thanachart Fund Management Company Limited	-	75.00	-	-
4. NFS Asset Management Company Limited	100.00	-	100.00	-
5. MAX Asset Management Company Limited	83.44	-	83.44	-
6. NASSET Property Fund 6	99.80	0.06	99.80	0.06
7. MBK Life Assurance Public Company Limited	51.00	-	51.00	-
8. TM Broker Company Limited	51.00	-	51.00	-
9. TM Services Company Limited	51.00	-	51.00	-
10. Thanachart Securities Public Company Limited	-	100.00	50.96	-
11. Thanachart Insurance Public Company Limited	-	100.00	50.96	-
12. TS Asset Management Company Limited	-	100.00	50.96	-
13. Thanachart Group Leasing Company Limited	-	100.00	-	50.96
14. Thanachart Management and Service Company Limited	-	100.00	-	50.96
15. Thanachart Training and Development Company Limited	-	100.00	-	50.96
16. Security Scib Services Company Limited	-	100.00	-	50.96
17. Ratchthani Leasing Public Company Limited	-	65.18	-	65.15
18. RTN Insurance Broker Company Limited	-	65.18	-	65.15
19. SPV1 Company Limited	-	-	50.98	-
20. SPV2 Company Limited	-	-	50.96	-
21. Merged Bank	-	-	20.00	-
22. MBK Public Company Limited	10.00	9.90	15.05	-
23. Patum Rice Mill and Granary Public Company Limited	9.79	9.93	14.79	0.12
24. Ajinomoto Co., (Thailand) Ltd.	-	6.00	-	6.00
25. Seacon Development Public Company Limited	-	4.53	-	4.53

In this regard, subject to the assumption that, if the Transaction Date takes place on December 31, 2018, TCAP's pro forma consolidated financial information (as of December 31, 2018 after the Restructuring and the Merger) prepared based on the consolidated financial statements of the subsidiaries in which TCAP directly and indirectly holds shares, in total of 17 companies, by which there are companies that are not included in the pro forma consolidated financial statements, namely, TBANK, TBROKE, and TFUND. Moreover, the pro forma consolidated financial statements also include the financial statements of the two new companies, namely, SPV1 and SPV2.

Significant assumptions in preparing the pro forma consolidated financial information

The pro forma consolidated financial information has been prepared on the basis that the Business Restructuring and the Merger had been completed prior to January 1, 2018 (the beginning of the period for this pro forma consolidated financial information), and that on January 1, 2018 TCAP had invested in ordinary shares of TMB in the proportion of 20.1 percent of the registered capital of TMB and recorded the investment in ordinary shares of TMB as the investment in associated company. Significant assumptions in preparing the pro forma consolidated financial information are as follows.

1. TCAP adopts the accounting policy in stating the value of building for own use at revalued amount based on fair value of assets appraised by independent professional appraiser as if the appraisal date had been on December 31, 2017 for the presentation of the pro forma consolidated statement of comprehensive income, and as if the appraisal date had been on December 31, 2018 for the presentation of the pro forma consolidated statement of financial position. The aforementioned fair value of assets is based on the latest appraisal of building for own use conducted during 2019. Depreciation on fair value uplift of buildings for own use is determined using straight-line method by dividing fair value uplift with the useful life of 20 years. Moreover, TCAP also adjusts the land value using the revalued amount based on the fair value from the latest appraisal of land conducted during 2019.
2. The Business Restructuring of TCAP and TBANK has been completed on December 31, 2017 for the presentation of the pro forma consolidated statement of comprehensive income, and on December 31, 2018 for the presentation of the pro forma consolidated statement of financial status, whereby every shareholder exercises the right to purchase shares under the Business Restructuring at their respective proportion of shareholding at the prices based on weighted average of market price, acquisition cost, or consolidated financial information as of December 31, 2018 audited by certified auditor. The management of TCAP has considered such prices to be fair and may be subject to change in the future.
3. TCAP has sold its investment in ordinary shares of TBANK to TMB in the total amount of THB 80,707 Million (at the selling price based on the net asset value of TBANK from the consolidated financial statement of TBANK as of December 31, 2018, adjusted for the Business Restructuring transaction in the previous assumption). TCAP has assumed no tax obligation from gain on sale of the investment in ordinary shares of TBANK as the Merger meets the conditions of the entire business transfer.
4. The acquisition of TMB shares by TCAP in the proportion of 20.1 percent of the registered capital for the total amount of THB 44,236 Million has been completed on January 1, 2018 for the presentation of the pro forma consolidated statement of comprehensive income, and on December 31, 2018 for the presentation of the pro forma consolidated statement of financial status. TCAP records such investment as investment in associated company and recognizes share of profit from investments accounted for under equity method from January 1, 2018 onwards based on TMB's pro forma consolidated statement of comprehensive income after the Merger between TMB and TBANK which has been provided assurance by the auditor. However, the investment in associated company and the share of profit from investments accounted for under equity method may be subject to significant change as such pro forma consolidated financial information has not been adjusted for the Purchase Price Allocation

(PPA) of the consideration for TBANK shares, and has not reflected cost relating to the business acquisition. Moreover, TCAP has not assessed the PPA of investment in associated company and has made an assumption that the consideration paid for such investment is equal to fair value.

5. After the Business Restructuring and the Merger, TCAP has entered into additional agreement with BNS to purchase from BNS, shares of SPV1, SPV2, MBK, PRG and TSAMC which BNS has acquired under the Business Restructuring, at agreed prices. However, the management of TCAP has considered such prices to be fair and may be subject to change in the future.
6. The net remaining proceed from the Business Restructuring is assumed to be invested at an average yield of 4 percent per year, therefore, presented in net investment item in the pro forma consolidated statement of financial status. Return of such investment is presented as interest income item in the pro forma consolidated statement of comprehensive income.

Key financial information of TCAP from the audited financial statements in comparison to the pro forma consolidated financial statements of TCAP after the Business Restructuring and the Merger can be summarized as follows:

Statement of Financial Position

Unit : THB Million	TCAP's Consolidated Financial Statements as of December 31, 2018 (Audited)	TCAP's Pro Forma Consolidated Financial Statements as of December 31, 2018 after the Restructuring and the Merger (Assured)	Increase/ (Decrease) By	
			Amount	Percent
Investments - net	170,437	46,070	(124,367)	(72.97)
Investments in subsidiary and associated companies - net	3,027	46,838	43,811	1,447.34
Loans to customers and accrued interest receivables - net	731,125	51,177	(679,948)	(93.00)
Total assets	1,060,929	158,937	(901,993)	(85.02)
Deposits	751,917	-	(751,917)	(100.00)
Total liabilities	923,011	76,107	(846,904)	(91.75)
Equity attributable to owner of the company	65,735	70,624	4,889	7.44

Statement of comprehensive income

Unit : THB Million	TCAP's Consolidated Financial Statements as of December 31, 2018 (Audited)	TCAP's Pro Forma Consolidated Financial Statements as of December 31, 2018 after the Restructuring and the Merger (Assured)	Increase/ (Decrease) By	
			Amount	Percent
Income Structure				
Net interest income	30,767	3,525	(27,241)	(88.54)
Net fees and service income	6,658	1,440	(5,218)	(78.37)
Net insurance income	2,808	1,806	(1,002)	(35.68)
Share of profit from investments accounted for under equity method	543	4,809	4,266	785.64
Other operating income	3,399	1,911	(1,488)	(43.78)
Net operating income	44,175	13,491	(30,683)	(69.46)
Net profit attributable to owner of the company	7,839	7,196	(644)	(8.22)

Effects from the Restructuring and the Merger to the pro forma consolidated financial position and operating results of TCAP in comparison to the financial information from TCAP's audited consolidated financial statements as of December 31, 2018 can be summarized as follows:

- The total assets presented in the pro forma consolidated statement of financial position equal to THB 158,937 Million compared to THB 1,060,929 Million presented in the audited consolidated financial statement, are decreased by THB 901,992 Million. It is mainly resulted from loans to customers and accrued interest and net investment of TBANK, TBROKE and TFUND, as TCAP will sell its investments in ordinary shares of these companies to TMB. Therefore, the financial statements of these 3 companies were not included in the preparation of the consolidated financial statements while investments in the Merged Bank will record the investments as investments in associated companies.
- The total liabilities presented in the pro forma consolidated statement of financial position equal to THB 76,107 Million, compared to THB 923,011 Million in the audited consolidated financial statement, are decreased by THB 846,904 Million because TCAP will sell its investments in ordinary shares in TBANK, TBROKE, and TFUND to TMB. Therefore, the financial statements of these 3 companies were not included in the consolidated financial statements while investments in the Merged Bank will record the investments as investments in associated companies.
- The net operating income presented in the pro forma consolidated statement of comprehensive income equal to THB 13,491 Million, compared to THB 44,175

Million in the audited consolidated financial statement, is decreased by THB 30,684 Million. It is mainly resulted from the decrease of net interest income and fees and service income as TCAP will sell its investments in ordinary shares in TBANK, TBROKE, and TFUND to TMB. Therefore, the financial statements of these 3 companies were not included in the consolidated financial statements while investments in the Merged Bank will record the investments as investments in associated companies, whereby the consolidated financial statement will record by equity method as share of profit from investments accounted for under equity method, resulting in the net profit attributable to owner of the company in the pro forma consolidated statement of comprehensive income of THB 7,196 Million, compared to THB 7,839 Million in the audited consolidated financial statement, is decreased by THB 643 Million

After the Transaction Date, BNS will sell to TCAP the ordinary shares in the Subsidiaries and Other Companies purchased from TBANK, and as a result TCAP will become a major shareholder and hold more shares in such companies as follows:

Subsidiaries and Other Companies of which BNS offers to sell and TCAP agree to buy shares	Percentage shareholding by TCAP after the Business Restructuring and the Merger	Percentage shareholding which BNS offers to sell and TCAP agree to buy shares	Percentage shareholding by TCAP after the share purchase from BNS
1. SPV1	50.98	49.02	100.00
2. SPV2	50.96	49.00	99.96
3. TSAMC	50.96	49.00	99.96
4. MBK	15.05	4.85	19.90
5. PRG	14.79	4.81	19.60

Consequences on the consolidated financial statements of TCAP are as detailed in Supporting Documents for Meeting Agenda Book 2, Part 2.

10.2 Effect to Minority Shareholders of TBANK Who Did Not Purchase the Ordinary Shares of the Subsidiaries and Other Companies under the Restructuring

In the event where TBANK's minority shareholders did not purchase the ordinary shares of the Subsidiaries and Other Companies under the Restructuring, such shareholders will not obtain privilege of being a shareholder of the Subsidiaries and Other Companies. Nevertheless, value of the ordinary shares of the Subsidiaries and Other Companies will reflect in TBANK's ordinary shares to be offered to TMB. Hence, TBANK's minority shareholders who did not purchase ordinary shares of the Subsidiaries and Other Companies will continue to be benefit from being a TMB's shareholder.

10.3 Change of TCAP's Subsidiary Operating the Core Business

TCAP is a listed company undertaking business by shareholding (Holding Company) as defined by the Regulations of the Stock Exchange of Thailand Re: Listing of Ordinary Shares or Preferred Shares as Listed Securities B.E. 2558 (2015) dated May 1, 2015 (as amended) (the "**Regulations on Listing of Shares as Listed Securities**"), and has been listed on the SET since 1975, and TBANK is a subsidiary operating the core financial business of TCAP since 2006.

In the process of the Merger, TCAP will sell all shares held by it in TBANK, which is a subsidiary operating the core business of TCAP, to TMB. Such arrangements will require TCAP to change its subsidiary operating the core business from TBANK to another subsidiary.

In order to maintain its listed company status, TCAP will change such subsidiary operating the core business of TCAP by selecting another subsidiary that operates the financial business, which TCAP has the controlling power or management over such subsidiary according to its shareholding percentage, provided that such subsidiary must not have a listed company status, pursuant to Clause 66(1) of the Regulations on Listing of Shares as Listed Securities. TCAP will proceed with the selection of subsidiary operating the core business before the Transaction Date which is expected to take place within 2019 and will further inform the SET.

10.4 Pros and Cons for TBANK's Shareholders in Acquiring Shares of the Subsidiaries and Other Companies under the Restructuring

10.4.1. Pros for TBANK's Shareholders in Acquiring Shares of the Subsidiaries and Other Companies under the Restructuring Are as Follows:

1. TBANK's shareholders will be a shareholder who has voting right in the restructuring Subsidiaries and Other Companies.
2. TBANK's shareholders will receive benefit and consideration from their direct investment, such as dividends and/or profits (losses) from the sale and purchase of shares of the Subsidiaries and Other Companies.
3. The entry into the transaction in this occasion, TBANK's shareholders will be entitled to choose to invest in any particular Subsidiary of Other Company or more.

10.4.2. Cons and/or Limitation for TBANK's Shareholders in Acquiring Shares of the Subsidiaries and Other Companies under the Restructuring Are as Follows:

1. Investment contains risks. Investors should review and fully understand information before investing.
2. Lack of liquidity in securities trading, that is to say, (1) investment in shares of a limited company or a public limited company that is not listed on the SET will not have a secondary market to trade the securities causing lack of liquidity in trading of such invested securities and (2) investment in shares of company listed on the stock exchange for shareholders whose amount of shares is less than the minimum amount allowed from trading may have some limitation as to liquidity in trading of such shares.
3. Investment in shares of a company that is not listed on the SET contains some limitation in obtaining information. Nevertheless, such company would have to convene an annual general meeting of shareholders to approve the financial statements pursuant to the applicable laws. Hence, the investors will be able to access the company's financial information every year.

10.5 Tax Burden from the Sale and Purchase of Shares by TBANK's Minority Shareholders

The minority shareholders will not bear any tax burden from purchasing shares of the Subsidiaries and Other Companies under the Restructuring. However, the minority shareholders may bear tax burden from the profit gained from the Sale of TBANK Ordinary Shares, including duty stamp.

10.6 Schedule for Significant Arrangements

Item	Arrangements	Date
1.	TCAP holds its Board of Directors' Meeting No. 9/2019 and signs the Agreement for the Sale and Purchase of Ordinary Shares of TBANK and the Subscription Agreement for the Newly Issued Ordinary Shares of TMB	August 7, 2019
2.	Signing of the Agreement for the Sale and Purchase of Ordinary Shares of TBANK and the Share Subscription Agreement for the Newly Issued Ordinary Shares of TMB	August 8, 2019
3.	Record date for the Extraordinary General Meeting of Shareholders No. 1/2019	August 23, 2019
4.	Filing of the applications for permissions and/or waivers from the relevant authorities	June 2019 – September 2019
5.	TCAP holds the Extraordinary General Meeting of Shareholders No. 1/2019	September 23, 2019
6.	TBANK holds the Extraordinary General Meeting of Shareholders to approve TBANK's entire business transfer	After the Integration Plan has been approved by the Bank of Thailand
7.	TCAP and TMB declare the Selling Prices for the transactions and the transaction values	December 2019
8.	TBANK proceeds with the Restructuring by offering the ordinary shares in the Subsidiaries and Other Companies to TBANK's shareholders	December 2019
9.	TMB offers to acquire TBANK's ordinary shares from TBANK's shareholders (namely, TCAP, BNS and other minority shareholders of TBANK)	December 2019
10.	TMB offers its newly issued ordinary shares to all shareholders of TBANK	December 2019
11.	Implementation under the Integration Plan	January 2020 onwards
12.	TBANK's entire business transfer to TMB	By 2021
13.	Surrender of TBANK's commercial banking business license	By 2021

11. Plan for Use of Proceeds from the Disposal of Assets

Subject to the assumption that, if the Transaction Date occurs on December 31, 2018, the total value of consideration in the Sale of TBANK Ordinary Shares by TCAP on December 31, 2018 will be equivalent to THB 80,707 Million. TCAP plans to use the proceeds from the Sale of TBANK Ordinary Shares (1) for investment in the subscription of TMB's newly issued ordinary shares which will not exceed THB 45,200 Million, (2) for the payment of the price of ordinary shares in the Subsidiaries and Other Companies under the Restructuring which has been completed before the Sale of TBANK Ordinary Shares by which the parties agreement that the payment be made upon receiving

the proceeds from the Sale of TBANK Ordinary Shares, equivalent to THB 14,868 Million, and (3) for the payment of the price of ordinary shares of certain the Subsidiaries and Other Companies from BNS, equivalent to THB 12,082 Million. The estimated balance to be received by TCAP from the entry into the transactions in this occasion can be calculated as follows:

Total Value of Consideration under the Assumption that the Transaction Takes Place on December 31, 2018	Equipvalent Value (THB Million)
Total value of consideration from the Sale of TBANK Ordinary Shares ⁽¹⁾	80,707
<u>less</u> Total value of consideration from the Subscription of TMB Newly Issued Ordinary Shares	(45,200)
<u>less</u> Total value of consideration from the Restructuring	(14,868)
<u>Less</u> Total value of consideration in acquiring ordinary shares of certain Subsidiaries and Other Companies from BNS	(12,082)
Cash balance from the entry into the transactions	8,557

Remark: ⁽¹⁾ Calculated from TBANK's consolidated financial statements which include financial information of TFUND and TBROKE

The balance after such transactions equivalent to THB 8,557 Million will be reserved by TCAP as the working capital for business operations in the future, including other arrangements which will be beneficial to TCAP and its shareholders, such as, investment in other businesses, treasury stock, increased investment in the current businesses with potential growth, and dividend payments to TCAP's shareholders.

12. Source of Funds for the Acquisition of Assets

For the purpose of investment in the acquisition of shares in the Subsidiaries and Other Companies under the Restructuring and the Subscription of TMB Newly Issued Ordinary Shares, TCAP will utilize the proceeds from the Sale of TBANK Ordinary Shares on this occasion, which TCAP expects to be sufficient for the relevant transactions.

13. Conditions for the Transaction

The Restructuring and the Merger shall conform to relevant laws and regulations and shall be subject to the fulfillment of conditions which include the following material conditions:

- (a) Permissions have been obtained for the Merger and other relevant arrangements from the relevant authorities, including, but now limited to, the Bank of Thailand, the Ministry of Finance, the SEC Office, and other authorities.
- (b) All conditions precedents under the relevant agreements have been satisfied or waived by the relevant party and various arrangements as required by the relevant agreements as per the details in Section 3.1.2 have been completed. The aforesaid conditions include, but not limited to, the completion of the Restructuring, the approvals have been obtained from the shareholders' meetings of TCAP, TBANK, and TMB to enter into the transactions on this occasion, the approvals have been obtained from the shareholders' meetings of TBANK and TMB for the entire business transfer after the approval has been obtained from the Bank of Thailand, and the approvals have been obtained from the shareholders' meeting of all relevant parties as required by the laws.

- (c) Tax incentives under the measures applicable to the merger of commercial banks have been obtained.
- (d) Necessary consents have been obtained from relevant persons.
- (e) TCAP remains a company listed on the SET as holding company that operates financial business.

14. Opinion of the Board of Directors of TCAP

The Board of Directors of TCAP has considered the matter and is of the opinion that (1) the implementation of the Restructuring, the change of shareholding of TCAP in the Subsidiaries and Other Companies from indirect shareholding to direct shareholding will lead to the completion of the Merger and (2) the Merger is suitable, justifiable and beneficial to TCAP and all shareholders in the long run in accordance with such reasons as described in Section 9 above.

Moreover, the Board of Directors deems that the basis for pricing of the ordinary shares in the Subsidiaries and Other Companies, ordinary shares of TBANK, and newly issued ordinary shares of TMB are suitable and justifiable for the following reasons:

- (a) The basis for pricing of the ordinary shares of the Subsidiaries and Other Companies are commonly used, whereby TBANK's independent financial advisor, is of the opinion that the basis for determination of the price for the Restructuring is commonly used and acceptable, and the value for the Restructuring shall be deemed as part of the value of consideration for the Sale of TBANK Ordinary Shares.
- (b) The basis for pricing of ordinary shares of TBANK which is the comparison of book value per share after adjusting financial information is suitable for the Merger since such standard is commonly used for business valuation which reflects the profits from the Restructuring.
- (c) The basis for pricing of newly issued ordinary shares of TMB which is equal to 1.1 times book value after adjusting financial information is the price obtained from the comparison of book value per share which reflects the result from the financing secured by TMB for the Merger.

With all the reasons mentioned above, and the Board of Directors thus resolves to approve the Restructuring, the Merger, and the relevant arrangements, which will be proposed to the Shareholders' Meeting for further consideration and approval accordingly.

15. Opinion of the Audit Committee

The Audit Committee of TCAP provides an opinion which is not different from such opinion of the Board of Directors of TCAP as described in Section 14 above.

Annex 1

Other Information

1. Other Information of Subsidiaries and Other Companies

(1) TNI

Head Office

999/1 The Nine Tower, Rama 9 Road, Phatthanakan, Suan Luang, Bangkok 10250

List of the Board of Directors (as of May 17, 2019)

List of Directors	Positions
1. Mr. Suphadej Poonpipat	Director
2. Mr. Praphan Anupongongarch	Director
3. Mr. Chulasingh Vasantasingh	Director
4. Mr. Wichian Mektrakarn	Director
5. Mr. Pirus Pradithavanij	Director
6. Mr. Peerapat Meksinghwee	Director
7. Mr. Teeranun Srihong	Director
8. Mr. Anuwat Luengtaweekul	Director
9. Mr. William George Said	Director

Source: Affidavit

List of Shareholders (as of February 7, 2019)

List of Shareholders	Number of Shares (shares)	Percent
1. TBANK	492,999,434	100.00
2. Other 6 shareholders	566	0.00

Source: List of Shareholders

Summary of Financial Position Statement

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Cash and cash equivalents	99.42	685.16	570.00	148.13
Premium receivable	425.14	439.19	621.65	434.37
Accrued investment income	46.01	31.30	43.30	68.60
Reinsurance assets	200.31	405.03	707.14	827.55
Reinsurance receivables	2.41	10.12	14.61	4.30
Investment assets				

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
- Investments in securities	10,298.38	10,989.64	11,571.28	12,426.62
- Loans	43.78	44.36	45.59	43.00
Equipment	31.96	24.56	20.82	25.65
Intangible assets	27.81	36.51	41.36	42.02
Deferred tax assets	290.98	198.73	228.37	206.65
Other assets	579.93	589.08	631.95	640.28
Total assets	12,046.13	13,453.68	14,496.07	14,867.17
Liabilities and shareholders' equity				
Liabilities				
Insurance contract liabilities	4,936.80	5,475.41	5,729.44	5,892.49
Due to reinsurers	112.08	231.51	542.49	633.73
Income tax payable	107.00	101.06	98.61	162.27
Employee benefit obligations	58.62	78.46	90.86	108.72
Premium received in advance	1,386.92	1,443.90	1,726.03	1,789.11
Other liabilities	516.50	555.01	549.14	370.79
Total liabilities	7,117.90	7,885.35	8,736.57	8,957.11
Shareholders' equity				
Registered share capital	1,240.00	1,240.00	1,240.00	4,930.00
Issued and paid-up share capital	740.00	740.00	740.00	4,930.00
Premium on ordinary shares	35.00	35.00	35.00	35.00
Revaluation surplus in investments	183.69	533.16	435.98	540.59
Retained Earnings				
- Appropriated - statutory reserve	124.00	124.00	124.00	124.00
- Unappropriated	3,845.55	4,136.17	4,424.52	280.47
Total shareholders' equity	4,928.24	5,568.33	5,759.50	5,910.06
Total liabilities and shareholders' equity	12,046.13	13,453.68	14,496.07	14,867.17

Summary of Income Statement

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Revenue				
Premium written	6,420.50	7,506.44	7,987.42	2,039.49
Less: Premium ceded to reinsurers	(103.39)	(459.30)	(969.34)	(332.52)
Net premium written	6,317.11	7,047.14	7,018.08	1,706.97
Less: Unearned premium reserves decreased from	(273.39)	(181.19)	(66.81)	44.31

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
previous year				
Net premium earned	6,043.72	6,865.95	6,951.27	1,751.28
Fee and commission income	30.11	132.80	281.32	84.28
Income on investments	296.41	307.99	329.08	98.38
Gain on investments	98.12	53.16	40.87	28.89
Other income	37.86	22.62	15.24	0.15
Total revenues	6,506.22	7,382.52	7,617.78	1,962.99
Expenses				
Claims and expenses for claim management	3,204.84	3,853.56	4,309.04	1,190.63
Less: Claim recovery from reinsurers	(32.05)	(55.70)	(398.36)	(190.22)
Commission and brokerage expenses	1,082.42	1,271.22	1,336.64	344.33
Other underwriting expenses	279.33	310.10	339.80	98.44
Operating expenses	727.39	701.64	736.96	175.20
Total expenses	5,261.94	6,080.81	6,324.08	1,618.38
Profit before income tax expenses	1,244.28	1,301.71	1,293.70	344.61
Income tax expenses	(239.27)	(250.38)	(251.82)	(67.07)
Net profit	1,005.01	1,051.33	1,041.88	277.54
Other comprehensive income				
Items that will be reclassified subsequently to profit or loss				
Unrealised losses on changes in fair value of available for sale investments	(13.49)	436.84	(121.47)	130.76
Less: Income tax	2.70	(87.37)	24.29	(26.15)
Total items that will be reclassified to profit or loss, net of tax (losses)	(10.79)	349.47	(97.18)	104.61
Items that will not be reclassified subsequently to profit or loss				
Unrealized actuarial losses	(2.73)	(12.94)	(3.97)	-
Less: Income tax	0.55	2.59	0.79	-
Total items that will not be reclassified to profit or loss, net of tax (losses)	(2.18)	(10.35)	(3.17)	-
Other comprehensive incomes (expenses) for the year	(12.97)	339.12	(100.35)	104.61
Total comprehensive income for the year	992.04	1,390.45	941.53	382.15
Basic earnings per share	13.58	14.21	12.72	0.62

Source: Separate Financial Statements of TNI

(2) TNS

Head Office

444 MBK Tower Building, 18th, 19th and 20th Floor, Phayathai Road, Wang Mai, Pathum Wan, Bangkok 10330

List of the Board of Directors (as of March 31, 2019)

List of Directors	Positions
1. Mr. Somjate Moosirilert	Chairman of the Board of Directors and Chairman of the Executive Committee
2. Mr. Phansak Wetanurak	Director / Chairman of the Audit Committee / Independent Director
3. Mr. Nakarin Virameteekul	Director / Member of the Audit Committee / Independent Director
4. Mrs. Asawinee Tailangkha	Director
5. Ms. Pimpaka Nijkaroon	Director
6. Mr. Phong-Amorn Nimphoonsawat	Director
7. Mr. William George Said	Director

Source: Affidavit

List of shareholders (as of March 31, 2019)

List of Shareholders	Number of Shares (shares)	Percent
1. TBANK	1,659,999,930	100.00
2. Other 15 shareholders	70	0.00

Source: List of shareholders

Summary of Financial Position Statement

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Total Assets	9,478.66	11,763.55	8,898.39	8,726.39
Cash and cash equivalents	200.90	163.05	124.57	100.92
Investments	3,028.95	3,754.68	2,978.17	3,037.21
Investments in government-issued securities/listed securities	3,010.32	3,544.41	2,853.69	2,976.76
Securities and derivatives business receivables	4,648.25	7,228.29	5,459.80	4,609.49
Loans from financial institutions	2,999.00	3,419.00	2,630.00	3,300.00
Total liabilities	6,098.55	8,088.72	5,826.14	5,382.82
Total shareholders' equity	3,380.11	3,674.83	3,072.25	3,343.57

Summary of Income Statement

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Revenues from securities business	2,150.07	1,997.57	1,871.61	373.74
Other income	6.47	6.87	8.86	2.08
Total revenues	2,156.54	2,004.44	1,880.47	375.82
Finance cost / Securities business expenses	254.98	272.31	269.62	54.89
Total expenses	1,339.47	1,252.85	1,151.23	256.87
Gross profit	817.08	751.60	136.61	118.95
Net profit	662.34	609.17	592.63	99.10

Source: Separate Financial Statements of TNS

(3) TSAMC

Head Office

1101 Phetchaburi Building, 9th Floor, New Phetchaburi Road, Makkasan, Ratchathewi, Bangkok 10400

List of the Board of Directors (as of June 18, 2019)

List of Directors	Positions
1. Mr. Praphan Anupongongarch	Director
2. Mr. Seak Earl- Hos	Director
3. Mrs. Sasima Thaweesakulchai	Director
4. Mr. Krittaphol Nonthakaew	Director

Source: Affidavit

List of shareholders (as of April 30, 2019)

List of shareholders	Number of Shares (shares)	Percent
1. TBANK	199,999,997	100.00
2. Other 3 shareholders	3	0.00

Source: List of shareholders

Summary of Key Financial Data

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Financial Position Statement				
Total assets	2,651.42	2,509.06	2,497.62	2,574.95
deposits at banks	190.56	585.88	895.82	1,423.17

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Loans to customers - net	778.12	607.54	490.87	90.43
Properties foreclosed - net	1,611.34	1,265.09	1,103.01	1,042.41
Other assets - net	4.51	29.21	2.29	3.18
Deferred tax assets	66.89	21.34	5.63	15.76
Total liabilities	55.63	32.76	34.50	110.41
Total shareholders' equity	2,595.79	2,476.30	2,463.12	2,464.54
Income Statement				
Total revenues	490.25	395.23	308.03	(24.96)
Interest income	167.74	93.36	35.59	7.28
Income(loss)Project management NPA	6.32	10.18	30.87	(56.31)
Gain from repayment	292.87	275.77	235.64	22.60
Other income	23.32	15.92	5.93	1.47
Operating expenses	-	-	-	-
Selling and administrative expenses	251.38	126.90	25.12	(336.00)
Interest expenses	3.78	-	-	-
Project management expenses	162.49	67.70	56.94	16.36
impairment loss on loans and debt securities	85.11	59.20	(31.82)	(352.36)
Profit (loss) before finance cost and tax expenses	238.87	268.33	282.91	311.04
Tax expenses	(49.38)	(58.02)	(45.87)	(59.63)
Net profit (loss) for the year	189.49	210.31	237.04	251.41

Source: Separate Income Statement of TSAMC

(4) THANI

Head Office

77/35-36 Sinsathorn Tower, 11th UP Floor, Krung Thon Buri Road, Khlong Ton Sai, Khlong San, Bangkok 10600

List of the Board of Directors (as of July 2, 2019)

List of Directors	Positions
1. Mr. Virat Chinprapinporn	Chairman of the Board of Directors / Member of the Executive Committee
2. Mr. Kovit Rongwattanasophon	Managing Director / Chairman of the Executive Committee / Director
3. Mr. Charoensook Kititti	Director

List of Directors	Positions
4. Mr. Anuwat Luengtaweekul	Director
5. Mr. Pompert Rasanon	Director / Member of the Executive Committee
6. Mr. William George Said	Director
7. Mr. Thakol Nunthirapakorn	Independent Director / Chairman of the Audit Committee
8. Mr. Surapon Satimanont	Independent Director / Member of the Audit Committee
9. Mr. Varavudh Varaporn	Independent Director / Member of the Audit Committee
10. Mr. Suvit Arunanondchai	Independent Director / Member of the Audit Committee
11. Mrs. Naree Boontharawara	Independent Director / Member of the Audit Committee

Source: www.set.or.th

List of shareholders (as of July 17, 2019)

List of shareholders	Number of Shares (shares)	Percent
1. TBANK	2,460,861,562	65.18
2. THAI NVDR CO., Ltd.	113,847,359	3.02
3. Mr. Charoensook Kititti	93,214,558	2.47
4. Mr. Phamorn Pholthep	81,000,000	2.15
5. THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED	47,300,000	1.25
6. SCB DIVIDEND STOCK 70/30 LONG TERM EQUITY FUND	39,934,725	1.06
7. Mrs. Naowanat Chamornman	36,000,000	0.95
8. Mrs. Wilawan Rungwattanasophon	21,975,000	0.59
9. KRUNGSRI EQUITY LONG TERM FUND	20,193,393	0.54
10. Mrs. Siriwong Rungwattanasophon	19,485,056	0.52

Source: www.set.or.th

Summary of Financial Position Statement

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Cash	117.88	190.42	211.71	113.51
Trade account	32,747.54	38,598.25	46,411.63	47,861.53

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
receivables net				
Inventories	-	-	-	-
Total current assets	12,455.75	14,145.73	16,700.35	17,250.51
Land, building and equipment-net	129.35	119.92	113.15	106.97
Total assets	33,364.87	39,491.79	47,531.06	48,865.49
Bank overdrafts and loans	11,792.36	13,202.80	16,358.85	15,349.81
Trade account payables net	274.11	269.55	456.17	418.69
Current portion of long- term loans	8,169.92	4,002.59	5,627.32	6,386.84
Total current liabilities	20,611.70	17,942.93	22,997.49	22,894.40
Total non-current liabilities	7,743.78	15,921.57	17,338.56	18,298.60
Total liabilities	28,355.48	33,864.50	40,336.05	41,193.00
Registered capital	2,416.23	2,416.23	3,020.28	3,020.28
Issued and fully paid up capital	2,416.23	2,416.23	3,020.28	3,020.28
Premium (Discount) on Share Capital	319.89	319.89	319.89	319.89
Other surplus (deficit)	-	-	-	-
Retained earnings (deficit)	2,273.27	2,891.18	3,854.84	4,332.32
Treasury shares / shares held by subsidiaries	-	-	-	-
Equity attributable to owners of the Company	-	-	-	-
Minority Interest	-	-	-	-
Total shareholders' equity	5,009.39	5,627.30	7,195.01	7,672.49

Summary of Income Statement

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Interest income	2,481.52	2,760.61	3,202.27	863.15
Other income	500.67	546.63	625.10	141.19
Total revenues	2,985.19	3,307.24	3,827.37	1,004.34
Bad debts and doubtful accounts	496.35	523.43	402.6	29.56
Selling and administrative expenses	439.59	495.74	503.51	136.38

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Total expenses	935.93	1,019.17	906.11	165.93
EBITDA	2,068.88	2,311.94	2,944.09	843.48
Depreciation and amortization	19.62	23.88	22.83	5.08
Profit before finance cost and income tax expenses	2,049.26	2,288.06	2,921.26	838.4
Finance cost	947.00	882.41	869.80	236.56
Income tax expenses	221.10	279.84	410.7	124.36
Net profit (loss)	881.16	1,125.81	1,640.75	477.49
Profit (loss) attributable to equity holders of the company	-	-	-	-

Source: Separate Income Statement of THANI

(5) MBK

Head Office

444 MBK Center Building, 8th Floor, Phayathai Road, Wangmai, Pathumwan, Bangkok 10330

List of the Board of Directors (as of July 10, 2019)

List of Directors	Positions
1. Mr. Banterng Tantivit	Chairman of the Board of Directors
2. Mr. Suphadej Poonpipat	Vice Chairman of the Board of Directors
3. Mr. Suvait Theeravachirakul	President / Director
4. Mr. Piyaphong Artmangkorn	Director
5. Mr. Hatchapong Phokai	Director
6. Mr. Atipon Tantivit	Director
7. Mr. Kasama Punyagupta	Independent Director / Member of the Audit Committee
8. Mr. Pracha Jaidee	Independent Director/ Member of the Audit Committee
9. Mrs. Panit Pulsirivong	Independent Director
10. Mr. Paichitr Rojanavanich	Independent Director / Chairman of the Audit Committee

Source: www.set.or.th

List of shareholders (as of March 22, 2019)

List of shareholders	Number of Shares (shares)	Percent
1. PRG	474,249,530	27.98
2. TCAP	169,493,100	10.00
3. THAI NVDR CO., Ltd.	86,146,009	5.08
4. TNS	75,603,000	4.46
5. TBANK	57,829,300	3.41
6. Mr. Parinya Tianvorn	46,000,000	2.71
7. DBS BANK LTD	41,159,800	2.43
8. AIA COMPANY LIMITED - EQ3-P	35,530,700	2.10
9. TNI	34,365,000	2.03
10. SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	32,587,452	1.92

Source: www.set.or.th

Summary of Financial Position Statement

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Cash and cash equivalents	532.72	475.95	675.18	550.76
Trade and other receivables	1,856.73	2,668.31	711.22	685.22
Inventories	3,066.43	2,888.26	3,581.77	3,599.82
Total current assets	9,220.70	11,061.25	11,818.03	11,547.65
Property, plant and equipment-net	4,574.11	4,978.39	5,213.22	5,128.60
Total assets	42,517.70	46,552.39	49,095.94	50,633.37
Bank overdrafts and short-term loans from financial institutions	1,330.21	2,554.14	2,756.30	2,889.00
Trade and other payables	1,069.79	1,090.13	1,243.90	1,427.50
Current portion of long-term liabilities	31.45	1,753.05	77.73	78.85
Total current liabilities	4,056.77	6,975.94	5,794.52	6,237.88
Total non-current liabilities	18,108.75	17,391.75	20,617.41	20,731.07
Total liabilities	22,165.52	24,367.69	26,411.92	26,968.95
Registered capital	1,707.96	1,707.96	1,694.92	1,694.92
Issued and paid up capital	1,707.96	1,707.96	1,694.92	1,694.92

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Premium (Discount) on Share Capital	1,276.04	1,276.04	1,289.07	1,289.08
Other surplus (deficit)	3,790.14	5,846.22	406.73	406.16
Other components of shareholders' equity	3,790.14	5,846.22	4,470.15	4,979.14
Retained earnings (deficit)	12,644.61	13,603.92	15,504.72	15,983.95
Treasury shares / shares held by subsidiaries	711.99	711.99	711.99	711.99
Equity attributable to owners of the Company	18,706.75	21,722.14	22,246.87	23,235.10
Minority Interest	1,645.43	462.56	437.15	429.32
Total shareholders' equity	20,352.18	22,184.70	22,684.02	23,664.42

Summary of Income Statement

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Sales and service income	10,415.78	9,739.58	8,430.70	2,173.40
Other income	570.24	531.59	4,050.30	600.21
Total revenues	11,267.67	10,497.09	12,692.90	2,881.14
Cost of goods sold	5,859.76	5,324.60	5,650.12	1,443.78
Selling and administrative expenses	2,251.26	2,239.80	2,808.59	643.47
Total expenses	8,208.65	7,667.44	8,458.71	2,087.26
EBITDA	4,984.28	4,782.31	6,195.85	1,283.21
Depreciation and amortization	1,925.25	1,952.66	1,961.66	489.32
Profit before finance cost and income tax expenses	3,059.03	2,829.65	4,234.19	793.89
Finance cost	672.08	632.12	767.81	199.54
Income tax expenses	381.70	375.12	605.10	114.81
Net profit (loss)	2,054.51	1,822.41	2,861.28	479.54
Profit (loss) attributable to equity holders of the company	2,054.51	1,840.85	2,881.30	479.23
Profit (loss) of non-controlling interests	(49.27)	(18.44)	(20.01)	0.31
Earnings per share (THB)	1.54	1.38	2.17	0.36

Source: Consolidated Financial Statements of MBK

(6) PRG

Head Office

88 Moo 2, Tiwanont Road, Mueng, Pathum Thani 12000

List of the Board of Directors (as of July 10, 2019)

List of Directors	Positions
1. Mr. Suphadej Poonpipat	Chairman of the Board of Directors
2. Mr. Pakit Iamopas	Chairman of the Executive Committee / Director
3. Mr. Suvait Theeravachirakul	Vice Chairman of the Board of Directors
4. Mr. Somkiat Makcayathorn	Managing Director / Director
5. Mr. Kasemsuk Chongmankhong	Director
6. Mrs. Pornsiri Poonakasem	Independent Director/ Chairman of the Audit Committee
7. Mr. Sathit Parniangtong	Independent Director/ Member of the Audit Committee
8. Mrs. Veena Arunyakasem	Independent Director/ Member of the Audit Committee

Source: www.set.or.th

List of shareholders (as of March 21, 2019)

List of shareholders	Number of Shares (shares)	Percent
1. MBK	447,131,000	74.52
2. TCAP	58,755,000	9.79
3. TNS	26,424,130	4.40
4. TBANK	19,620,000	3.27
5. TNI	12,800,000	2.13
6. Ms. Atinuj Tantivit	9,047,600	1.51
7. Mrs. Wanvipa Tantivit	8,990,000	1.50
8. DBS BANK LTD	5,844,000	0.97

Source: www.set.or.th

Summary of Financial Position Statement

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Cash and cash equivalents	27.58	38.27	33.23	19.52

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Trade and other receivables	95.07	251.54	334.46	334.20
Inventories	248.10	239.92	539.60	486.87
Total current assets	423.32	589.89	934.51	867.97
Property, plant and equipment-net	245.88	221.91	218.97	215.67
Total assets	8,409.73	10,899.50	11,823.11	11,849.62
Bank overdrafts and short-term loans	500.21	704.14	956.30	969.00
Trade and other payables	135.70	82.54	184.44	112.36
Current portion of long-term liabilities	0.30	0.30	0.83	0.75
Total current liabilities	650.41	805.07	1,166.31	1,104.12
Total non-current liabilities	1,248.89	1,739.10	1,870.31	1,890.62
Total liabilities	1,899.30	2,544.17	3,036.62	2,994.74
Registered capital	900.00	900.00	900.00	900.00
Issued and paid up capital	600.00	600.00	600.00	600.00
Premium (Discount) on Share Capital	160.00	160.00	160.00	160.00
Other components of shareholders' equity	5,000.16	6,961.51	7,430.52	7,510.33
Retained earnings (deficit)	729.49	624.73	589.04	578.24
Treasury shares / shares held by subsidiaries	-	-	-	-
Equity attributable to owners of the Company	6,489.65	8,346.25	8,779.56	8,848.57
Minority Interest	20.77	9.08	6.93	6.32
Total shareholders' equity	6,510.43	8,355.33	8,786.49	8,854.88

Summary of Income Statement

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Sales and service income	1,829.17	1,586.47	2,196.50	498.29
Other income	361.40	368.56	393.24	4.51
Total revenues	2,190.57	1,955.04	2,589.74	502.80
Cost of goods sold	1,464.64	1,315.74	1,825.52	433.96

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Selling and administrative expenses	393.09	348.64	433.71	74.39
Total expenses	1,857.74	1,717.80	2,261.77	508.35
EBITDA	400.82	301.21	382.90	7.82
Depreciation and amortization	67.98	63.97	54.93	13.37
Profit before finance cost and income tax expenses	332.84	237.24	327.97	(5.55)
Finance cost	14.04	9.76	14.16	5.31
Income taxes	2.97	2.01	0.19	0.52
Net profit (loss)	308.22	225.47	313.62	(11.39)
Profit (loss) attributable to equity holders of the company	332.58	232.31	321.60	(10.80)
Profit (loss) of non-controlling interests	(24.36)	(6.84)	(7.98)	(0.59)
Earnings per share (THB)	0.55	0.39	0.54	(0.02)

Source: Consolidated Financial Statements of PRG

(7) SEACON

Head Office

55 Srinakarintara Road, Nong Bon, Prawet, Bangkok 10250

List of the Board of Directors (as of May 24, 2019)

List of Directors	Positions
1. Mr. Prote Sosothikul	Director
2. Mr. Korbchai Sosothikul	Director
3. Mr. Kroekchai Sosothikul	Director
4. Mr. Thawatchai Sosothikul	Director
5. Ms. Sirinthorn Sosothikul	Director
6. Ms. Suvarnapha Suvarnaprathip	Director
7. Mr. Som Jatusripitak	Director
8. Mr. Tatiya Sosothikul	Director
9. Mr. Thawat Treewannakul	Director
10. Mr. Charan Phuphat	Director
11. Mr. Piya Sosothikul	Director

List of Directors	Positions
12. Mr. Surachai Charoenpong	Director

Source: Affidavit

List of shareholders (as of February 1, 2019)

List of shareholders	Number of Shares (shares)	Percent
1. VICHAI-BOONSOM CO., LTD.	3,236,190	56.38
2. BANGKOK BANK PUBLIC COMPANY LIMITED	574,000	10.00
3. TBANK	260,284	4.53
4. Mr. Korbchai Sosothikul	145,753	2.54
5. TCAP	143,503	2.50
6. Mrs. Kajarin Sosothikul	142,246	2.48
7. Mr. Chaikut Sosothikul	142,246	2.48
8. Ms. Darin Sosothikul	142,246	2.48
9. APASARO FOUNDATION	142,246	2.48
10. Ms. Sirinthorn Sosothikul	68,273	1.19
11. Mr. Thawatchai Sosothikul	67,530	1.18
12. Mr. Santi Sosothikul	60,765	1.06
13. Other 34 shareholders	614,718	10.70

Source: List of shareholders

Summary of Financial Position

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Cash and cash equivalents	146.28	187.71	394.71	-
Trade and other receivables	107.56	124.36	119.02	-
Inventories	6.87	7.26	7.14	-
Total current assets	273.28	346.32	689.65	-
Property, plant and equipment-net	1,408.09	1,446.74	1,398.97	-
Total assets	6,529.07	6,419.87	6,667.77	-
Bank overdrafts and loans	-	-	-	-
Trade and other payables net	311.84	345.79	391.46	-
Current portion of long-term liabilities	1,210.66	941.08	337.68	-

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Total current liabilities	1,979.33	1,376.16	812.76	-
Total non-current liabilities	1,398.74	1,336.75	1,615.19	-
Total liabilities	3,378.07	2,712.91	2,427.94	-
Registered capital	574.00	574.00	574.00	-
Issued and paid up capital	574.00	574.00	574.00	-
Premium (Discount) on Share Capital	172.75	172.75	172.75	-
Other surplus (deficit)	-	-	-	-
Retained earnings (deficit)	2,367.28	2,920.85	3,450.88	-
Treasury shares / shares held by subsidiaries	-	-	-	-
Equity attributable to owners of the Company	3,114.03	3,667.60	4,197.64	-
Minority Interest	36.97	39.36	42.19	-
Total shareholders' equity	3,151.00	3,706.96	4,239.83	-

Summary of Income Statement

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Sales and service income	2,521.24	2,684.48	2,766.61	-
Other income	69.02	68.91	55.98	-
Total revenues	2,590.26	2,753.39	2,822.59	-
Cost of goods sold	1,250.40	1,270.52	1,300.98	-
Selling and administrative expenses	537.22	463.85	508.33	-
Total expenses	537.22	463.85	508.33	-
EBITDA	1,226.89	1,469.44	1,469.28	-
Depreciation and amortization	424.25	450.42	456.00	-
Profit before finance cost and income tax expenses	802.64	1,019.01	1,013.29	-
Finance cost	60.40	52.60	36.12	-
Income taxes	78.09	181.81	174.49	-
Net profit (loss)	664.15	784.60	802.67	-
Profit (loss) attributable to equity	664.71	782.20	799.82	-

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
holders of the company				
Profit (loss) of non-controlling interests	(0.56)	2.40	2.85	-
Earnings per share (THB)	115.80	136.27	139.34	-

Source: Consolidated Financial Statements of SEACON

(8) AJNMT

Head Office

487/1 Sri Ayutthaya Road, Phayathai Road, Ratchathewi, Bangkok 10400

List of the Board of Directors (as of July 1, 2019)

List of Directors	Positions
1. Mr. Kaoru Kurashima	Director
2. Mr. Takagi Arashida	Director
3. Mr. Itomi Watanabe	Director
4. Mr. Atsuhiko Takato	Director
5. Mr. Thongdee Paso	Director
6. Mr. Veerachai Theeraphojjanakul	Director
7. Mr. Warong Prayoonpong	Director
8. Mr. Sonchai Kusanchai	Director
9. Mr. Naoto Minemura	Director
10. Mr. Chaiyaphat Ongsri	Director

Source: Affidavit

List of shareholders (as of June 14, 2019)

List of shareholders	Number of Shares (shares)	Percent
1. AJINOMOTO CO INC.	6,571,677	82.52
2. TBANK	477,816	6.00
3. KASIKORN BANK PUBLIC COMPANY LIMITED	398,183	5.00
4. THE SIAM COMMERCIAL BANK PUBLIC COMPANY LIMITED	79,633	1.00
5. Other shareholders	436,319	5.48

Source: List of shareholders

Summary of Key Financial Data

Details (Unit: THB Million)	As of March 31, 2016	As of March 31, 2017	As of March 31, 2018	As of March 31, 2019
Financial Position Statement				
Total assets	43,379.28	45,329.09	45,433.73	49,282.29
Total liabilities	6,748.11	6,794.24	6,802.63	8,821.47
Total shareholders' equity	36,631.17	38,534.86	38,631.10	40,460.82
Income Statement				
Total revenues	26,680.31	26,124.17	25,958.22	26,397.12
Cost of goods sold	19,125.32	18,562.85	18,925.54	18,838.14
Selling and administrative expenses	2,186.26	2,181.79	2,228.32	2,582.26
Profit (loss) before finance cost and tax expenses	4,404.51	5,379.53	3,800.96	4,781.94
Net profit (loss) for the year	3,824.99	4,587.49	3,313.35	4,147.19

Source: Separate Financial Statement of AJNMT

(9) TGL

Head Office

444 MBK Tower Building, 19th Floor, Phayathai Road, Wang Mai, Pathum Wan, Bangkok 10330

List of the Board of Directors (as of May 22, 2019)

List of Directors	Positions
1. Mr. Songwut Chaowalit	Director
2. Mr. Pompert Rasanon	Director
3. Mr. Eakawit Phusuwan	Director

Source: Affidavit

List of shareholders (as of April 30, 2019)

List of shareholders	Number of Shares (shares)	Percent
1. TBANK	35,999,994	100.00
2. Other 6 shareholders	6	0.00

Source: List of shareholders

Summary of Key Financial Data

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Financial Position Statement				
Assets				
Cash and cash equivalents	350.62	335.60	404.78	405.77
Interest Income Receivable	0.48	0.45	1.09	1.35
Withholding tax - Refund	0.06	0.04	0.03	0.05
Account Receivable - Revenue Department	-	-	0.06	-
Investment in Subsidiary	61.53	61.53	-	-
Total assets	412.75	397.74	405.96	407.17
Total liabilities	2.83	0.54	0.76	0.71
Total shareholders' equity	409.91	397.21	405.20	406.46
Income Statement				
Revenues				
Interest Income-H/P	0.14	-	-	-
Interest income	4.72	3.79	4.11	1.31
Other Income (VAT)	0.93	0.36	0.03	0.01
Other Income (No VAT)	4.59	-	-	-
Bad Debt Recovery	2.02	0.55	-	-
Other Income-H/P-Penalty	2.67	0.72	0.50	-
Commission Income	0.53	0.08	0.15	-
Profit/Loss on sale-Investment in Subsidiary Company	-	-	4.01	-
Profit/Loss On Receivable Sale	0.31	-	-	-
Total revenues	15.94	5.50	8.81	1.35
Cost of sales	-	-	-	-
Selling and administrative expenses	7.26	4.53	0.81	0.09
Profit (loss) before finance cost and tax expenses	8.68	0.98	7.99	1.26
Net profit (loss) for the year	4.10	0.98	7.99	1.26

Source: Audited Financial Statements and Management Accounts of TGL

(10) TTDHead Office

2 Suanmali Building, M Floor, Chaloem Khet 4 Road, Wat Thep Sirin, Pom Prap Sattru
Pai, Bangkok 10100

List of the Board of Directors (as of January 2, 2019)

List of Directors	Positions
1. Mr. Kriangkrai Phurivitvattana	Director
2. Mrs. Wichitra Thamphothong	Director
3. Mr. Kritchai Chirapraphatphon	Director
4. Mrs. Wassana Akkharabuppha	Director
5. Mrs. Sunanta Wetchaloemjitr	Director

Source: Affidavit

List of shareholders (as of May 10, 2019)

List of shareholders	Number of Shares (shares)	Percent
1. TBANK	499,993	100
2. Other 7 shareholders	7	0.00

Source: List of shareholders

Summary of Key Financial Data

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Financial Position Statement				
Assets				
Cash and cash equivalents	30.17	27.44	8.31	24.85
Service Charges Receivables	8.52	6.41	22.03	14.96
Equipment - net	0.55	0.36	0.54	0.51
Account Receivable	8.65	9.08	12.11	8.48
Revenue Department				
Other Receivables	0.23	0.11	1.86	2.02
Total assets	48.11	43.41	44.86	50.82
Total liabilities	3.37	4.30	6.90	8.34
Total shareholders' equity	44.75	39.10	37.95	42.48
Income Statement				
Revenues				
Service income	117.23	108.35	117.88	30.10
Interest income	0.11	0.11	0.10	0.03

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Total revenues	117.34	108.45	117.97	30.14
Cost of sales	91.91	88.59	101.32	24.90
Selling and administrative expenses	2.85	2.87	2.76	0.70
Profit (loss) before finance cost and tax expenses	22.58	16.99	13.89	4.54
Net profit (loss) for the year	22.55	16.86	13.85	4.52

Source: Audited Financial Statements and Management Accounts of TTD

(11) SSV

Head office

1091/230 New Phetchaburi Road, Makkasan, Ratchathewi, Bangkok 10400

List of the Board of Directors (as of May 13, 2019)

List of Directors	Positions
1. Mr. Kitti Srisawat	Director
2. Mr. Sureemet Pothongsunun	Director
3. Mrs. Krisayanee Ratanachaichan	Director

Source: Affidavit

List of shareholders (as of April 25, 2019)

List of shareholders	Number of Shares (shares)	Percent
1. TBANK	99,998	100.00
2. Other 2 shareholders	2	0.00

Source: List of shareholders

Summary of Key Financial Data

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Financial Position Statement				
Cash and cash equivalents	9.00	14.24	12.46	13.16
Trade accounts receivable	2.48	2.19	8.06	6.33
Other current assets	17.32	5.54	4.91	5.84
Land, premises and equipment - net	7.57	7.31	7.16	7.09
Total assets	36.37	29.28	32.59	32.42
Dividend payable	1.00	1.00	1.00	1.00

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Other current liabilities	4.38	3.35	2.65	3.29
Provision for long-term employee benefits	22.46	24.26	27.11	26.17
Deposit	35.95	36.02	36.02	36.02
Total liabilities	63.79	64.63	66.78	66.48
Total shareholders' equity	(27.42)	(35.35)	(34.19)	(34.05)
Income Statement				
Service income	90.30	67.59	75.07	18.20
Other income	0.05	0.05	0.12	0.01
Total revenues	90.35	67.64	75.19	18.21
Cost of sales	97.97	65.82	65.05	15.97
Selling and administrative expenses	10.15	7.96	7.66	2.10
Total expenses	108.12	73.78	72.71	18.07
Profit (loss) before finance cost and tax expenses	(17.77)	(6.15)	2.48	0.14
Net profit (loss) for the year	(17.77)	(6.15)	2.48	0.14

Source: Separate Financial Statements of SSV

(12) TMS

Head Office

2 Thanachart Suan Mali Building, 2nd Floor, Chaloem Khet 4 Road, Wat Thep Sirin, Pom Prap Sattru Pai, Bangkok 10100

List of the Board of Directors (as of May 8, 2019)

List of Directors	Positions
1. Mrs. Wichitra Thamphothong	Director
2. Mr. Kriangkrai Phurivitvattana	Director
3. Mr. Suchai Wongbunjongharn	Director

Source: Affidavit

List of shareholders (as of April 30, 2019)

List of shareholders	Number of Shares (shares)	Percent
1. TBANK	599,993	100.00
2. Other 7 shareholders	7	0.00

Source: List of shareholders

Summary of Key Financial Data

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Financial Position Statement				
Assets				
Cash and cash equivalents	9.58	10.02	10.31	10.42
Service Charges	0.25	0.26	0.20	0.07
Receivables	0.11	0.14	0.17	0.17
Withholding tax-Other	0.04	0.02	0.02	0.06
Other non-current assets- deposits				
Total assets	9.98	10.44	10.70	10.72
Total liabilities	0.92	1.04	0.92	0.77
Total shareholders' equity	9.07	9.39	9.77	9.94
Income Statement				
Revenues				
Service income	3.15	3.47	3.20	0.79
Interest income	0.04	0.04	0.04	0.01
Total revenues	3.19	3.51	3.24	0.80
Cost of sales	2.35	2.69	2.37	0.50
Selling and administrative expenses	0.45	0.47	0.48	0.12
Profit (loss) before finance cost and tax expenses	0.39	0.36	0.38	0.18
Net profit (loss) for the year	0.36	0.32	0.38	0.17

Source: Audited Financial Statements and Management Accounts of TMS

2. Other general information of TBANK

(1) Nature of Business Operation

TBANK commenced its operation by having TCAP as a major shareholder since April 22, 2002. On December 21, 2006, TBANK and TCAP had been granted an approval from the Bank of Thailand (“**BOT**”) to form a financial business group in consolidation and have TCAP as a parent company.

In 2007, BNS which is a commercial bank in Canada, became our strategic partner by holding 24.98 percent of TBANK shares, which later increased to 48.99 percent. Therefore, the current major shareholders are TCAP and BNS. In 2011, TBANK merged with Siam City Bank Public Company Limited (SCIB).

TBANK operates its commercial banking business in compliance with the Financial Institution Business Act and other relevant notifications issued by the BOT. It also acts as an investment unit distributor for mutual fund, securities brokerage, life/non-life insurance brokerage agent, financial advisor, bond representative, and custodian service. As of March 31, 2019 TBANK has total more than THB 1 trillion of properties, 502 branches, 23 currency exchange booths. TBANK continues to improve and develop its products and services to better serve the various needs of the customers. Its five main groups of product and service include the following:

Group 1 Deposits Products

TBANK offer deposits products to both individual and corporate customers. There are 6 main types of deposits products including savings deposit, fixed deposit, negotiable certificate of deposit, tax free deposit, current deposit, and foreign currency deposit.

Group 2 Lending Products

TBANK provides corporate loans, SME auto loans, trade finance, hire purchase loans, secured personal loans which consist of housing loans named “TBANK Home Loan”, multi-purpose loans named “Cash Your Home” and “Home Plus” for TBANK’s borrowers who are currently using Thanachart home loans, but want to apply for additional credit lines, and unsecured personal loans. Unsecured personal loans provided by TBANK are accessible and responsive to cover a wide range of customer needs under many product names. Therefore, the purpose of loans may or may not be specified.

Group 3 Electronic Products and Services

- 3.1 TBANK provides electronic products and services for business customers which are designed for accommodating the execution of transactions by business customers including juristic persons and individuals via the electronic banking services namely Thanachart iBiz as well as various channels of TBANK. Emphasis is placed on making the services quicker and more efficient.
- 3.2 TBANK provides electronic products and services for individual customers which are capable of accommodating financial transactions executed by customers via TBANK’s various channels in a quicker and more efficient manner, i.e. mobile banking services through Thanachart Connect, internet banking services through Thanachart iNet, and getting text alerts for balance changes through Thanachart SMS Alert.

Group 4 Payment and Merchant Processing Products

TBANK provides payment products, merchant processing products, and quick international transfer of money through Western Union.

Group 5 Other Services

TBANK provides foreign exchange services and securities business support services, e.g. custodian, fund supervisor, bondholder representative, and registrar and paying agent.

(2) Other juristic persons in which TBANK holds shares of at least 10 percent after Restructuring

No.	Name	Business category	Paid-up capital (THB)	Shareholding Percentage (percent)
1.	TBROKE	Life insurance and insurance broker	100,000,000.00	100.00
2.	TFUND	Business related to management of mutual funds, private funds, and provident funds, and investment advisory	100,000,000.00	75.00
3.	PUEN POB PAET	Clinic	1,000,000.00	10.00
4.	METROPOLITAN INDUSTRIAL LEASING	Hire-purchase	25,000,000	10.00

Source: TBANK

(3) TBANK's Summary of Key Financial Data

Summary of Financial Position Statement

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Cash	12,072.22	11,444.93	11,012.02	9,368.44
Interbank and money market items-net	47,465.95	94,576.96	95,257.12	105,248.30
Derivatives assets	3,563.92	2,888.04	2,001.34	2,483.00
Investments-net	167,275.23	157,447.60	152,430.22	133,397.70
Investments in subsidiaries and associated companies-net	7,359.39	7,170.08	7,156.29	11,506.29
Loans to customers and accrued interest receivables-net	632,930.59	646,216.80	680,584.22	688,266.07
Properties foreclosed-net	1,443.86	1,467.30	1,633.04	1,782.88
Land, premises and equipment-net	9,295.67	8,396.20	7,798.45	7,562.29
Goodwill and intangible assets-net	20,533.53	20,069.21	19,637.20	19,533.86

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Other assets	4,927.47	4,782.44	6,613.65	7,740.31
Total assets	906,867.83	954,459.56	984,123.55	986,888.14
Deposits	677,807.24	717,807.08	753,944.98	746,306.08
Interbank and money market items	56,155.85	69,809.25	55,964.40	59,951.77
Payable on demand liabilities	1,986.43	1,988.66	1,163.17	2,011.40
Derivatives liabilities	4,912.41	2,864.59	2,092.52	2,090.31
Debt issued and borrowings	34,522.13	20,005.16	20,005.16	20,005.16
Provisions	3,340.79	3,369.31	3,582.16	3,489.71
Deferred tax liabilities	799.03	939.46	1,183.61	1,457.74
Payables from purchase and sales of securities	1,000.00	43.71	759.00	1,224.29
Accrued interest payables	1,969.59	2,241.76	2,065.06	2,387.00
Accrued expenses	4,400.75	4,635.55	5,240.31	2,665.98
Other liabilities	4,388.94	6,369.55	6,981.96	6,233.76
Total liabilities	791,283.16	830,074.08	852,982.33	847,823.20
Registered capital	99,136.65	99,136.65	99,136.65	99,136.65
Issued and paid-up capital	60,648.62	60,648.62	60,648.62	60,648.62
Premium (Discount) on Share Capital	2,100.69	2,100.69	2,100.69	2,100.69
Other surplus (deficit)	947.58	1,601.48	651.31	1,105.27
Retained earnings (deficit)	51,887.78	60,034.69	67,740.60	75,210.36
Treasury shares / shares held by subsidiaries	-	-	-	-
Equity attributable to owners of the Company	115,584.67	124,385.48	131,141.22	139,064.94
Minority Interest	-	-	-	-
Total shareholders' equity	115,584.67	124,385.48	131,141.22	139,064.94

Summary of Income Statement

Details (Unit: THB Million)	As of December 31, 2016	As of December 31, 2017	As of December 31, 2018	As of March 31, 2019
Net interest income	26,548.25	27,137.69	28,365.40	7,275.26
Net fees and service income	3,780.83	3,943.15	4,464.99	949.54
Other operating income	5,127.69	5,702.00	4,785.56	5,519.15
Total operating income	35,456.77	36,782.84	37,615.95	13,743.95
Operating expenses	17,791.84	17,701.95	17,784.62	4,202.52
Bad debt and doubtful accounts and impairment losses	5,808.28	5,934.97	4,464.92	1,443.23
Total expenses	23,600.12	23,636.92	22,249.54	5,645.75
EBIT	11,856.65	13,145.92	15,366.41	8,098.19
Income tax expenses	(105.12)	11.11	1,455.00	628.43
Net profit (loss)	11,962.77	13,134.81	13,911.41	7,469.76
Profit (loss) attributable to equity holders of the company	11,962.77	13,134.81	13,911.41	7,469.76
Profit (loss) of non-controlling interests	-	-	-	-
Earnings per share (THB)	1.97	2.17	2.29	1.23

Source: Separate Financial Statements of TBANK

Thanachart Capital Public Company Limited**Information Memorandum regarding the Acquisition of Assets
after the Business Restructuring (Schedule 1)**

Reference is made to that the Board of Directors' Meeting No. 9/2019 of Thanachart Capital Public Company Limited ("**TCAP**") held on August 7, 2019 resolved to approve the business restructuring of TCAP and Thanachart Bank Public Company Limited ("**TBANK**"), and the merger plan between TBANK and TMB Bank Public Company Limited ("**TMB**"), including the undertakings relevant to the followings: (a) the business restructuring of TCAP and TBANK (the "**Business Restructuring**"), (b) the sale of ordinary shares of TBANK, (c) the acquisition of the newly issued ordinary shares of TMB, and (d) the transfer of the entire business of TBANK to TMB. Initially, the undertakings as per items (a) – (c) have been scheduled to take place within December 2019 (the "**Transaction Date**") and the entire business transfer as per item (d) has been scheduled to take place within 2021. The details of the above undertakings are shown in the Supporting Documents for Meeting Agenda Book 2, Part 1. In addition, the Board of Directors' Meeting also resolved to approve the relevant undertakings in relation to a transaction occurring after the completion of the Business Restructuring, i.e. the acquisition of the ordinary shares of the following companies made by TCAP from Scotia Netherlands Holdings B.V. ("**BNS**"), namely a special-purpose vehicle no. 1 to be incorporated by TBANK ("**SPV1**"), a special-purpose vehicle no. 2 to be incorporated by TBANK ("**SPV2**"), TS Asset Management Company Limited ("**TSAMC**"), MBK Public Company Limited ("**MBK**") and Patum Rice Mill and Granary Public Company Limited ("**PRG**") representing 49.02, 49.00, 49.00, 4.85 and 4.81 percent of the total shares in such companies respectively (details of which are shown in Section 3.1) (provided that BNS would acquire those shares from TBANK under the Business Restructuring) at the purchase price as determined under the basis specified in Section 5 (collectively referred to as the "**Shares Acquisition after the Business Restructuring**" or "**Shares Acquisition from BNS**"), and the entering into the term sheet by and between TCAP (as the purchaser) and BNS (as the seller) (the "**Term Sheet**") in respect of the above undertakings. However, the above undertakings would not be considered as a part of the Business Restructuring and the merger between TBANK and TMB.

In this regard, the Shares Acquisition after the Business Restructuring would not constitute a connected transaction pursuant to the Notification of the Capital Market Supervisory Board no. TorChor. 21/2551 Re: Rules on Connected Transactions, and the Notification of the Board of Governor of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) (as amended) (the "**Notifications on Connected Transactions**"). However, the Shares Acquisition after the Business Restructuring would constitute an acquisition of asset transaction pursuant to the Notification of the Capital Market Supervisory Board no. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, 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 and Disposition of Assets B.E. 2547 (2004) (as amended) (the "**Notifications on Acquisition or Disposal of Assets**"). The transaction size of the Shares Acquisition after the Business Restructuring calculated based on the net tangible asset (NTA) value criterion, which gives the highest transaction value is equivalent to 15.07 percent. However, upon combination of this transaction size with another acquisition transaction of the past six months which has not approved by the shareholders' meeting of TCAP, namely the acquisition of the newly issued ordinary shares of TMB as detailed in the Supporting Documents for Meeting Agenda Book 2, Part 1, the total transaction size is equivalent to 107.44 percent. Therefore, the Shares Acquisition after the Business Restructuring is deemed as a class 1 transaction under the Notifications on Acquisition or Disposal of Assets, that is, transaction with a size equal to or higher than 50 percent, and as such, TCAP is required to disclose the information memorandum regarding the Shares Acquisition after the Business Restructuring to the Stock Exchange of Thailand (the "**SET**"), obtain approval from its shareholders' meeting with the votes of not less than three-fourths of the total

votes of the shareholders who attend the meeting and have the right to vote, excluding such votes of any shareholders having interest (In this regard, MBK, as one of TCAP's major shareholders, is not considered shareholder having interest in approving the Shares Acquisition after the Business Restructuring), and appoint an independent financial advisor to provide an opinion on the Shares Acquisition after the Business Restructuring and submit such opinion to the Securities Exchange Commission, the SET and the shareholders of TCAP for further consideration. In this connection, TCAP has appointed Silom Advisory Services Co., Ltd. as its independent financial advisor to provide an opinion on such transaction pursuant to the Notifications on Acquisition or Disposal of Assets.

However, as TCAP is holding treasury stock from the repurchase of 19,467,000 shares, representing 1.67 of all paid-up shares of TCAP. These shares shall not be counted to constitute the quorum of a shareholders' meeting and shall have no right to vote in approval of the Shares Acquisition after the Business Restructuring.

TCAP would like to disclose the information memorandum to the SET pursuant to the Notifications on Acquisition or Disposal of Assets as follows:

1. Transaction Date

After the meeting of the Board of Directors of TCAP has resolved to approve the Shares Acquisition after the Business Restructuring, TCAP would execute the Term Sheet to be entered into by and between TCAP and BNS on August 8, 2019, and TCAP and BNS would enter into the shares sale and purchase agreement after the incorporation of SPV1 and SPV2. In this regard, the Shares Acquisition after the Business Restructuring shall be in compliance with the applicable laws and regulations and shall be under the conditions of such transaction as detailed in Section 13.

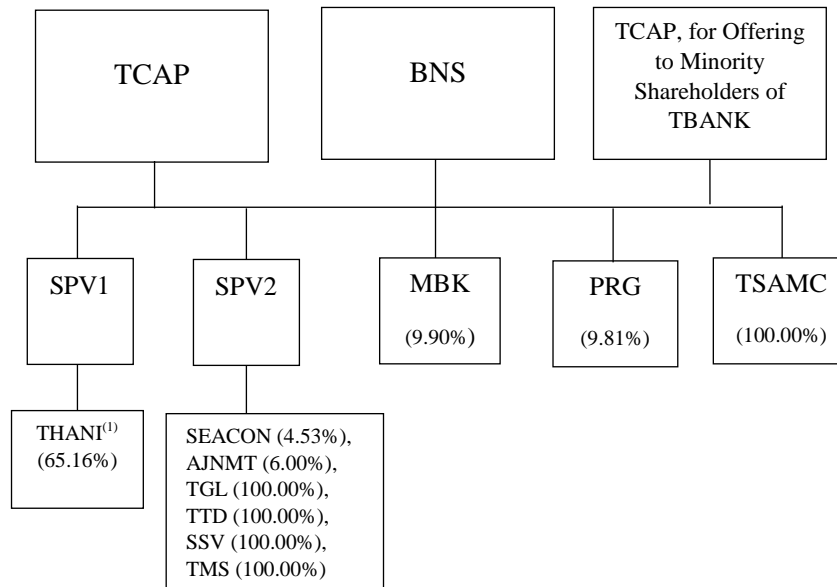
2. Contractual Parties and Relationship with TCAP

Seller	:	BNS
Purchaser	:	TCAP
Relationship with TCAP	:	BNS, including its related persons, does not have any relationship with TCAP. The Shares Acquisition after the Business Restructuring, therefore, is not considered as a connected transaction pursuant to the Notifications on Connected Transactions.

3. General Characteristics of Transaction

After the completion of the Business Restructuring, the shareholding structure of SPV1, SPV2, TSAMC, MBK and PRG (based on the assumption that all existing shareholders of TBANK would purchase the shares in the Subsidiaries and Other Companies¹ proportionately to their shareholding ratio as offered by TBANK) shall be as follows:

¹ For the purpose of the disclosure under this Information Memorandum, unless specified otherwise in this Information Memorandum, "Subsidiaries and Other Companies" shall mean the Subsidiaries and Other Companies as detailed in the Supporting Documents for Meeting Agenda Book 2, Part 1.



Remark ⁽¹⁾ TCAP and BNS indirectly hold shares in THANI through SPV1. SPV1 holds 65.16 percent of total shares in THANI, whereas TCAP holds 0.026 percent of total shares in THANI for the purpose of offering to minority shareholders of TBANK.

As agreed in the Term Sheet, BNS shall, after the completion of the Business Restructuring, sell to TCAP the ordinary shares in certain Subsidiaries and Other Companies as acquired by BNS from TBANK under the Business Restructuring, as detailed below:

Ordinary shares of the companies to be purchased after the Business Restructuring		Shares to be purchased by TCAP from BNS		Shareholding ratio of TCAP before the Shares Acquisition from BNS ^{3/}		Shareholding ratio of TCAP after the Shares Acquisition from BNS ^{3/}	
		Amount of Shares (Shares)	Percent (%)	Amount of Shares (Shares)	Percent (%)	Amount of Shares (Shares)	Percent (%)
1.	SPV1 ^{1/}	553,898,398	49.02	576,071,203	50.98	1,129,969,601	100.00
2.	SPV2 ^{2/}	198,623,253	49.00	206,574,232	50.96	405,197,485	99.96
3.	TSAMC	97,998,571	49.00	101,921,497	50.96	199,920,068	99.96
4.	MBK	82,219,479	4.85	255,003,860	15.05	337,223,339	19.90
5.	PRG	28,833,204	4.81	88,742,408	14.79	117,575,612	19.60

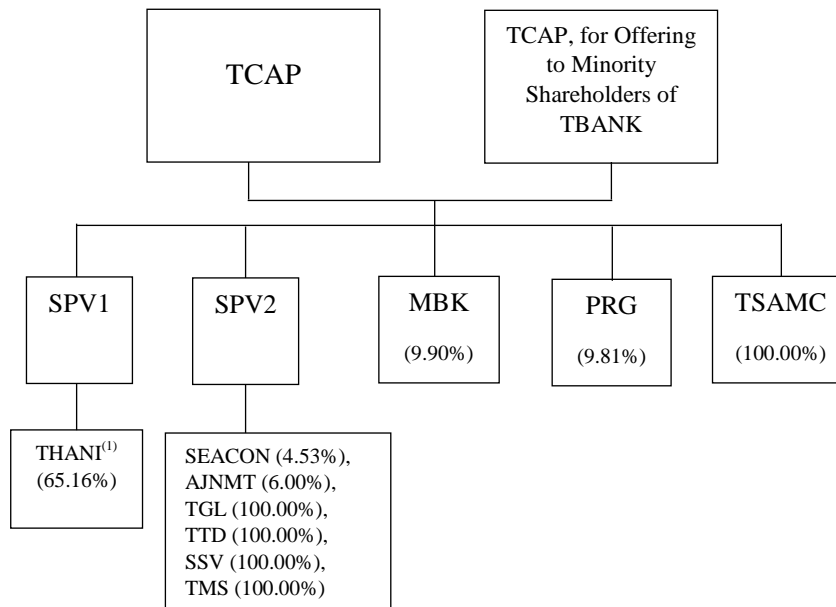
Remark ^{1/} The registered capital as of incorporation of SPV1 will be THB 1 million, with a par value of THB 10 per share, divided into 100,000 shares. On the Transaction Date, TBANK shall offer its shares in SPV1 to TCAP and BNS proportionately to their shareholding ratio in TBANK. Consequently, TCAP and BNS shall cause SPV1 to increase its registered capital as a source of fund for the acquisition of 65.16 percent of the total shares in THANI, at such price determined in the relevant definitive agreements. In this regard, based on the assumption that the Transaction Date is on December 31, 2018, the total value of 65.16 percent of the total shares in THANI is equivalent to THB 11,300 million, the registered and paid-up capital of SPV1 shall then be equivalent to THB 11,300 million, divided into 1,129,969,603

shares whereby TCAP and BNS shall hold 576,071,203 shares and 553,898,398 shares in SPV1, representing 50.98 percent and 49.02 percent of the total shares in SPV1 respectively.

^{2/} The registered capital as of incorporation of SPV2 will be THB 1 million, with a par value of THB 10 per share, divided into 100,000 shares. Prior to the Transaction Date, TBANK shall cause SPV2 to increase its registered capital as a source of fund for the acquisition of shares in AJNMT, SEACON, TGL, TTD, SSV and TMS, at such price determined from the basis as determined under the relevant definitive agreements. The price of shares in SPV2 to be offered to all shareholders will be equal to the total price paid for shares of these companies. In this regard, based on the assumption that the Transaction Date is on December 31, 2018, the total value of shares in these companies is equivalent to THB 4,054 million. Therefore, the registered and paid-up capital of SPV2 shall be equivalent to THB 4,054 million, divided into 405,359,484 shares, whereby TBANK will offer shares in SPV2 for sale to TCAP, BNS, and TCAP for minority shareholders of TBANK in proportion to their respective shareholdings, equivalent to 206,574,232 shares, 198,623,253 shares, and 161,999 shares, respectively.

^{3/} Exclusive of the shares which acquired by TCAP for minority shareholders of TBANK

Accordingly, the shareholding structure of SPV1, SPV2, TSAMC, MBK and PRG after the completion of the Shares Acquisition from BNS shall be as follows:



Remark ⁽¹⁾ TCAP indirectly holds shares in THANI through SPV1. SPV1 holds 65.16 percent of total shares in THANI, whereas TCAP holds 0.026 percent of total shares in THANI for the purpose of offering to minority shareholders of TBANK.

4. Details of the Acquired and Disposed Assets

4.1 Assets to be Acquired

- 4.1.1 553,898,398 ordinary shares of SPV1, representing 49.02 percent of all shares of SPV1, provided that SPV1 shall be the shareholder of Ratchthani Leasing Public Company Limited (“**THANI**”), holding 2,459,878,098 ordinary shares, representing 65.16 percent of all paid-up shares of THANI;
- 4.1.2 198,623,253 ordinary shares of SPV2, representing 49.00 percent of all shares of SPV2, provided that SPV2 shall be the shareholder of the following companies:
- 1) Seacon Development Public Company Limited (“**SEACON**”), holding 260,284 shares, representing 4.53 percent of all paid-up shares of SEACON;
 - 2) Ajinomoto (Thailand) Co., Ltd. (“**AJNMT**”), holding 477,816 shares, representing 6.00 percent of all shares of AJNMT;
 - 3) Thanachart Group Leasing Company Limited (“**TGL**”), holding 35,999,994 shares, representing 100.00 percent of all shares of TGL;
 - 4) Thanachart Training and Development Company Limited (“**TTD**”), holding 499,993 shares, representing 100.00 percent of all shares of TTD;
 - 5) Security Scib Services Company Limited (“**SSV**”), holding 99,998 shares, representing 100.00 percent of all shares of SSV; and
 - 6) Thanachart Management and Service Company Limited (“**TMS**”), holding 599,993 shares, representing 100.00 percent of all shares of TMS,
- 4.1.3 97,998,571 ordinary shares of TS Asset Management Company Limited (“**TSAMC**”), representing 49.00 percent of all shares of TSAMC;
- 4.1.4 82,219,479 ordinary shares of MBK Public Company Limited (“**MBK**”), representing 4.85 percent of all paid-up shares of MBK; and
- 4.1.5 28,833,204 ordinary shares of Patum Rice Mill and Granary Public Company Limited (“**PRG**”), representing 4.81 percent of all paid-up shares of PRG.

4.2 General Information of the Assets to be Acquired

The general information of the acquired assets is shown as per Section 4.1.3-4.1.7 of the Supporting Documents for Meeting Agenda Book 2, Part 1.

5. Basis of Determination of Value of Consideration

The value of consideration in the Shares Acquisition after the Business Restructuring will be determined in accordance with the basis on pricing as specified in the Term Sheet, provided that TCAP will have resolution passed by its board of directors declaring the selling prices of the transactions before the Transaction Date (the “**Selling Price**”). The basis on pricing are as follows:

Acquired Asset	Criteria for Determining Value of Consideration
1. Ordinary shares of SPV1	<ul style="list-style-type: none"> • The total value shall be equivalent to 90 percent of the volume weighted average price of a THANI share as reported to the SET for the 30 business days of securities trading period ending on the date that is 6 days prior to the Transaction Date (T-6), multiplied by the number of shares in THANI held by SPV1, and shall be calculated based on 49.02 percent of the shareholding ratio of TCAP in SPV1, multiplied by the number of sale and purchase shares. • The price per share shall be equivalent to the purchase price of SPV1 shares purchased by BNS from TBANK under the Business Restructuring.
2. Ordinary shares of SPV2	<ul style="list-style-type: none"> • The total value shall be equivalent to the total value of investments in SEACON, AGNMT, TGL, SSV, TMS and TTD acquired by SPV2 from TBANK, adjusted by additional consideration as agreed between the parties, which shall be an adjustment between value from negotiation and market price of shares listed in the SET as of the Transaction Date. Should the shareholders' equity of SSV be negative in value on the Transaction Date, the Selling Price shall be determined at THB 1.00 (One Baht Only) and shall be calculated based on 49.00 percent of the shareholding ratio of BNS in SPV2.
3. Ordinary shares of TSAMC	<ul style="list-style-type: none"> • The total value shall be equivalent to the book value per share based on the most recent financial statements of TSAMC as of the latest month immediately preceding the Transaction Date which have been audited by the certified public accountant, multiplied by the number of shares in TSAMC purchased from BNS. • The price per share shall be equivalent to the purchase price of TSAMC shares purchased by BNS from TBANK under the Business Restructuring.
4. Ordinary shares of MBK	<ul style="list-style-type: none"> • The total value shall be equivalent to 90 percent of the volume weighted average price of a MBK share as reported to the SET for the 30 business days of securities trading period ending on the date that is 6 days prior to the Transaction Date (T-6), multiplied by the number of shares in MBK purchased from BNS. • The price per share shall be equivalent to the purchase price of MBK shares purchased by BNS from TBANK under the Business Restructuring.
5. Ordinary shares of PRG	<ul style="list-style-type: none"> • The total value shall be equivalent to 90 percent of the volume weighted average price of a PRG share as reported to the SET for the 30 business days of securities trading period ending on the date that is 6 days prior to the Transaction Date (T-6), multiplied by the number of shares in PRG purchased from BNS. • The price per share shall be equivalent to the purchase price of PRG shares purchased by BNS from TBANK under the Business Restructuring.

6. Total Value of Consideration and Conditions for Payment

Given that the value of consideration used in this transaction will be calculated in accordance with the basis of pricing pursuant to the Term Sheet and/or the price under the Business Restructuring as determined under the relevant definitive agreements and the financial information up to the Transaction Date and payments will be made in cash. TCAP will have resolutions passed by its board of directors declaring the Selling Price of the transaction before the Transaction Date and based on the financial information up to the Transaction Date which is referenced from the most recent financial statements that have been audited or reviewed by the certified public accountants and/or the registered and paid-up capital. In the event that there is no financial data up to the Transaction Date which have been audited or reviewed by the certified public accountants and/or the relevant market price data up to the Transaction Date, as the case may be, in order for TCAP's shareholders to have information in support of their consideration, the assumed Selling Price used in the transactions will be calculated in accordance with the basis of pricing which will be determined in the Term Sheet based on the financial information per the financial statements for the year ended December 31, 2018 audited by the certified public accountants and the market price data, under the assumption that the Transaction Date takes place on December 31, 2018. Therefore, the total value of consideration shall be as follows:

Based on the assumption that the Transaction Date takes place on December 31, 2018, the calculation of the total value of consideration under the Shares Acquisition after the Business Restructuring from BNS shall be equivalent to THB 12,082 million, with the details as follows:

Ordinary Shares of the Companies, based on the assumption that the Transaction Date takes place on December 31, 2018	Equivalent Total Value of Shares Acquired from BNS (THB Million)
1. Ordinary shares of SPV1	5,539
2. Ordinary shares of SPV2	3,367
3. Ordinary shares of TSAMC	1,207
4. Ordinary shares of MBK	1,630
5. Ordinary shares of PRG	339
Total	12,082

7. Value of Acquired and Disposal Assets

The value of assets to be acquired based on the book value as per the financial statements of the Subsidiaries and Other Companies for the year 2018, which would be after the Shares Acquisition after the Business Restructuring, and market value of shares of SET listed-companies which TCAP will acquire after the Restructuring based on weighted average price of SET-listed shares 30 working days from December 31, 2018 (period between and inclusive of November 15, 2018 to December 28, 2018) will be as follows:

Value of Assets (in THB Million)	Book Value per the Financial Statements after the Business Restructuring for the year 2018		Market value based on 30- working day weighted average price in the proportion of share acquisition	Market value or book value for shares of non- listed companies
	Total Book Value	Total Book Value as per the shareholding ratio from the shares acquisition		
1. Ordinary shares of SPV1 ^{1/}	11,300	5,539	7,693 ^{3/}	7,693
2. Ordinary shares of SPV2 ^{2/}	4,054	1,986	-	1,986
3. Ordinary shares of TSAMC	2,463	1,207	-	1,207
4. Ordinary shares of MBK	22,247	1,079	1,811	1,811
5. Ordinary shares of PRG	8,780	422	377	377
Total		10,233	-	13,074

Remark ^{1/} Based on the assumption that the Transaction Date is on December 31, 2018, the equivalent book value of SPV1 shall be equal to the equivalent book value of investment of SPV1 in THANI under the Business Restructuring (SPV1 is under the process of applying for approval from the Bank of Thailand for incorporation).

^{2/} Based on the assumption that the Transaction Date is on December 31, 2018, the equivalent book value of SPV2 shall be equal to the equivalent total value of investments of SPV2 in AJNMT, SEACON, TGL, SSV, TMS and TTD under the Business Restructuring (SPV2 is under the process of applying for approval from the Bank of Thailand for incorporation).

^{3/} Based on the market price of THANI shares (core investment held by SPV1) owned by SPV1 multiplied by 1,205,804,959 which is the equivalent number of THANI shares proportionately to the shareholding in THANI by SPV1 which will be acquired from BNS

In this regard, the total value of consideration in the Shares Acquisition from BNS is subject to the assumption that if the Transaction Date takes place on December 31, 2018, the total value of consideration is equivalent to THB 12,082 Million (as per Section 6. Total Value of Consideration and Conditions for Payment) which is lower than the assets' market value or book value in case of companies not listed in the SET, i.e. THB 13,074 Million. The investment in the Shares Acquisition from BNS was negotiated as a group. Most companies have potential to grow. The investment is therefore suitable and justifiable. Please consider the details provided in Section 9. Expected Benefits to TCAP and 14. Opinion of the Board of Directors of TCAP.

8. Transaction Size

The value of consideration used in this transaction will be calculated in accordance with the basis on pricing as agreed in the Term Sheet and/or the price under the Business Restructuring as determined in the relevant definitive agreements, and based on the financial information up to the Transaction Date, provided that TCAP will have resolution passed by its board of directors declaring the Selling Price of the transaction before the Transaction Date. Therefore, for the calculation of the transaction size under the Notifications on Acquisition or Disposal of Assets will be based on the equivalent value of consideration as calculated under Section 6 (Total Value of Consideration and Conditions for Payment) to measure the transaction size on the basis of total value of consideration and the calculation of the transaction size for the Shares Acquisition after the Business Restructuring shall be based on the financial information of the Subsidiaries and Other Companies, the shares of which would be acquired after the Business Restructuring, as per the financial statements of the Subsidiaries and Other Companies for the year ended December 31, 2018, with the details of calculation as follows:

(Unit: THB Million)	Financial statements of the Subsidiaries and Other Companies for the year ended December 31, 2018 which would be acquired from BNS (audited)					TCAP's consolidated financial statements for the year ended December 31, 2018 (audited)
	SPV1 ^{1/}	SPV2 ^{2/}	TSAMC	MBK	PRG	
Total Assets			2,498	49,096	11,823	1,060,929
Intangible Asset			6	882	11	20,428
Total Liabilities			35	26,412	3,037	923,011
Non controlling Interest			-	437	7	72,183
Net Tangible Assets (NTA)	4,478	4,019	2,457	21,365	8,769	45,307
Net Operating Profits	1,069	23	237	2,881	322	7,839
Acquired Proportion (percent)	49.02	49.00	49.00	4.85	4.81	
NTA based on the Acquired Proportion	2,195	1,969	1,204	1,036	421	
Net Operating Profits based on the Acquired Proportion	524	11	116	140	15	

Remark ^{1/} NTA and the net operating profits of SPV1 shall be calculated from NTA and net operating profits of THANI based on the shareholding ratio of SPV1 in THANI

NTA of SPV1 = 6,873 x 65.16% = THB 4,478 million

Net operating profits of SPV1 = 1,641 x 65.16% = THB 1,069 million

^{2/} NTA of SPV2 shall be calculated from the aggregate of NTA of TGL, SSV, TMS and TTD which wholly owned by SPV2, the total value of investments of SPV2 in AJNMT and SEACON, and the net operating profits of SPV2 calculating from the total net operating profits of TGL, SSV, TMS and TTD. The net operating profits of AJNMT and SEACON would not be part of the above calculation as such amount of investments would be considered as other investments (the shares of which are held by SPV2 at 6.00 percent and 4.53 percent respectively) and the revenue of which shall be recognized only from the future dividends.

NTA of SPV2 = (405-34+10+38) + (3,423+178) = THB 4,019 million

Net operating profits of SPV2 = 8+1+0+14 = THB 23 million

The calculation of the transaction size of the Shares Acquisition after the Business Restructuring shall be detailed as follows:

Basis of Calculation	Calculation Method
1. Value of Net Tangible Assets (NTA)	<p>= (Subsidiaries and Other Companies' NTA x acquired assets) x 100 / NTA per TCAP's consolidated financial statements, less non-controlling interest</p> <p>= (2,195 + 1,969 + 1,036 + 421 + 1,204) x 100 / 45,307</p> <p>= 15.07 percent</p>
2. Net Operating Profits	<p>= Subsidiaries and Other Companies' net operating profits x acquired ratio x 100 / net operating profits per TCAP's consolidated financial statements, less non-controlling interest</p> <p>= (524 + 11 + 140 + 15 + 116) x 100 / 7,839</p> <p>= 10.29 percent</p>
3. Total Value of Consideration	<p>= Value of consideration x 100 / total assets per TCAP's consolidated financial statements</p> <p>= 12,082 / 1,060,929</p> <p>= 1.14 percent</p>
4. Value of Equity Shares Issued	<p>= This is not applicable because TCAP does not issue any securities as payment in consideration of the acquired assets.</p>

The calculation of transaction size of the Shares Acquisition after the Business Restructuring based on the value of net tangible assets gives the highest value equal to 15.07 percent. However, after computing with another transaction on acquisition of assets over the past 6 months which has not been approved by the shareholders' meeting of TCAP, i.e. the acquisition of the newly issued ordinary shares of TMB, the total transaction size is equivalent to 107.44 percent. Therefore, the Shares Acquisition after the Business Restructuring is deemed as a class 1 transaction under the Notifications on Acquisition or Disposal of Assets, i.e. a transaction with a transaction size of equivalent to or more than 50 percent.

9. Expected Benefits to TCAP

Should the execution of the Shares Acquisition after the Business Restructuring on this occasion successfully materialize, the expected benefits from such transaction will be as follows:

- 1) the additional investments in SPV1 (which is the shareholder in THANI), having business in the leasing with unique expertise and excellent business operation, would create a growth opportunity in the business of TCAP;
- 2) the additional investment in SPV2 (which is the shareholder in SEACON, AJNMT, TTD, TGL, SSV and TMS) and TSAMC would be the investments for the purpose of the completion of the merger between TBANK and TMB; and
- 3) The additional investment in MBK and PRG would be considered as the investment in the companies with potentials and TCAP fully comprehends the nature of business of those companies. Accordingly, it is expected that such investment would create a growth opportunity in the business of TCAP.

10. Other Material Information

10.1 Consequences on the Consolidated Financial Statements of TCAP

The pro forma consolidated financial information of TCAP has been compiled by TCAP and provided assurance by EY Office Limited, for the purpose to illustrate the impact after (1) the Business Restructuring and (2) the sale of ordinary shares of TBANK and the acquisition of the newly issued ordinary shares of TMB (the “**Merger**”), based on the audited consolidated financial statements of TCAP for the year ended December 31, 2018, the audited consolidated financial statements of TBANK for the year ended December 31, 2018, and the pro forma consolidated financial information of TMB after the Merger which has been compiled by TMB and provided assurance by KPMG Phoomchai Audit Limited. The pro forma consolidated financial information is not the indicator of actual operating outcome as it has been prepared in accordance with the assumptions on the event or transaction which did not actually occur at certain dates.

Significant assumptions in preparing the pro forma consolidated financial information are shown in Section 10.1 (TCAP's Pro Forma Financial Statements as Assured by TCAP's Auditor for the Year 2018) of the Supporting Documents for Meeting Agenda Book 2, Part 1.

Key financial information from the pro forma consolidated financial statements of TCAP after the Business Restructuring and Merger in comparison with the pro forma consolidated financial statements of TCAP after the Share Acquisition from BNS can be summarized as follows:

(Unit: THB Million)	Pro forma consolidated financial statements of TCAP at 31 December 2018 after the Business Restructuring and the Merger	Pro forma consolidated financial statements of TCAP at 31 December 2018 after the Shares Acquisition from BNS	Changed Increase / (Decrease)	
			Amount	Percent
Investments - net	46,070	34,362	(11,708)	(25.41)
Investments in subsidiary and associated companies - net	46,838	47,507	669	1.43
Total assets	158,937	147,898	(11,039)	(6.95)
Total liabilities	76,107	76,114	7	0.01
Equity attributable to owner of the company	70,624	64,924	(5,700)	(8.07)
Net profit attributable to TCAP	7,196	7,544	348	4.84

Effects from the aforementioned share purchase from BNS after the Transaction Date to the pro forma consolidated financial statements of TCAP can be summarized as follows:

- The total assets presented in the pro forma consolidated statements of financial position after the acquisition of shares from BNS equal to THB 147,898 million comparing to the assets after the Restructuring and the Merger at THB 158,937 million, is decreased from the payment for the acquisition of investments in subsidiaries, associated companies and other companies from BNS.
- Net profit attributable to TCAP increases from THB 7,196 million to THB 7,544 million. This is from the increase of recognition of profit sharing in subsidiaries and associated companies in accordance with the increase of shareholding proportion.

10.2 Schedule for Significant Arrangements

Item	Arrangements	Date
1.	TCAP holds its Board of Directors' Meeting No. 9/2019	August 7, 2019
2.	TCAP executes the Term Sheet	After the incorporation of SPV1 and SPV2
3.	TCAP holds the Extraordinary General Meeting of Shareholders No. 1/2019.	September 23, 2019
4.	TCAP declares the Selling Price for the transaction and the transaction value.	December 2019 Before the Transaction Date

Item	Arrangements	Date
5.	TCAP and TBANK proceed with the Business Restructuring.	December 2019
6.	Shares Acquisition after the Business Restructuring	As agreed between the respective parties

11. Plan for Use of Proceeds from the Disposal of Assets

- None -

12. Source of Funds for the Acquisition of Assets

After the completion of the Business Restructuring, the sale of ordinary shares of TBANK, and the acquisition of the newly issued ordinary shares in TMB, there would be the remaining cash for TCAP in the amount equivalent to THB 20,639 million calculating based on the assumption that the Transaction Date is on December 31, 2018. Therefore, TCAP is expecting that such remaining cash would be sufficient for entering into this transaction.

13. Conditions for Entering into the Shares Acquisition after the Business Restructuring

The entering into the Shares Acquisition after the Business Restructuring shall be in compliance with the applicable laws and regulations, and the relevant conditions including the following significant conditions shall be fulfilled:

- 1) the Business Restructuring shall be completed, resulting in that BNS would acquire the ordinary shares of the Subsidiaries and Other Companies to be offered by TCAP, as detailed above; and
- 2) the entering into this transaction has been approved by the shareholders' meeting of all related parties.

14. Opinion of the Board of Directors of TCAP

The Board of Directors of TCAP has considered the matter and is of the opinion that the Shares Acquisition after the Business Restructuring is suitable, justifiable and beneficial to TCAP and all shareholders in the long run in accordance with such reasons as described in Section 9 above, and thus resolved to approve the Shares Acquisition after the Business Restructuring and the relevant arrangements, which will be proposed to the shareholders' meeting for further consideration and approval accordingly.

In this regard, the basis on pricing of the ordinary shares of the Subsidiaries and Other Companies to be acquired after the Business Restructuring is suitable and justifiable as such basis on pricing of the ordinary shares of the Subsidiaries and Other Companies is of general practice. The result of equivalent value of such shares is in appropriate range, and it is considered an investment in companies that have a potential growth.

15. Opinion of the Audit Committee

The Audit Committee of TCAP provides an opinion which is not different from such opinion of the Board of Directors of TCAP as described in Section 14 above.

Thanachart Capital Public Company Limited**Information Memorandum on Business Restructuring and Merger Plan between
Thanachart Bank Public Company Limited and TMB Bank Public Company Limited
and Acquisition of Assets after the Business Restructuring (Schedule 2)**

Reference is made to that Thanachart Capital Public Company Limited (“**TCAP**”) held the Board of Directors’ Meeting of TCAP No. 9/2019 on August 7, 2019 to approve (1) the business restructuring in TCAP and Thanachart Bank Public Company Limited (“**TBANK**”) and merger plan between TBANK and TMB Bank Public Company Limited (“**TMB**”) of which the relevant undertakings include (a) business restructuring in TCAP and TBANK prior to the merger (the “**Restructuring**”), (b) the sale of TBANK’s ordinary shares, (c) the subscription of TMB’s newly issued ordinary shares, and (d) the transfer of TBANK’s entire business to TMB. The preliminary schedule for the transactions contained in (a) - (c) is set within December 2019 (the “**Transaction Date**”) as detailed in Supporting Documents for Meeting Agenda Book 2 Part 1, and (2) the undertakings relevant to the transaction which will be undertaken after completion of the Restructuring as detailed in Supporting Documents for Meeting Agenda Book 2 Part 2.

TCAP would like to inform additional information memorandum pursuant to List 2 of the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transaction Deemed as Acquisition or Disposal of Assets, 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 and Disposition of Assets B.E. 2547 (2004) (as amended) (the “**Notifications on Acquisition or Disposal of Assets**”) as follows:

1. Information Memorandum Pursuant to Schedule 1 of the Notifications on Acquisition or Disposal of Assets

Details are as set out in Supporting Documents for Meeting Agenda Book 2 Part 1 and Supporting Documents for Meeting Agenda Book 2 Part 2.

2. Responsibility of the Board of Directors with Respect to the Information in Documents Sent to the Shareholders

The Board of Directors is responsible for the information contained in this information memorandum and other documentation sent to shareholders of TCAP. In this regard, the Board of Directors has carefully reviewed the information disclosed to the Board of Directors and hereby certifies that the information in this information memorandum and other documentation sent to shareholders of TCAP is correct, complete, does not contain any false statement, concealment of material facts that are needed to be disclosed, nor statement that may cause material misunderstanding.

3. Opinion of Independent Financial Advisor

Details are as set out in Supporting Documents for Meeting Agenda Book 3.

4. Liabilities of TCAP

4.1 Total Amount of Issued and Unissued Debt Instruments of TCAP as of June 30, 2019

As at June 30, 2019, total amount of issued and unissued debt instruments of TCAP pursuant to the resolution of shareholders’ meeting approving the authorization of the Board of Directors to have discretion for the issuance of such instruments as follows:

Debt issued and borrowings

As at 30 June 2019, the balance of domestic debt issued and borrowings, stated in Baht, are as follows:

(Unit: Million Baht)

Instrument	Types of borrowings	Issue period	Year of maturity	Interest rate	Face value per unit	Issuance unit	Consolidated financial statements
						30 June 2019	30 June 2019
				(Percent per annum)	(Baht)	(Thousand unit)	
1	Subordinated instruments issued under Tier II	Year 2014	Year 2024	6.00	1,000	-	-
2	Subordinated instruments issued under Tier II	Year 2015	Year 2025	4.65	1,000	7,000	7,000
3	Unsubordinated debentures	Year 2012	Year 2022	4.60	1,000	3,000	3,000
4	Unsubordinated debentures	Year 2013	Year 2020	5.03	1,000	2,900	2,900
5	Unsubordinated debentures	Year 2013	Year 2023	4.85 , 5.00	1,000	1,800	1,800
6	Unsubordinated debentures	Year 2013	Year 2025	4.95	1,000	900	900
7	Unsubordinated debentures	Year 2016	Year 2019	2.70 , 2.88	1,000	-	-

(Unit: Million Baht)

Instrument	Types of borrowings	Issue period	Year of maturity	Interest rate	Face value per unit	Consolidated financial statements	
						Issuance unit	
						30 June 2019	30 June 2019
				(Percent per annum)	(Baht)	(Thousand unit)	
8	Unsubordinated debentures	Year 2016	Year 2019	2.95 , 3.00	1,000	1,535	1,535
9	Unsubordinated debentures	Year 2017	Year 2019	2.52	1,000	-	-
10	Unsubordinated debentures	Year 2017	Year 2019	1.75	1,000	-	-
11	Unsubordinated debentures	Year 2017	Year 2020	2.39 - 2.88	1,000	10,060	10,010
12	Unsubordinated debentures	Year 2017	Year 2020	2.58	1,000	70	70
13	Unsubordinated debentures	Year 2018	Year 2019	1.88	1,000	3,100	3,100
14	Unsubordinated debentures	Year 2018	Year 2020	2.28 - 2.80	1,000	3,865	3,815
15	Unsubordinated debentures	Year 2018	Year 2021	2.31 , 2.70	1,000	1,970	1,970
16	Unsubordinated debentures	Year 2018	Year 2021	2.30 , 2.50	1,000	1,110	1,110
17	Unsubordinated debentures	Year 2018	Year 2020	2.80	1,000	140	140

(Unit: Million Baht)

Consolidated
financial
statements

Issuance unit

Face value

per unit

30 June 2019

30 June 2019

Instrument

Types of borrowings

Issue period

Year of maturity

Interest rate

(Percent per annum)

(Baht)

(Thousand unit)

18	Unsubordinated debentures	Year 2019	Year 2021	2.65 , 2.66	1,000	675	675
19	Unsubordinated debentures	Year 2019	Year 2022	2.94	1,000	2,070	1,989
20	Unsubordinated debentures	Year 2019	Year 2021	2.67 , 2.68	1,000	1,020	1,020
21	Unsubordinated debentures	Year 2019	Year 2022	2.96	1,000	155	155
22	Unsubordinated debentures	Year 2019	Year 2019	1.85	1,000	2,500	2,484
23	Unsubordinated debentures	Year 2019	Year 2019	1.88	1,000	8,000	7,939
24	Unsubordinated debentures	Year 2019	Year 2020	1.90	1,000	1,200	1,186
25	Unsubordinated debentures	Year 2019	Year 2020	1.93	1,000	8,700	8,596
26	Unsubordinated debentures	Year 2019	Year 2020	1.96	1,000	12,400	12,231
27	Unsubordinated debentures	Year 2019	Year 2022	3.00	1,000	200	200

(Unit: Million Baht)

Instrument	Types of borrowings	Issue period	Year of maturity	Interest rate	Face value per unit	Consolidated financial statements			
						Issuance unit			
						30 June	2019	30 June	2019
				(Percent per annum)	(Baht)	(Thousand unit)			
28	Structured notes		Year 2019					386	
29	Promissory notes		At call	0.20 - 2.50, 5.65 , 6.65				92	
30	Promissory notes		Year 2019 - 2021	2.90 , 3.30				179	
31	Promissory notes	Year 2019	At call	1.95				698	
32	Bill of Exchange	Year 2019	Year 2020	1.97 , 2.00				3,948	
Total debt issued and borrowings								79,128	

4.2 Commitments

TCAP and its subsidiaries have no additional encumbrance apart from that which have been disclosed in the notes to the interim financial statements for the period ended June 30, 2019.

(Unit: Million Baht)

	Consolidated financial statements
	30 June 2019
Aval to bills	170
Guarantees of loans	2,359
Liability under unmatured import bills	150
Letter of credits	451
Other obligations	
Committed (but not drawn) overdraft	23,274
Others	62,965
Total	89,369

As at 30 June 2019, TCAP and its subsidiaries have commitments to pay the service fees in relation to property foreclosed, computer system services and other services, including commitments in respect of office rental and related service fees under long-term rental and services contracts, as follows:

(Unit: Million Baht)

	Consolidated financial statements
Year	Other companies
2019	951
2020	1,504
2021 onward	1,513

In addition, TCAP has obligations to pay an administrative fee to a subsidiary company, determined at actual cost plus a margin, for the period stipulated in the agreement.

Commitments of SCIB from transfer of business from Bangkok Metropolitan Bank Public Company Limited and transfer of non-performing assets to Sukhumvit Asset Management Company Limited

SCIB entered into a business transfer agreement with Bangkok Metropolitan Bank Plc. (“BMB”), effective from 1 April 2002, and transferred its assets and those of BMB to Petchburi Asset Management Co., Ltd. (“PAM”), before they were transferred to Sukhumvit Asset Management Co., Ltd. (“SAM”). Subsequently, SCIB transferred its entire business, including commitments and agreements with PAM and/or SAM, to Thanachart Bank, effective from 1 October 2011. Thanachart Bank thus has commitments as a result of such transfer. However, the commitments of the Financial Institutions Development Fund (“FIDF”) to SCIB have been transferred to/assumed by Thanachart Bank as the purchaser of SCIB’s shares from FIDF. As at 30 June 2019, outstanding obligations are summarised below.

- a) There was an outstanding difference of THB 2 million, as a result of the transfer of assets to SAM. These comprised receivables awaiting collection and the difference is presented under other assets in the statements of financial position. Such amount relate to transfers of guarantee claims, for which there are pending issues with regard to proof of rights of claim or the qualification of the assets transferred under the conditions set out in the transfer agreements. Such differences, for which full allowance for doubtful debts has been set aside, are now being examined and/or negotiated among Thanachart Bank, SAM and the FIDF for final resolution.
- b) SAM is re-examining certain previously transferred assets (both of SCIB and BMB) in order to determine whether to transfer the assets back, to request price adjustments or to request settlement together with interest. The major pending issue relates to the proof of rights of claim over these assets.

As at 30 June 2019, the transferred assets which SAM is re-examining totaling THB 29 million of transactions incurred by BMB. If losses arise, Thanachart Bank will receive compensation for those from FIDF and any adjusting transactions will be within the limit of the funds set aside by FIDF to compensate losses in such cases, amounting to approximately THB 29 million.

- c) Lawsuits in which SCIB is involved as a result of the transfer of business from BMB amounting to THB 452 million, as disclosed under contingent liabilities in Note 51 to the financial statements.
- d) Outstanding letters of guarantee.

The FIDF deposited an amount equal to the loss compensation limit with TBANK in FIDF’s account. This deposit account is to compensate for losses incurred as a result of the transfer of business from BMB, if actual losses are incurred due to the outstanding issues described in a), b), c) and d) above. As at 30 June 2019, the deposit account of the FIDF with TBANK to fund the payment of compensation for losses has an outstanding balance of approximately THB 407 million.

However, TBANK and SAM had a meeting and mutually agreed a resolution to such pending issues. TBANK believes that no significant further loss will be incurred, other than losses for which it has already set aside full allowance for doubtful debts and/or amount that will be compensated by FIDF.

5. Information of TCAP

5.1 Nature of Business

TCAP is the parent company of Thanachart Financial Conglomerate. The companies under the conglomerate are classified by their type of business into two groups as follows: (1) financial business group, consisting of commercial banking business, asset management business, securities business, insurance business, hire purchase business, and leasing business and (2) supporting business group consisting of brokerage business, service business, and training business, with TBANK being the main operating business. As a whole, it is a group that offers fully integrated financial services, with each type of business and operation being clearly separated and supporting one another. As regards distribution channels, the conglomerate's financial services are given mainly through TBANK's branch network and service channels. Additional details are appeared in Annual Report of TCAP.

5.2 Business Outlook

After the closing date, TCAP will still be the parent company of financial business group which comprises of I) commercial banking business by holding TMB in the proportion of not less than 20.1% II) securities business operated by TNS III) hire purchase and leasing business operated by THANI IV) life and non-life insurance business operated by TNI and MBK Life Assurance Public Company Limited V) brokerage business operated by TM Broker Company Limited and RTN Insurance Broker Company Limited. All companies support each other in operating business and each of them has been in the business for long time with professional executives and having good performances.

For TSAMC, TGL, TTD, SSV, and TMS will not be operating and will be dissolved and liquidated.

5.3 Summary of TCAP's Financial Statements for the Past Three Years and the latest Six-Month Period Ended June 30, 2019

Thanachart Capital Public Company Limited and its subsidiaries

Statement of financial position

(Unit: Million Baht)

	Consolidated financial statements as at			
	30 June	31 December		
	2019	2018	2017	2016
Assets				
Cash	8,760	11,022	11,453	12,077
Interbank and money market items - net	89,535	99,117	95,918	48,734
Derivatives assets	3,815	2,005	2,889	3,564
Investments - net	175,886	170,437	178,703	186,928
Investments in subsidiary and associated companies - net	3,256	3,027	2,827	2,890
Loans to customers and accrued interest receivables				
Loans to customers	839,553	820,771	767,890	740,219
Accrued interest receivables	636	657	601	631
Total loans to customers and accrued interest receivables	840,189	821,428	768,491	740,850
Less: Deferred revenue	(69,806)	(66,158)	(55,129)	(48,173)
Allowance for doubtful accounts	(23,121)	(24,144)	(24,517)	(25,153)
Revaluation allowance for debt restructuring	-	(1)	(1)	(2)
Net loans to customers and accrued interest receivables	747,262	731,125	688,844	667,522
Customers' liability under acceptances	1	9	10	10
Property foreclosed - net	5,756	4,822	4,747	4,992
Land, premises and equipment - net	10,900	8,043	8,678	9,605
Intangible assets - net	1,660	1,850	2,263	2,709
Goodwill	17,867	17,799	17,637	17,439
Deferred tax assets	697	779	908	1,089
Receivables from purchase and sale of securities	5,423	2,640	3,127	1,126
Other assets - net	7,707	8,254	7,521	8,182
Total assets	1,078,525	1,060,929	1,025,525	966,867

Thanachart Capital Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Million Baht)

	Consolidated financial statements as at			
	30 June	31 December		
	2019	2018	2017	2016
Liabilities and equity				
Deposits	724,523	751,917	716,091	676,456
Interbank and money market items	80,597	71,923	82,343	65,701
Liability payable on demand	1,874	1,163	1,989	1,986
Derivatives liabilities	2,969	2,097	2,868	4,912
Debts issued and borrowings	79,128	55,013	51,596	61,704
Bank's liability under acceptances	1	9	10	10
Provisions	4,653	3,915	3,679	3,677
Deferred tax liabilities	2,482	1,402	1,323	1,003
Accrued interest payables	2,040	2,277	2,453	2,149
Insurance contracts liabilities	13,866	14,062	14,641	14,594
Payables from purchase and sale of securities	3,478	1,325	2,259	2,366
Other liabilities	17,481	17,908	16,203	12,458
Total liabilities	933,092	923,011	895,455	847,016

Thanachart Capital Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Million Baht)

	Consolidated financial statements as at			
	30 June	31 December		
	2019	2018	2017	2016
Equity				
Share capital				
Registered, issued and paid-up				
13,156 preferred shares of Baht 10 each				
(2018 , 2017 and 2016 : 13,216 preferred shares of Baht 10 each)				
1,165,116,547 common shares of Baht 10 each				
(2018 : 1,165,116,487 common shares of Baht 10 each)				
(2017 and 2016 : 1,206,466,487 common shares of Baht 10 each)	11,651	11,651	12,065	12,065
	11,651	11,651	12,065	12,065
Premium on common share	2,066	2,066	2,066	2,066
Other components of equity	4,339	2,352	3,066	2,449
Retained earnings				
Appropriated - statutory reserve	1,278	1,278	1,278	1,278
- treasury share reserve	1,000	765	1,400	1,400
Unappropriated	50,258	48,388	43,545	39,033
Less: Treasury shares - common shares	(1,000)	(765)	(1,400)	(1,400)
Equity attributable to owners of TCAP	69,592	65,735	62,020	56,891
Non-controlling interests	75,841	72,183	68,050	62,960
Total equity	145,433	137,918	130,070	119,851
Total liabilities and equity	1,078,525	1,060,929	1,025,525	966,867

Thanachart Capital Public Company Limited and its subsidiaries

Statement of comprehensive income

(Unit: Million Baht)

	Consolidated financial statements			
	For six month period end of 30 June	For the year end of 31 December		
	2019	2018	2017	2016
Profit or loss				
Interest income	24,385	46,559	44,681	45,208
Interest expenses	(8,391)	(15,792)	(15,511)	(16,740)
Net interest income	15,994	30,767	29,170	28,468
Fees and service income	4,816	10,244	9,097	8,803
Fees and service expenses	(1,849)	(3,586)	(3,207)	(2,915)
Net fees and service income	2,967	6,658	5,890	5,888
Gains on trading and foreign exchange transactions	370	310	665	459
Gains on investments	437	459	1,908	1,061
Share of profit from investments accounted for under equity method	140	543	337	395
Gains on property foreclosed and other assets	201	588	52	(48)
Insurance/Life insurance income	3,878	7,801	7,356	6,675
Dividend income	356	502	557	496
Other operating income	937	1,540	1,388	1,321
Total operating income	25,280	49,168	47,323	44,715
Insurance/Life insurance expenses	(2,649)	(4,993)	(4,751)	(4,016)
Net operating income	22,631	44,175	42,572	40,699
Other operating expenses				
Employee's expenses	6,516	11,413	12,202	11,876
Directors' remuneration	84	102	93	82
Premises and equipment expenses	1,289	2,629	2,835	3,081
Taxes and duties	359	733	746	775
Other expenses	2,598	6,102	4,960	5,211
Total other operating expenses	10,846	20,979	20,836	21,025

Thanachart Capital Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

(Unit: Million Baht)

	Consolidated financial statements			
	For six month period end of 30 June	For the year end of 31 December		
	2019	2018	2017	2016
Impairment loss of loans and debt securities	1,943	4,785	6,236	6,210
Profit before income tax	9,842	18,411	15,500	13,464
Income tax	(1,975)	(2,605)	(1,159)	(853)
Profit for the period / year	7,867	15,806	14,341	12,611
Other comprehensive income				
<i>Transactions that will be reclassified subsequently to profit or loss</i>				
Gains (losses) on change in value of available- for-sale investments	1,295	(1,461)	1,330	(1,369)
Share of other comprehensive loss of an associate	(38)	(94)	33	101
Income tax relating to components of other comprehensive income (loss)	(296)	297	(267)	269
	961	(1,258)	1,096	(999)
<i>Transactions that will never be reclassified subsequently to profit or loss</i>				
Share of other comprehensive income of an associate	256	-	-	401
Surplus on revaluation of assets	3,286	-	-	1,621
Actuarial losses on defined benefit plan	(6)	4	(236)	13
Income tax relating to components of other comprehensive income (loss)	(670)	-	47	(350)
	2,866	4	(189)	1,685
Total other comprehensive income (loss)	3,827	(1,254)	907	686
Total comprehensive income	11,694	14,552	15,248	13,297

Thanachart Capital Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

(Unit: Million Baht)

	Consolidated financial statements			
	For six month period end of 30 June	For the year end of 31 December		
	2019	2018	2017	2016
Profit attributable to				
TCAP	3,915	7,839	7,001	6,013
Non-controlling interests	3,952	7,967	7,340	6,598
	7,867	15,806	14,341	12,611
Total comprehensive income attributable to				
TCAP	5,925	7,143	7,516	6,510
Non-controlling interests	5,769	7,409	7,732	6,787
	11,694	14,552	15,248	13,297
Earnings per share of TCAP				
Basic earnings per share (Baht per share)	3.42	6.74	6.01	5.16
Diluted earnings per share (Baht per share)	3.42	6.74	6.01	5.16

Thanachart Capital Public Company Limited and its subsidiaries
Statements of cash flows

(Unit: Million Baht)

	Consolidated financial statements			
	For six month period end of 30 June	For the year end of 31 December		
	2019	2018	2017	2016
Cash flows from operating activities				
Profit before income tax	9,842	18,411	15,500	13,464
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities				
Share of profit from investments accounted for under equity method	(140)	(543)	(337)	(394)
Depreciation and amortisation	710	1,472	1,583	1,616
Impairment loss of loans and debt securities (reversal)	1,943	4,785	6,236	6,210
Increase in provisions	1,101	760	677	729
Increase (decrease) in allowance for impairment of property foreclosed	(49)	(100)	232	183
Increase (decrease) in allowance for impairment of equipment / other assets	(16)	29	10	(15)
Loss from revaluation on land and premises (reversal)	(4)	-	-	14
Interest income and gain from assets transferred for debt settlement	(4)	-	-	-
Unrealised loss (gain) from change in value of investments / allowance for impairment of investments	(144)	200	(106)	121
Gain from disposal of investment in an associated company	-	(38)	(443)	-
Unrealised loss (gain) on exchange	(98)	133	1,456	299
Loss (gain) on disposal of premises and equipment / intangible assets	1	(26)	19	17
Decrease (increase) in accrued other income receivable	414	(468)	87	30
	13,556	24,615	24,914	22,274
Net interest income	(15,994)	(30,767)	(29,170)	(28,468)
Dividend income	(356)	(503)	(558)	(496)
Cash received from interest on operating activities	23,206	43,917	41,571	41,554
Cash paid for interest on operating activities	(7,398)	(13,682)	(12,349)	(14,404)
Cash paid for income tax	(1,020)	(1,549)	(1,170)	(982)
Income from operating activities before changes in operating assets and liabilities	11,994	22,031	23,238	19,478

Thanachart Capital Public Company Limited and its subsidiaries

Statements of cash flows (continued)

(Unit: Million Baht)

	Consolidated financial statements			
	For six month period end of 30 June	For the year end of 31 December		
	2019	2018	2017	2016
Cash flows from operating activities				
(continued)				
Decrease (increase) in operating assets				
Interbank and money market items	9,575	(3,133)	(47,365)	9,527
Derivative assets	526	1,230	1,111	2,427
Investments in trading securities	(15,043)	613	(2,823)	(5,645)
Loans to customers	(22,043)	(53,457)	(33,506)	9,841
Property foreclosed	2,903	6,284	5,292	6,556
Receivables from purchase and sale of securities	(2,784)	487	(2,001)	(213)
Other assets	152	(873)	9	(653)
Increase (decrease) in operating liabilities				
Deposits	(27,394)	35,826	39,635	7,001
Interbank and money market items	9,065	(10,251)	16,509	(20,079)
Liability payable on demand	711	(825)	2	(215)
Derivatives liabilities	(551)	(1,444)	(1,745)	(2,495)
Payables from purchase and sales of securities	2,154	(1,126)	(108)	294
Insurance contract liabilities	(196)	(579)	47	(8)
Other liabilities	(1,706)	574	3,058	(905)
Net cash flows from (used in) operating activities	(32,637)	(4,643)	1,353	24,911

Thanachart Capital Public Company Limited and its subsidiaries

Statements of cash flows (continued)

(Unit: Million Baht)

	Consolidated financial statements			
	For six month period end of 30 June	For the year end of 31 December		
	2019	2018	2017	2016
Cash flows from investing activities				
Decrease in investments in securities	10,239	6,391	11,294	1,576
Cash received from disposal of investment in an associated company	-	58	709	-
Cash received from interest	1,056	2,781	3,830	3,921
Cash received from dividend	485	753	805	743
Cash paid for purchase of premises and equipment/intangible assets	(181)	(479)	(654)	(1,265)
Cash received from disposal of premises and equipment/intangible assets	2	56	24	71
Net cash flows from (used in) investing activities	11,601	9,560	16,008	5,046
Cash flows from financing activities				
Cash received from debts issued and borrowings	45,301	17,620	13,224	13,689
Cash paid for debts issued and borrowings	(21,186)	(14,203)	(23,332)	(36,914)
Cash paid for treasury shares	(235)	(572)	-	-
Cash paid for interest expenses on debt issued and borrowings	(1,162)	(2,250)	(2,770)	(3,326)
Cash received from non-controlling interests for issuance additional shares of a subsidiary company	-	-	-	34
Cash paid for dividend	(1,833)	(2,679)	(2,446)	(2,213)
Cash paid for dividend to non-controlling interests	(2,111)	(3,264)	(2,661)	(2,487)
Net cash flows from (used in) financing activities	18,774	(5,348)	(17,985)	(31,217)
Net decrease in cash	(2,262)	(431)	(624)	(1,260)
Cash at beginning of the period / year	11,022	11,453	12,077	13,337
Cash at end of the period / year	8,760	11,022	11,453	12,077

Thanachart Capital Public Company Limited and its subsidiaries

Statements of cash flows (continued)

(Unit: Million Baht)

	Consolidated financial statements			
	For six month period end of 30 June	For the year end of 31 December		
	2019	2018	2017	2016
Supplemental cash flows information				
Non-cash transactions				
Property foreclosed transferred from loans to customers and investments in receivables purchased	3,654	6,127	4,793	5,369
Bad debt written-off	2,340	5,654	7,673	6,709
Payable from purchase of assets	26	84	33	61

Thanachart Capital Public Company Limited and its subsidiaries

RATIO ANALYSIS

(Unit: Percent)

	Consolidated financial statements			
	30 June	31 December		
	2019	2018	2017	2016
PROFITABILITY RATIO				
Gross margin sale	63.70	64.60	63.81	62.17
Net profit margin	23.93	24.87	23.40	20.90
Return on Equity ⁽¹⁾	11.58	12.25	11.80	10.89
Interest income ⁽²⁾	5.41	5.34	5.46	5.55
Interest expense ⁽³⁾	1.93	1.88	1.90	2.05
Interest spread	3.48	3.46	3.56	3.50
Return on investment	3.02	2.03	3.26	2.90
EFFICIENCY RATIO				
Interest income of asset	3.00	3.01	2.95	2.91
Return of asset	1.48	1.54	1.45	1.29
Turnover of asset	0.06	0.06	0.06	0.06
FINANCIAL RATIO				
Debt equity ratio	6.42	6.69	6.88	7.07
Loan to Borrowing	95.56	93.38	92.61	93.50
Loan to Deposit	106.24	100.36	99.53	102.30
Deposits liabilities Ratio	77.65	81.46	79.97	79.86
ASSET QUALITY RATIO				
Coverage Ratio	3.00	3.20	3.44	3.63
Debt to Total loan and accrued interest receivable	0.61	0.75	1.08	0.97
NPL to Total Loan ⁽⁴⁾	2.40	2.40	2.40	2.41
Income interest to Total loan and accrued interest receivable	0.08	0.09	0.08	0.09
Data per Share (Baht)				
Book Value per Share (Baht)	60.74	57.15	53.23	48.83
Basic Earning per Share (Baht)	3.42	6.74	6.01	5.16

Note: ⁽¹⁾ Return on Equity = (Net income from equity attributable to TCAP's shareholders / Average equity attributable to TCAP's shareholders)

⁽²⁾ Interest income = (Interest income from loan + Interest income from Hire purchase and financial lease + Interest income from interbank and money marker items) / (Average total loan + Average interest of interbank and money marker items)

⁽³⁾ Interest expense = Interest expense / (Average deposit+ Average interest of interbank and money marker items +Average Liability payable on demand + Average Debts issued and borrowings)

⁽⁴⁾ NPL to Total Loan in accordance with the BOT regulation regarding

5.4 Explanation and Analysis of the Financial Position and Operating Results for the Year Ended December 31, 2018 and the Six-Month Period Ended June 30, 2019

5.4.1 Operating Results

- Annex 1 -

5.4.2 Financial Position

- Annex 1 -

5.5 Possible Risk Factors Capable of Affecting TCAP's Profit

TCAP as a holding company of Thanachart Financial Conglomerate realizes and emphasizes on the importance of the risk management on a continuous basis. TCAP has set the structure and policies of risk management in writing, covering all important risks of every company within Thanachart Group. TBANK, a subsidiary company, conducts the assessment of its capital adequacy by going through the Internal Capital Adequacy Assessment Process (ICAAP) which provides a framework for dealing with various risks. The assessment is in accordance with the measure imposed by the BOT for overseeing the capital base of commercial banks under Basel III. The assessment enables TBANK to manage its capital efficiently and place it in a strong capital position which can support sustainable future business expansion.

The Board of Directors and high-ranking executives of TCAP have been placing emphasis on transparency management by keeping on overseeing, monitoring, and developing risk management systems on an on-going basis, ensuring that the various measures remain appropriate and timely in dealing with changing risks, both internal and external. TCAP has also established an organization structure which support the risk management in line with the policy framework of various committees, Key risk categories with details as follows:

1. Credit Risk

Credit risk arises from a situation in which the debtors or counterparties fail to repay or fulfill their agreed obligations. This might be contributed by the fact that the debtor's financial position is under distress due to volatilities of economic conditions that pose adverse impact on businesses or the debtors' mismanagement, which as a result, may adversely affect TCAP and its subsidiaries' earnings and capital. The credit risk may arise from ordinary financial transactions such as credit lending, financial obligations in the form of avals or guarantees, other transactions related to credit lending, as well as investment in debt instruments issued by state agencies or state enterprises with neither guarantee from government nor the BOT and private debt instruments such as debentures. Key credit risk factors with details as follows:

1.1 Credit Concentration Risk

1.2 Risk of Non-performing Loans

1.3 Risk from Collaterals

1.4 Risk from Impairment of Property Foreclosed

1.5 Risks from Guarantees and Avals

2. Market Risk

The market risk arises from movements in interest rates, exchange rates, and prices of instruments in money market and capital market, which may adversely affect earnings and capital of TCAP and its subsidiaries. Market risk can be segmented into three categories including price risk, interest rate risk, and exchange rate risk. At this juncture, TCAP and its

subsidiaries' policies are to control and manage these risks to remain at an appropriate level and in line with TCAP and its subsidiaries' policies on risk management.

2.1 Price Risk

Price risk arises when TCAP and its subsidiaries' earnings and capital are adversely affected by changes in the price of debt and equity instruments, causing the value of TCAP and its subsidiaries' trading and available-for-sale investment portfolio to decline.

TCAP and its subsidiaries have developed risk measurement tools based on the Value-at-Risk model (VaR Model) to estimate the maximum loss amount at a certain confidence level and over a given asset holding period. TCAP and its subsidiaries also determine the various limits of transaction in order to control risk to remain in an acceptable level, for example, Position Limit and Loss Limit. The Risk Control Unit separated from the front office and back office, has the duty of risk control and reporting on the status of the limits to the Board of Directors and departments and executives associated to the risk management in order to respond to the risk in a timely manner. TCAP and its subsidiaries assigns Investment Committee to control and monitor this type of risk. In order to ensure the efficiency and accuracy of its tools for risk measurement, TCAP and its subsidiaries require that the tools are subject to back-testing in accordance with the Bank for International Settlement (BIS) standards. Moreover, TCAP and its subsidiaries have conducted stress testing by formulating stress scenarios which can create extraordinary reduction in stock prices. The test result could therefore shed light on how much the impact to earnings and capital of TCAP and its subsidiaries could be.

2.2 Interest Rate Risk

Interest rate risk is the risk that earnings or capital are adversely affected by changes in interest rates that pose impact on its rate-sensitive items including assets, liabilities, and off-balance sheet items. These changes may have a negative impact on net interest income and capital fund of TCAP and its subsidiaries.

It is a goal of TCAP and its subsidiaries to run their business operations under a long-term effective interest rate risk management system, in other words, to maintain an appropriate structure of assets and liabilities which are rate-sensitive at different time intervals. To ensure maximum benefits of TCAP and its shareholders, TCAP and its subsidiaries have developed the Repricing Gap Analysis Model as a tool for measuring interest rate risk by assessing the impact that may arise from the mismatch of the repricing periods of assets, liabilities, and obligations at different time intervals, which is used for risk measurement every month. In order to ensure that the risk of TCAP and its subsidiaries business operation is within an acceptable limit, they have also established an acceptable risk ceiling and an early warning risk level, taking into consideration the structure of assets, liabilities, and obligations as well as interest rate repricing which are expected to take place in each period of TCAP and its subsidiaries' business plan. The Asset and Liability Management Committee (ALCO) is responsible for monitoring and controlling such risk very closely. To effectively design appropriate measures to accommodate the risks, the committee has to monitor economic conditions, development in the money market and capital market, and the interest rate trend which could become important interest rate risk factors.

2.3 Exchange Rate Risk

The exchange rate risk is a risk that the earnings and capital of TCAP and its subsidiaries can be adversely affected by exchange rate fluctuations from transactions in foreign currencies or having exposures in their possession of assets or liabilities in foreign currencies. There are two types of exchange rate risk - risk from transactions in foreign currencies (Transaction Risk) and risk from changing value from exchanging foreign currency to local currency (Translation Risk).

Most transactions in relation to exchange controls are due to the service of TBANK which is one of TCAP's subsidiaries. TBANK assigns ALCO to be responsible for monitoring and controlling this type of risk through the consideration in the proper matching between the structure and the maturity of assets and liabilities in foreign currencies.

TBANK's policy is to determine the risk ceiling in order to control the impact of exchange rate movements on earnings and capital. Nevertheless, in order to avoid the exchange rate risk, TBANK has also relied on hedging instruments such as forward contracts.

3. Liquidity Risk

Liquidity risk arises from the inability of TCAP and its subsidiaries to repay their debts or obligations upon the delivery date due to the lack of ability to convert assets into cash or to mobilize adequate funds or to mobilize funds at an acceptable cost. This could adversely affect the current and future earnings and capital of TCAP and its subsidiaries. The liquidity risk management mechanism starts with the assessment of the cash flows and liquidity position over particular time horizons of TCAP and its subsidiaries when the different levels of funds may be required to accommodate borrowings upon maturities, to reduce other types of liabilities, or to acquire of assets by using Liquidity Gap Analysis, various liquidity ratios, and "What If" scenarios to evaluate the sufficiency of the cash flow liquidity depending on customer behavior in extending contracts upon maturity and estimate the need of liquidity in various "What If" scenarios depending on the economic climate and extraordinary situations that may happen to TCAP and its subsidiaries, and the financial institution system.

Meanwhile, TCAP and its subsidiaries developed an emergency plan in the case of a liquidity problem and there will be a revision of the significant occurrences that affect working operations. In this regard, TCAP and its subsidiaries have assigned ALCO in controlling and managing the liquidity risk every two weeks to monitor and manage risk.

4. Operational Risk

The operational risk is the risk that arises from the damage that occurs from lack of good corporate governance within the organization. Risk may arise from the inadequate efficiency of the internal audit and internal control systems which could be relating to internal operation process, personnel, systems or external events and adversely affect TCAP and its subsidiaries' operating income and capital. This also includes legal risks such as litigations, exploitation by the government, and also damage from settlements outside the courtroom. Such risk can pose an adverse impact on other risks, especially strategic risk and reputation risk.

TCAP and its subsidiaries are well aware that efficient operational risk management is crucial to the business to achieve goals sustainably. Under current uncertainties, TCAP and its subsidiaries, thus, place importance on efficient and effective operational risk management that is sufficiently comprehensive across TCAP and its subsidiaries, so that timely preparations can be made in unexpected situations and increasingly stringent regulations are followed. TCAP and its subsidiaries set operational risk policies and management that gear toward risk protection and monitoring. In addition, as internal control is a key mechanism in controlling and mitigating possible damage, TCAP and its subsidiaries ensure that there is a strong internal control system: an organization structure that has counterbalance, transaction-supporting units with a specialized skill set and independence to reduce possible errors, practice regulations applicable to all types of transactions, information technology system management and data security system, including the business continuity plan.

TCAP and its subsidiaries determine a principle, form or condition of the process used in the measurement and assessment of internal risks of TCAP and its subsidiaries. In the determination of this process, TCAP and its subsidiaries consider the circumstantial factors such as supervising guidelines of the government units associated with TCAP, state and complexity of the business, the capability of TCAP in accepting risks. TCAP has also put in place the tools for important operational risk management in line with Basel New Capital Accord (Basel II) e.g. risk and control self-assessment, key risk indicators (KRIs), loss data, incident management, outsourcing risk management. The practice guidelines are in line with the regulations imposed by the BOT and business continuity plans. As per BOT's specification for commercial banks to maintain capital funds in proportion to risk-weighted assets in terms of credit, market, and operation according to the Basel III guidelines, the Group has employed the Basic Indicator Approach to calculate operational risk.

In addition, to monitor operational risk, TCAP and its subsidiaries determine a policy for executives of each department to be responsible for monitoring the risk by considering this as a part of their regular duties. This will help identify all risks and problems that occur in order to respond to the changes in an appropriate and timely manner and not damaging to TCAP and its subsidiaries. Nevertheless, to be informed of the result of business operations and problems that occur, as well as trends and changes in information of risk factors, TCAP and its subsidiaries organize a filing and reporting of the information associated with operational risk management to be continually and regularly reported to the Board of Directors, the Risk Management Committee, and high level executives to use in the determination of policies, to develop a sufficient risk management system, and to be a tool in aiding TCAP and its subsidiaries to evaluate the capability and efficiency of the internal control system.

5. Information Technology Risk

The information technology risk is the risk that may arise from using information technology systems to support the business, providing financial services to customers digitally, data management and cyber threats that may cause other risks, financial and non-financial damage to the Bank e.g. strategic risk, reputational risk and operational risk.

Digital adoption is rising so rapidly that it has become the Bank's main service, and the Bank has adopted information technology systems to enhance efficiency and provide services to customers confidently and securely. With such reasons, the Bank has realized the importance of information technology risk management. In 2018, key actions taken were as follows:

- Organized a risk management structure into Three Lines of Defence, duties was separated: (1) information technology operations, (2) information technology risk management, and (3) information technology audit.
- Prepared information technology risk policy for having cautious information technology risk management with all risk areas coverage.
- Applied DLP (data leakage protection) system to the Bank and its subsidiaries to protect customer data and key information of the Bank.

6. Strategic Risk

This type of risk arises from the inappropriate formulation of strategies, business planning, and implementation which are not compatible with internal setups and external environment, resulting in an adverse impact on earnings, capital or the existence of TCAP and its subsidiaries. In managing the strategic risk, the formulation of strategies of TCAP and its subsidiaries will be considered over the three years ahead, with the review required annually or in the case of an external event that may impact the achievement of TCAP's business goals. The Executive Committee is responsible for regular monitoring and evaluating the performance of the work units upon the established targets stated in the annual operation plan.

7. Reputation Risk

The reputational risk means a risk that occurs when the public i.e. customers, strategic or alliance partners, investors and regulators have a negative perception of the Bank or lose confidence in the Bank. This risk may impact the Bank's revenue and/or capital at present and in the future. Reputational risk may arise from noncompliance with corporate governance and business ethics, or nonconformity to the laws, regulations, as well as the banking industry practice rules.

The Bank has continuously taken into account the importance of the reputational risk. To align with BOT's capital supervisory regulations in accordance with Pillar II, a reputational risk policy has been formulated. The policy consists of reputational risk framework and reputational risk management processes which entail reputational risk assessment and measurement divided into 5 levels of impact and likelihood, reputational risk prevention by raising awareness and devising measures to prevent reputational risk events, regular monitoring and reporting to relevant committees, including risk management in case

of high and very high risk levels. The Bank sets Communication and Brand Management, and Case and Fraud Management as key units responsible for the risk management processes.

8. Regulatory Risk

The regulatory risk arises from incompliance to laws, regulation, requirements, standards, and guidelines in TCAP transactions which can lead to financial loss, reputation damage, and interference by state entities. Also, there are risks from the amendments or changes in regulations, laws or requirements of the authorities especially the BOT, the SEC, the SET, the OIC, the AMLO, etc. Such changes may affect the strategies and business operations of TCAP and its subsidiaries.

Thanachart Group has a Compliance Department, which is under TBANK, reports directly to the Audit Committee of TBANK. The department ensures that TCAP and companies in Thanachart financial conglomerate are incompliance with regulations and requirements from related various state agencies and the Code of Business Conduct. The department also provides advices and disseminates knowledge to executives and employees. Furthermore, it helps high-level executives to effectively manage risk of regulatory violation. The role and responsibilities do not overlap with the Internal Audit Department. As well, its specific responsibilities include operations in anti-money laundering measure, coordination with official supervisory or agencies, etc. It parallelly reports to the highest executives of TCAP and TBANK together with the Audit Committees of TCAP and TBANK.

In evaluating regulatory risk, the Compliance Department assesses incompliance risks in various transactions by considering all related internal and external factors for both TCAP and its subsidiaries. These include regulatory climate and outlook of the authorities, auditing assessment by the officials, business policies, debates and complaints, internal audit, and internal work procedures. The consideration is placed on the magnitudes of possible impact and likelihood of occurrence in each aspect of incompliance risks using the guideline of “Risk Based Approach” (RBA). Random review is executed to comply with Control and Monitor standard, and a recommendation is proposed to correct errors and improve performance.

5.6 Financial Projection for the Present Year

- None -

5.7 List of the Board of Directors as of June 30, 2019

No.	Name	Position
1.	Mr. Banterng Tantivit	Chairman of the Board of Directors
2.	Mr. Suphadej Poonpipat	Chairman of the Executive Committee / Vice Chairman of the Board of Directors
3.	Mrs. Siripen Sitasuwan	Chairperson of the Audit Committee / Independent Director
4.	Mr. Tiraphot Vajrabhaya	Independent Director
5.	Mr. Prinya Hom-anek	Independent Director
6.	Mr. Vichit Yanamorn	Director
7.	Mr. Teeranun Srihong	Director
8.	Ms. Suvarnapha Suvarnaprathip	Director
9.	Mr. Somjate Moosirilert	Chief Executive Officer / Director

5.8 List of the executives as of June 30, 2019

No.	Name	Position
1.	Mr. Somjate Moosirilert	Chief Executive Officer
2.	Mr. Kamtorn Tantisirivat	Executive Vice President, Financial Division
3.	Mr. Watchara Permpithak	Senior Vice President, Business Division
4.	Mrs. Thanawan Chaisithikarnkha	Senior Vice President, Accounting Department
5.	Ms. Darawan Bunnumstien	First Vice President, Debt Restructuring Department, Business Division
6.	Ms. Rommanee Jenpinit	First Vice President, Management Information Planning Department

5.9 List of the first 10 Shareholders as of the latest Record Date on August 23, 2019

No.	Name	Number of shares held (Share)	Percentage
1.	Thai NVDR COMPANY LIMITED	186,310,807	15.991
2.	MBK PUBLIC COMPANY LIMITED	129,914,400	11.150
3.	STATE STREET EUROPE LIMITED	72,975,927	6.263
4.	N.C.B.TRUST LIMITED-NORGES BANK 5	33,863,800	2.906
5.	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	29,115,300	2.499
6.	BNY MELLON NOMINEES LIMITED	26,042,574	2.235
7.	THANACHART CAPITAL PUBLIC COMPANY LIMITED	19,467,000	1.671
8.	SE ASIA (TYPE B) NOMINEES LLC	18,685,417	1.604
9.	STATE STREET BANK AND TRUST COMPANY	15,300,100	1.313
10.	NORTRUST NOMINEES LTD-CL AC	15,144,856	1.300

5.10 Other information that may Materially Affect the Decision of Investors

- None -

6. Opinion of the Board of Directors on Working Capital Sufficiency of TCAP

Assuming that the Transaction Date occurs on December 31, 2018, the total value of consideration in the Sale of TBANK Ordinary Shares by TCAP on December 31, 2018 will be equivalent to THB 80,707 million. TCAP plans to use the proceeds from the sale of TBANK's ordinary shares (1) for investment in the subscription of TMB's newly issued ordinary shares which will be equivalent to THB 45,200 million, (2) for the payment of the

price of ordinary shares in the subsidiaries and other companies under the Restructuring which has been completed before the sale of TBANK's ordinary shares by which the parties agree that the payment be made upon receiving the proceeds from the sale of TBANK's ordinary shares, equivalent to THB 14,868 million, and (3) for the payment of the price of ordinary shares of certain subsidiaries and other companies from Scotia Netherlands Holdings B.V. ("BNS") after the Restructuring, equivalent to THB 12,082 million. The estimated balance to be received by TCAP from the entry into the transactions in this occasion can be calculated as follows:

Total Value of Consideration under the Assumption that the Transaction Takes Place on December 31, 2018	Equivalent Value (THB Million)
Total value of consideration from the sale of TBANK's ordinary shares ⁽¹⁾	80,707
Less Total value of consideration from the subscription of TMB's newly issued ordinary shares	(45,200)
Less Total value of consideration from the Restructuring	(14,868)
Less Total value of consideration in acquiring ordinary shares of certain subsidiaries and other companies from BNS	(12,082)
Cash balance from the entry into the transactions	8,557

Remark: ⁽¹⁾ Calculated from TBANK's consolidated financial statements which include financial information of Thanachart Fund Management Company Limited and Thanachart Broker Company Limited

Therefore, the Board of Directors expects that the entry into the transactions will not materially affect the cash flow and financial position of TCAP, including the working capital of TCAP.

7. Contingent liabilities/litigation

As at 30 June 2019, TCAP and its subsidiaries have contingent liabilities amounting to approximately THB 2,151 million in respect of litigation. However, TCAP and its subsidiaries' management have already made certain provisions for contingent losses, and for the remaining portion the management believes that no loss will result and therefore no liabilities are currently recorded.

Part of the contingent liabilities for litigation mentioned above in the consolidated financial statements amounting to Baht 452 million, relates to lawsuits involving TBANK, as a result of the transfer of business from BMB to SCIB, TBANK is entitled to compensation for actual losses incurred if such losses are in accordance with the conditions agreed with the FIDF.

8. Interests or Connected Transactions between TCAP and Directors, Management and Shareholders Directly or Indirectly Holding Shares At Least 10 Percent as Appeared in the Financial Statements Ended June 30, 2019

During the periods, TCAP and its subsidiaries had significant business transactions with its related parties. These transactions have been concluded on commercial terms and based agreed upon in the ordinary course of businesses between TCAP and those companies. Below is a summary of those transactions.

(Unit: Million Baht)

For the six-month periods ended 30 June		
	Consolidated	Transfer pricing policy
	financial statements	
	2019	(For the period 2019)
<u>Transactions occurred during the periods</u>		
Associated company		
Insurance premium/life insurance premium income	1	At the rate agreed under the contract
Interest expenses	4	At interest rate of 0.40 and 5.65 percent per annum
Other expenses	51	
Related companies		
Purchase of debt securities	790	At market prices
Sales of debt securities	595	At market prices
Purchase/Sales of forward exchange contracts	494	At market prices
Interest income	148	At interest rate of 2.40 - 7.43 percent per annum
Dividend income	55	As declared
Insurance premium/life insurance premium income	4	At the rate agreed under the contract
Interest expenses	190	At interest rate of 0.40 - 2.95 percent per annum
Dividend payment	1,727	As declared
Project management expenses	20	At the contract price calculated by reference to estimated usage time
Other expenses	121	

As at 30 June 2019, the significant outstanding balances of the above transactions are as follows:

(Unit: Million Baht)

Consolidated financial statements								
30 June 2019								
Assets				Liabilities				
Interbank and money market items	Loans to customers and interest receivables	Other assets	Deposits	Interbank and money market items	Debt issued and borrowings	Other liabilities	Commitments	
Associated company								
MBK	-	-	28	148	-	85	1	-
Related companies								
Other related companies	12	6,611	46	1,351	11,717	-	195	1,073
	12	6,611	74	1,499	11,717	85	196	1,073

As at 30 June 2019, TCAP and its subsidiaries have investments amounting to Baht 1,658 million in related companies in which they are related by means of members of their management being shareholders and/or directors of those companies.

As at 30 June 2019, TCAP and its subsidiaries have the following related parties transactions with executive employees of TCAP and companies within Thanachart Group from management level up, including related persons who together with these employees:

(Unit: Million Baht)

Consolidated	
financial statements	
30 June 2019	
Loans to customers	70
Deposits	1,656

Directors and management's remuneration

During the six-month periods ended 30 June 2019, TCAP and its subsidiaries recorded the following benefits to their key management personnel, including directors:

(Unit: Million Baht)

	For the six-month periods ended 30 June
	Consolidated financial statements
	2019
Short-term employee benefits	351
Post-employment benefits	11
	362

After the Business Restructuring, TCAP will buy shares of the subsidiaries and other companies which have been restructured, based on TCAP's shareholdings. TCAP will then sell the shares of TBANK which TCAP holds to TMB. TCAP will also buy the shares of TMB which are offered by TMB for the purpose of capital increase. As a result, TCAP will become a major shareholder of TMB, holding a 20.1-23.3 percent equity stake in TMB. In this connection, TMB will become a major shareholder of TBANK, holding a 99.99 percent equity stake in TBANK. TBANK will be integrated into TMB by way of an entire business transfer. It is expected that the transfer will be fully completed by the end of 2021. In this connection, after the restructuring and the merger, TCAP will buy the shares of the subsidiaries and some other companies from BNS. The details related to the characteristics of relationships and shareholdings are as follows:

Characteristics of Relationships and Ratios of Shares Held by TCAP in Subsidiaries and Other Companies after Restructuring and Merger

Company Name	Relationship with TCAP after Restructuring and Merger	Ratio of shares held by TCAP		
		Before restructuring	After restructuring	After restructuring and buying shares from BNS
TBANK	• TMB's subsidiary in which TCAP is a major shareholder with 20.1-23.3% stake.	50.96%	-	-
TBROKE	• A subsidiary of TBANK in which the Bank holds 100% stake.	TBANK held 100% stake	-	-
TFUND	• A subsidiary of TBANK in which the Bank holds 100% stake.	TBANK held 100% stake	-	-
TNS	• A related company of TCAP after restructuring.	TBANK held 100% stake	50.96%	50.96%
TNI	• A related company of TCAP after restructuring.	TBANK held 100% stake	50.96%	50.96%
TSAMC	• A related company of TCAP after restructuring.	TBANK held 100% stake	50.96%	99.96%

Company Name	Relationship with TCAP after Restructuring and Merger	Ratio of shares held by TCAP		
		Before restructuring	After restructuring	After restructuring and buying shares from BNS
MBK	<ul style="list-style-type: none"> • A related company of TCAP after restructuring. • A major shareholder of TCAP with 11.15% stake 	TBANK held 100% stake	15.05%	19.90%
PRG	<ul style="list-style-type: none"> • A related company of TCAP after restructuring. • A related company of MBK with MBK holding 74.52% stake in PRG. 	TBANK held 100% stake	14.79%	19.60%
SPV1	<ul style="list-style-type: none"> • A related company of TCAP after restructuring. 	TBANK held 100% stake	50.98%	100.00%
THANI	<ul style="list-style-type: none"> • A related company of TCAP after restructuring, whose shares held by SPV1 in which TCAP is a major shareholder. 	TBANK held 65.18% stake	-	-
SPV2	<ul style="list-style-type: none"> • A related company of TCAP after restructuring. 	TBANK held 100% stake	50.96%	99.96%
TGL	<ul style="list-style-type: none"> • A related company of TCAP after restructuring, whose shares held by SPV2 in which TCAP is a major shareholder. 	TBANK held 100% stake	-	-
TTD	<ul style="list-style-type: none"> • A related company of TCAP after restructuring, whose shares held by SPV2 in which TCAP is a major shareholder. 	TBANK held 100% stake	-	-
SSV	<ul style="list-style-type: none"> • A related company of TCAP after restructuring, whose shares held by SPV2 in which TCAP is a major shareholder. 	TBANK held 100% stake	-	-
TMS	<ul style="list-style-type: none"> • A related company of TCAP after restructuring, whose shares held by SPV2 in which TCAP is a major shareholder. 	TBANK held 100% stake	-	-

After the restructuring, merger and purchases of shares from BNS, the transactions between TCAP, TMB and TBANK as well as the subsidiaries as well as other companies under the restructuring plan, taking into consideration the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions (“**Notification about Connected Transactions**”), could be summarized as follows:

1. Transactions between TCAP and/or TCAP’s Subsidiaries after Restructuring, Merger and Purchases of Shares from BNS, and TMB, TBANK and/or Subsidiaries of TMB or TBANK

These transactions are not considered connected transactions in line with the Notification about Connected Transactions since TMB, TBANK or the subsidiaries of TMB or TBANK, after the merger, are not TCAP’s related parties.

2. Transactions between TCAP and Subsidiaries and Other Companies (excluding MBK and PRG) whose shares are offered for sale by TBANK under the Restructuring Plan

These transactions are not considered connected transactions in line with the Notification about Connected Transactions since the subsidiaries and the other companies which are restructured are not connected parties of TCAP. In this connection, there are neither major shareholders nor persons having control over the subsidiaries and the other companies, who are connected parties of TCAP.

3. Transactions between TCAP and/or Subsidiaries of TCAP after Restructuring of MBK and/or PRG

These transactions are considered connected transactions in line with the Notification about Connected Transactions since MBK is the major shareholder of TCAP, holding a 11.15 percent equity stake in TCAP. On the other hand, PRG is a connected party of MBK as MBK holds a 74.52 percent equity stake in PRG.

In this connection, after the restructuring and merger, TBANK will be a subsidiary of TMB with TMB holding a 99.99 percent equity stake in TBANK. As a result, the transactions between TMB, TBANK and the latter's subsidiaries (including TFUND and TBROKE) and TCAP and its subsidiaries, after the restructuring, will be considered connected transactions of TMB.

Transactions between TCAP and/or TCAP's Subsidiaries after Restructuring of MBK and PRG

Taking into consideration the financial statements for the Six-Month Period Ending 30 June 2019 and those for the Year Ending 31 December 2019 respectively, the details of the key connected transactions between TCAP and the subsidiaries of MBK and PRG are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Pricing policy
	For the six-month period ending 30 June 2019	For the year ending 31 December 2019	
<u>Transaction executed during the period</u>			
MBK			
Income from life/non-life insurance	-	25	At the rates agreed in the contracts based on market prices
Interest expenses	3	5	At the interest rates of 0.40% and 5.65% p.a.
Rental and service fees	20	39	At the rates agreed in the contracts based on market prices
Other expenses	2	3	At the rates agreed in the contracts based on market prices
PRG			
Income from life/non-life insurance	0.3	0.3	At the rates agreed in the contracts based on market prices

(Unit: Million Baht)

For the Six-Month Period Ending 30 June 2019					
	Assets		Liabilities		
	Premiums receivable	Advance payments	Issued debt instruments and borrowings	Interest payable	Other liabilities
Associated companies					
MBK	-	10	85	-	0.2
PRG	0.01	-	-	-	-

(Unit: Million Baht)

For the Year Ending 31 December 2019					
	Assets		Liabilities		
	Premiums receivable	Advance payments	Issued debt instruments and borrowings	Interest payable	Other liabilities
Associated companies					
MBK	-	11	134	0.2	0.3
PRG	0.02	-	-	-	-

In this connection, after the restructuring and merger, if TCAP has to execute connected or related party transactions or any transactions which may give rise to a conflict of interest, TCAP will comply with the requirements related to measures or procedures in relation to approval of connected transaction. The policy and potential in relation to execution of connected transactions in the future are as follows:

Measures and Procedures Related to Approval of Connected Transactions

TCAP pays great attention to connected transactions and related party transactions, by adhering to the principles of good corporate governance. In particular, it has put in place the policy, rules and regulations as well as procedures in relation to approval of connected transactions, which are in line with the Public Limited Company Act, the Securities and Exchange Act, as well as other related laws including the regulations of the regulatory agencies namely the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). In order to prevent the transactions which give rise to a conflict of interest, TCAP has issued to its employees and executives an announcement about the policy, rules and regulations which they are required to adhere to. These transactions include those between TCAP and parties which may have a conflict of interest. In considering the transactions between TCAP and its subsidiaries and the parties which may have a conflict of interest, TCAP will make use of the same guidelines applied to ordinary customers or trading partners and follow the established procedures in an appropriate manner and as deemed necessary in order to support TCAP's conduct of business affairs. Importantly, to prevent conflicts of interest, TCAP will use fair and appropriate prices and comply with the regulatory requirements, bearing in mind the best interests of TCAP and its shareholders.

In approving transactions between TCAP and its subsidiaries and the parties which may have a conflict of interest, in case they are transactions in the ordinary course of business, they could be executed in the same manner as in the case of ordinary customers' transactions. In relation to the transactions which may give rise to a conflict of interest, opinions must be obtained from the compliance unit and the transactions must also be examined by the Audit Committee before submitting them to TCAP's Board of Directors for approval. In executing transactions with the parties which may have a conflict of interest, members of the Board of Directors or high-ranking executives of TCAP or member companies of Thanachart Group who have a conflict of interest are prohibited from discussing and voting on the related agenda item. In approving the transactions, the Board has to ensure that it has the appropriate level of approval authority and takes into account the credit line limit imposed by TCAP and the compliance with the regulatory requirements. Importantly, TCAP needs to disclose information about the transaction, ensuring that the disclosure is in line with the financial reporting standards as well as the regulations established by TCAP.

In this connection, the policy on execution of connected transactions in the future for the connected transactions between TCAP and its subsidiaries and parties which may have a conflict of interest will be limited to the transactions executed in the ordinary course of business or for supporting the normal conduct of business affairs. In this connection, clear measures and procedures in relation to approval of connected transactions will be established. TCAP will not only follow the same policy as the one applied to normal customers but also make use of the ordinary terms and conditions of trade.

9. Summaries of Material Contracts During the Past 2 years

- None -

10. Proxy Forms

Shareholders may appoint a member of the Audit Committee as their proxy to vote on their behalf at the Extraordinary General Meeting of Shareholders No. 1/2019 as detailed in the Proxy Forms enclosed to the Invitation to the Extraordinary General Meeting of Shareholders No. 1/2019.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the second quarter and the first six-month period ended 30 June 2019
(Audited Financial Statements)

THANACHART CAPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Management's Discussion and Analysis (Audited Financial Statements)

Economics Outlook and Competition in Banking Industry

The Thai economy in the second quarter of 2019 grew 2.3 percent, a slower rate compared to the growth of 2.8 percent in the previous quarter. This was mainly due to export sector which was negatively impacted by sluggish global economy and the persisting trade war between the US and China, as well as, the slowdown in tourism sector following the decline of Chinese tourists and a dampened Chinese economy. Private consumption continued to act as the key driver for economic growth but it grew at a slower rate. As well, total investments have been growing at a slower rate. The Office of the National Economic and Social Development Council has estimated the Thai economy growth in 2019 at a range of 2.7 - 3.2 percent. However, the Monetary Policy Committee of the Bank of Thailand issued a resolution to maintain the policy rate at 1.75 percent per annum to stimulate the economy and it was suitable for the target inflation rate.

In the second quarter of 2019, the loan volume of the commercial bank industry grew from the previous quarter with corporate loans driving the growth while retail loans grew at a slower rate especially the housing loans, as a result of the Macroprudential Regulation policy came in full effect since April 2019. Auto loans and personal loans continued growing. Deposit volume also grew following loan growth.

Key Events in the Second Quarter of 2019

1. On 24 April 2019, the Annual General Meeting of Shareholders for the year 2019 of Thanachart Capital Public Company Limited ("the Company") had a resolution to pay dividend to shareholders at the rate of 2.60 baht per share, amounting to 2,998 million baht. However, the Company already made interim dividend payment worth 1.00 baht per share or 1,165 million baht on 22 October 2018. As a result, the remaining dividend payment in the amount of 1.60 baht per share or 1,833 million baht was made on 17 May 2019.
2. On 19 June 2019, Thanachart Bank Public Company Limited ("Thanachart Bank") has early redeemed 13,000 million baht of unsecured subordinated instruments issued under Tier II which has a rate of 6.00 percent per annum and scheduled to due in 2024, with the issuer's early redemption right. This was effective since 19 June 2019, such instruments could not be counted as capital as stipulated by the Notification of the Bank of Thailand ("BOT") No. FPG 7/2558 Re: Regulations on Components of Capital for Locally Incorporated Banks.
3. During the period, the Company and its subsidiaries reviewed and changed their accounting policy for recording the value of premises from the cost method to the revaluation method, under which value is the fair value of the assets at the valuation date. Consequently, the revaluation has increased the asset value by 3,541 million baht of which 1,700 million baht was from the land value and 1,841 million baht was from the building value.

For clarification of information disclosure, Thanachart Group has submitted Management's Discussion and Analysis of Thanachart Bank and its subsidiaries separately from this report.

Financial Highlights

Financial Highlights					
Audited Financial Statements	For the 3 months ended			For the 6 months ended	
	30-Jun-19	31-Mar-19	30-Jun-18	30-Jun-19	30-Jun-18
Operating Performance (Million Baht)					
Interest Income	12,321	12,064	11,542	24,385	22,872
Interest Expenses	4,249	4,142	3,918	8,391	7,792
Net Interest Income	8,072	7,922	7,624	15,994	15,080
Non-interest Income	3,409	3,228	3,732	6,637	7,235
Net Operating Income ⁽¹⁾	11,481	11,150	11,356	22,631	22,315
Other Operating Expenses	5,794	5,052	5,145	10,846	10,573
Pre-Provision Operating Profit (PPOP)	5,687	6,098	6,211	11,785	11,742
Impairment Loss of Loans and Debt Securities	952	991	1,448	1,943	2,879
Profit before Tax	4,735	5,107	4,763	9,842	8,863
Income Tax	929	1,046	621	1,975	808
Profit for the Period	3,806	4,061	4,142	7,867	8,055
Net Profit Attributable to the Company	1,899	2,016	2,051	3,915	3,950
Operating Performance Ratios (Percent)					
ROAA	1.42	1.53	1.63	1.48	1.58
ROAE ⁽²⁾	11.08	12.08	12.92	11.58	12.51
Interest Spread ⁽³⁾	2.95	2.92	2.93	2.94	2.89
Loan Spread ⁽⁴⁾	3.84	3.83	3.87	3.84	3.86
Credit Cost	0.45	0.46	0.70	0.46	0.69
Non-interest Income Ratio ⁽⁵⁾	29.69	28.96	32.86	29.33	32.42
Cost to Income Ratio ⁽⁶⁾	50.47	45.31	45.31	47.93	47.38
	30-Jun-19	31-Mar-19	31-Dec-18		
Financial Position (Million Baht)					
Loans	769,747	763,776	754,613		
Total Assets	1,078,525	1,061,701	1,060,929		
Deposits	724,523	743,559	751,917		
Total Liabilities	933,092	919,445	923,011		
Total Equity	145,433	142,256	137,918		
Financial Position Quality					
Loans to Deposits (%)	106.24	102.72	100.36		
Non-performing Loans (Million Baht)	20,299	19,591	20,172		
NPL Ratio (%)	2.40	2.28	2.40		
Coverage Ratio ⁽⁷⁾ (%)	114.68	120.85	120.49		
Reserve to Required Reserve ⁽⁸⁾ (%)	144.33	151.59	153.56		
(1) Net Operating Income = Net Interest Income + Non-interest Income (2) ROAE is calculated from equity attributable to the Company's shareholders (3) Interest Spread = Yield – Cost of Fund Yield = Interest Income / Average Earning Assets Cost of Fund = Interest Expenses / Average Paying Liabilities (4) Loan Spread = Loan Yield – Cost of Fund (5) Non-interest Income Ratio = Non-interest Income / Net Operating Income (6) Cost to Income Ratio = Other Operating Expenses / Net Operating Income (7) Coverage Ratio = Total Allowance / Non-performing Loans (8) Reserve to Required Reserve = Total Allowance / Reserve Required by the BOT					

Operating Results for the Second Quarter and the First Six-month Period of 2019

Performance Overview

Thanachart Capital Public Company Limited (“the Company”) operates as the holding company and thus is the parent company of Thanachart Financial Business Conglomerate. The Company’s performance is mainly from the performance of Thanachart Bank and its subsidiaries. The Company holds shares in Thanachart Bank 50.96 percent. As a result, profit attributable to the Company is calculated from the proportion shareholding of the Company in each subsidiary company. In order to compare its operating results with other companies’ in the industry, the financial information presented in this report is based on consolidated financial statements.

In the second quarter of 2019, the Company and its subsidiaries’ net profit according to the consolidated financial statements amounted to 3,806 million baht, a decrease of 255 million baht or 6.28 percent from the previous quarter. This was mainly from one-time expenses for retirement pension and severance payment of 755 million baht. From **the success in implementing Customer Centric strategy by focusing on being the Main Bank**, the Company and its subsidiaries’ total income base increased. Net interest income increased from loans expansion and widened spread. Non-interest income increased from net fees and service income, gains on properties foreclose, and dividend income. Impairment loss of loans and debt securities decreased slightly.

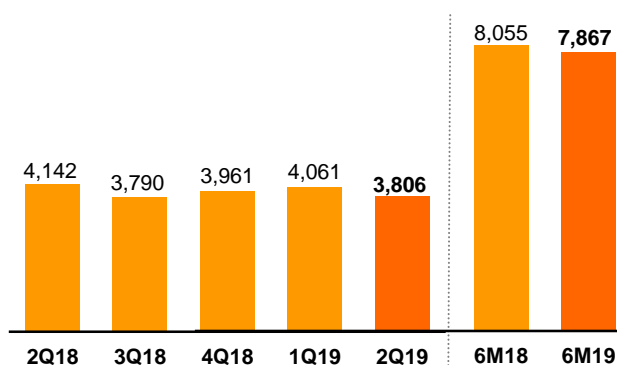
For the first six-month period of 2019, net profit according to the consolidated financial statements of the Company and its subsidiaries amounted to 7,867 million baht, a decrease of 188 million baht or 2.33 percent from the same period last year.

Total assets of Thanachart Group increased from the end of the previous year following the loan growth of 2.01 percent. In this connection, retails, especially hire purchase loans increased. Deposits decreased by 3.64; however, CASA ratio accounted for 49.00 percent, an increase from 48.50 percent at the end of last year.

NPLs of Thanachart Group increased by 0.63 percent from the end of 2018. **NPL ratio stayed at 2.40 percent, unchanged from the end of last year. Coverage ratio stayed at 114.68 percent. On capital fund, TBANK had capital adequacy ratio of 18.01 percent, decreased**

from the early redemption of Thanachart Bank’s subordinated instruments issued under Tier II in the amount of 13,000 million baht.

Net Profit of Thanachart Group (Million Baht)



In the second quarter of 2019, net profit attributable to the Company was 1,899 million baht, a decrease of 117 million baht or 5.80 percent from the previous quarter. Earning per share (EPS) was 1.66 baht, a decrease from 1.76 baht. Return on average assets (ROAA) and return on average equity (ROAE) of the Company’s shareholders were at 1.42 percent and 11.08 percent, respectively.

For the first six-month period of 2019, net profit attributable to the Company was 3,915 million baht, a decrease of 35 million baht or 0.89 percent from the same period last year. EPS was 3.42 baht, an increase from 3.39 baht. This was due to the fact that the Company repurchased its shares in the amount of 19.47 million shares. ROAA and ROAE of the Company’s shareholders were at 1.48 percent and 11.58 percent respectively.

Summary of Key Operating Results

Summary of key operating results in **the second quarter of 2019 comparing with the first quarter of 2019** is as follows:

- Net profit of Thanachart Group amounted to 3,806 million baht, a decrease of 6.28 percent.
- Net profit of the Company amounted to 1,899 million baht, a decrease of 5.80 percent.
- Net interest income increased by 1.89 percent from interest spread which increased to 2.95 percent and the expansion of loans.
- Non-interest income increased by 5.61 percent, mainly from net fees and service income, gains on properties foreclose, and dividend income.
- Operating expenses increased by 14.69 percent from one-time expenses for retirement pension and severance payment of 755 million baht. If such expenses were excluded, operating expenses were close to that of the previous quarter.
- Pre-provision operating profit (PPOP) amounted to 5,687 million baht, a decrease of 6.74 percent. This was from one-time expenses for retirement pension and severance payment. If such expenses were excluded, PPOP increased by 344 million baht or 5.64 percent from the increase in income base.
- Impairment loss of loans and debt securities expenses decreased by 3.94 percent.

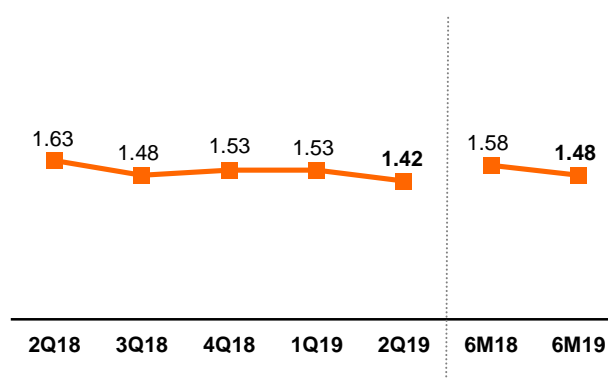
Summary of key operating results in **the first six-month period of 2019 comparing with the same period last year** is as follows:

- Net profit of Thanachart Group amounted to 7,867 million baht, a decrease of 2.33 percent.
- Net profit of the Company amounted to 3,915 million baht, a decrease of 0.89 percent.
- Net interest income increased by 6.06 percent from interest spread which increased to 2.94 percent and the expansion of loans.
- Non-interest income decreased by 8.27 percent, mainly from the decreases in gains on investments and net fees and service income.
- Operating expenses increased by 2.58 percent from one-time expenses for retirement pension and severance payment of 755 million baht. If such expenses were excluded, operating expenses decreased by 4.56 percent.
- Impairment loss of loans expenses decreased by 32.51 percent.
- Profit before tax amounted to 9,842 million baht, an increase of 11.05 percent.

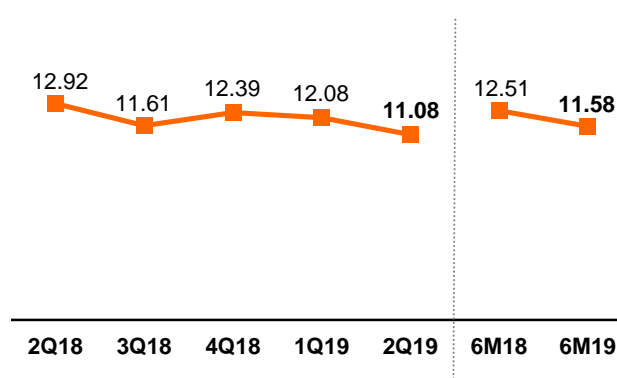
Net Profit (Million Baht)

Audited Financial Statements	For the 3 months ended			For the 6 months ended	
	30-Jun-19	31-Mar-19	30-Jun-18	30-Jun-19	30-Jun-18
Net Profit (Million Baht)					
Profit for the Period	3,806	4,061	4,142	7,867	8,055
Net Profit Attributable to the Company	1,899	2,016	2,051	3,915	3,950
Net Profit Attributable to Non-controlling Interest	1,907	2,045	2,091	3,952	4,105
Basic Earning per Share (Baht)	1.66	1.76	1.76	3.42	3.39

ROAA (Percent)



ROAE* (Percent)



*Equity attributable to the Company's shareholders

Net Interest Income

Net Interest Income (Million Baht)

	2Q19	1Q19	Change		6M19	6M18	Change	
			+ / (-)	%			+ / (-)	%
Interest Income	12,321	12,064	257	2.13	24,385	22,872	1,513	6.62
Interbank and Money Market Items	473	476	(3)	(0.63)	949	931	18	1.93
Investments for Tradings	87	72	15	20.83	159	119	40	33.61
Investments for Debts Securities	667	668	(1)	(0.15)	1,335	1,323	12	0.91
Loans	4,298	4,229	69	1.63	8,527	8,718	(191)	(2.19)
Hire Purchase and Financial Leases	6,796	6,619	177	2.67	13,415	11,781	1,634	13.87
Interest Expenses	4,249	4,142	107	2.58	8,391	7,792	599	7.69
Deposits	2,458	2,402	56	2.33	4,860	4,508	352	7.81
Interbank and Money Market Items	296	283	13	4.59	579	440	139	31.59
Fund Contributed to FIDF and DPA	913	904	9	1.00	1,817	1,732	85	4.91
Debts Issued	578	549	29	5.28	1,127	1,107	20	1.81
Borrowing Fee	4	4	-	-	8	5	3	60.00
Net Interest Income	8,072	7,922	150	1.89	15,994	15,080	914	6.06

In the second quarter of 2019, the Company and its subsidiaries had 8,072 million baht in net interest income, an increase of 150 million baht or 1.89 percent from the previous quarter. Interest Spread was at 2.95 percent, an increase from 2.92 percent.

- Interest income amounted to 12,321 million baht, an increase of 257 million baht or 2.13 percent from the expansion of loans as well as the increase in yield on earning assets.
- Interest expenses amounted to 4,249 million baht, an increase of 107 million baht or 2.58 percent. This was due to the increase in cost of fund which was in line with the market interest rate.

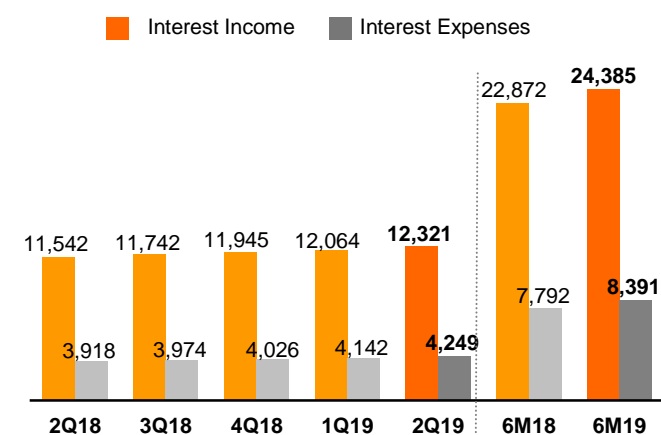
For the first six-month period of 2019, the Company and its subsidiaries had 15,994 million baht in net interest income, an increase of 914 million baht or 6.06 percent from the same period last year. Interest Spread was at 2.94 percent, increase from 2.89 percent.

- Interest income was 24,385 million baht, an increase of 1,513 million baht or 6.62 percent. This was from the expansion of loans as well as the increase in yield on earning assets.
- Interest expenses were 8,391 million baht, an increase of 599 million baht or 7.69 percent. This was due to the increase in cost of fund which was in line with the market interest rate.

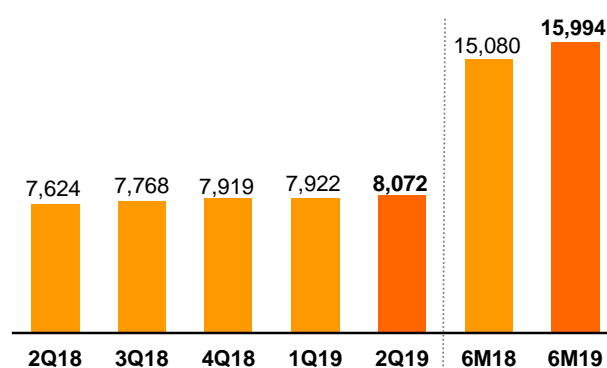
Yield, Cost of Fund, and Interest Spread (Percent)

	2Q19	1Q19	4Q18	3Q18	2Q18	6M19	6M18
Average Policy Interest Rate	1.75	1.75	1.54	1.50	1.50	1.75	1.50
Yield	4.90	4.84	4.86	4.84	4.81	4.87	4.78
Cost of Fund	1.95	1.92	1.88	1.87	1.88	1.93	1.89
Interest Spread	2.95	2.92	2.98	2.97	2.93	2.94	2.89

Interest Income and Interest Expenses (Million Baht)



Net Interest Income (Million Baht)



Non-interest Income

Non-interest Income (Million Baht)								
	2Q19	1Q19	Change		6M19	6M18	Change	
			+ / (-)	%			+ / (-)	%
Net Fees and Service Income	1,580	1,387	193	13.91	2,967	3,278	(311)	(9.49)
Gains on Trading and F/X Transactions	208	162	46	28.40	370	167	203	121.56
Gains on Investments	112	325	(213)	(65.54)	437	860	(423)	(49.19)
Share of Profit from Investments in Associated Companies Accounted for under Equity Method	81	59	22	37.29	140	179	(39)	(21.79)
Gains (Losses) on Properties Foreclose and Other Assets	206	(5)	211	4,220.00	201	271	(70)	(25.83)
Net Insurance / Life Insurance Income	596	633	(37)	(5.85)	1,229	1,433	(204)	(14.24)
Dividend Income	237	119	118	99.16	356	344	12	3.49
Other Income	389	548	(159)	(29.01)	937	703	234	33.29
Total Operating Income	1,829	1,841	(12)	(0.65)	3,670	3,957	(287)	(7.25)
Total Non-interest Income	3,409	3,228	181	5.61	6,637	7,235	(598)	(8.27)

Non-interest income of the Company and its subsidiaries in the second quarter of 2019 amounted to 3,409 million baht, an increase of 181 million baht or 5.61 percent from the previous quarter. This was mainly due to the following.

- Net fees and service income amounted to 1,580 million baht, an increase of 193 million baht or 13.91 percent. This was due mainly to the increases in commission received from selling insurance / life insurance and fund management fees.
- Other operating income amounted to 1,829 million baht, a decrease of 12 million baht or 0.65 percent. This was mainly due to the decrease of 213 million baht in gains on investments while gains on properties foreclosed increased by 211 million baht.

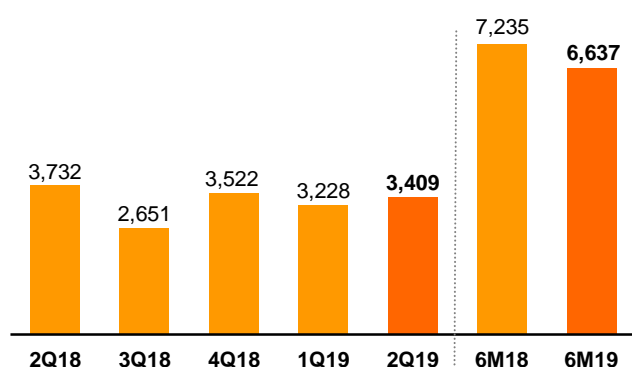
As a result, non-interest income ratio in the second quarter of 2019 was at 29.69 percent, an increase from that in the previous quarter of 28.96 percent.

Non-interest income of the Company and its subsidiaries in the first six-month period of 2019 was 6,637 million baht, a decrease of 598 million baht or 8.27 percent from the same period last year. This was mainly due to the following.

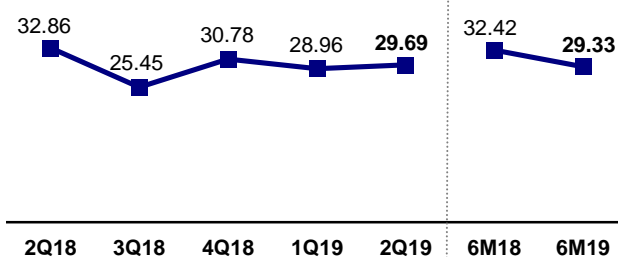
- Net fees and service income amounted to 2,967 million baht, a decrease of 311 million baht or 9.49 percent. This was due mainly to the decrease in brokerage fees.
- Other operating income amounted to 3,670 million baht, a decrease of 287 million baht or 7.25 percent. This was mainly due to the decrease in gains on investments of 423 million baht.

As a result, non-interest income ratio in the first six-month period of 2019 was at 29.33 percent, a decrease from 32.42 percent of the same period last year.

Non-interest Income (Million Baht)



Non-interest Income Ratio (Percent)



Other Operating Expenses

Other Operating Expenses (Million Baht)

	2Q19	1Q19	Change		6M19	6M18	Change	
			+ / (-)	%			+ / (-)	%
Employee's Expenses	3,519	2,997	522	17.42	6,516	5,800	716	12.34
Premises and Equipment Expenses	663	626	37	5.91	1,289	1,302	(13)	(1.00)
Taxes and Duties	177	182	(5)	(2.75)	359	367	(8)	(2.18)
Directors' Remuneration	68	16	52	325.00	84	77	7	9.09
Other Expenses	1,367	1,231	136	11.05	2,598	3,027	(429)	(14.17)
Total Other Operating Expenses	5,794	5,052	742	14.69	10,846	10,573	273	2.58

In the second quarter of 2019, other operating expenses of the Company and its subsidiaries amounted to 5,794 million baht, an increase of 742 million baht or 14.69 percent from the previous quarter. This was from one-time expenses for retirement pension and severance payment of 755 million baht. As a result, cost to income ratio in the second quarter of 2019 was 50.47 percent. **If such expenses were excluded, operating expenses were close to that of previous quarter and cost to income ratio was 43.90 percent**, a decrease from 45.31 percent in the previous quarter.

For the first six-month period of 2019, other operating expenses of the Company and its subsidiaries amounted to 10,846 million baht, an increase of 273 million baht or 2.58 percent from the same period last year. This was from one-time expenses for retirement pension and severance payment. As a result, cost to income ratio in the first six-month period of 2019 was 47.93 percent. **If such expenses were excluded, operating expenses decreased by 4.56 percent and cost to income ratio was 44.59 percent**, a decrease from the same period last year of 47.38 percent.

Impairment Loss of Loans and Debt Securities

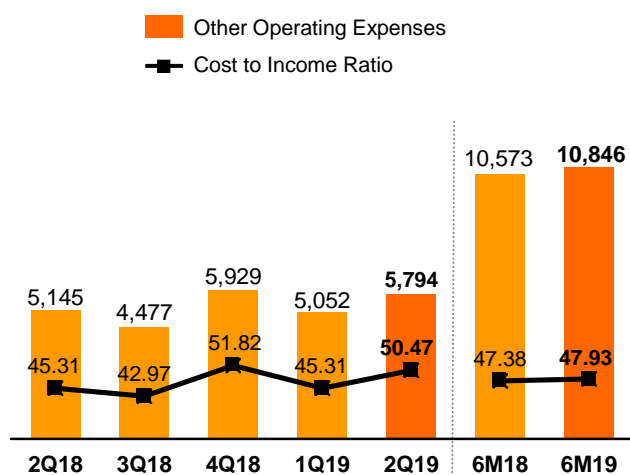
Impairment Loss of Loans and Debt Securities (Million Baht)

	2Q19	1Q19	Change		6M19	6M18	Change	
			+ / (-)	%			+ / (-)	%
Impairment Loss of Loans and Debt Securities	952	991	(39)	(3.94)	1,943	2,879	(936)	(32.51)
Credit Cost (%)	0.45	0.46	(0.01)	(2.17)	0.46	0.69	(0.23)	(33.33)

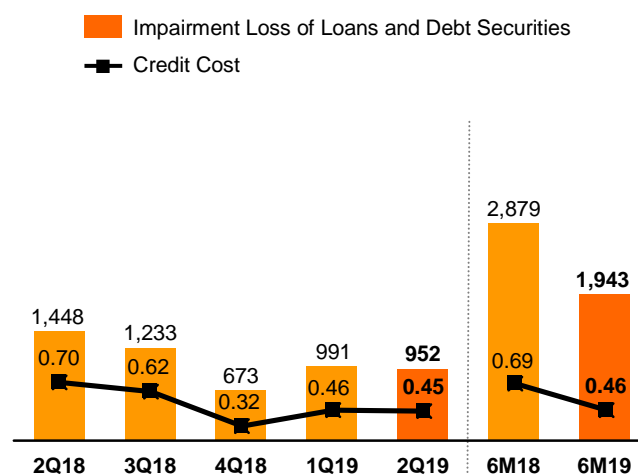
In the second quarter of 2019, the Company and its subsidiaries had impairment loss of loans and debt securities in the amount of 952 million baht, a decrease of 39 million baht or 3.94 percent from the previous quarter. Credit cost was at 0.45 percent, a slight decrease from 0.46 percent.

For the first six-month period of 2019, the Company and its subsidiaries had impairment loss of loans and debt securities amounting to 1,943 million baht, a decrease of 936 million baht or 32.51 percent from the same period last year. Credit cost was at 0.46 percent, a decrease from 0.69 percent.

Other Operating Expenses (Million Baht) and Cost to Income Ratio (Percent)



Impairment Loss of Loans and Debt Securities (Million Baht) and Credit Cost (Percent)



Financial Position

Consolidated Statements of Financial Position (Million Baht)

	30 June 2019		31 December 2018		Change	
	Amount	%	Amount	%	+/(-) %	%
Cash	8,760	0.81	11,022	1.04	(2,262)	(20.52)
Interbank and Money Market Items-net	89,535	8.30	99,117	9.34	(9,582)	(9.67)
Investment-net	175,886	16.31	170,437	16.07	5,449	3.20
Investment in Associated Company-net	3,256	0.30	3,027	0.29	229	7.57
Loans	769,747	71.37	754,613	71.13	15,134	2.01
Accrued Interest Receivables	636	0.06	657	0.06	(21)	(3.20)
Allowance for Doubtful Accounts and Revaluation Allowance for Debt Restructuring	(23,121)	(2.14)	(24,145)	(2.28)	1,024	(4.24)
Property Foreclosed-net	5,756	0.53	4,822	0.45	934	19.37
Intangible Assets Acquired in a Business Combination-net	230	0.02	361	0.03	(131)	(36.29)
Goodwill	17,867	1.66	17,799	1.68	68	0.38
Other Assets	29,973	2.78	23,219	2.19	6,754	29.09
Total Assets	1,078,525	100.00	1,060,929	100.00	17,596	1.66
Deposits	724,523	67.18	751,917	70.87	(27,394)	(3.64)
Interbank and Money Market Items	80,597	7.47	71,923	6.78	8,674	12.06
Debt Issued and Borrowings	79,128	7.34	55,013	5.19	24,115	43.84
Other Liabilities	48,844	4.53	44,158	4.16	4,686	10.61
Total Liabilities	933,092	86.52	923,011	87.00	10,081	1.09
Company's Shareholders' Equity	69,592	6.45	65,735	6.20	3,857	5.87
Non-controlling Interests	75,841	7.03	72,183	6.80	3,658	5.07
Total Shareholders' Equity	145,433	13.48	137,918	13.00	7,515	5.45
Total Liabilities and Shareholders' Equity	1,078,525	100.00	1,060,929	100.00	17,596	1.66
Book Value per Share (Baht)	60.74		57.15			

Assets

As of 30 June 2019, Thanachart Group's total assets amounted to 1,078,525 million baht, an increase of 17,596 million baht or 1.66 percent from the end of 2018. Key factors are as follows:

- Net interbank and money market amounted to 89,535 million baht, a decrease of 9,582 million baht or 9.67 percent from the end of last year due to liquidity management.
- Net investment amounted to 175,886 million baht, an increase of 5,449 million baht or 3.20 percent from the end of last year. This was mainly due to an appropriate management of investment yield.

- Loans amounted to 769,747 million baht, an increase of 15,134 million baht or 2.01 percent from the end of last year. The growth was from retail loans especially hire purchase loans which continued increasing. Portion of retail loans to corporate and SME loans was 75 percent to 25 percent.

Liabilities

Total liabilities of Thanachart Group as of 30 June 2019 **were 933,092 million baht, an increase of 10,081 million baht or 1.09 percent** from the end of 2018. The key items were as follows:

Deposits (Million Baht)

	30 June 2019		31 December 2018		Change	
	Amount	%	Amount	%	+/(−)	%
Current	12,235	1.69	12,759	1.70	(524)	(4.11)
Savings	342,786	47.31	351,939	46.80	(9,153)	(2.60)
Fixed Deposits						
Less than 6 Months	34,331	4.74	44,025	5.86	(9,694)	(22.02)
6 Months and up to 1 Year	36,600	5.05	41,832	5.56	(5,232)	(12.51)
Over 1 Year	226,645	31.28	215,902	28.71	10,743	4.98
Certificate of Deposits	71,926	9.93	85,460	11.37	(13,534)	(15.84)
Total Deposits	724,523	100.00	751,917	100.00	(27,394)	(3.64)

- Deposits were 724,523 million baht, a decrease of 27,394 million baht or 3.64 percent from the end of last year. This was mainly from the decrease in certificate of deposits. As a result, the ratio of current and savings accounts to total deposits (CASA) was 49.00 percent, an increase from 48.50 percent at the end of last year.
- Interbank and money market items were 80,597 million baht, an increase of 8,674 million baht or 12.06 percent from the end of last year. This was due to liquidity management.
- Debt issued and borrowings amounted to 79,128 million baht, an increase of 24,115 million baht or 43.84 percent from the end of last year. This was from the issuance of private placement debentures in the amount of 33,000 million baht and the early redemption of Thanachart Bank's subordinated instruments issued under Tier II in the amount of 13,000 million baht.

Shareholders' Equity

Total shareholders' equity as of 30 June 2019 **was 145,433 million baht, an increase of 7,515 million baht or 5.45 percent** from the end of 2018. The total shareholders' equity comprised of the following:

- Equity attributable to the owners of the Company was 69,592 million baht, an increase of 3,857 million baht or 5.87 percent. This was mainly due to operating profit attributable to the Company in the first six-month period of 2019 which amounted to 3,915 million baht, surplus from fixed asset revaluation of 1,535 million

baht, mark to market on investments which increased by 522 million baht, and dividend payments paid for the performance in the second half of 2018 in the amount of 1,833 million baht.

- Equity attributable to non-controlling interest amounted to 75,841 million baht, an increase of 3,658 million baht or 5.07 percent. This was mainly from the operating results of subsidiary companies.

Non-performing Loans: NPLs

NPLs

	TCAP (Consol.)				
	30-Jun-19	31-Mar-19	31-Dec-18	30-Sep-18	30-Jun-18
NPL-gross (Million Baht)	20,299	19,591	20,172	19,967	19,511
Total Allowance* (Million Baht)	23,279	23,676	24,306	24,967	25,144
NPL-gross to Total Loans (%)	2.40	2.28	2.40	2.52	2.35
NPL-net to Total Loans –net (%)	1.27	1.21	1.26	1.36	1.23
Reserve to Required Reserve (%)	144.33	151.59	153.56	159.08	163.64
Coverage Ratio (%)	114.68	120.85	120.49	125.04	128.87

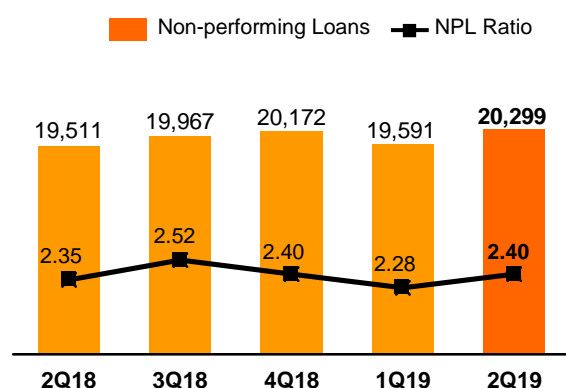
* Including allowance for interbank and money market items and revaluation allowance for debt restructuring.

Under the market and economic conditions that continued to gradually recover, the Company and its subsidiaries still placed strong emphasis on managing NPLs through systematic and effective control. **NPLs** as of 30 June 2019 amounted to **20,299 million baht**, an increase of **127 million baht** or **0.63 percent** from the end of the previous year. **Non-performing loans to total loans (NPL Ratio)** was at **2.40 percent**, unchanged from the end of last year. Non-performing loans after deducting reserve (NPL-net) amounted to 10,674 million baht while the ratio of NPL-net to total loans – net was at 1.27 percent.

Coverage ratio at the end of June 2019 was at 114.68 percent while the ratio of reserve to required reserve under the BOT's regulation was at 144.33 percent. Excess reserve was 7,150 million baht.

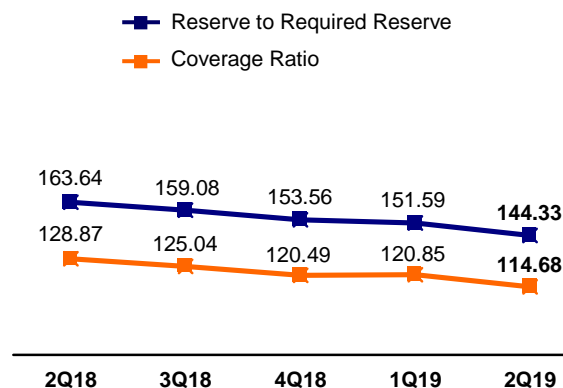
Non-performing Loans (Million Baht) and

NPL Ratio (Percent)



Coverage Ratio (Percent) and

Reserve to Required Reserve (Percent)



Operating Results of Subsidiaries

Operating Results of Subsidiaries (Million Baht)

Subsidiaries	% holding Direct/Indirect	Net Profit (Loss)				
		2Q19	1Q19	2Q18	6M19	6M18
Thanachart Bank Public Company Limited Consolidated Financial Statements*		3,592	3,650	3,821	7,242	7,600
Thanachart Securities Public Company Limited	50.96%	1,437	99	116	1,536	365
Thanachart Fund Management Company Limited	38.22%	138	147	170	285	341
Thanachart Insurance Public Company Limited	50.96%	805	278	276	1,083	550
TS AMC Company Limited	50.96%	1	251	121	252	117
Ratchthani Leasing Public Company Limited	33.22%	480	477	391	957	755
NFS AMC Company Limited	100.00%	19	111	30	130	24
MAX AMC Company Limited	83.44%	(4)	139	125	135	171
MBK Life Assurance Public Company Limited	51.00%	(52)	(30)	40	(82)	16

* Only the profit attributable to the owners of Thanachart Bank.

Risk Management and Risk Factors

For risk management, the Company and its subsidiaries have put in place the process to manage risk systematically by having the Company's Board of Directors specify risk management policies of Thanachart Group to ensure complete policy alignment throughout the entire organization. There is a business unit that is dedicatedly responsible for risk management and consistently monitors and controls risks to be in accordance with the specified policies of the Company. The measurement and analysis of various risks are done by using an appropriate tools and methodology. Such various risks include strategic risk, credit risk, market risk, interest rate risk, liquidity risk, and operational risk. For risk measurement and monitoring discipline, the risk limit and warning signal are set to ensure that business operation would always be within such acceptable risk limit. Moreover, the Executive Committee and the Board of Directors of the Company closely govern and monitor risk status and the efficiency of risk management system on a monthly basis.

In overall view, the risks of the Company and subsidiaries are within the risk limit and have enough capital after risk allocation to support the business expansion in sustainable and secure manner.

Disclaimer

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