

[Translation]

SorGor. 27/2021

September 27, 2021

Subject: Disposition of shares in subsidiary to Connected Person

To: The President of The Stock Exchange of Thailand

Thai Group Holdings Public Company Limited (the “**Company**”) is the company which established to support Thai Insurance Public Company Limited (“**Thai Insurance**” or “**TIC**”)’s shareholders restructuring under the Company and TIC business alliance plan. TIC requested voluntary delisting of TIC’s securities from the SET and listing the Company’s shares in place on July 31, 2019.

The Company would like to inform that the Board of Director’s Meeting No. 8/2021 held on September 23, 2021, resolved to approved the disposition of ordinary shares, holds in TIC (93.44% of TIC total shares) to Wattanasub Pattana 1 Company Limited which has the same major shareholder namely, Pholmankhong Business Company Limited, the major shareholder of the Company, (directly holds 45 percent of the Company’s total shares). The disposition of TIC’s shares has been completed today (September 27, 2021). In addition, the Board of Directors’ Meeting of TIC also approved TIC to proceed tender offer for the entire shares from its shareholders at the same price as selling to Wattanasub Pattana 1 Company Limited in order to be fairness practice to all minority shareholders. As such, TIC will be not necessary to disclose its operating performance and financial statement according to SEC’s rules and regulation and will have an exemption from being subject to the Chapter 3/1, the Securities and Exchange Act B.E. 2535, according to the buyer’s offering. On September 27, 2021, TIC already informed above information to its entire shareholders.

This disposition of ordinary shares in TIC to Wattanasub Pattana 1 Company Limited is considered as a connected transaction according to the Notification of the Capital Market Supervisory Commission No. Tor Chor. 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 of Listed Company Concerning the Connected Transactions B.E. 2546 (2003), and the acquisition and disposition of assets transaction according to the Notification of the Capital Market Supervisory Commission No. Tor Chor 20/2551 Re: the Acquisition and Disposition of Assets and the Notification of the Stock Exchange of Thailand Re: Disclosure of Information concerning the Acquisition and Disposition of Assets of Listed Companies B.E. 2547 (2004), details as follows:

1. Date of transaction

September 27, 2021

2. The party involved and relationship with the Company

Seller: Thai Group Public Company Limited (“**TGH**”)

Buyer: Wattanasub Pattana 1 Company Limited (“**Wattanasub Pattana1**”)

3. Relationship between the parties

TGH: has the same major shareholder and controlling person as the Company (TCC Group)

Wattanasub Pattana1: has the same major shareholder and controlling person as the Company (TCC Group)

4. The General characteristics of the transaction

Nature of asset

Wattanasub Pattana1 purchased total ordinary shares hold by the Company, 21,957,646 shares, equivalent to 93.44 percent of TIC’s total issued and sold shares, at Baht 10 per share (refer to Management financial statement as of September 10, 2021 which TIC’s certified auditor performed agreed-upon procedures on the net book value of shareholders' equity of TIC), total amount of Baht 219.57 million. As a result, TIC will no longer be a subsidiary of the Company.

However, the buyer of TIC shares has expressed the intent to provide financial support for all policy obligations of TIC and partial policy obligations of Southeast Insurance Public Company Limited (“**Southeast Insurance**”), in the initial amount of Baht 7,000 million which could be support TIC and Southeast Insurance to be comply with the relevant Office of Insurance Commission (“OIC”)’s rules.

Thai Insurance will reduce new insurance businesses in order to eliminate conflict of interest according to SEC and SET regulations. However, TIC will continue protect for insurance policies that have been offered to the customers until the end of the policies.

The Company’s shareholding structure in TIC before and after the transaction is as follows:

Shareholders	Hold shares before transaction		Hold shares after transaction	
	No. of shares	(%)	No. of shares	(%)
Thai Group Holdings Public Company Limited	21,957,646	93.44	0	0.00
Wattanasub Pattana 1 Company Limited	0	0.00	21,957,646	93.44
Other minority shareholders ⁽¹⁾	1,542,354	6.56	1,542,354	6.56
Total	23,500,000	100	23,500,000	100

Remark: ⁽¹⁾ Wattanasub Pattana1 will make tender offer for the entire shares of TIC during 27 Sep–3 Nov 2021. As such, final shareholding structure is subjected to the result of tender offer.

Details of Thai Insurance Public Company Limited (“TIC”)

Type of Business: Non-life insurance
Registered capital: Baht 235,000,000 divided to 23,499,983 ordinary shares and 17 non-cumulative preferred shares, at par value of 10.00 Baht each

5. Total value and criteria used in determining a transaction’s total value

Total value of acquired shares :	Baht 219.57 million
Pricing criteria :	refer to Management financial statement as of September 10, 2021 which TIC’s certified auditor performed agreed-upon procedures on the net book value of shareholders' equity of TIC
Term of payment :	All by cash

6. Transaction size

6.1 Connected transaction

The calculation of transaction based on the asset or service transaction with the size of transaction representing to 1.8 percent of Net Tangible Assets (“NTA”) by reference to the Company’s consolidated financial ended June 30, 2021, reviewed from the Company’s auditor, the Company’s NTA recorded at Baht 12,102 million.

According to accumulated 6-month transaction, the transaction size is less than 3 percent of NTA. As such, it is considered as connected transaction of which is require to be approved by the Company’s Board of Directors (exclude the directors who have conflict of interest) pursuant to the Notification of the Capital Market Supervisory Commission No. Tor Chor. 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the SET Re: Disclosure of Information of Listed Company concerning the connected transactions B.E. 2546 (2003).

6.2 Acquisition and disposition transaction

The calculation of transaction based on the total value of disposition of asset, the transaction size (reference to the Company’s consolidated financial ended June 30, 2021, reviewed from the Company’s auditor) is 1.8 percent. Furthermore, during period of the past six months, all acquisition of asset transactions has total transaction size of 3.8 percent, less than 15.00 percent of total assets of the Company. Therefore, the transaction is not considered as the acquisition of assets according to the disclosure of information and is not required to comply with rules and regulations under the Notification of the Capital Market Supervisory Commission No. Tor Chor 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and the Notification of the Stock Exchange of Thailand Re: Disclosure of Information concerning the Acquisition and Disposition of Assets of Listed Companies B.E. 2547.

However, this letter is also made to disclose the disposal of investments in TIC which resulted that TIC will no longer be the subsidiary of the Company.

7. Connected persons and conflicts of interest

Some directors namely Mr. Charoen Sirivadhanabhakdi, Khunying Wanna Sirivadhanabhakdi, Mr. Thapana Sirivadhanabhakdi, Mrs. Atinant Bijananda, Mr. Chotiphat Bijanandaare and Dr. Somchai Sujjapongse are connected person and/ or having conflict of interest.

8. Opinion of the Management regarding the transaction

The Management deems it appropriate for the Company to dispose of the investment in TIC in order to restructure the Company’s business for the group sustainable growth.

The Management also considered all relating information and resolved that the connected transaction is appropriate with a reasonable price and it will utmost in overall to the Company.

9. Opinion of the Audit Committee and / or director of the Company which is difference to the Board of Directors’ opinion

-None –

Please be informed accordingly,

Yours sincerely,

(Mr. Chotiphat Bijananda)
Chairman of the Executive Board

Office of Corporate Secretary Telephone: 02-631-1311 ext. 5550