



("TRANSLATION")

GCAP. 070/2564

15th November 2021

Subject: Report on the progress of a subsidiary company establishment (additional share acquisition in a joint venture company: Sabaijai Money Co., Ltd.) and preparation for the sale of shares of a subsidiary company (Sabaijai Money Co., Ltd.) (edit)

To: The President
The Stock Exchange of Thailand

G Capital Public Company Limited would like to inform that the Company's Board of Directors, at the meeting No.9/2021 held on 15th November 2021, has passed resolution to acknowledge recent progress of the additional share acquisition in a joint venture company (Sabaijai Money Co., Ltd.) and preparation for the sale of shares of a subsidiary company (Sabaijai Money Co., Ltd.) as following:

Regarding the Company's Board of Directors, at the meeting No.8/2021 held on 6th September 2021, has passed resolution to acquire additional shares in a Joint Venture company (Sabaijai Money Company Limited) which currently company held 51% shares with the resolutions to acquire 49% shares from 9F International Holdings PTE. LTD., the co-investors from China (which is not related parties' transaction). By the way, the shares value will be paid in cash. The appropriate price is based on an independent appraiser, S14 Advisory Company Limited, which has been approved by SEC, using the Adjusted book value approach in valuation with reference from Interim financial statement of Sabaijai Money Company Limited for three-month and six-month periods ending on June 30th, 2021, which has been audited by Dharmniti Auditing Co., Ltd.

The reason that causes the company decided to purchase additional shares in a joint venture company (Sabaijai Money Co., Ltd.) due to 9F International Holdings PTE.LTD., the co-investors from China, has changed their main business from Financial Service Platform to Internet Securities business, thus has no longer objective to invest in the business of Sabaijai Money Company Limited. According to the joint venture contract detail, in the case that one of the co-investors does not wish to continue the business of Sabaijai Money Company Limited anymore, the other co-investor shall buy back all shares from the counterparty at a fair price. Thus, the decision to purchase additional shares this time will let G Capital Public Company Limited become a major shareholder, which has total authority to control and manage Sabaijai Money Co., Ltd. in a comprehensive manner, including allowing the sale of shares of Sabaijai Money Co., Ltd. to be carried out smoothly.



Recently, the company has been informed of the appraised price from an independent appraiser. According to the report of S14 Advisory Company Limited, which assessed the business value of Sabajjai Money Company Limited from the interim financial statements for the six-month period ended June 30, 2021, that has capital deficits, using the Adjusted book value approach in valuation, it was reported that Sabajjai Money Company Limited had no residual value. Therefore, G Capital Public Company Limited has purchased additional 49% shares from 9F International Holdings PTE.LTD. at a price of 1 baht, paid in cash. And such transaction was completed since November 10th, 2021.

Sabajjai Money Co., Ltd.

Statement of Comprehensive Income

Million Baht	2019	2020	2021 (6 months)
Revenues	0.31	0.66	0.55
Expenses	8.00	30.09	14.56
Loss before Finance Costs and Income tax (expenses)	(7.70)	(29.42)	(14.01)
Finance Costs	-	(0.35)	(0.44)
Loss before Income tax (expenses)	(7.70)	(29.78)	(14.45)
Income Tax (expense)	-	5.89	(5.89)
Total comprehensive loss for the year	(7.70)	(23.88)	(20.34)
Deficit	(7.70)	(31.58)	(51.92)



Sabaijai Money Co., Ltd.
Statement of Financial Position
As of June 30, 2021

	Million Baht	
	As of 30 Jun-21	As of 31 Dec-20
Current Assets	1.31	5.42
Non-current Assets	16.24	23.45
Total Assets	17.55	28.87
Current Liabilities	4.64	2.19
Non-current Liabilities	14.83	8.26
Total Liabilities	19.47	10.45
Shareholders' equity		
Share Capital		
Registered share capital		
10,000,000 common shares at Baht 5.00 per share	50.00	50.00
Issued and paid up share capital	-	-
10,000,000 common shares at Baht 5.00 per share	50.00	50.00
Deficit	(51.92)	(31.58)
Total Shareholders' equity (Capital Deficits)	(1.92)	18.42
Total Liabilities and Shareholders' equity	17.55	28.87

Company Name	Sabaijai Money Company Limited
Category	Financial business (non-financial institution) by providing the lending personal loans under supervision and Nano Financing loans (Received licenses to operate personal loan under supervision and nano finance loans from the Bank of Thailand)
Company Registration Date	7 February 2019
Registered Capital	50,000,000 baht divided into 10,000,000 ordinary shares, par value of 5 baht per share

Shareholding Structure	Before		After	
	No. of Shares	%	No. of Shares	%
G Capital Public Company Limited	5,100,000	51	10,000,000	100
9F International Holdings PTE.LTD.	4,900,000	49	0	0

[Shareholder Structure](#)
(1) Capital Nine Holdings 100% share

Such items are considered as non-connected transactions. However, these transactions are considered as the acquisition or disposition of the assets under the criteria of the Notification of the Capital Market Supervisory Board No. TorChor 20/2561 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of information and Practices of Listed Companies in the Acquisition or Disposition of Assets, 2004, which the company has the highest transaction size (including the transaction during the past 6 months) less than 15% according to all calculation methods (ref. Interim financial reporting for [nine-month period ended September 30, 2021](#))

The Board of Directors' meeting also passed additional resolution [for the management team to study and prepare a plan to sell all shares of Sabajjai Money Company Limited](#). Considering current economic situation, the company should return to focus on the core business that the company has expertise in especially the hire purchase loans in the agricultural sector. However, personal loan under supervision and nano finance business of Sabajjai Money Company Limited are still in demand among interested entrepreneurs, which G Capital Public Company Limited already has licenses to operate personal loan under supervision and Nano finance loans from the Bank of Thailand. Therefore, they are duplicated. Currently, the management team are in the process of studying more information and preparing to negotiate with interested buyers. The company expects that it will be able to find a buyer and complete the trading process within the 4th quarter of 2021. In case that the sale transaction is completed, the company is not required to prepare Consolidated Financial Statements, but if the transaction is not completed or the deal is not closed within the 4th quarter of 2021, the company must prepare Consolidated Financial Statements. This will result in recognizing the loss from the operation of Sabajjai Money Company Limited.

However, when the company has progress of the sale of shares of Sabajjai Money Company Limited, the company will provide further details through Stock Exchange of Thailand's channels.



Please be informed accordingly.

Yours sincerely

- Sutthi Sripratum –

(Mr. Sutthi Sripratum)

Company Secretary