

Reference Number SAWAD-007/2565

Date: 3 May 2022

Subject: The Board of Directors' meeting resolutions on the return of finance business licence of Srisawad Finance Public Company Limited, the acquisition of assets transactions, and the calling of the Extraordinary General Meeting of Shareholders No. 1/2022

To: President
 The Stock Exchange of Thailand

Enclosure: Information Memorandum of Srisawad Corporation Public Company Limited regarding the Acquisition of Assets Transactions

Srisawad Corporation Public Company Limited (the "**Company**") would like to inform you that the Board of Directors Meeting No. 5/2022 held on 29 April 2022 resolved on the following important matters.

1. Approved Srisawad Finance Public Company Limited ("**BFIT**"), which is a subsidiary of the Company (the Company as a major shareholder of BFIT holding 81.64 percent of total issued shares of BFIT), to return its finance business licence No. 8/2516 covering 4 types of finance business and discontinue such finance businesses, which are:

- (a) commercial finance business;
- (b) finance business for development;
- (c) finance business for distribution and consumption; and
- (d) finance business for housing.

The return of business licence is uncertain and contingent on: (1) BFIT shareholders' approval for the return of business licence; and (2) the Bank of Thailand (BOT) approval. The Company anticipates that the process will be completed in the third quarter of 2022. The significant slowdown in BFIT's credit approval and extremely strict credit approval controls resulting from the current economic downturn has impacted the inflexibility of the Group's future business policy. Therefore, a consideration on clear business policy is necessary for the Group's, its shareholders', and stakeholders' benefit. BFIT intends to return its finance business licence. If the business discontinuation and licence return is successful, BFIT plans to do the following businesses: (1) hire purchase business for general retail customers who wish to buy new motorcycles from dealers of which the asset ownership will be transferred to the hire purchaser when the instalment payment is made in full in accordance with the contract; and (2) personal loans under the BOT supervision targeted at customers under fixed employment term with stable income (collectively, the "**BFIT's New Business**"). This business plan of BFIT's New Business is uncertain and is contingent on obtaining approval from the BOT for the BOT-supervised personal loan business and on the success in transactions under Clause 2. (This includes BFIT's acquisition of 100 percent of the issued and paid-up shares in Srisawad Capital Company Limited ("**SCAP**"). The Company anticipates that BFIT will commence operating BFIT's New Business in the third quarter of 2022.

2. Approved to propose to the Shareholders' Meeting for approval for the Company to (1) sell all 39,000,000 ordinary shares in SCAP which are held by the Company (par value THB 5 each and representing 65 percent of total number of issued and paid-up shares in SCAP) at THB 300 each to BFIT which is a subsidiary of the Company. The total transaction value is THB 11,700 million. BFIT will issue and allocate its new ordinary shares to the Company, a Private Placement investor, as in-kind consideration for the SCAP shares; and (2) acquire 487,500,000 new ordinary shares in BFIT (par value THB 5 each) at THB 24.00 each. The Company is currently holding 81.64 percent of total voting rights in BFIT. After the completion of the transactions, the Company's shareholding will be reduced to 72.05 percent of the total voting rights in BFIT, including the value of the acquisition of new ordinary share of THB 11,700 million (the "**Share Swap**"), and approved to enter into agreements relating to the Share Swap, subject to conditions precedent.

The Share Swap as mentioned above and the 35 Percent Share Acquisition via BFIT (to be defined below) will only occur if the conditions precedent complete as specified in the Share Swap-related agreements. Details of these conditions precedent are summarised below.

- (a) The Company's shareholders' meeting has approved the Share Swap and the 35 Percent Share Acquisition via BFIT.
- (b) BFIT's shareholders' meeting has approved the entry of the acquisition of shares in SCAP, the capital increase of BFIT, and the allocation of new ordinary shares in consideration of the transfer of all SCAP shares.
- (c) The Office of the Securities and Exchange Commission (the "**SEC Office**") and other relevant regulatory bodies have approved BFIT's issuance and Private Placement offering of new ordinary shares.
- (d) The BOT has approved BFIT's application to return its finance business licence.
- (e) No event has occurred, or action taken that may cause a materially adverse effect on SCAP.

In addition, agreements related to the Share Swap subject to the conditions precedent will contain terms and conditions summarized as follows:

Non-Competition Provision	The parties agree not to engage, directly or indirectly, in any business that has the same characteristics as, and that competes against, the business of BFIT, unless a written consent from the other party is obtained.
Management Lock-up Provision	After the acquisition of shares in SCAP, and plan to consolidate businesses of BFIT through the EBT (as defined below), BFIT will possess SCAP. Mr. Wichit must (1) continue managing SCAP until SCAP is dissolved; and (2) remain as a director and the chief executive officer of BFIT for at least five years after the date on which EBT has completed.

<p>Voluntary Share Lock-up Provision</p>	<p>Under the requirements as prescribed in the relevant notifications of the Stock Exchange of Thailand (“SET”), the parties agree not to sell, dispose of or transfer all the newly issued ordinary shares offered to the Private Placement investors of BFIT within a period of 3 years from the date on which the shares begin trading on the SET. For each and every six months after the shares begin trading on the SET, the parties may sell, dispose of or transfer shares in the proportion of 25 percent of the number of newly-issued ordinary shares held, unless obtaining otherwise consent from the Company.</p>
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The Company anticipates that the Share Swap will be completed in the third quarter of 2022, if all conditions precedent are satisfied. After the Share Swap has completed, BFIT plans to consolidate SCAP business with its business through an Entire Business Transfer (“**EBT**”) under the entire business transfer regulations pursuant to the Revenue Code and secondary laws issued under the Revenue Code and procures SCAP to register the dissolution with the Department of Business Development, Ministry of Commerce, within the accounting period that the entire business is transferred to BFIT.

If the Private Placement offering of BFIT shares is at a price that is lower than 90 percent of the market price, before the SET could issue an order to list newly issued ordinary shares, BFIT has a duty to prohibit the Company from selling any of such allocated shares for 1 year from the date on which the shares start trading on SET. After six months of this restriction period, the Company may sell up to 25 percent of the total number of shares that are subject to the restrictions in accordance with the requirements under the Notification of the Stock Exchange of Thailand re: Requirements, Conditions and Methods of Considering an Application to List Ordinary or Preferred Shares, 2015.

The Share Swap is part of the Group’s business restructure. SCAP operates a supervised personal loan business and is currently a subsidiary of the Company (65 percent of its issued and paid-up shares in SCAP are held by the Company). In addition to the 65 percent of issued and paid-up shares in SCAP, BFIT will accept the transfer of the remaining 21,000,000 shares (par value of THB 5 and representing 35 percent of issued and paid-up shares in SCAP) from: (1) Mr. Wichit Phayuhanaveechai (“**Mr. Wichit**”) which is the Company’s director; and (2) nine other SCAP shareholders (the “**Other SCAP Shareholders**”) (the “**35 Percent Share Acquisition via BFIT**”) at the same time. Then, BFIT will hold 100 percent of issued and paid-up shares in SCAP.

The Share Swap is an acquisition of assets transaction under the Notification of the Capital Market Supervisory Board No. Tor Chor 20/2551 on material transactions of acquisition or disposal of assets, dated 31 August 2008 and the Notification of the Board of Governors of the Stock Exchange of Thailand on disclosure and actions of listed companies in acquisition or disposal of assets, B.E. 2547 (2004), dated 29 October 2004 (collectively, the “**Notifications on Acquisition or Disposal of Assets**”). The highest transaction size is 23.4 percent, when calculated in accordance with the criteria of the total value of the consideration. The 35 Percent Share Acquisition via BFIT is also an acquisition of assets transaction of the Company via its subsidiary under the Notifications on Acquisition or Disposal of Assets. The highest transaction size is 12.6 percent, when calculated in accordance with the value of consideration criteria based on the Company’s consolidated financial statements for year ended 31 December 2021. When these two acquisitions of assets transactions are combined, the transaction size is 36.0 percent in accordance with the value of transaction criteria. In addition, the Company, through

its shareholding in SCAP, has acquired other assets during the past 6 months prior to the date of entering into the transaction which is the acquisition of all ordinary shares of Cathay Leasing Company Limited which has the transaction size of 0.1 percent in accordance with the criteria of the total value of the consideration. As a result, the total transaction size is 36.1 percent, which is higher than 15 percent but under 50 percent and is a Type 2 transaction under the Notifications on Acquisition or Disposal of Assets. Therefore, the Company must disclose the information on the transaction to the SET and circulate a letter to its shareholders within 21 days from the SET disclosure date. However, in order to comply with the principles of good corporate governance, the Company deems appropriate to propose the shareholders' meeting to approve the entry of such transactions. The Company will send information memorandum regarding the acquisition of assets to its shareholders together with the shareholders' meeting invitation instead of circulating a letter to its shareholders within 21 days from the SET disclosure date.

The sale of SCAP ordinary shares is not considered as an asset disposal transaction under the Notifications on Acquisition or Disposal of Assets because the sale of the asset will be made to the Company's subsidiary.

The 35 Percent Share Acquisition via BFIT only with respect to the share purchase from Mr. Wichit as well as the offering and allocation of new BFIT ordinary shares to Mr. Wichit has the same nature as the BFIT's acquisition of SCAP shares from the Company and nine other SCAP shareholders, in which the purchase price of SCAP shares, offering price of BFIT shares, the nature of transaction, and conditions are the same. Therefore, it is considered a transaction with the same commercial terms as those an ordinary person would agree with any unrelated counterparty under similar circumstances, on the basis of commercial negotiation and without any dependent interest resulted from the status of the related person under Section 89/12 (1) of the Securities and Exchange Act, B.E. 2535 (1992) (as amended) and could fall within the category of a connected transaction for which the shareholders' approval is exempted under Section 89/12 (1) of the Securities and Exchange Act, B.E. 2535 (1992) (as amended). However, in order to comply with the principles of good corporate governance, the Company deems appropriate to propose that the shareholders' meeting approves the 35 Percent Share Acquisition via BFIT as well as the Share Swap.

Details are set out in Information Memorandum of Srisawad Corporation Public Company Limited regarding the Acquisition of Assets Transactions (Enclosure).

Also, the Company's Board of Directors resolved to authorise the Company's Board of Directors and/or Chief Executive Officer and/or a person delegated by the Board of Directors and/or Chief Executive Officer to:

- (1) determine and/or amend other details that are necessary for or relevant to the Share Swap as well as the 35 Percent Share Acquisition via BFIT to the extent that it is not contradictory to or inconsistent with relevant notifications, regulations, or laws;
- (2) coordinate, negotiate, enter into, execute, and amend contracts, applications, waivers, notices, and other evidence that is necessary for and relevant to the Share Swap as well as the 35 Percent Share Acquisition via BFIT; and

- (3) take steps that are necessary for or relevant to the successful Share Swap as well as the 35 Percent Share Acquisition via BFIT and the appointment and sub-delegation of other suitable persons to do things described above.

3. Approved a plan to consolidate businesses of BFIT and SCAP, a subsidiary of the Company, as part of the Group's business restructure. After the Share Swap and the 35 Percent Share Acquisition via BFIT (tentatively within the third quarter of 2022) have completed and all conditions precedent are satisfied, BFIT will assume the EBT from SCAP under the entire business transfer regulations pursuant to the Revenue Code and secondary laws issued under the Revenue Code, the SCAP's business is including SCAP assets that comprise all assets and liabilities, including without limitations, rights, duties, obligations, commitments, and liabilities, as well as responsibilities that SCAP has or may have as of the date of the completion of the transaction, including all shares in two other companies that SCAP is holding, being:

- (a) S Leasing Company Limited (SCAP holds 90 percent of shares); and
- (b) Cathay Leasing Company Limited (SCAP holds 100 percent of shares).

After the completion of the EBT, SCAP will register its dissolution with the Department of Business Development, Ministry of Commerce, in accordance with the Civil and Commercial Code within the accounting period that the entire business is transferred to BFIT.

4. Approved to set the date for the Extraordinary General Meeting of Shareholders No. 1/2022 to be 23 June 2022 at 10.00 a.m., which will be held via electronic media. The meeting will be broadcasted at auditorium room, 3rd floor, no. 99/392, Soi Chaengwattana 10, Intersection 3, Chaeng Watthana Road, Thung Song Hong Sub-district, Lak Si District, Bangkok and the date to determine shareholders who are entitled to attend the meeting to be 17 May 2022 (Record Date). The meeting agenda items are:

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|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Agenda Item 1. | To certify minutes of the 2022 Annual General Meeting of shareholders on 22 April 2022. |
| Agenda Item 2. | To approve the acquisition of new ordinary shares in Srisawad Finance Public Company Limited and the acquisition of ordinary shares in Srisawad Capital Company Limited (portion that is held by Mr. Wichit and the Other SCAP Shareholders) by the Company's subsidiary, Srisawad Finance Public Company Limited. |
| Agenda Item 3. | Other businesses (if any) |

The Company's Chief Executive Officer or a delegated person may take any relevant steps to convene the Extraordinary General Meeting of Shareholders No. 1/2022. This include issuing a notice of invitation to the Extraordinary General Meeting of Shareholders No. 1/2022, changing the date, time, place, and other details of the Extraordinary General Meeting of Shareholders No. 1/2022, as well as the Record Date as may be necessary or appropriate subject to conditions under applicable laws.

Sincerely yours,

Wanaporn Pornkitipong

(Ms. Wanaporn Pornkitipong)

Authorized Persons to Disclose Information

Information Memorandum of Srisawad Corporation Public Company Limited
regarding the Acquisition of Assets

The Board of Directors' meeting No. 5/2022 of Srisawad Corporation Public Company Limited (the "**Company**") resolved on 29 April 2022 to propose to the Extraordinary General Meeting of Shareholders No. 1/2022 to approve (1) sell all 39,000,000 ordinary shares in Srisawad Capital Company Limited ("**SCAP**") which are held by the Company (par value THB 5 each and representing 65 percent of total number of issued and paid-up shares in SCAP) at THB 300 each having the total transaction value is THB 11,700 million to Srisawad Finance Public Company Limited ("**BFIT**") which is a subsidiary of the Company. BFIT will issue and allocate its new ordinary shares to the Company, a Private Placement investor, as in-kind consideration to the SCAP shares; and (2) acquire 487,500,000 new ordinary shares in BFIT (par value THB 5 each) at THB 24.00 each. The value of the acquisition of new ordinary share is THB 11,700 million (the "**Share Swap**"), and approved to enter into agreements relating to the Share Swap, subject to conditions precedent.

The Share Swap is part of the Group's business restructure. SCAP operates a supervised personal loan business and is currently a subsidiary of the Company (65 percent of its issued and paid-up shares in SCAP are held by the Company). In addition to the 65 percent of issued and paid-up shares in SCAP, BFIT will accept the transfer of the remaining 21,000,000 shares (par value of THB 5 and representing 35 percent of issued and paid-up shares in SCAP) from: (1) Mr. Wichit Phayuhanaveechai ("**Mr. Wichit**"), the Company's director; and (2) nine other SCAP shareholders (the "**Other SCAP Shareholders**") (the "**35 Percent Share Acquisition via BFIT**") at the same time. Then, BFIT will hold 100 percent of issued and paid-up shares in SCAP.

The details of the Share Swap and the 35 Percent Share Acquisition via BFIT are as follows:

1. Date of Transaction

1.1 Share Swap

The Company and BFIT will enter into agreements relating to the Share Swap and the 35 Percent Share Acquisition via BFIT subject to conditions precedent (the "**Relevant Agreements**"). Details of conditions precedent are summarised below.

- a) The Company's shareholders' meeting has approved the Share Swap and the 35 Percent Share Acquisition via BFIT.
- b) BFIT's shareholders' meeting has approved the entry of the acquisition of shares in SCAP, the capital increase of BFIT, and the allocation of new ordinary shares in consideration of the transfer of all SCAP shares.
- c) The Office of the Securities and Exchange Commission (the "**SEC Office**") and other relevant regulatory bodies have approved BFIT's issuance and Private Placement offering of new ordinary shares.
- d) The BOT has approved BFIT's application to discontinue its finance business and to return its finance business license.
- e) No event has occurred, or action taken that may cause a materially adverse effect on SCAP.

Non-Competition Provision	The parties agree not to engage, directly or indirectly, in any business that has the same characteristics as, and that competes against, the business of BFIT, unless a written consent from the other party is obtained.
Management Lock-up Provision	After the acquisition of shares in SCAP, and plan to consolidate businesses of BFIT through the EBT (as defined below), BFIT will possess SCAP. Mr. Wichit must (1) continue managing SCAP until SCAP is dissolved; and (2) remain as a director and the chief executive officer of BFIT for at least five years after the date on which EBT has completed.
Voluntary Share Lock-up Provision	Under the requirements as prescribed in the relevant notifications of the SET, the parties agree not to sell, dispose of or transfer all the newly issued ordinary shares offered to the Private Placement investors of BFIT within a period of 3 years from the date on which the shares begin trading on the SET. For each and every six months after the shares begin trading on the SET, the parties may sell, dispose of or transfer shares in the proportion of 25 percent of the number of newly-issued ordinary shares held, unless obtaining otherwise consent from the Company.

1.2 35 Percent Share Acquisition via BFIT

BFIT, Mr. Wichit and the Other SCAP Shareholders will enter into the Relevant Agreements which are agreements relating to BFIT to acquire 21,000,000 SCAP shares (par value of THB 5 each), representing 35 percent of SCAP's issued and paid-up shares from (1) Mr. Wichit and (2) other SCAP shareholders, subject to conditions precedent. The 35 Percent Share Acquisition via BFIT will occur on the date all conditions precedent under the Relevant Agreements complete. For the summary of conditions precedent, see Clause 1.1.

The Company anticipates that the Share Swap will be completed in the third quarter of 2022. After the Share Swap has completed, BFIT plans to consolidate SCAP business with its business through an Entire Business Transfer ("**EBT**") under the entire business transfer requirements pursuant to the Revenue Code and secondary laws issued under the Revenue Code and procures SCAP to register the dissolution with the Department of Business Development, Ministry of Commerce, within the accounting period that the entire business is transferred to BFIT.

2. The Involved Parties and Relationships

2.1 Share Swap

Seller : The Company

Buyer : BFIT

Relationship with the Company: BFIT is not the Company's connected person under the Notification of the Capital Market Supervisory Board Tor Chor 21/2551 on connected transaction requirements, dated 31 August 2008 and the Notification of the Board of Governors, the Stock Exchange of Thailand on disclosure and actions of listed companies in a connected transaction, B.E. 2546 (2003), dated 19 November 2003 (collectively, the "**Connected Transaction Notification**").

2.2 35 Percent Share Acquisition via BFIT

Acquirer of SCAP share: BFIT which is a subsidiary of the Company

Sellers of SCAP share : (1) Mr. Wichit and (2) other SCAP shareholders

Relationship with the Company: Mr. Wichit is the Company's director and is the Company's connected person. The 35 Percent Share Acquisition via BFIT only with respect to the share purchase from Mr. Wichit as well as the offering and allocation of new BFIT ordinary shares to Mr. Wichit has the same nature as the BFIT's acquisition of SCAP shares from the Company and the Other SCAP Shareholders, in which the purchase price of SCAP shares, offering price of BFIT shares, the nature of transaction, and conditions are the same. Therefore, it is considered a transaction with the same commercial terms as those an ordinary person would agree with any unrelated counterparty under similar circumstances, on the basis of commercial negotiation and without any dependent interest resulted from the status of the related person under Section 89/12 (1) of the Securities and Exchange Act, B.E. 2535 (1992) (as amended) and could fall within the category of a connected transaction for which the shareholders' approval is exempted under Section 89/12 (1) of the Securities and Exchange Act, B.E. 2535 (1992) (as amended). However, in order to comply with the principles of good corporate governance, the Company deems appropriate to propose that the shareholders' meeting approves the 35 Percent Share Acquisition via BFIT as well as the Share Swap.

3. The General Characteristic of the transaction

3.1 Share Swap

The Company will acquire 487,500,000 shares in BFIT (par value of THB 5 each) for THB 24.00 each. As an in-kind consideration of 39,000,000 SCAP shares (par value of THB 5 each) representing 65 percent of SCAP's issued and paid-up shares sold by the Company to BFIT, BFIT will issue and allocate new ordinary shares to the Company, the Private Placement investor. The value of consideration to the SCAP share acquisition is THB 11,700 million, which is an asset acquisition by the Company under the Notification of the Capital Market Supervisory Board Tor Chor 20/2551 on requirements for material transaction of asset acquisition or disposal, dated 31 August 2008 and the Notifications of the Board of Governors, the Stock Exchange of Thailand on disclosure and actions of listed companies in asset acquisition or disposal, B.E. 2547 (2004), dated 29 October 2003 (collectively, the "**Notifications on Acquisition or Disposal of Assets**").

The transaction size calculated in accordance with the Notifications on Acquisition or Disposal of Assets based on the Company's consolidated financial statements for the year ended 31 December 2021 is:

1. Net Tangible Assets (NTA) Value Comparison

$$\text{Transaction size} = \frac{\text{BFIT's NTA in proportion to the acquisition}}{\text{The Company's NTA}}$$

2. Net Profit Comparison

$$\text{Transaction size} = \frac{\text{Net profit from normal operation less tax to the extent of the asset to be acquired}}{\text{The Company's net profit}}$$

3. Total Value of Consideration Comparison

$$\text{Transaction size} = \frac{\text{Total value of consideration received}}{\text{The Company's total assets}}$$

4. Value of Securities issued as in-kind Consideration (Equity Value) Comparison

$$\text{Transaction size} = \frac{\text{Number of shares issued to pay for the asset}}{\text{Number of the Company's issued and paid-up shares}}$$

	Calculation method	Transaction size
Net Tangible Assets (NTA) Value Comparison	$\frac{9,715 \text{ mb} \times 37.5 \text{ percent}}{23,911 \text{ mb}}$	15.2 percent
Net Profit Comparison	$\frac{913 \text{ mb} \times 37.5 \text{ percent}}{4,722 \text{ mb}}$	7.2 percent
Total Value of Consideration Comparison	$\frac{11,700 \text{ mb}}{49,967 \text{ mb}}$	23.4 percent
Value of Securities issued as in-kind Consideration (Equity Value) Comparison	Unable to calculate since no share will be issued	-
	Highest Transaction Size	23.4 percent

*mb = million Baht.

The transaction size, when calculated using criteria in item 3 which is compared to the value of consideration is the maximum size. Therefore, the Company will rely on the transaction size calculated using this criteria in measuring the transaction size.

3.2 35 Percent Share Acquisition via BFIT

In addition to the BFIT's acquisition of 39,000,000 SCAP shares (par value of THB 5 each), representing 65 percent of SCAP's issued and paid-up shares from the Company, BFIT as the Company's subsidiary will accept transfer of 21,000,000 SCAP shares, representing 35 percent of SCAP's issued and paid-up shares from (1) Mr. Wichit and (2) other SCAP shareholders. BFIT will then hold 100 percent shares in SCAP.

The acquisition of 35 percent of shares in SCAP by the Company's subsidiary from another group of shareholders is an asset acquisition by the Company under the Notifications on Acquisition or Disposal of Assets. The transaction size calculated in accordance with the Notifications on Acquisition or Disposal of Assets based on the Company's consolidated financial statements for the year ended 31 December 2021 is:

1. Net Tangible Assets (NTA) Value Comparison

$$\text{Transaction size} = \frac{\text{SCAP's NTA that BFIT will acquire from (1) Mr. Wichit and (2) other SCAP shareholders}}{\text{The Company's NTA}}$$

2. Net Profit Comparison

$$\text{Transaction size} = \frac{\text{Net profit from normal operation less tax to the extent of the asset to be acquired}}{\text{The Company's net profit}}$$

3. Total Value of Consideration Comparison

$$\text{Transaction size} = \frac{\text{Total value of consideration received}}{\text{The Company's total assets}}$$

4. Value of Securities issued as in-kind Consideration (Equity Value) Comparison

$$\text{Transaction size} = \frac{\text{Number of shares issued to pay for the asset}}{\text{Number of the Company's issued and paid-up shares}}$$

	Calculation method	Transaction size
Net Tangible Assets (NTA) Value Comparison	<u>525 mb x 35 percent</u> 23,911 mb	0.8 percent
Net Profit Comparison	<u>294 mb x 35 percent</u> 4,722 mb	2.2 percent
Total Value of Consideration Comparison	<u>6,300 mb</u> 49,967 mb	12.6 percent
Value of Securities issued as in-kind Consideration (Equity Value) Comparison	Unable to calculate since no share will be issued	-
	Highest Transaction Size	12.6 percent

*mb = million Baht.

The transaction size when calculated using criteria in item 3 which is compared to the value of consideration is the maximum size. Therefore, the Company will rely on the transaction size calculated using this criteria in measuring the transaction size.

3.3 Total size of asset acquisition

When calculated in accordance with Clause 3 of the requirement in comparison to the total value of the consideration's highest value, the maximum transaction size of both share swap and 35 percent share acquisition via BFIT is 36.0 percent under the Notifications on Acquisition or Disposal of Assets. In addition, the Company has acquired other assets during the past size months before the date of this transaction which is the acquisition of all ordinary shares in Cathay Leasing Company Limited having the transaction size of 0.1 percent, when calculated in accordance with the criteria of the total value of the consideration. Therefore, the total size of the transactions is 36.1 percent which is the Type 2 transaction under the Notifications on Acquisition or Disposal of Assets. The Company must disclose information on the transaction to the SET and circulate the disclosure to its shareholders within 21 days from the SET disclosure date. However, to comply with the principles of good corporate governance, the Company considers appropriate to propose the shareholders' meeting to approve the entry of such transactions. The Company will send information memorandum regarding the acquisition of assets to its shareholders together with the shareholders' meeting invitation instead of circulating a letter to its shareholders within 21 days from the SET disclosure date.

4. Details of Acquired Assets

4.1 Share Swap

The Company will acquire 487,000,000 new ordinary shares in BFIT (par value of THB 5 each) for THB 24.00 a share to be issued and allocated by BFIT to the Company in

the Private Placement as an in-kind consideration of the SCAP share sale. The details of BFIT are as follows:

(1) **Company's General Information**

Company's Name	Srisawad Finance Public Company Limited
Business type	Provide hire purchase loans to general individuals
Company's place of business	99/392 Srisawad Building, Floor 4, 6 Soi Chaengwattana 10, Intersection 3 (Benjamitr Intersection), Chaeng Watthana Road, Thung Song Hong Sub-district, Lak Si District, Bangkok
Corporate registration number	0107536000722
Company registration date	15 July 1993
Registered capital:	THB 2,756,236,215
Issued and paid-up capital	THB 2,756,236,205

(2) **List of top 10 shareholders as of 16 March 2022 which is the latest book closing date**

Number	Name	Number of shares	%
1.	Srisawad Corporation Public Company Limited	450,046,907	81.64
2.	Mr. Luchai Phukhanan	8,480,070	1.54
3.	Ms. Supaporn Ahunai	7,717,500	1.40
4.	Mrs. Jaruwan Jeampittayanuwat	7,531,805	1.37
5.	Thailand Securities Depository Company Limited for depositors	5,406,264	0.98
6.	Thai NVDR Company Limited	1,902,396	0.35
7.	Mr. Jittikhun Jeampittayanuwat	1,835,000	0.33
8.	Mr. Kiatchai Watcharaniti	1,800,000	0.33
9.	Mr. Jittipong Jiamphitayanuwat	1,324,400	0.24
10.	Mr. Boonrat Wonghathaithip	902,800	0.16
11.	Other shareholders	64,300,099	11.66
	Total	551,247,241	100.00

(3) **List of the Board of Directors as of 29 April 2022**

Number	Name	Position
1.	Mr. Suchart Leungsurasawad	Vice Chairman
2.	Mr. Thititham Rojanaphruek	Director
3.	Ms Duangchai Kaewbutta	Director
4.	Mr. Prawat Phatthaprasit	Director
5.	Ms Nantida Phatthanasakpinyo	Director
6.	Mr. Montree Chansungnoen	Director
7.	Mr. Kom Wachirawarakarn	Director
8.	Ms. Kanoknut Chonvanich	Director

(4) **Nature of business**

BFIT operates business of providing secured loans including auto title loan (only for loan contracts), house and land title loans (excluding sale with right of redemption). After the Transaction, BFIT will stop operating its current business and will operate hire purchase business for general retail customers who wish to buy new motorcycles from dealers. The ownership in these assets will be transferred to the hire purchaser when the instalment payment is made in full in accordance with the contract. In addition, BFIT also operates the supervised personal loan business. These two types of loan providing business are the main businesses which SCAP and the subsidiary are proficient at and operating currently.

(5) **Financial information**

Unit : THB	Financial statements for the year ended		
	31 Dec 2019	31 Dec 2020	31 Dec 2021
Statement of financial position			
Assets			
Interbank transactions and net money market	1,550	4,775	1,054
Loans to customers and accrued interest receivable, net	18,295	11,485	4,314
Other assets	854	3,322	8,882
Total assets	20,699	19,582	14,250
Liabilities			
Deposit	6,348	5,234	170

Unit : THB	Financial statements for the year ended		
	31 Dec 2019	31 Dec 2020	31 Dec 2021
Debenture and Loan	2,006	6	6
Other liabilities	3,063	4,745	4,330
Total liabilities	11,417	9,985	4,506
Shareholders' equity	9,282	9,597	9,744
Profit and loss statement			
Income of interest and official fee	3,315	3,561	1,556
Gross profit	3,410	3,816	1,676
Sale and Administrative expenses	1,840	1,554	726
Expected credit loss (reversal)	87	83	(255)
Profit before finance cost and income tax	1,483	2,179	1,205
Financial cost	467	221	62
Income tax expenses	205	391	230
Net profit	811	1,567	913
Total Comprehensive Net Profit	812	1,563	919

4.2 35 Percent Share Acquisition via BFIT

In addition to the 65 percent of SCAP's issued and paid-up shares that BFIT will receive from the Company, BFIT as the Company's subsidiary will accept transfer of 21,000,000 SCAP shares, representing 35 percent of SCAP's issued and paid-up shares from (1) Mr. Wichit and (2) other SCAP shareholders. BFIT will then hold 100 percent shares in SCAP. The details of SCAP are as follows:

(1) Company's General Information

Company's name	Srisawad Capital Company Limited
Business type	Providing unsecured loans (Personal Loan)
Company's place of business	99/392 Srisawad Building, Floor 4, 6 Soi Chaengwattana 10, Intersection 3 (Benjamitr Intersection), Chaeng Watthana Road, Thung Song Hong Sub-district, Lak Si District, Bangkok, 10210

Corporate registration number	0105562089148
Company registration date	21 May 2019
Registered capital	THB 300 million
Issued and paid-up capital	THB 300 million

(2) **List of all shareholders as of 16 March 2022 which is the latest book closing date**

Number	Name	Number of Shares	%
1.	Srisawad Corporation Public Company Limited	39,000,000	65.00
2.	Mr. Wichit Phayuhanaveechai	6,000,000	10.00
3.	Mr. Wuttichai Punyanok	3,600,000	6.00
4.	Miss Petchlada Chiewhatphong	3,000,000	5.00
5.	Mr. Narongrit nanthayapirom	3,000,000	5.00
6.	Mr. Woraphat Sethasompop	3,000,000	5.00
7.	Ms. Natwadee Sae Ngow	600,000	1.00
8.	Mr. Suthisak Tangwattanawongsa	600,000	1.00
9.	Mrs. Panipak Wattanapongwanich	600,000	1.00
10.	Ms. Thibai Pinwiset	300,000	0.50
11.	Ms Aree Pinwiset	300,000	0.50
Total		60,000,000	100.00

(3) **Board of Directors' members as of 29 April 2022**

Number	Name	Position
1.	Mr. Wichit Phayuhanaveechai	Director
2.	Ms Duangchai Kaewbutta	Director
3.	Mr. Somyot Ngerndamrong	Director
4.	Ms. Jiti Sopha Angapla-Ong	Director

(4) **Nature of business**

SCAP operates business of providing unsecured loans (Personal Loans) and hold shares in two subsidiaries operating business of providing hire purchase financing for new motorcycle, as follows:

- i. S Leasing Company Limited ("SLS"), holding 90 percent of the paid-up capital, and
- ii. Cathay Leasing Company Limited ("CLT"), holding 100 percent of paid-up capital

Characteristics of the business operation

Unsecured Personal Loan

Srisawad Capital Company Limited (SCAP) provides unsecured personal loans through tele-sales team channel. Emphasis is placed on customers with good history and financial stability but temporarily lacking liquidity, or those seeking alternative channel to access other funding sources. SCAP provides lending services to customers who earn monthly income not lower than THB 30,000. The installment period ranges between 12-60 months, with an interest rate of not exceeding 25% per annum. As of 31 December 2021, SCAP had 4,937 active accounts with an outstanding balance (before expected credit loss) of THB 1,503 million.

New Motorcycle Hire Purchase

SCAP Group by SLS provides hire purchase financing for new motorcycles. SLS provides hire purchase services to customers who want to buy a new motorcycle for various types and brands. Loan period ranges from 12-60 installments. SLS service is provided at motorcycle dealers in alliances with SCAP.

In April 2020, SCAP invested in the CTL which operates business of providing loan for hire purchase financing for new motorcycle as same as SCAP resulting the SCAP group enables to expand the market of hire purchase financing for new motorcycle. As of 31 December 2020, there were accounts receivable of motorcycle hire purchase loans totalling 77,142 contracts and the total amount of receivables under hire purchase contracts (before deducting allowance for credit losses) totally THB 3,904 million.

(5) Industry

Potential of Unsecured Personal Loan Industry

Based on the Bank of Thailand's survey of loan market conditions and trends, the demand for household loans is likely to increase for all types of loans. However, the overall household credit quality remains to be monitored, which has not improved. The Kasikorn Research Center said that the highlight of retail loan market in 2022 will be partly from digital lending which will steal market

share for traditional unsecured personal loans. However, if considering the demand for household loans and the company's target customers, the company estimates that it will be able to grow in line with the expected loan growth demand.

Potential of Motorcycle Hire Purchase Industry

Based on the Bank of Thailand's survey of loan market conditions and trends, the demand for motorcycle hire purchase loans is likely to grow according to consumer demand. Nevertheless, Office of the Consumer Protection Board may impose additional regulations governing car and motorcycle hire purchase business by way of limiting maximum interest rate and controlling other procedures that may be more stringent. As a result, lending operators may have to be stricter in lending which will subsequently restricts consumers' access to hire purchase loans. If there is an announcement from the Office of the Consumer Protection Board, the company may need to adjust its strategy accordingly in order to operate the hire purchase business on the basis of acceptable risks.

(6) Financial information

Unit : THB	Financial statements for the year ended		
	31 Dec 2019	31 Dec 2020	31 Dec 2021
Statement of financial position			
Assets			
Personal loan	103	1,007	1,469
Loan for new motorcycle hire purchase	-	727	3,840
Other assets	37	245	691
Total assets	140	1,979	6,000
Liabilities			
Loan from related business ⁽¹⁾	91	1,598	5,182
Other liabilities	17	131	243
Total liabilities	108	1,729	5,425
Shareholders' equity	32	250	575
Profit and loss statement			
Income of interest and official fee	1	132	1,139
Gross profit	1	149	1,218
Sale and Administrative expenses	18	136	489

Unit : THB	Financial statements for the year ended		
	31 Dec 2019	31 Dec 2020	31 Dec 2021
Bad Debt and Doubtful Debt	1	26	196
Profit before finance cost and income tax	(18)	(13)	533
Financial cost	(0)	(24)	(147)
Income tax expenses	-	-	(61)
Net profit	(18)	(37)	325
Net Profit Attributable to Shareholders of the Parent Company	(18)	(35)	294

5. Total value of consideration

5.1 Value of consideration

5.1.1 Share Swap

The Company will acquire 487,500,000 new ordinary shares in BFIT (par value of THB 5) for THB 24.0 each. To pay for the new ordinary shares, the Company will transfer to BFIT the 39,000,000 ordinary shares that it holds in SCAP, representing 65 percent of SCAP's issued and paid-up shares. The total consideration to the acquisition of new ordinary shares in BFIT will be THB 11,700 million.

5.1.2 35 Percent Share Acquisition via BFIT

BFIT, as the subsidiary of the Company, will accept transfer of 21,000,000 shares in SCAP, representing 35 percent of SCAP's issued and paid-up shares from (1) Mr. Wichit and (2) other SCAP shareholders. BFIT will issue 262,500,000 new ordinary shares (par value of THB 5 each) to (1) Mr. Wichit and (2) other SCAP shareholders as an in-kind payment at THB 24.00 a share, totalling the consideration of THB 6,300 million. The details are as specified below.

- (1) Up to 75,000,000 new ordinary shares of BFIT (par value of THB 5 each) for THB 24.00 a share to be allocated to Mr. Wichit, totalling THB 1,800 million; and
- (2) Up to 187,500,000 new ordinary shares of BFIT (par value of THB 5 each) for THB 24.00 a share to be allocated to other SCAP shareholders, totalling THB 4,500 million;

5.2 Payment method

5.2.1 Share Swap

The Company will pay consideration to BFIT in the form of 39,000,000 shares in SCAP (representing 65 percent of SCAP's issued and paid-up shares), totalling THB 11,700 million of in-kind consideration once all conditions of the Share Swap are satisfied.

5.2.2 35 Percent Share Acquisition via BFIT

The Company's subsidiary, BFIT, will pay consideration to (1) Mr. Wichit and (2) other SCAP shareholders in the form of 262,500,000 new ordinary shares in BFIT (par value of THB 5 each), totalling THB 6,300 million of consideration to the SCAP shares to be acquired from (1) Mr. Wichit and (2) other SCAP shareholders once all conditions in the Relevant Agreements are satisfied.

6. Value of Acquired Assets

6.1 Share Swap

The Company will acquire 487,500,000 new ordinary shares in BFIT (par value of THB 5 each). BFIT will offer new ordinary shares to the Company for THB 24.00 per share. The acquisition of new shares will take place on the date all conditions under the Relevant Agreements are satisfied.

6.2 35 Percent Share Acquisition via BFIT

The asset value to be acquired by the Company in the 35 Percent Share Acquisition via BFIT will be THB 6,300 million, which is calculated based on the 21,000,000 SCAP shares (par value of THB 5 each) that BFIT will receive from (1) Mr. Wichit and (2) Other SCAP Shareholders in accordance with the Relevant Agreements.

7. Criteria used to Determine the Value of Consideration

7.1 Share Swap

Consideration to the share swap will be 39,000,000 ordinary shares in SCAP held by the Company at a par value of THB 5 each, representing 65 percent of SCAP's issued and paid-up shares. The Company will sell these shares to BFIT for a total consideration of THB 11,700 million. The consideration value for SCAP Shares is based on the valuation of SCAP shares using Price to Earnings Ratio (P/E Ratio). The Company considers SCAP's 2022 projected earnings, at THB 797 million based on the financial projection prepared by SCAP management which was approved by SCAP's Board of Directors. The estimated net profit is based on THB 11,314 million new loans in 2022 which is deemed to be possible, because during the first three months of 2022, SCAP had already provided new loans to customers totalling THB 2,507 million (approximately THB 10,000 million if adjusted for a full year). The projected net profit in 2022 is also equivalent to return on loan portfolio of 8.6 percent, which approximates the actual ratio in 2021 at 9.2 percent.

For the P/E Ratios of comparable companies, the Company considers the P/E Ratio of the shares of companies in lending business that have recently listed their shares on the SET in the past two years, include 4 listed companies which are Heng Leasing and Capital Public Company Limited (HENG), Saksiam Leasing Public Company Limited (SAK), Next Capital Public Company Limited (NCAP), Ngern Tid Lor Public Company Limited (TIDLOR). The P/E Ratio of those IPO (Initial Public Offering) companies are 15.4 times, 13.9 times, 35.0 times and 29.0 times, respectively, equivalent to an average P/E Ratio of 23.3 times, when multiplied by the estimated net profit of SCAP in 2022 of THB 797 million, the share value of SCAP is estimated to be THB 18,570 million. The final purchase price is as negotiated and agreed between the buyer and the seller.

7.2 35 Percent Share Acquisition via BFIT

Consideration to the 35 percent share acquisition via BFIT will be 21,000,000 SCAP ordinary shares (par value of THB 5 each) that (1) Mr. Wichit and (2) Other SCAP Shareholders are holding, representing 35 percent of SCAP's issued and paid-up shares. Mr. Wichit and other SCAP shareholders will sell these shares to BFIT for a total consideration of THB 6,300 million. The price is determined based on the valuation of SCAP shares using Price to Earnings Ratio (P/E Ratio) as specified in Clause 7.1.

Basis of Determining Value of BFIT Shares

The Company considers the Volume-weighted Average Market Price of the Company's shares during 15 business days prior to the date that the Board of Directors resolved to propose to the shareholders meeting to consider and approve the transaction, which covers the period from 4 - 28 April 2022. However, during 27 - 28 April 2022, there was a significant increase in trading volume and unusual price movements. The Company's share price rose by 15.4%, while the Company's business, financial status, and operating results have not changed significantly. The Company, therefore, did not consider the share prices traded on those dates in determining offering price of the newly issued shares. During the period from 4 - 26 April 2022, the Company's shares were traded between THB 25.00 - 26.75, with a Volume-Weighted Average Price of THB 26.02 per share (Source: SETSMART). The final offering price of newly issued ordinary shares at THB 24.00 is based on the negotiation between the Buyer and the Sellers as well as consideration of the benefits to be reaped by the Company from business operation of SCAP, which, when compared to the historical average market price, there is a discount from the said market price of 7.8%.

8. Expected benefits to the Company

8.1 Share Swap

To purchase BFIT shares, the Company will pay for these ordinary shares with all SCAP shares held by the Company. This is an exchange of shares at the fair value of both shares, leaving BFIT and the Company with no funding difficulty doing the transaction. The Company will remain its indirect shareholding in SCAP through BFIT, and therefore the Company will still benefit from its shareholding in SCAP for a suitable proportion. In the meantime, BFIT can capitalize on its existing capital to

provide loans with high growth potential. This will generate returns for the Company and BFIT shareholders in the big picture.

After the transaction, BFIT will cease to provide vehicle registration loans and loans with houses and land as collateral. All of these loans will then be provided by Srisawad Power 2014 Company Limited ("S2014"), a subsidiary of the Company that currently provides vehicle registration loans and loans with houses and land as collateral (just like BFIT, but under different types of agreements and customer risks). With this, the same types of loans will be provided by one company, resulting in a clear business structure, centralized business administration, and less possibility of conflicts of interest within the Group in the future.

8.2 35 Percent Share Acquisition via BFIT

BFIT will hold 100 percent shares in SCAP, whereas existing shareholders of SCAP will hold all shares in BFIT. As a result, BFIT will have the management power, and benefit from returns on the operation of the SCAP Group. This will constitute a clear shareholding structure and a clear business structure for the Group, and less possibility of conflicts of interest within the Group in the future.

9. Source of Funds and Details of Securities Issued as Consideration

9.1 Share Swap

The Company will acquire 39,000,000 ordinary shares in SCAP that the Company holds, representing 65 percent of SCAP's issued and paid-up shares will be the Company's in-kind consideration to the BFIT new ordinary shares, totalling THB 11,700 million of consideration.

9.2 35 Percent Share Acquisition via BFIT

BFIT will pay the shares price to (1) Mr. Wichit and (2) other SCAP shareholders in form of 21,000,000 new ordinary shares (par value of THB 5 each). BFIT will allocate its 262,500,000 new ordinary shares (par value of THB 5 each) as in-kind consideration to the Private Placement investors which are (1) Mr. Wichit and (2) other SCAP shareholders for THB 5 a share, totalling THB 6,300 million.

10. Opinion of the Board of Directors on the Transaction

The Board of Directors (excluding the director who has interest regarding this matter) carefully considered the transactions and views that entering into the Share Swap and the 35 Percent Share Acquisition via BFIT create the best benefits to the Company and its shareholders as well as under reasonable conditions.

In this regard, Mr. Wichit Phayuhanaveechai, the director having interest was not present at the meeting on relevant agenda item and did not have the voting right at the Board of Directors' meeting.

11. Transaction Considerations

12.1 The business structure of the group company after the Share Swap and the 35 Percent Share Acquisition via BFIT

After the transactions, BFIT will stop operating its current business which consists of auto title loan (only for loan contracts), house and land title loans (excluding sale with right of redemption). S2014, a 100% subsidiary of SAWAD, which currently operates auto title loan business (only for hire purchase contracts), house and land title loans (Only the case of sale with right of redemption) will operate the said business instead of the Company, which will create centralized management for the same business and reduce potential risk of conflicts of interest.

The structure of lending business operation of the Company under the Group Company's Group after the restructuring would be as shown below,

BFIT + SCAP	Company's Group
Business of providing unsecured retail loan (personal loan)	Business of providing auto title loans
Business of providing hire purchase financing for new motorcycles.	Business of providing house and land title loans
	Businesses of asset management, debt collection, and non-life insurance brokerage

12.2 The control of the Company after the Share Swap and the 35 Percent Share Acquisition via BFIT

After the Share Swap and the 35 Percent Share Acquisition via BFIT, the Company will continue to be the BFIT's major shareholder having the control over the BFIT's business direction and management as the Company will continue to hold 72.05 percent of voting shares in BFIT.

12.3 The management structure after the Share Swap and the 35 Percent Share Acquisition via BFIT

BFIT will appoint three new directors, consisting of two representatives of the Company and Mr. Wichit Phayuhanaveechai, who is now a director and the chief executive officer of SCAP, and will be a director and the chief executive officer of BFIT, as per the details below. In this regard, the appointment of new directors is subject to the approval of the Board of Directors of BFIT and/or the meeting of BFIT's shareholders in accordance with relevant laws and Articles of Association of the Company.

No.	Names	Position
1.	Mr. Pini Puapan ⁽¹⁾	Chairman
2.	Mr. Suchart Leungsurasawad	Vice chairman / Independent director / Chief executive director
3.	Mr. Wichit Phayuhanaveechai	Director / Chief executive officer
4.	Mr. Thititham Rojapru ⁽¹⁾	Director / Executive director
5.	Ms Duangchai Kaewbutta ⁽¹⁾	Director
6.	Mrs. Vanaporn Pornkitipong ⁽¹⁾	Director
7.	Mr. Prawat Pataraprachit	Independent director / Executive director
8.	Ms. Nuntida Pattanasakpinyo	Independent director / Executive director
9.	Mr. Kom Wachirawarakarn	Independent director

(1) Director nominated by the Company

In addition, the management of BFIT will also change. The SCAP executives will be appointed by BFIT to be chiefs of departments, due to their experience and expertise in the unsecured personal loan business, and the business of lending for hire-purchases of new motorcycles.

12. The Opinion of the Audit Committee and/or Directors of the Company which differs from that of the Board of Directors as per Clause 10.

- None -