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No. CORS 241/2565

November 24, 2022

Re: The Acquisition of Consumer Finance Business of Home Credit in Indonesia and Philippines and the Summing of the Electronic Extraordinary General Meeting of Shareholders (e-EGM)

To: The President
The Stock Exchange of Thailand

Bank of Ayudhya Public Company Limited (the "Bank") hereby informs you that the Bank's Board of Directors Meeting No. 11/2565 (2022) held on November 23, 2022 has resolved as follows;

1. Approved to propose to the Extraordinary General Meeting of Shareholders to consider and approve the acquisition of consumer finance business of Home Credit businesses in Indonesia and Philippines to support growth and increase competitive advantage of the Bank's business in the long run with the details as follows;

Indonesia: The purchase of 75.0% of the share capital of PT. Home Credit Indonesia from Home Credit Indonesia B.V. and Ms. Wanda Ariestiani Evans with the consideration of approximately EUR 176.4 million or approximately THB 6.6 billion (the "Acquisition of Home Credit Indonesia"); and

Philippines: The purchase of 75.0% of the share capital of HC Consumer Finance Philippines, Inc. and 100.0% of share capital of HCPH Financing 1, Inc. and HCPH Insurance Brokerage, Inc. from HC Philippines Holdings B.V. and Filcommerce Holdings, Inc. with the consideration of approximately EUR 297.6 million or approximately THB 11.1 billion (the "Acquisition of Home Credit Philippines") (collectively the "Transaction of Home Credit Indonesia and Philippines").

The consideration of the Transaction of Home Credit Indonesia and Philippines is approximately EUR 473.9 million or approximately THB 17,700.8 million. The final consideration will be adjusted by the difference between audited book value at closing of the transaction and audited book as of December 31, 2021, according to terms and conditions in the share purchase agreement. Detail is disclosed in information memorandum regarding the acquisition of consumer finance business of Home Credit in Indonesia and Philippines.

In addition, it was resolved to delegate approval authority to the Board of Directors or the person to whom the Board of Directors delegates authority to determine and/or modify the process, timing, and other relevant matters necessary for the completion of the Transaction.

Note: Exchange rate of EUR 1 to THB 37.3513 based on Bank of Thailand as of November 16, 2022.

The above consideration is calculated on a round figure basis with one decimal place.

This transaction is subject to approval from the Bank of Thailand (“BOT”), Financial Services Authority (Otoritas Jasa Keuangan) of Indonesia (“OJK”), Bangko Sentral ng Pilipinas (“BSP”) Philippines Competition Commission (“PCC”) and the details of this transaction must be notified to Japanese Financial Services Agency (“JFSA”), Securities and Exchange Commission of Philippines, Commission for the Supervision of Business Competition of Indonesia (Komisi Pengawas Persaingan Usaha) (“KPPU”) and/or other relevant regulators for acknowledgment.

The highest transaction size is equivalent to 1.9%, calculated based upon the net profit basis, which is not classified as an asset acquisition transaction that requires the Bank to report the information memorandum thereon to the Stock Exchange of Thailand or to seek approval thereof from the shareholders meeting pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 (2008) 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). The Transaction of Home Credit Indonesia and Philippines is also not classified as a connected transaction of assets or services. The Bank is, therefore, not required to disclose the information memorandum to the SET nor to seek approval from shareholders pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 (2008) 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). Nonetheless, to comply with Section 107 of the Public Limited Company Act B.E. 2535 (1992) and Section 43 of the Financial Institution Business Act B.E. 2551 (2008), the Bank is obliged to submit this matter to the shareholders meeting for approval.

2. Approved to summon the e-EGM No.1/2566 (2023) on Tuesday, January 17, 2023 at 14.00 hrs. according to laws and regulations relating to electronic meeting, to consider the following agendas:

Agenda 1 To Adopt the Minutes of the Electronic Extraordinary General Meeting of Shareholders No. 1/2565 (2022) Held on September 1, 2022

Agenda 2 To Acknowledge the Payment of Interim Dividend for Six-Month Period Ended June 30, 2022

Agenda 3 To Consider and Approve the Acquisition of Consumer Finance Business of Home Credit Businesses in Indonesia and Philippines

Agenda 4 Other Business (if any)

3. Approved to determine the list of shareholders who are entitled to attend the Extraordinary General Meeting of Shareholders No.1/2566 (2023) (Record Date) on Thursday, December 8, 2022.

The shareholders are able to download the Notification of the e-EGM No.1/2566 (2023) and the meeting documents from the Bank’s website: www.krungsri.com from Tuesday, December 13, 2022 onwards.

For the shareholders who wish to attend e-EGM, please study registration procedures and granting of proxy as per the documents, which will be delivered to the shareholders together with Notice of Meeting.

Please be informed accordingly.

Yours sincerely,

-Signature-

(Mr. Seiichiro Akita)

President and Chief Executive Officer

Information Memorandum regarding the Acquisition of Consumer Finance Business
of Home Credit in Indonesia and Philippines

1. Date of Transaction

The acquisition of Consumer Finance Business of Home Credit in Indonesia and Philippines as details of transaction below

- (A) Acquisition of Home Credit Indonesia: Bank of Ayudhya Public Company Limited (the “Bank”), PT Adira Dinamika Multi Finance Tbk (“Adira”) and I Dewa Made Susila purchase 100.0% of the share capital of Home Credit Indonesia from Home Credit Indonesia B.V. and Ms. Wanda Ariestiani Evans
- (B) Acquisition of Home Credit Philippines: The Bank and MUFG Bank, Limited (“MUFG”) purchase of 100.0% of the share capital of Home Credit Philippines, including (i) HC Consumer Finance Philippines, Inc., (ii) HCPH Financing 1, Inc. and (iii) HCPH Insurance Brokerage, Inc. from HC Philippines Holdings B.V. and Filcommerce Holdings, Inc.

Transaction of Home Credit Indonesia and Philippines requires the approval from the shareholders of the Bank, the Bank of Thailand (“BOT”), Financial Services Authority (Otoritas Jasa Keuangan) of Indonesia (“OJK”) and Bangko Sentral ng Pilipinas (“BSP”) and Philippines Competition Commission (“PCC”) and the details of this transaction must be notified to Japanese Financial Services Agency (“JFSA”), Securities and Exchange Commission of Philippines, Commission for the Supervision of Business Competition of Indonesia (Komisi Pengawas Persaingan Usaha) (“KPPU”) and/or other relevant regulators for acknowledgment.

2. Related Parties and Relationship to the Bank

Purchaser	: 1) Bank of Ayudhya Public Company Limited (the “Bank”) 2) MUFG Bank, Limited (“MUFG”) 3) PT Adira Dinamika Multi Finance Tbk (“Adira”) and 4) I Dewa Made Susila
Seller	: 1) Home Credit Indonesia B.V. 2) HC Philippines Holdings B.V. 3) Filcommerce Holdings, Inc. and 4) Ms. Wanda Ariestiani Evans
Company	: 1) PT. Home Credit Indonesia 2) HC Consumer Finance Philippines, Inc. 3) HCPH Financing 1, Inc. and 4) HCPH Insurance Brokerage, Inc
Relationship between the Bank and Seller	: - None –

3. Nature of Transaction

(A) Acquisition of Home Credit Indonesia:

- the Bank purchases 75.0% of the share capital of PT. Home Credit Indonesia from Home Credit Indonesia B.V. and Ms. Wanda Ariestiani Evans with consideration of approximately EUR 176.4 million. As all shares that the Bank will receive is preferred share (Series A share), so the Bank will have 75.0% voting right of total voting right and 88.2110% of dividend payment and liquidation value of total dividend payment and liquidation value. The final consideration will be adjusted by the difference between audited book value at closing of the transaction and audited book as of December 31, 2021, according to terms and conditions in the share purchase agreement.
- Adira purchases 10.0% of the share capital of PT. Home Credit Indonesia from Home Credit Indonesia B.V. with consideration of approximately EUR 23.6 million. As all shares that Adira will receive is preferred share (Series A share), so Adira will have 10.0% voting right of total voting right and 11.7615% of dividend payment and liquidation value of total dividend payment and liquidation value. The final consideration will be adjusted by the difference between audited book value at closing of the transaction and audited book as of December 31, 2021, according to terms and conditions in the share purchase agreement.
- I Dewa Made Susila purchases 15.0% of the share capital of PT. Home Credit Indonesia from Home Credit Indonesia B.V. with consideration of approximately EUR 0.055 million. As all shares that I Dewa Made Susila will receive is ordinary share (Series B share), so I Dewa Made Susila will have 15.0% voting right of total voting right and receive dividend and liquidation proceed after preferred share (Series A share).

The consideration of Acquisition of Home Credit Indonesia is approximately EUR 199.9 million or approximately THB 7,466.5 million (Note: Exchange rate of EUR 1 to THB 37.3513 based on Bank of Thailand as of November 16, 2022). The final consideration will be adjusted by the difference between audited book value at closing of the transaction and audited book as of December 31, 2021, according to terms and conditions in the share purchase agreement.

The Bank has also entered into a put and call option agreement with I Dewa Made Susila, giving a right to the Bank to purchase 15.0% of the share capital of Home Credit Indonesia from I Dewa Made Susila and a right to I Dewa Made Susila to sell 15.0% of the share capital of Home Credit Indonesia to the Bank, according to terms and conditions in the agreement, and entered a memorandum of understanding (MOU) with Adira, giving a right to the Bank to ~~purchase~~ ~~sell~~ up to 15.0% of the share capital of Home Credit Indonesia ~~from~~ ~~to~~ Adira and a right to Adira to ~~sell~~ ~~purchase~~ up to 15.0% of the share capital of Home Credit Indonesia ~~to~~ ~~from~~ the Bank, subject to further negotiation and agreement between the Bank and Adira in the future.

[Note: The Bank has revised the Notification of the e-EGM No. 1/2023 and all supporting documents and uploaded the documents on the Bank's website at \[www.krungsri.com\]\(http://www.krungsri.com\) under Investors page: Shareholder Information topic on January 13, 2023.](#)

(B) Acquisition of Home Credit Philippines:

- the Bank purchases 75.0% of the share capital of HC Consumer Finance Philippines, Inc. and 100.0% of the share capital of HCPH Financing 1, Inc. and HCPH Insurance Brokerage, Inc. from HC Philippines Holdings B.V. and Filcommerce Holdings, Inc. with consideration of approximately

EUR 297.6 million. The Bank will have voting right, dividend payment and liquidation value in the same portion as their investment portion. The final consideration will be adjusted by the difference between audited book value at closing of the transaction and audited book as of December 31, 2021, according to terms and conditions in the share purchase agreement.

- MUFG purchases 25.0% of the share capital of HC Consumer Finance Philippines, Inc. from HC Philippines Holdings B.V. and Filcommerce Holdings, Inc. with consideration of approximately EUR 98.4 million. MUFG will have voting right, dividend payment and liquidation value in the same portion as their investment portion. The final consideration will be adjusted by the difference between audited book value at closing of the transaction and audited book as of December 31, 2021, according to terms and conditions in the share purchase agreement.

The consideration of Acquisition of Home Credit Philippines is approximately EUR 395.9 million or approximately THB 14,787.4 million (Note: Exchange rate of EUR 1 to THB 37.3513 based on Bank of Thailand as of November 16, 2022). The final consideration will be adjusted by the difference between audited book value at closing of the transaction and audited book as of December 31, 2021, according to terms and conditions in the share purchase agreement.

Shareholding Structure Pre and Post Acquisition of Home Credit Indonesia

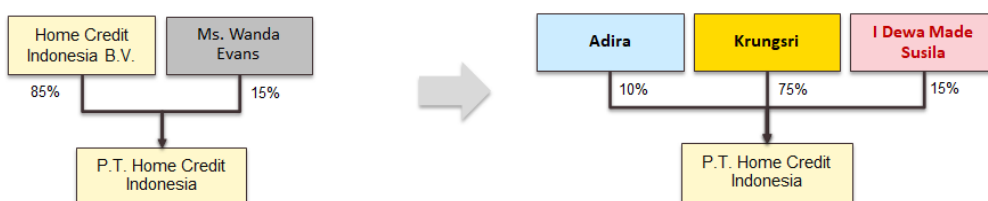


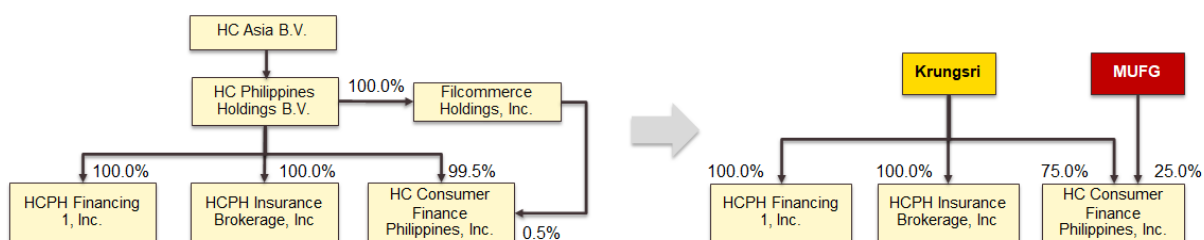
Table of Shareholding Structure and Consideration of Acquisition of Home Credit Indonesia

PT. Home Credit Indonesia

	Voting Right	Dividend payment and Liquidation value	Consideration (EUR million)
the Bank (A)	75.0%	88.2110%	176.4
Adira	10.0%	11.7615%	23.6
I Dewa Made Susila	15.0%	0.0275%	0.055
Total	100.0%	100.0000%	199.9

Note: The above consideration is calculated on a round figure basis

Shareholding Structure Pre and Post Acquisition of Home Credit Philippines



The Bank has considered the appropriateness of the shareholding structure in HC Consumer Finance Philippines, Inc. as well as the impact on the Bank's capital and capital adequacy ratio to maintain the capital to

support business risks in both the normal and crisis situations. Therefore, the Bank decided to invest in HC Consumer Finance Philippines, Inc at 75% of the share capital. This is in line with the Bank and MUFG's strategic plan that the Bank will focus to expand the consumer finance business to the regional level (ASEAN Expansion). The Bank will supervise HC Consumer Finance Philippines, Inc. as the major shareholder of HC Consumer Finance Philippines, Inc. and will comply with the relevant laws and regulations of the supervisory authorities, as well as exercising the rights of major shareholders to manage the Home Credit Philippines business to ensure the confidence of all stakeholders, including the Bank's minority shareholders.

Table of Shareholding Structure and Consideration of Acquisition of Home Credit Philippines

HC Consumer Finance Philippines, Inc.

	Voting Right	Dividend payment and Liquidation value	Consideration (EUR million)
the Bank (B)	75.0%	75.0%	295.0
MUFG	25.0%	25.0%	98.4
Total	100.0%	100.0%	393.3

HCPH Financing 1, Inc.

	Voting Right	Dividend payment and Liquidation value	Consideration (EUR million)
the Bank (C)	100.0%	100.0%	2.3
MUFG	0.0%	0.0%	-
Total	100.0%	100.0%	2.3

HCPH Insurance Brokerage, Inc.

	Voting Right	Dividend payment and Liquidation value	Consideration (EUR million)
the Bank (D)	100.0%	100.0%	0.5
MUFG	0.0%	0.0%	-
Total	100.0%	100.0%	0.5

Note: The above consideration is calculated on a round figure basis with one decimal place

The Bank invests in the Transaction of Home Credit Indonesia and Philippines, including transaction (A)+(B)+(C)+(D) with consideration of approximately EUR 473.9 million or approximately THB 17,700.8 million (Note: Exchange rate of EUR 1 to THB 37.3513 based on Bank of Thailand as of November 16, 2022). The final consideration will be adjusted by the difference between audited book value at closing of the transaction and audited book as of December 31, 2021, according to terms and conditions in the share purchase agreement.

4. Details of Asset Acquired

Home Credit Indonesia, one of players in the consumer finance industry in Indonesia, is engaged in the business of personal loan to consumers in the mass market and upper mass market since 2013. With strong brand and well-established omni-channel distribution, Home Credit Indonesia has become leading POS loan provider, serving mobile application user of approximately 11 million users and lending to approximately 5 million customers in Indonesia as of December 31, 2021.

Financial Summary of PT. Home Credit Indonesia

Unit :EUR million

	31 Dec 2019 (Audited)	31 Dec 2020 (Audited)	31 Dec 2021 (Audited)
Total assets	413	283	209
Total liabilities	326	228	143
Total shareholders' equity	87	55	66
Total revenue	213	201	155
Earnings before tax	12	-30	14
Net profit	7	-24	9

Note: Exchange rate of EUR 1 = IDR 16,197.47 based on Bank of Indonesia as of November 16, 2022

Home Credit Philippines, one of players in the consumer finance industry in Philippines, is engaged in the business of personal loan to consumers in the mass market and upper mass market. With strong brand and well-established omni-channel distribution, Home Credit Philippines has become leading POS loan provider, serving mobile application user of approximately 9 million users and lending to approximately 8 million customers in Philippines as of December 31, 2021.

Financial Summary of HC Consumer Finance Philippines, Inc.

Unit :EUR million

	31 Dec 2019 (Audited)	31 Dec 2020 (Audited)	31 Dec 2021 (Audited)
Total assets	761	512	595
Total liabilities	589	393	452
Total shareholders' equity	172	119	143
Total revenue	250	241	231
Earnings before tax	36	-33	21
Net profit	23	-28	16

Note: Exchange rate of EUR 1 = PHP 59.5075 based on Bank of Philippines as of November 16, 2022

Financial Summary of HCPH Financing 1, Inc.

Unit :EUR million

	31 Dec 2019 (Audited)	31 Dec 2020 (Audited)	31 Dec 2021 (Audited)
Total assets	20	10	5
Total liabilities	18	9	3
Total shareholders' equity	3	2	2
Total revenue	8	2	1
Earnings before tax	-1	-1	1
Net profit	0	-1	1

Note: Exchange rate of EUR 1 = PHP 59.5075 based on Bank of Philippines as of November 16, 2022

Financial Summary of HCPH Insurance Brokerage, Inc.

Unit :EUR million

	31 Dec 2019 (Audited)	31 Dec 2020 (Audited)	31 Dec 2021 (Audited)
Total assets	0.305	0.395	0.392
Total liabilities	0.002	0.002	0.002
Total shareholders' equity	0.302	0.393	0.390
Total revenue	0.001	0.001	0.000
Earnings before tax	-0.006	-0.003	-0.003
Net profit	-0.006	-0.003	-0.003

Note: Exchange rate of EUR 1 = PHP 59.5075 based on Bank of Philippines as of November 16, 2022

5. Rule to Determine Value of Consideration

For the fair value valuation of Home Credit Indonesia and Philippines, the Bank and the financial advisor determined the fair value through various methodologies which are residual income approach, dividend discount model approach, comparable companies approach, and precedent transaction. In addition, the final consideration was determined through the negotiation between the purchaser and the seller. Kiatnakin Phatra Securities Public Company Limited acts as the Bank's financial advisor.

6. Benefits to the Bank

The Bank expects that the acquisition of Home Credit Indonesia and Philippines to increase the Bank's competitive advantage of the Bank's consumer finance business in Indonesia and Philippines.

6.1 Opportunity to grow its business in Indonesia and Philippines with strong brand and well-established omni-channel distribution

The Bank can leverage Home Credit's strong presence in Indonesia and the Philippines. With Home Credit's strong brand awareness and well-established omni-channel distribution, HC Indonesia and HC

Philippines can potentially deliver additional complementary product offerings of the Bank as well as products of subsidiaries of the Bank to its customers.

6.2 Expanding customer base to be increase its potential in becoming a leading bank in Indonesia and Philippines

The Bank will be able to expand customer base in Indonesia and Philippines which would allow the Bank to capture long-term growth. As of December 31, 2021, Home Credit Indonesia and Philippines have more than 5 million and 8 million borrowers, respectively.

6.3 Strengthening the Bank's image and reputation in neighboring countries

Acquiring Home Credit Indonesia and Philippines will enable the Bank to participate in the development of Indonesia and Philippines's financial landscapes. The Bank believes that with its knowledge and experience in consumer finance business, the Bank will be able to help develop the financial sector of Indonesia and Philippines and strengthen its reputation in Indonesia and Philippines.

7. Sources of Financing

All investments for the acquisition will be made using the Bank's internal funds.

8. The Board of Directors' Resolution

The Board of Directors of the Bank has considered and opined that the Transaction is deemed as being for the benefits of the Bank and the shareholders, as the Transaction will help growing the Bank's business, increase competitive advantage and expand service capabilities of the Bank's business in the long run.
