



TCAP.CSO. 026/2021

7 July 2021

Subject: Notification of approval for the purchase of ordinary shares of the Company's subsidiaries from MBK Public Company Limited and notification of the resolution of the sale of debentures of Thai Airways International Public Company Limited of MBK Life Assurance Public Company Limited

To: The President  
The Stock Exchange of Thailand

Attachments: 1. Information regarding the purchase of ordinary shares from MBK Public Company Limited  
2. Information regarding the sale of debentures of Thai Airways International Public Company Limited of MBK Life Assurance Public Company Limited to Thanachart Capital Public Company Limited and MBK Public Company Limited

Thanachart Capital Public Company Limited (“the Company”) would like to inform the resolution to approve the purchase of the Company’s subsidiaries’ shares from MBK Public Company Limited (“MBK”) and the resolution of the sale of debentures of Thai Airways International Public Company Limited (“THAI”) of MBK Life Assurance Public Company Limited (“MBKL”) to MBK with details as follow:

1. The Board of Directors of the Company at its meeting No. 7/2021 has had a resolution to approve the purchase of the Company’s subsidiaries’ shares from MBK in the total amount owned by MBK. The details of which are as follows:

The subsidiaries that the Company will purchase shares	Number of shares and proportions held by MBK		Book value per share (Baht)	Trading price per share (Baht)	Total purchase price per company (Million Baht)	Number of shares and proportions held by the Company after the purchase of shares	
	Number of shares	Percent				Number of shares	Percent
MBK Life Assurance Public Company Limited (“MBKL”)	48,999,997	49	10.10	9.56	468.53	99,999,994	100
TM Broker Company Limited (“TM”)	979,998	49	13.58	13.58	13.31	1,999,996	100
MT Service 2016 Company Limited (“MTS”)	2,449,998	49	1.91	1.91	4.68	4,999,996	100
Total purchase value					486.52		

The Board also has had a resolution to buy THAI’s debentures from MBKL in proportion to its shareholding in MBKL. The details are in 2.

**บริษัท ทุนธชาติ จำกัด (มหาชน)**  
**Thanachart Capital Public Company Limited**

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In purchasing such shares, the Company appointed Silom Advisory Company Limited, an independent financial advisor approved by the Securities and Exchange Commission (“the SEC”), to assess the fair values of the three subsidiaries. The fair values of all three companies total 494.01 – 527.86 million baht. The reason for purchasing the shares of these three subsidiaries is to restructure the investment in the shares of all three companies which will enable the Company to fully manage by utilizing Thanachart Group’s potential and expertise. In addition, the agreed prices for the purchase of ordinary shares of the three subsidiaries are reasonable and close to the book values. As regards, the Board of Directors of MBK, at its meeting on 7 July 2021, has had a resolution to offer the three companies' ordinary shares for sale in accordance with the information that MBK disclosed to the Stock Exchange of Thailand.

2. The Board of Directors of MBKL's at its meeting No. 5/2021, dated 6 July 2021 has had a resolution to approve the sale of MBKL's debentures of THAI to the Company and MBK in the amount proportionate to their respective shareholding at net book value. The details are as follows:

2.1 Selling to the Company in the amount of 66,300 units totaling 29.89 million baht.

2.2 Selling to the MBK in the amount of 63,700 units totaling 28.72 million baht.

This transaction is related with the transaction 1 which MBKL must obtain approval from the life insurance registrar before proceeding.

Both transactions are regarded as connected transactions since MBK is a major shareholder of the Company, holding 11.15 percent of total issued and paid-up shares and MBK holds 49 percent of total issued and paid-up shares of MBKL. Regarding the transaction values calculated by referring to the consolidated financial statements of the Company which has been reviewed by the auditor for the period ended 31 March 2021, the size of transaction 1 equals 0.756 percent and the size of transaction 2 equals 0.046 percent. Both transactions are considered as medium size transactions that the Company is required to get an approval from the Board of Directors and disclose the information of the transactions with the connected person in accordance with 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, 2003 (“Notification on Connected Transactions”). Moreover, the transaction is regarded as asset acquisition in accordance with 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, 2004 (“Notification on Acquisition or Disposition”). However, the transaction size calculated according to the Notification on Acquisition or Disposition is less than 15 percent; therefore, the Company is not required to oblige with the Notification on Acquisition or Disposition.

In addition, the Company and its subsidiaries have had transactions with MBK and related parties of MBK in the past six months. The total transaction size from January 2021 to June 2021, including the purchase of ordinary shares of the three subsidiaries and the sale of MBKL's debentures of THAI to the Company and MBK, equals 0.815 percent of the net tangible assets of the Company.

Therefore, the Company would like to disclose the information on the share purchase transaction as mentioned above with the attached details.

Respectfully yours,

Thanachart Capital Public Company Limited

-Somjate Moosirilert-

(Mr. Somjate Moosirilert)

Chief Executive Officer

Corporate Secretary Office

Mr. Panupan Tuangthong Tel: 0-2217-8082

Mr. Angkarn Praonpan Tel: 0-2613-6007

**Attachment 1: Information Memorandum regarding Connected Transactions,  
Thanachart Capital Public Company Limited purchasing ordinary shares of the subsidiaries  
from MBK Public Company Limited.**

**(1) Date, month, and year of the transactions that are agreed upon**

Share purchase agreement and the transaction are expected to be completed within August 2021

**(2) Parties involved and their relationship**

Buyer: Thanachart Capital Public Company Limited (“the Company”)

Seller: MBK Public Company Limited (“MBK”)

Relationship

1) MBK is the major shareholder of the Company by holding 11.15 percent of the Company's issued and paid-up shares

2) The Company is the major shareholder of MBK by holding 22.26 percent of MBK's issued and paid-up shares

**(3) Nature of the assets to be traded**

The Company will purchase ordinary shares of the Company's subsidiary from MBK as follows:

The subsidiaries that the Company will purchase shares	Number of shares (proportion) held by MBK (Par value per share is 10 baht)	Number of shares and proportions of shareholding by the Company after the purchase of shares (Par value per share is 10 baht)
MBK Life Assurance Public Company Limited (“MBKL”)	48,999,997 shares (49 percent)	99,999,994 shares (100 percent)
TM Broker Company Limited (“TM”)	979,998 shares (49 percent)	1,999,996 shares (100 percent)
MT Service 2016 Company Limited (“MTS”)	2,449,998 shares (49 percent)	4,999,996 shares (100 percent)

Nature of business operations and summary of financial position and operating results

**MBKL**

MBKL operates life insurance business by offering individual life insurance and group life insurance which serve as financial security as well as life and health protection coverage for individuals, institutions, and organizations. There are various products consisting of

- Individual life insurance products are products suitable for future planning to strengthen life security in accordance with the objectives of each person.

- Personal accident products cover death, total permanent disability, and injuries caused by accident.
- Group life insurance are products for life insurance, accident insurance, and health insurance policies.
- Mortgage Reducing Term Assurance (MRTA) provides protection for individuals who are property loan borrowers. The objective is to prevent loan repayments from become burdens in the unfortunate event happening to borrowers.

Summary of operating results as at the end of 31 March 2021 is as follows:

As of 31 March 2021, MBKL total assets amounted to 6,896 million baht, a decrease of 168 million baht or 2.38 percent from the end of 2020. This was mainly due to a decrease in debt financial assets of 248 million baht. Total liabilities amounted to 5,886 million baht, a decrease of 234 million baht and owners' equity amounted to 1,010 million baht, an increase of 67 million baht.

For the operating results in the first quarter of 2021, MBKL reported a net profit of 128 million baht, an increase when compared to a net loss of 132 million baht in the first quarter of 2020. The main factors affected its performance was a decrease in net earned premium of 30 million baht, while total investment income increased by 98 million baht as a result of the impact from a decrease in fair value loss on financial instrument. At the same time, insurance expenses decreased by 219 million baht mainly from the decreased in long-term insurance policy reserves due to the fact that the Zero Coupon Yield of the government bonds using to calculate insurance reserve according to the Gross Premium Valuation (GPV) increased.

## **TM**

TM provides life and non-life insurance brokerage services by introducing or offering life and non-life insurance products as well as introducing financial products such as loans to customers and alliance of its shareholders. In addition, it organizes training activities for personnel of Thanachart Group, member companies of MBK, trading partners, personnel of trading partners and members of the general public who are interested in becoming insurance brokers or agents.

Summary of operating results as at the end of 31 December 2020 is as follows:

As of 31 December 2020, total assets of TM amounted to 112.71 million baht, an increase of 3.18 million baht from the end of 2019. This was mainly due to an increase of 12.27 million baht in cash and cash equivalents and an increase of 5.53 million baht in trade and other receivables, while accrued income decreased by 15.82 million baht. Total liabilities amounted to 88.68 million baht and total shareholders' equity amounted to 24.03 million baht.

For the year 2020, TM had a net profit of 3.88 million baht, an increase of 3.60 million baht, due to an increase in brokerage income of 2.61 million baht and an increase in other service income of

16.74 million baht. At the same time, total expenses increased by 15.29 million baht which was in accordance with the increased in revenue.

## MTS

MTS operates back office and business support services for MBKL and TM, which are divided into accounting and finance, human resources, operations, systems and regulations development, legal, administrative and procurement, and information technology.

Summary of operating results as at the end of 31 December 2020 is as follows:

As of 31 December 2020, total assets of MTS amounted to 19.92 million baht, a decrease of 2.28 million baht from the end of 2019. Total liabilities and shareholders' equity amounted to 11.31 million baht and 8.61 million baht, respectively.

For 2020 operating results, MTS had a net loss of 0.91 million baht, a decrease from a net loss of 10.67 million baht in 2019. This was due to an increase in service income of 1.59 million baht and a decrease in expenses of 8.32 million baht.

Financial statements of the subsidiaries that the Company will purchase shares are attached

#### (4) Total value and criteria used to determine the total value of the transaction

The Company appointed Silom Advisory Company Limited, a financial advisor approved by the Securities and Exchange Commission (“the SEC”), to assess the fair value of the three subsidiaries. The total value of the cash compensation and the fair value assessed by the financial advisor are as follows:

Companies	Number of shares (shares)	Book value per share (Baht)	Purchase price per share (Baht)	Total purchase value (million baht) (Total value paid in cash)	Fair value (from the financial advisor)
MBKL	48,999,997	10.10	9.56	468.53	476.03 – 509.88
TM	979,998	13.58	13.58	13.31	13.31
MTS	2,449,998	1.91	1.91	4.68	4.68
				<b>486.52</b>	<b>494.01 – 527.86</b>

Note: MBKL's book value is based on the reviewed financial statements for the three-month period ended 31 March 2021.

The book values of TM and MTS are based on the internal financial statements for the five-month period ended 31 May 2021.

#### Criteria used to determine the total value of consideration

- For MBKL, the financial advisor uses Actuarial Appraisal of Economic Value approach to determine the fair values. This is because such method is suitable and generally accepted for valuation of the insurance businesses. Taking into account the value of the assets and the current financial status, the Company determines the purchase price by using the Adjusted Embedded Value method, which is in the range of the fair values assessed by the financial advisor.
- For TM and MTS, the book values are appropriate as recommended by the financial advisor. This is because the sizes of the businesses and the proportions of the performance of the two companies are insignificant to the Company.

#### **(5) The names of the connected person involved**

The Company and MBK are the major shareholders of each other by cross-shareholding as follows:

- MBK is the major shareholder of the Company by holding 11.15 percent of the Company's issued and paid-up shares.
- The Company is the major shareholder of MBK by holding 22.26 percent of MBK's total issued and paid-up shares.

Moreover, there are persons who are joint directors of both the Company and MBK as follows:

- Mr. Banterng Tantivit, Chairman of the Board of Directors of the Company is the Chairman of the Board of Directors of MBK.
- Mr. Suphadej Poonpipat, Vice Chairman of the Board of Directors and Chairman of the Executive Committee of the Company is the Vice Chairman of the Board of Directors, the Chairman of the Executive Committee, and the Chairman of the Compensation and Nomination Committee of MBK.

#### **(6) Characteristics and scope of interests of connected person upon agreement to enter into such connected transaction**

As stated by number (5)

#### **(7) The source of funds used and the adequacy of working capital**

As of 31 May 2021, the Company has liquidity in the amount of 4,458 million baht. Until the end of December 2021, the Company does not have any debt obligation.

#### **(8) Statement indicating that the director who has interests and/or the director who is a connected person does not attend the meeting and has no right to vote at the meeting.**

In the Board of Directors Meeting No. 7/2021 held on 28 June 2021, Mr. Banterng Tantivit and Mr. Suphadej Poonpipat, directors of the Company who are directors of MBK, were not present in the

meeting to consider and vote for the agenda regarding the approval of purchasing ordinary shares of subsidiaries from MBK.

**(9) Opinions of the Board of Directors of the Company in relation to a decision to enter into a transaction indicating the reasonableness and maximum benefit of the Company**

This transaction is to restructure the investment in the shares of all three companies which will enable the Company to fully manage by utilizing Thanachart Group's potential and expertise. In addition, the agreed prices for the purchase of ordinary shares of the three subsidiaries are reasonable and close to the book values.

**(10) Opinion of the Company's Audit Committee and/or directors of the Company which differs from the opinions of the Board of Directors of the Company**

-None-



Annex to Attachment 1: Financial Statements of MBK Life Insurance Public Company  
Limited

**MBK Life Assurance Public Company Limited**

**Statement of financial position**

**As at 31 March 2021**

	(Unit: Baht)	
	31 March 2021	31 December 2020
	(Unaudited but reviewed)	(Audited)
<b>Assets</b>		
Cash and cash equivalents	117,894,848	110,219,745
Premium receivables	63,375,297	23,483,820
Accrued investment income	93,749,262	87,402,103
Reinsurance assets	44,557,162	18,549,402
Reinsurance receivables	81,983,899	98,802,685
Debt financial assets	5,882,635,632	6,131,160,414
Equity financial assets	271,620,900	291,237,965
Loans and interest receivables	246,140,217	209,797,929
Equipment	13,391,951	12,141,264
Right-of-use assets	8,952,852	9,459,739
Intangible assets	6,898,734	7,176,807
Other assets	64,526,145	64,260,021
<b>Total assets</b>	<u>6,895,726,899</u>	<u>7,063,691,894</u>

**MBK Life Assurance Public Company Limited****Statement of financial position (continued)**

As at 31 March 2021

	(Unit: Baht)	
	31 March 2021	31 December 2020
	(Unaudited but reviewed)	(Audited)
<b>Liabilities and owners' equity</b>		
<b>Liabilities</b>		
Insurance contract liabilities	5,684,899,320	5,918,586,356
Due to reinsurers	114,225,549	114,994,006
Lease liabilities	9,042,811	9,504,391
Employee benefit obligations	11,984,687	11,558,204
Deferred tax liabilities	21,945,069	25,072,361
Other liabilities	43,828,625	40,725,660
<b>Total liabilities</b>	<b>5,885,926,061</b>	<b>6,120,440,978</b>
<b>Owners' equity</b>		
Share capital		
Registered		
100,000,000 ordinary shares of Baht 10 each	1,000,000,000	1,000,000,000
Issued and fully paid-up		
100,000,000 ordinary shares of Baht 10 each	1,000,000,000	1,000,000,000
Retained earnings		
Appropriated - statutory reserve	17,784,396	17,784,396
Unappropriated	53,229,720	(74,941,444)
Other components of equity	(61,213,278)	407,964
<b>Total owners' equity</b>	<b>1,009,800,838</b>	<b>943,250,916</b>
<b>Total liabilities and owners' equity</b>	<b>6,895,726,899</b>	<b>7,063,691,894</b>

(Unaudited but reviewed)

**MBK Life Assurance Public Company Limited**

**Statement of comprehensive income**

**For the three-month period ended 31 March 2021**

	(Unit: Baht)	
	2021	2020
		(Restated)
<b>Profit or loss:</b>		
<b>Revenues</b>		
Gross premium written	131,022,291	141,574,912
Less: Premium ceded to reinsurers	(35,969,902)	(22,678,408)
Net premium written	95,052,389	118,896,504
Less: Unearned premium reserves increased from prior period	(25,878,382)	(19,926,733)
Net earned premium	69,174,007	98,969,771
Commission and brokerage income	713,656	319,655
Net investment income	29,225,834	47,155,561
Gain on financial instrument	1,388,527	12,277,158
Fair value loss on financial instrument	(3,978,849)	(131,135,841)
Other income	19,343	6,468,942
<b>Total revenues</b>	96,542,518	34,055,246
<b>Expenses</b>		
Long-term insurance policy reserves decreased	(284,024,906)	(437,757,160)
Benefit payments under life policies and claims	218,866,651	608,281,358
Less: Benefit payments under life policies and claims refundable from reinsurers	(18,284,637)	(30,854,184)
Commissions and brokerages expenses	19,034,922	13,534,966
Other underwriting expenses	3,357,657	4,317,888
Operating expenses	29,386,054	34,502,379
Finance costs	122,180	
Expected credit losses	715,748	174,769
<b>Total expenses</b>	(30,826,331)	192,200,016
<b>Profit (loss) before income tax expenses</b>	127,368,849	(158,144,770)
Income tax revenues	802,315	26,538,741
<b>Profit (loss) for the period</b>	128,171,164	(131,606,029)

(Unaudited but reviewed)

**MBK Life Assurance Public Company Limited**  
**Statement of comprehensive income (continued)**  
**For the three-month period ended 31 March 2021**

	2021	2020
		(Restated)
(Unit: Baht)		
<b>Other comprehensive income:</b>		
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>		
Gain (loss) on debt instrument measured at fair value through other comprehensive income	(42,787,467)	1,809,108
Gain on sales of debt instrument during the period transferred to be recognised in profit or loss	(1,541,687)	(932,387)
Total other comprehensive income	(44,329,154)	876,721
Add (less): Income tax effect	2,324,977	(175,344)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	(42,004,177)	701,377
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>		
Loss on equity instrument designated at fair value through other comprehensive income	(19,617,065)	(150,952,192)
Total other comprehensive income	(19,617,065)	(150,952,192)
Add: Income tax effect	-	32,088,824
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	(19,617,065)	(118,863,368)
<b>Other comprehensive income for the period - net of income tax</b>	(61,621,242)	(118,161,991)
<b>Total comprehensive income for the period</b>	66,549,922	(249,768,020)
<b>Earnings per share:</b>		
Earnings (loss) per share		
Profit (loss) for the period	1.28	(1.88)
Weighted average number of ordinary shares (share)	100,000,000	70,000,000

Annex to Attachment 1: Financial Statements of TM Broker Company Limited

**TM Broker Company Limited**  
**Statement of financial position**  
**As at 31 December 2020**

	(Unit: Baht)	
	2020	2019
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	32,421,418	20,147,521
Fixed deposits	304,467	-
Trade and other receivables	30,290,737	24,757,557
Accrued income	42,710,682	58,528,364
Other current assets	411,413	229,744
<b>Total current assets</b>	<b>106,138,717</b>	<b>103,663,186</b>
<b>Non-current assets</b>		
Restricted bank deposits	2,596,882	2,572,130
Deposits	365,050	618,940
Equipment	2,954,478	1,996,542
Intangible asset	657,168	678,677
<b>Total non-current assets</b>	<b>6,573,578</b>	<b>5,866,289</b>
<b>Total assets</b>	<b>112,712,295</b>	<b>109,529,475</b>

**TM Broker Company Limited****Statement of financial position (continued)****As at 31 December 2020**

	(Unit: Baht)	
	2020	2019
<b>Liabilities and shareholders' equity</b>		
<b>Current liabilities</b>		
Trade and other payables	31,935,751	31,824,702
Short - term loans from shareholders	7,000,000	2,000,000
Accrued expenses	46,726,821	52,555,791
Other current liabilities	955,821	244,191
<b>Total current liabilities</b>	<u>86,618,393</u>	<u>86,624,684</u>
<b>Non-current liability</b>		
Provision for long-term employee benefits	2,067,575	2,758,926
<b>Total non-current liability</b>	<u>2,067,575</u>	<u>2,758,926</u>
<b>Total liabilities</b>	<u>88,685,968</u>	<u>89,383,610</u>
<b>Shareholders' equity</b>		
Share capital		
Registered		
2,000,000 ordinary shares of Baht 10 each	20,000,000	20,000,000
Issued and fully paid-up		
2,000,000 ordinary shares of Baht 10 each	20,000,000	20,000,000
Retained earnings	4,026,327	145,865
<b>Total shareholders' equity</b>	<u>24,026,327</u>	<u>20,145,865</u>
<b>Total liabilities and shareholders' equity</b>	<u><u>112,712,295</u></u>	<u><u>109,529,475</u></u>

**TM Broker Company Limited****Income statement****For the year ended 31 December 2020**

	(Unit: Baht)	
	2020	2019
<b>Revenues</b>		
Service income		
Brokerage income	93,707,001	91,094,398
Other service income	86,066,647	69,330,191
Other income	188,073	275,213
<b>Total revenues</b>	<u>179,961,721</u>	<u>160,699,802</u>
<b>Expenses</b>		
Cost services	160,511,647	146,006,625
Administrative expenses	14,547,895	13,987,888
Loss on sales of assets	223,537	-
<b>Total expenses</b>	<u>175,283,079</u>	<u>159,994,513</u>
<b>Profit before finance cost</b>	4,678,642	705,289
Finance cost	(223,679)	(194,124)
<b>Profit before income tax expenses</b>	<u>4,454,963</u>	<u>511,165</u>
Less: Income tax expense	(574,501)	(238,891)
<b>Net profit for the year</b>	<u><u>3,880,462</u></u>	<u><u>272,274</u></u>

Annex to Attachment 1: Financial Statements of MT Service Company Limited

**MT Service 2016 Company Limited**

**Statement of financial position**

**As at 31 December 2020**

	(Unit: Baht)	
	2020	2019
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	16,266,382	8,442,119
Accrued investment income	97	283
Current investment	-	8,903,004
Accrued income	1,733,555	1,611,640
Other current assets	1,470,197	2,638,322
<b>Total current assets</b>	<u>19,470,231</u>	<u>21,595,368</u>
<b>Non-current assets</b>		
Deposits	446,250	597,123
<b>Total non-current assets</b>	<u>446,250</u>	<u>597,123</u>
<b>Total assets</b>	<u><u>19,916,481</u></u>	<u><u>22,192,491</u></u>



**MT Service 2016 Company Limited****Statement of financial position (continued)****As at 31 December 2020**

	(Unit: Baht)	
	2020	2019
<b>Liabilities and shareholders' equity</b>		
<b>Current liabilities</b>		
Other payables	373,101	341,869
Accrued expenses	4,567,523	4,734,749
<b>Total current liabilities</b>	<u>4,940,624</u>	<u>5,076,618</u>
<b>Non-current liabilities</b>		
Provision for long-term employee benefits	6,367,023	7,598,217
<b>Total non-current liabilities</b>	<u>6,367,023</u>	<u>7,598,217</u>
<b>Total liabilities</b>	<u>11,307,647</u>	<u>12,674,835</u>
<b>Shareholders' equity</b>		
Share capital		
Registered		
5,000,000 ordinary shares of Baht 10 each	<u>50,000,000</u>	<u>50,000,000</u>
Issued and fully paid-up		
5,000,000 ordinary shares of Baht 10 each	50,000,000	50,000,000
Deficits	<u>(41,391,166)</u>	<u>(40,482,344)</u>
<b>Total shareholders' equity</b>	<u>8,608,834</u>	<u>9,517,656</u>
<b>Total liabilities and shareholders' equity</b>	<u><u>19,916,481</u></u>	<u><u>22,192,491</u></u>

**MT Service 2016 Company Limited****Income statement****For the year ended 31 December 2020**

	(Unit: Baht)	
	2020	2019
<b>Revenues</b>		
Service income	27,490,923	25,903,017
Interest income	107,317	248,056
Fair value gain on revaluation	-	1,185
Other income	-	400
<b>Total revenues</b>	<u>27,598,240</u>	<u>26,152,658</u>
<b>Expenses</b>		
Cost of services	24,981,076	32,294,772
Administrative expenses	3,524,398	4,529,450
Loss on investments	-	965
Fair value loss on revaluation	1,588	-
<b>Total expenses</b>	<u>28,507,062</u>	<u>36,825,187</u>
<b>Loss for the year</b>	<u>(908,822)</u>	<u>(10,672,529)</u>

**Attachment 2: Information Memorandum regarding Connected Transactions,  
The sale of debentures of Thai Airways International of MBK Life Assurance Public  
Company Limited to Thanachart Capital Public Company Limited and MBK Public  
Company Limited**

**(1) Date, month, and year of the transactions that are agreed upon**

The agreement to sell the debentures of Thai Airways International Public Company Limited (“THAI”) to 2 major shareholders and the trading transaction are expected to be within August 2021. In this regard, MBKL must obtain approval from the life insurance registrar before proceeding.

**(2) Parties involved and their relationship**

Buyer: Thanachart Capital Public Company Limited (“the Company”) and MBK Public Company Limited (“MBK”)

Seller: MBK Life Assurance Insurance Public Company Limited (“MBKL”)

Relationship

- 1) MBK is the major shareholder of the Company by holding 11.15 percent of the Company's issued and paid-up shares
- 2) MBKL is a subsidiary in which the Company holds 51.00 percent of the issued and paid-up shares and MBK holds 49.00 percent of the issued and paid-up shares. The Company is the major shareholder of MBK, holding 22.26 percent of the issued and paid-up shares of MBK

**(3) Nature of the assets to be traded**

MBKL will sell debentures of THAI, which is operating in airline business and aviation and transportation support group, to the Company and MBK. The details are as follows:

<b>Specific name of the debentures</b>	Thai Airways International Public Company Limited's Debentures No. 2/2018, Series 2, due 2020	Thai Airways International Public Company Limited's Debentures No. 1/2018, Series 1, due in 2023	Thai Airways International Public Company Limited's Debentures No. 2/2018, Series 6, due in 2030
<b>Type of debentures</b>	Unsubordinated and unsecured debentures with a debentureholders' representative in the name-registered certificate	Unsubordinated and unsecured debentures with a debentureholders' representative in the name-registered certificate	Unsubordinated and unsecured debentures with a debentureholders' representative in the name-registered certificate
<b>Value offered per unit</b>	1,000 baht	1,000 baht	1,000 baht
<b>Issue date</b>	16 August 2018	28 February 2018	16 August 2018
<b>Tenor (years)</b>	2 years	5 years	12 years

<b>Maturity date</b>	16 August 2020		28 February 2023		16 August 2030	
<b>Credit rating</b>	D by TRIS Rating Co., Ltd.		--		--	
<b>Number of units sold (units)</b>	The Company 5,100	MBK 4,900	The Company 51,000	MBK 49,000	The Company 10,200	MBK 9,800
<b>Total sales value (baht)</b>	The Company 29,891,925.37			MBK 28,719,693.00		
<b>Objectives of the transaction</b>	Part of the transaction that the Company purchases ordinary shares of MBKL, MTS, and TM from MBK					

**(4) Total value and criteria used to determine the total value of the transaction**

Net book value (Net Value)

**(5) The names of the connected person involved**

The Company and MBK are the major shareholders of each other by cross-shareholding as follows:

- MBK is the major shareholder of the Company by holding 11.15 percent of the Company's issued and paid-up shares.
- MBKL is a subsidiary in which the Company holds 51.00 percent of the issued and paid-up shares and MBK holds 49.00 percent of the issued and paid-up shares.
- The Company is the major shareholder of MBK by holding 22.26 percent of MBK's total issued and paid-up shares.

Moreover, there are persons who are joint directors of both the Company and MBK as follows:

- Mr. Suphadej Poonpipat, Vice Chairman of the Board of Directors and Chairman of the Executive Committee of the Company, is the Vice Chairman of the Board of Directors, the Chairman of the Executive Committee, and the Chairman of the Compensation and Nomination Committee of MBK and Chairman of the Board of Directors of MBKL.
- Mr. Kamtorn Tantisirivat, Executive Vice President – Finance Division of the Company, is the director of MBKL.
- Mrs. Thanawan Chaisithikarnkha, Senior Vice President – Accounting Department of the Company, is the director of MBKL.
- Mr. Suvait Theeravachirakul, Director and CEO of MBK, is the director of MBKL.
- Mr. Soomboon Prasobpiboon, Assistant Senior Executive Vice President – Business Development Division of MBK, is the director of MBKL.

- (6) Characteristics and scope of interests of connected person upon agreement to enter into such connected transaction

As stated by number (5)

- (7) Statement indicating that the director who has interests and/or the director who is a connected person does not attend the meeting and has no right to vote at the meeting.

At the MBKL's Board of Directors Meeting No. 5 held on 6 July 2021

Mr. Suphadej Poonpipat, Mr. Kamtorn Tantisirivat, and Mrs. Thanawan Chaisithikarnkha were not present at the meeting to consider and vote for the agenda approval selling THAI's debentures to the Company.

Mr. Suvait Theeravachirakul and Mr. Soomboon Prasobpiboon were not present at the meeting to consider and vote for the agenda approval selling THAI's debentures to MBK.

- (8) Opinion of the Board of Directors of MBKL in relation to a decision to enter into a transaction indicating the reasonableness and maximum benefit to MBKL

The selling price at the net book value is reasonable.

- (9) Opinion of the Audit Committee and/or directors of the MBKL which differs from the opinions of the Board of Directors of MBKL

-None-