

Minutes of the Extraordinary General Meeting of Shareholders No. 1/2021

of KASIKORNBANK PUBLIC COMPANY LIMITED

Thursday, August 26, 2021

via electronic media pursuant to the Emergency Decree on Electronic Media Conference B.E. 2563 (2020)

and other related laws and regulations

The Meeting convened at 14.00 hours.

Ms. Kobkarn Wattanavrangkul, Chairperson of the Board and Lead Independent Director, acted as Chairperson of the Meeting. Also present at the Meeting were chief executive officer, presidents, directors, executives of the Bank and an independent financial advisor, as listed below:

Eighteen directors participated in the Meeting, accounting for 100.00 percent of the total number of directors, including:

Ms. Kobkarn Wattanavrangkul	Chairperson of the Board and Lead Independent Director
Ms. Sujitpan Lamsam	Vice Chairperson
Ms. Kattiya Indaravijaya	Chief Executive Officer
Mr. Pipit Aneaknithi	President
Mr. Patchara Samalapa	President
Mr. Krit Jitjang	President
Dr. Pipatpong Poshyanonda	President
Sqn.Ldr. Nalinee Paiboon, M.D.	Independent Director and Chairperson of the Corporate Governance Committee
Mr. Saravoot Yoovidhya	Independent Director
Dr. Piyasvasti Amranand	Independent Director and Chairman of the Risk Oversight Committee
Mr. Kalin Sarasin	Independent Director and Chairman of the Audit Committee
Mr. Wiboon Khusakul	Independent Director
Ms. Suphajea Suthumpun	Independent Director and Chairperson of the Human Resources and Remuneration Committee
Mr. Sara Lamsam	Non-Executive Director
Mr. Chanin Donavanik	Independent Director
Ms. Jainnisa Kuvichkul Chakrabandhu Na Ayudhya	Independent Director
Ms. Chonchanum Soonthornsaratoon	Director and Legal Advisor
Mr. Suroj Lamsam	Non-Executive Director

There were executives of the Bank, totaling 4 persons, present at the Meeting, namely:

Dr. Adit Laixuthai	Corporate Secretary and Senior Executive Vice President
Mr. Chongrak Rattanapian	Chief Financial Officer and Senior Executive Vice President
Mr. Surat Leelatawatt	Executive Vice President
Mr. Porvarate Chetphongphan	Executive Vice President

An independent financial advisor representing Jay Capital Advisory Limited was present at the Meeting, namely:

Ms. Jirayong Anuman-Rajadhon	President
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The Chairperson of the Meeting thanked the shareholders for attending the Bank's Extraordinary General Meeting of Shareholders No.1/2021, and informed the Meeting that representatives from a legal consulting firm, Baker & McKenzie Limited, were invited to audit the Meeting and vote-counting results.

The Corporate Secretary informed the Meeting that there were 67 shareholders present in person and 2,337 shareholders represented through proxies, or a total of 2,404 shareholders, holding altogether 1,070,017,219 shares, representing 45.1612 percent of total shares sold, exceeding one-third of total shares sold. A quorum was thus constituted in accordance with the Bank's Articles of Association.

The Chairperson, therefore, declared the Extraordinary General Meeting of Shareholders No.1/2021 open.

During the Meeting more shareholders and proxies entered, totaling 31 and 1 persons, respectively. Thus, there were 98 shareholders attending the Meeting in person, and 2,338 shareholders represented through proxies, making up a total of 2,436 shareholders, holding altogether 1,071,222,636 shares, or 45.2120 percent of total shares sold.

The Chairperson, then, invited shareholders and proxies to listen to an explanation on voting and vote-counting procedures, as summarized below:

The voting is based on the principle of one share equals one vote. For each agenda item, each shareholder is eligible to cast his/her vote to either approve, or disapprove, or abstain from voting. Exceptions are made for proxy holders for foreign investors who appoint custodians in Thailand to safeguard their clients' securities, using Proxy Form C.

To cast a vote for each agenda item, shareholders, who wish to approve, disapprove, or abstain from voting can cast their votes via the Inventech Connect system. Shareholders who cancel the most recent votes or abstain from voting at any agenda shall be deemed to have approved the agenda. The votes cast can be changed until the closing of the voting session for that agenda. If a shareholder has been authorized for multiple accounts, select "User Icon", and press the "Switch Account" button to access other accounts.

In an event that a shareholder leaves the Meeting prior to the closing of a voting session for any agenda, the system shall exclude the shareholders' votes from that agenda. However, the shareholder can rejoin the Meeting and cast vote on the ongoing agenda until the closing of its voting session.

In the vote-counting process, a resolution will require the majority votes of shareholders, who are in attendance and eligible to vote at the Meeting.

To count the votes in approval for each agenda, the Bank will deduct the total votes cast in disapproval and abstentions, from the votes of all shareholders being entitled to vote at the Meeting and by proxies. Shareholders who have cast their votes in advance or entrusted the Bank's directors as their proxies to attend the Meeting and cast their votes on their behalf, will have their votes cast according to their wishes.

The Bank will announce the voting results after the completion of vote counting of the agenda item.

Shareholders or proxies can make inquiries and/or express their views via the Q&A channel and the VDO conference channel on the Cisco Webex meeting system. Shareholders are required to give their full name and status as a shareholder or proxy so that the Bank can record such details in the Meeting's minutes in due course.

The Corporate Secretary informed the Meeting that to promote good corporate governance regarding the right of shareholders, the Bank had provided shareholders the opportunity to submit questions regarding the agenda of the Meeting in advance. As some questions regarding the agenda of the Meeting were submitted to the Bank in advance, the Bank shall respond to those questions in the related agenda of the Meeting.

To ensure that the Meeting was as concise as possible, the Bank reserved the right to respond to the selected questions as deemed appropriate in cases where there were many questions. If the Bank could not respond to all questions at the Meeting, they would be responded to and recorded in the minutes or on website of the Bank in due course.

This Meeting was held in accordance with the electronic meeting standards, which are generally observed by listed companies. If shareholders encounter any problems in entering the electronic meeting system or voting system, they could follow the Procedures for Meeting Attendance via Electronic Media which had been sent to shareholders along with the Notice of the Extraordinary General Meeting of Shareholder or contact the Inventech Call Center at Tel. 02-0219121.

Then, the Chairperson requested that the Meeting proceed with the agenda items, as follows:

**1. To consider approving the distribution of life insurance products of Muang Thai Life Insurance PCL in accordance with the Bancassurance Agreement**

The Chairperson reported to the Meeting that in considering this agenda item, the Bank's directors who are connected persons and directors having interests or concerns, namely Ms. Sujitpan Lamsam, Mr. Pipit Aneaknithi, Mr. Sara Lamsam, and Mr. Suroj Lamsam, shall not be present and shall not be entitled for voting at the Meeting. Subsequently, the four directors left the Meeting.

The Chairperson then requested the Meeting to consider approving the distribution of life insurance products of Muang Thai Life Assurance PCL (MTL) in accordance with the Bancassurance Agreement, and the delegation of authority to the Board of Directors or Chief Executive Officer or President to consider and amend the Bancassurance Agreement as deemed appropriate and to perform any actions related to and/or in connection with the Bancassurance Agreement.

This transaction is deemed as a connected transaction per the Notification of the Capital Market Supervisory Board. Although the Bank is not required to propose for the Shareholders' Meeting's approval on this transaction as the transaction is a normal business transaction with general trading conditions, the Board of Directors resolved to submit this transaction to the Shareholders' Meeting for consideration in order to enhance transparency and compliance with the good corporate governance principles, as well as having shareholders' participation in such decision making. Moreover, the Independent Directors Committee had provided opinions on the transaction, and this transaction had received concurrence from the Audit Committee and the Board of Directors. Details of the distribution of life insurance products of Muang Thai Life Assurance PCL (MTL) were in the Notice of the Meeting, which had been sent to shareholders. The Chairperson then asked Ms. Kattiya Indaravijaya, Chief Executive Officer, to report details to the Meeting.

The Chief Executive Officer reported to the Meeting that the Bank notified the Stock Exchange of Thailand (SET) in early July 2021 of the Bank's entry into a 10-year Bancassurance Agreement with MTL. The Board of Directors deemed that it was appropriate to propose for the Extraordinary General Meeting of Shareholders' consideration numerous benefits derived from the entry into the Bancassurance Agreement. Such benefits include the fact that the Bancassurance Agreement would help enhance the Bank's overall insurance business value and maintain cooperation with MTL which is Thailand's leading life insurance company that has a long-term relationship with the Bank. Additionally, the Bank had appointed three external advisors to provide opinions on the transaction, as follows:

- Willis Towers Watson PCL as an actuarial advisor.
- Jay Capital Advisory Limited as an independent financial advisor, and
- Thanathip & Partners Legal Counsellors Limited as a legal advisor.

The Bancassurance Agreement for offering and/or distribution of life insurance products of MTL in an exclusive manner via various distribution channels of the Bank and its subsidiaries has a 10-year term, and the Bank would receive Exclusivity Fee payment of Baht 12,700 million, and annual performance bonus. In entering into the Bancassurance Agreement, the Bank had considered the overall economic value from selling insurance products and shareholding in MTL that the Bank would receive in an appropriate amount and in line with other transactions in the market. The Bank expects to enlarge bancassurance markets in all key insurance products: life, health and critical illness through increased sales of such products to the Bank's customers whereby such fee will be gradually recognized as income throughout the term of the Bancassurance Agreement.

Summary of key terms for the Bancassurance Agreement are the Agreement has a 10-year term or less if the performance target is reached before the end of year 10 and up to two years extension if the target is not achieved. The Bank will receive the Exclusivity Fee payment of Baht 12,700 million, plus annual performance bonus if the performance target is achieved, including commission and other income per normal business practices. The Bank is an exclusive distributor of MTL's insurance products, covering life, health, and critical illness.

In entering the Bancassurance Agreement, the Bank had considered the total insurance business value, which comprises sales channel value and shareholding value. The Sales channel value is earned from being distribution channel for MTL, which includes commission that the Bank had already received and would receive at the same rate as in the market, plus the Exclusivity

Fee of Baht 12,700 million and the performance bonus. The shareholding value is the Bank's share in MTL's equity of 38.25 percent. The Bank had considered the two components in an appropriate manner. Potential destruction to our economic value caused by MTL having to find other sales channel replacement is high. Better value accretion can be achieved through this business alignment.

In terms of the Bancassurance Agreement value, the deal value is in line with the market. According to the presentation on an exclusivity deal comparison, based on the annual deal value, the Bank would receive the Exclusivity Fee payment of approximately Baht 1,270 million per year, compared to a range of Baht 1,180-1,630 million per year in the market. Different deals occurred in different macro-economic and rate environment. Different deals were structured under different terms and conditions. Therefore, a straightforward comparison cannot be made.

In terms of future growth, bancassurance market share should be on an upward trend because MTL is a strong business partner. It had the second largest market share of new bancassurance premium collection in 2020. MTL also thoroughly understands the customers' needs. In addition, the Bank's share of wallet in bancassurance is still relatively low; thus, the Bank could penetrate the market in a liquidity-flush environment. The Bank will collaborate with MTL in developing and offering products that increasingly meet the customers' needs.

The Bancassurance Agreement has impacts on following components in the income statements. For the Bank only income statements, non-interest income will increase roughly Baht 1,270 million per year, plus the annual performance bonus if the Bank can achieve the set target. For MTL's financial statements, it will be recorded as other underwriting expense. For the Bank's consolidated income statements, net profit will increase 61.75 percent of returns per year because of the decline in non-controlling interest.

Next, the Chief Executive Officer invited the Independent Financial Advisor (IFA), Ms. Jirayong Anuman-Rajadhon, President, Jay Capital Advisory Limited to provide opinions on the transaction to the Meeting.

According to the analysis of IFA related to justification of the transaction, based on the information received as of July 1, 2021, and a comparison of terms and conditions of the previous agreement and the new Bancassurance Agreement, and terms and conditions of general business practices of Bancassurance, as well as fairness of prices of entry into the transaction, the IFA views that entry into the Bancassurance Agreement with MTL is appropriate. To summarize:

**Advantages of entry into the transaction:**

- Returns from MTL in the form of Exclusivity Fee and Performance Bonus.
- Strengthening of relations with MTL, which is a long-time renowned and experienced business operator.
- Creating clarification of management and development of life insurance products to cater to customer requirement.

**Disadvantages of entry into the transaction:**

- Loss of opportunity to enter into the bancassurance agreement under which the Bank would be appointed as an agent for the distribution of life insurance product for other life insurance companies.

**Advantages of entry into the transaction with connected person:**

- Maintenance of efficiency of joint operations with MTL that has conducted business with the Bank for a long time.
- Highly skilled foreign partner in insurance business of MTL.
- Shorter term of the new Bancassurance Agreement than general bancassurance agreements in the market.

**Disadvantages of entry into the transaction with connected person:**

- Possible conflicts of interest.

Summary of IFA's opinions are summarized, as follows:

- 1) This Bancassurance Agreement's terms and conditions provide greater coverage and clarification than the previous Agreement, thus enhancing higher efficiency in joint business operations of both parties.
- 2) Principles and assumptions used in the estimation of income had been agreed by both the Bank and MTL. They will also be reviewed and modified by the Steering Committee throughout the term of the Bancassurance Agreement, which in alignment with an average growth in the industry.



- 3) Structure of payment for entry into the transaction: the returns that the Bank will gain from entry into the transaction include:
- (1) Exclusivity Fee; (2) Performance Bonus; (3) Commission; and (4) other income per normal business practices.

The IFA views that entry into the transaction is appropriate, and will be supportive to cooperation of the Bank and MTL in the usage of resources for business operations that have been jointly developed, and the usage of both parties' customer database for maximum benefits. Those terms and conditions are also beneficial for the Bank with respect to returns from the bancassurance business and greater income from investment via indirect shareholding in MTL.

From the aforementioned justification, the IFA holds the view that the shareholders consider approving entry into this transaction so as to obtain new growth opportunities in the bancassurance business and to forge strategic relations between the Bank and MTL in the long term. Such decision making in an approval of this transaction mainly depends on the shareholders' discretion and the IFA's opinion does not confirm the success of this transaction.

The Chief Executive Office thereby requested the Meeting to approve the distribution of life insurance products of MTL in accordance with the Bancassurance Agreement and the delegation of authority to the Board of Directors or Chief Executive Officer or President to consider and amend the Bancassurance Agreement as deemed appropriate and to perform any actions related to and/or in connection with the Bancassurance Agreement.

The Chief Executive Officer informed that Mr. Wanchai Lertsrijatuporn, a proxy from the Thai Investors Association had sent three questions to the Bank in advance, as follows:

- 1) What are the Bank's views on the impact of the Bancassurance Agreement on insurance agents and brokers of MTL?

The Bank explained that insurance agents and bancassurance have served as major channels for the life insurance business for more than 17 years. Insurance products sold through these two channels are the same (with the exception of credit life insurance). However, target groups of both channels may differ. Bancassurance focuses on middle-to-high-income consumer segments while insurance agents target middle-income and mass segments.

Presently, consumers have been increasingly interested in life and health insurance. They also feel comfortable to purchase insurance products from channels that they have confidence in or familiar with, or other channels that are convenient. For example, those who are familiar with using bank services will invariably purchase insurance products from banks, while those who are familiar with agents will often purchase insurance products from agents.

Additionally, MTL attaches importance to the development of life insurance and health insurance products, as well as after-sales service to constantly meet the customers' needs through agents and bancassurance or other channels. Meanwhile, other insurance companies also have similar channels, namely bancassurance, agent and others. Based on the figures compiled by the Thai Life Assurance Association, agent and bancassurance remained major sales channels during the first half of 2021.

- 2) Does the Bancassurance Agreement cover all types of insurance products, other than life insurance, such as car insurance, accident insurance, natural disaster insurance, health insurance and property insurance?

The Bank explained that the Bancassurance Agreement with MTL covers only life, health, and critical illness insurance, excluding car, accident, natural disaster, and property insurance.

- 3) What types of insurance product that the Bank expects to generate the highest income via bancassurance?

The Bank explained that insurance product that is expected to generate the highest income via bancassurance is life credit, followed by whole-life insurance bundled with health and critical illness insurance.

Mr. Somsak Thammachartsoontharee, a shareholder, expressed his view that this business transaction may not correspond with the regulations of the Office of Securities and Exchange Commission and the Stock Exchange of Thailand.

The Chief Executive Officer explained that the Bank had appointed external advisors to provide opinions on the entry into the Bancassurance Agreement, including their views on related laws and regulations. Regarding their opinions, it was found that this Bancassurance Agreement is a connected transaction because it is an entry into a transaction with MTL in which Mr. Sara Lamsam is the director with management authority and director of the Bank; therefore, he is a connected person pursuant to the Securities and Exchange Act B.E. 2535 (1992) Section 258 (7). Additionally, this Bancassurance Agreement is a connected transaction pursuant to the Notification of the Capital Market Supervisory Board and the Notification of the Securities and

Exchange Commission regarding a normal business transaction with general trading conditions, i.e., the Bank carries out the business as a life insurance agent with a valid license. Regarding the general trade conditions, the Bank had compared many sets of rules and considered an array of related regulations. Moreover, the directors having interests in the transaction had no connection with the entry into the Bancassurance Agreement, i.e., they did not participate in the meeting, nor were entitled to vote and did not receive any information from the Board of Directors at any meeting. As a result, negotiations and the current juristic act allow the Bank to have a trade bargaining power without any influence from directors who are considered as connected persons. Nevertheless, the Bank's cooperate governance principles are based on the Institutional Shareholder Services Guidelines and regulations of the Stock Exchange of Thailand regarding good corporate governance. The Bank had been advised to propose this matter for the Meeting of Shareholders' consideration. Having considered all conditions, it was found that they were in conformity with the relevant laws and the corporate governance principles.

Mr. Somsak Thammachartsoontharee, a shareholder, would like to know how the Bank controls conflicts of interest with a connected person.

The Chief Executive Officer explained that the Bank had considered all related rules and regulations. Regarding conflicts of interest, there were no connected persons, who had received remuneration or anything that differed from those normally received by the Bank's shareholders.

Ms. Luxami Rukkhaphiban, a shareholder, asked to know additional details about the allocation of payments from MTL.

The Chief Executive Officer explained that the Bancassurance Agreement has a 10-year term. The Bank had agreed with MTL that the Bank, as a shareholder and a sales agent, shall sell insurance products that will generate value to both MTL and the Bank, including life, health, critical illness, and life credit insurance. Sales targets of such insurance products shall vary each year, based on the deal value and fee payment that the Bank shall receive as a sales agent. The Bank shall receive the Exclusivity Fee payment of Baht 12,700 million over the course of 10 years, plus a Performance Bonus if sales exceed the agreed set target during each year, all related conditions of which had been considered by the Bank's IFA.

Mr. Rungroj Rojsurasawad, a shareholder, asked to know the Bank's sales channels of insurance products.

The Chief Executive Officer explained that the current Bancassurance Agreement for offering and/or distribution of life insurance products of MTL is made via the Bank and its wholly-owned subsidiaries per the established scope. Such distribution channels include digital, branches, direct marketing, and telemarketing.

Mr. Somsak Thammachartsoontharee, a shareholder, would like to know whether the Bank sells high-risk and complex insurance products, such as unit linked or not. He also expressed his concern about the sales process as several financial institutions had received complaints from their customers on this matter.

The Chief Executive Officer explained that insurance products under the scope of this Bancassurance Agreement include unit linked. However, sales of insurance products must be carried out responsibly and in line with appropriate customer needs. The sales process must be transparent and under efficient control to ensure that customers who purchase insurance products have received information that must be accurate and complete for their decision making. Comprehensive after-sales service, a compliant process and remedial process must also be in place. The Bank shall provide thorough clarifications on any insurance products that customers do not understand. If customers feel that any insurance products do not suit them, the Bank shall not propose such products to them.

Ms. Luxami Rukkhaphiban, a shareholder, asked how the Exclusivity Fee payment of Baht 12,700 million is allocated over the course of 10 years.

The Chief Executive Officer explained that the Bank will receive the Exclusivity Fee payment of Baht 12,700 million at the beginning of the 10-year Bancassurance Agreement. Insurance products under the agreement are diverse such as whole life, health and critical illness and unit linked. The Bank had set a target to sell insurance products throughout the 10-year term. Additionally, credit protection and rider, as well as endowment will be distributed per the set targeted throughout the 10-year term, as well. Calculations had been made on which product will generate income to MTL before arriving at the final calculation of the

Exclusivity Fee payment of Baht 12,700 million between the Bank and MTL. The Exclusivity Fee payment of Baht 12,700 million will be gradually recognized as income throughout the agreement.

Mr. Piyaphong Prasartthong, a shareholder, asked about the benefits of the Bancassurance Agreement that the Bank had entered into with MTL.

The Chief Executive Officer explained that the Bank had steadily served as a distributor of insurance products for MTL, with the second largest market share of new premiums. The Bank shall still receive commission fee payments, along with other related payments while an additional Exclusivity Fee payment of Baht 12,700 Million will be obtained as an exclusive distributor of MTL's insurance products, of which Baht 1,270 million will be recognized yearly. Net profit attributable to equity holders of the Bank is approximately Baht 600 million per year.

Mr. Piyaphong Prasartthong, a shareholder, asked about the benefits of purchasing insurance products of MTL with KBank in his capacity as the Bank's customer.

The Chief Executive Officer explained that the Bank gives precedence to customers' needs. Having collaborated with MTL for a long time, the Bank now understands customers' needs to a certain extent. With this in mind, the Bank and MTL had improved products and after-sales service. At the same time, our relationship, which is based on exclusivity, may help strengthen our cooperation to design specific products for the Bank's clients, and allow the Bank to better understand the needs of untapped customers. The projected target of the Exclusivity fee payment is achievable because the Bank could meet such target in the past prior to the COVID- 19 pandemic. Therefore, the Bank should be able to sell insurance products responsibly and offer appropriate advice to customers.

There were no more questions from the shareholders.

The Meeting considered the matter and voted.

The Corporate Secretary announced the voting results, as follows:

There were 1,066,994,259 votes approving, equal to 99.9987 percent of all votes of shareholders in attendance and who were eligible to vote; 212 votes disapproving, equal to 0.0000 percent of all votes of shareholders in attendance and who were eligible to vote; and 13,365 votes abstaining, equal to 0.0012 percent of all votes of shareholders in attendance and who were eligible to vote.

In conclusion, the Meeting, by a majority of shareholders, who attended the Meeting and were eligible to vote, resolved to approve the distribution of life insurance products of MTL in accordance with the Bancassurance Agreement and the delegation of authority to the Board of Directors or Chief Executive Officer or President to consider and amend the Bancassurance Agreement as deemed appropriate and to perform any actions related to and/or in connection with the Bancassurance Agreement.

## **2. Other business (if any)**

The Chairperson invited shareholders to express their views or ask questions regarding the business operations of the Bank.

Mr. Phongthep Ngenphemsub, a shareholder, gave observations that the method for calculating fire insurance premiums used by Muang Thai Insurance Public Company Limited and appraisal criteria used by Progress Appraisal Company Limited, which from his own experience, may result in discrepancy in the valuation of insurance premiums.

The Chief Executive Officer explained that Muang Thai Insurance Public Company Limited considered insurance premiums in accordance with the criteria set by relevant authority, not based on the value assessed by the appraisal company. However, the Bank took note of the observation and would contact the shareholder to clarify the matter in due course.

Mr. Chankij Trakulvilai, a shareholder, asked whether the Bank had already sold the repurchased shares and if not, whether the Bank has any plan to sell them.

The Chief Executive Officer explained that the Bank had carried out the share repurchases with a total of more than 23 million shares, worth approximately Baht 3,208 million, representing 1 percent of the total of paid-up capital. The Bank planned to sell the share repurchases from August 31 to September 16, 2020. However, the Bank considered various factors, including appropriate returns to shareholders, conditions of the securities markets at home and abroad, as well as appropriate value and volume of trading.



As various factors during that period were not favorable, the Bank could not sell those repurchased shares at appropriate value. For this reason, the Bank decided not to sell those shares and reduced the total capital on September 18, 2020. However, the Bank's capital position remained solid and sufficient to continue business operations.

A shareholder who asked not to be named asked if the Bank records the average Exclusivity Fee payment at an equal amount on a quarterly basis or a yearly basis. If it is on a quarterly basis, what quarter will the Bank record the income.

The Chief Executive Officers explained that the Bank shall record the income on a monthly basis.

Mr. Piyaphong Prasartthong, a shareholder, would like to know whether the Bank will pay interim dividends, and the number of branches at present.

The Chief Executive Officer explained that Board of Director passed resolution approving the interim dividend payment, and the Bank had already notified the Stock Exchange of Thailand of the resolution. The Bank is scheduled to pay interim dividends at the rate of Baht 0.50 per share, of which the amount is equivalent to that of the past years, to cater for future uncertainties, taking into consideration the operating results during the second half of 2021. Presently, the Bank has a total of 857 branches.

Mr. Somsak Thammachartsoontharee, a shareholder, asked when branches at shopping malls will be opened.

The Chief Executive Officer explained that the Bank of Thailand had already allowed branches in shopping malls to open. Each bank has a similar policy and guideline for opening branches in shopping malls. The Bank had gradually opened branches in shopping malls, particularly on the floor that has high customer traffic such as supermarket. Customers can check the list of branches on the Bank's website.

Mr. Rungroj Rojsurasawad, a shareholder, would like to know the impact of the digital Baht on the Bank.

The Chief Executive Officer explained that digital currency is a global trend in the digital era. It is a trend that everyone must keep an eye on. The Bank has a team to monitor this matter, especially to explore related business opportunities. This trend also presents good opportunities for the development of new financial innovations, and for the Bank's customers and the public to have greater access to financial services. However, related challenges rest with views and the ability to create related businesses.

Mr. Chawana Wasuthalainond, a shareholder, would like to know the Bank's guidelines on reopening branches in the maximum COVID-19 controlled or dark red zones on public holidays per the notification of the Disease Control Department, Ministry of Public Health.

The Chief Executive Officer explained that KBank branches located in the provinces designated as the maximum controlled zones (dark red zones) could be COVID-19 transmission points. Therefore, reopening branches in shopping malls or on public holidays must be based on cautious measures. The Bank took note for consideration ensuring that reopening such branches could practically ensure safety for customers and the bank staff.

Mr. Piyaphong Prasartthong, a shareholder, asked about the impact on the Bank having to stop providing the financial services to the customers, as a result from the order of the Center for COVID-19 Situation Administration to close shopping malls where the KBank branches were located in maximum and strict controlled zones (dark red zones) as well as the Bank's containment measures to ensure safety for the customers and the bank staff.

The Chief Executive Officers explained that the Bank of Thailand had allowed commercial banks to reopen branches in shopping malls. The Bank had opted to open branches that have a high volume of transactions and number of customers. To ensure safety for customers and staff, the Bank had put in place the most stringent measures that are in line with the standards of the Department of Disease Control, Ministry of Public Health, while also protecting the Bank staff in case customers with COVID-19 visit branches, through stringent measures that meet the required standards.

Mr. Rungroj Rojsurasawad, a shareholder, asked to know the growth rate of non-performing loans (NPLs) post COVID-19.

The Chief Executive Officer stated that the Bank's NPLs as of the end of June 2021 was at 3.95 percent, and the figure may stay within the Bank's target of 4.0-4.5 percent by year end.

Mr. Phumin Bunsorn, a shareholder, asked whether the impact of COVID-19 on the Bank in 2021 was greater than in 2020. He also would like to know the potential impact of COVID-19 on the Bank, and related contingency plans during the third and fourth quarters of 2021, as well as the Bank's plans to build confidence among shareholders.



The Chief Executive Officer explained that the potential impact of COVID-19 on the Bank in 2021 does not differ from that seen during the first and second waves of COVID-19. Nevertheless, the Bank would continue to maintain its strict asset quality management at this time by analyzing behavior and quality of borrowers to establish related guidelines. The Bank had streamlined and enhanced the efficiency of its debt collection process while also finetuning related strategies and processes by using data to better understand borrowers. The Bank had used technologies to enhance the efficiency in developing and improving the debt collection process. Additionally, the Bank had provided customers related advisory services and cooperated with them in immediately addressing any problems that may occur in order to reduce risks and losses to borrowers and the Bank.

Ms. Nathamon Pitaksupphakrit, a shareholder, asked about the potential impact of the termination of assistance measures for customers on the Bank's operations after the end of COVID-19.

The Chief Executive Officer explained that the Bank had tried to fully help customers amid the COVID-19 pandemic. However, it may take at least 2-3 years before Thailand's GDP can grow to its pre-COVID-19 levels. Because Thailand's economy is driven primarily by tourism, the recovery in travel-related businesses holds the key to the country's economic recovery. Meanwhile, the potential impact of the termination of assistance measures for customers on the Bank's operations is inevitable, but actions will be undertaken with utmost care to ensure that operating results are within the Bank's targets.

Mr. Piyaphong Prasarthong, a shareholder, asked about the Bank's assistance measures for each type of credit customer amid the COVID-19 pandemic.

The Chief Executive Officer explained that the Bank issued assistance measures for a diverse range of customer. Some measures are under cooperation with the Bank of Thailand, and some are implemented by the Bank alone. The Bank had also introduced four special relief measures, namely the "Zero Interest-rate Loan to Retain SME Staff" program, "Generous (Business) Owners – Emphatic Creditor" program, "Loan Facility for Suppliers", and "Loan to Fight COVID-19" aimed at offering soft loans worth more than Baht 1,300 million for SMEs. From 2020 to present, the Bank had extended a total of more than Baht 192,000 million in loans, aimed at shoring up liquidity for customers.

There were no more questions from shareholders.

The Corporate Secretary informed the Meeting that the Bank would disclose the resolution of the Extraordinary General Meeting of Shareholders No. 1/2021 via the Stock Exchange of Thailand on the Meeting date and would post the minutes of the Extraordinary General Meeting of Shareholders on the Bank website within 14 days after the Meeting date, as well as notifying all shareholders through the Stock Exchange of Thailand. If shareholders wish to make any corrections or providing additional views related to the minutes of the Extraordinary General Meeting of Shareholders, please inform the Bank within 30 days after the Meeting date. More inquiries could be sent to the Investor Relations Unit of the Office of Corporate Secretary.

The Chairperson declared the Meeting closed, and expressed her appreciation to all shareholders for attending the Meeting and sharing their valuable views with the Bank.

The Meeting was adjourned at 15.30 hours.

(Signed) Kobkarn Wattanavrangkul  
(Ms. Kobkarn Wattanavrangkul)  
Chairperson of the Meeting

(Signed) Adit Laixuthai  
(Dr. Adit Laixuthai)  
Corporate Secretary