

Information Memorandum of Depositary Receipt on Foreign Securities

This summary is included in the registration statement and prospectus. It only summarises the depositary receipts offering as well as their nature and risks. Therefore, investors must review the detailed information in the complete prospectus, which can be obtained from the underwriter and issuer. Alternatively, investors may review the information in the registration statement, prospectus, and terms and conditions that the company files with the SEC Office on the SEC Office's website.

Depositary receipt on Apple Inc.

Issued by Krung Thai Bank Public Company Limited

Foreign Securities Type :  Ordinary Shares  Foreign Investment Units Scheme that satisfy all requirements of the Capital Market Supervisory Board regulations on the offering for sale of foreign investment unit schemes (specify the type of foreign investment schemes)  instruments, or evidence of offshore funds' asset with a policy of investing in real estate or infrastructure (whether established in the form of a company, a trust or otherwise)

Offering Types and Details of Depositary Receipts (DRs)

The reference rate for depositary receipts on foreign securities (may be different from the 1 to 1 ratio)

1. Definitions

“Issuer”	means Krung Thai Bank Public Company Limited.
“DR”	means a depositary receipt on foreign securities issued by Krung Thai Bank Public Company Limited representing underlying securities which are ordinary shares of Apple Inc.
“Foreign securities” or “underlying securities”	means ordinary shares in Apple Inc. (“APPLE”) listed on the National Association of Securities Dealers Automated Quotation (NASDAQ).
“Issuer of underlying securities”	means Apple Inc. (“APPLE”).
“SEC Office”	means the Office of the Securities and Exchange Commission.

• Reference Rate of DRs

- 1 to 1 ratio
- Others: (Ratio of 1 underlying security to 1,000 DRs) subject to adjustments under the Terms and Conditions

• Offering Types

- Investors may subscribe for the DRs in the amount and within the required period (public offering)
- Offering is by way of direct listing, which involves the gradual sale of depositary receipts on foreign securities via the Exchange's trading system. This must include safeguards for holders if the issuer cannot distribute the DRs in

accordance with the Exchange's regulations. A transparent method for granting holders redemption rights, a buyback arrangement, or other means of managing the liquidity risks associated with the DRs must be provided.

## **2. DRs information**

**Number of units approved to be offered for sale:** 1,250,000,000 units

**Expected Offering Price:** Based on the market during the offering

### **Calculation of offering price**

The offering price is set as the At-the-Open (ATO) price on the Stock Exchange of Thailand, calculated based on the market price of the foreign underlying securities and converted using the ratio set by the DR issuer and foreign exchange rate of the respective currency, inclusive of expenses included in the ATO price of the DRs at the rates specified in Clause 6.2 of this document.

**Expected Offering Value:** THB 10,000,000,000

## **3. Risks of DRs**

The return on DRs is affected by several risk factors, which may cause the value of DRs to fluctuate, increase, or decrease. Investing in DRs entails risk. Investors should be aware of the following risks, which are not exhaustive. Other risk factors may exist that the issuer cannot anticipate or believes are insignificant at the time, but may affect the instrument's return in the future. Therefore, investors should carefully consider and review the information in this document, including the information on foreign securities or underlying securities, before making an investment decision.

### **3.1 Risk Associated with DRs Price Volatility**

This risk is associated with the volatility of the money and capital markets because of changes and forecasts in various circumstances such as economic, social, and political conditions, as well as internal and external factors that affect the country in which the stock exchange is located, causing the DRs price volatility. Also, the movements and price of DRs may be adjusted to correspond with the underlying securities. Therefore, changes in the underlying securities' price may result in losses to the DR holder. However, the issuer cannot guarantee that the DRs price will always be in lockstep with the foreign securities prices, as the price of DRs may not change in lockstep with the price of foreign securities due to many factors such as currency exchange rate fluctuations.

Also, the smallest trading unit (Board Lot) for these securities is distinct from that of other types of securities traded on the SET (currently, the smallest trading unit is 0.0001 unit, and the smallest price unit is THB 0.01). The securities' price-control mechanism differs from that of other types of securities. (Currently, Dynamic Price Band is used to control the price movement of DRs within a pricing range of  $\pm 10\%$  of the previous period's average price over the previous five minutes.) In addition, the SET now permits normal trading of the securities despite its announcement

of a circuit breaker. This may increase the risk of price volatility associated with DRs relative to other types of securities traded on the SET.

### **3.2 Risk Associated with Currency Exchange Rate Fluctuations**

Foreign securities are traded in foreign currency. DRs, on the other hand, are traded in Thai Baht and their value can be calculated using the foreign securities prices and the foreign currency exchange rates at which they are registered. Investment in the DRs and return on DRs investment may be affected by the exchange rate between foreign currencies and the Thai baht fluctuates, as well as changes caused by various factors such as inflation, domestic fundamental economic factors, monetary and fiscal policy, the global economy, forecasts and speculation, domestic and foreign political stability, and changes in the regulations governing currency exchange control.

For example, the appreciation in Thai Baht will cause the following:

- the DRs price may decrease even if the foreign securities price remains stable or increases; or
- dividends received or benefits distributed in Thai baht (if any) may decrease, whereas dividends received, or benefits distributed in foreign currency are stable or increased.

The issuer may at its discretion hedge the exchange rate risk. A DR holder may be exposed to foreign exchange risk because hedging transactions at the issuer's discretion may incur costs, thus reducing the overall return to the DR holder. Additionally, a risk occurs when the exchange rate used by the issuer to determine the value of the securities and/or benefits may not be the best available rate in the market at the time.

### **3.3 Liquidity Risk**

A DR holder may face the risk of being unable to sell the DRs for cash or to sell the DRs for the required price due to the deterioration of the DRs' liquidity, which in turn is subject to various factors such as investor demand to sell or purchase (Demand/Supply), and the investment climate in each country. The trading hours are also a factor, as foreign stock exchanges close while the Stock Exchange of Thailand remains open, resulting in less liquidity compared to when both exchanges are open for trading. Unless the issuer requires otherwise (notice of which will be given to the DR holders), the issuer or the issuer's designated person will act as a market maker to accommodate those who wish to buy or sell continuously.

### **3.4 Risks Associated with Foreign Market Conditions**

The underlying securities of DRs are traded or listed in countries that may have significantly different political, economic, legal, and regulatory environments than Thailand. The stock exchange on which such foreign securities are traded or listed may at its discretion suspend trading. The change or volatility or depression, or the occurrences of these events may negatively affect the trading volume and foreign securities price.

### **3.5 Foreign Securities Risks**

There may be risks associated with changes in the performance of the underlying securities' issuer, due to various factors. For example, risks associated with strategic administration, risks associated with the issuer of the underlying securities failing to meet the profitability target, risks associated with the issuer of the underlying

securities failing to pay dividends, and risks associated with business interruption. There may be a financial risk associated with an entity incurring financial obligations, such as debt. If a large amount of debt is incurred, there will be a significant amount of fixed costs associated with interest obligations. Also, if the issuer of the underlying securities fails to meet the profitability target, the issuer of the underlying securities may not have sufficient profits to cover such interest. The issuer of the underlying securities that cannot service the interest will be exposed to the risk of legal claims. Additionally, there is a risk that the information disclosed by the issuer of the underlying securities will be incomplete or delayed, or that the issuer will be unable to comply with disclosure rules.

The issuer of the underlying securities' various corporate actions, such as share allocation to existing shareholders and stock dividends may also cause the value of the underlying securities to decrease, resulting in losses for DR holders. The issuer will closely monitor corporate actions and disclose information about such foreign securities in accordance with Thai Stock Exchange regulations to keep investors informed of the impact on the DR holders' rights.

### **3.6 Issuer's Operational Risks**

This risk involves the issuer's inability to perform as expected due to internal factors. For example, operational risks, computer system risk or the failure of the organisation's communication network, or the inability of the organisation to connect with overseas service providers, resulting in operational disruption or inability to provide services. Operational risks may be caused by external factors beyond the issuer's control such as third-party lawsuits, regulatory changes, or natural disasters, which may result in the DR holder being unable to receive the foreign securities as specified or receiving less than the full amount invested. However, the issuer currently maintains an effective internal control system, has developed an efficient system, and has put in place a security system, as well as a plan to support business continuity to respond quickly to any disruptions that may occur and to ensure that the services are provided to DR holders smoothly.

### **3.7 Risks associated with the Distribution of Benefits to DR Holders**

The benefits will be distributed to DR holders under the terms and conditions that provide rights and duties of the DR issuer and the DR holders for the DRs issued by Krung Thai Bank Public Company Limited on the underlying securities that are common stocks of Apple Inc. The issuer will act as an intermediary in distributing benefits to DR holders, such as the right to receive dividends (if any). However, the distribution will incur administrative expenses, such as fees charged by foreign securities companies, which may be greater than the returns to be received by DR holders. Benefits distribution to holders, whether in cash or securities, will also be subject to Thai and/or foreign laws, regulations, and supervision by Thai and/or foreign regulatory authorities in Thailand and/or in a country where the underlying securities are traded or listed. This may limit the benefits that DR holders may receive when compared to direct holding of foreign securities. However, subject to the issuer's terms and procedures, a DR holder may redeem the DRs to acquire registered securities on a foreign stock exchange.

### **3.8 Risks associated with the issuer's failure to distribute DR holding under the Stock Exchange of Thailand regulations**

If the issuer fails to distribute DR holding under the Stock Exchange of Thailand regulations, the issuer will delist the DRs following methods under the Terms and Conditions.

#### 4. Foreign securities information

Foreign issuer company name: Apple Inc. (“APPLE”)  
Location: 1 Apple Park Way  
Cupertino, CA 95014  
US  
Telephone: 1-408-996-1010  
Fax : N/A  
Website : [www.apple.com](http://www.apple.com)  
Stock exchange in which the securities are listed: NASDAQ (<https://www.nasdaq.com>)

Established in a country listed on the SEC Office's list of recognised countries in accordance with the Securities and Exchange Commission's Notification No. SorJor. 55/2564 dated 1 October 2021 re: The Countries Having Capital Market Supervision Recognised by the SEC Office.

Located in the Greater Mekong Sub-region (GMS) countries

Market Capitalisation: [•]

Securities price: [•] (average closing price 15 business days before filing date)

12-months average price: [•] (may be presented as tables or graphs)

#### 5. Nature of Business Operations of Foreign Issuer Company

##### Business Review and Outlook

##### Company Background

The Company designs, manufactures and markets smartphones, personal computers, tablets, wearables and accessories, and sells a variety of related services. The Company’s fiscal year is the 52- or 53-week period that ends on the last Saturday of September.

##### Products

###### *iPhone*

iPhone® is the Company’s line of smartphones based on its iOS operating system. In October and November 2020, the Company released iPhone 12, iPhone 12 mini, iPhone 12 Pro and iPhone 12 Pro Max, all with 5G technology. In September 2021, the Company released iPhone 13, iPhone 13 mini, iPhone 13 Pro and iPhone 13 Pro Max.

###### *Mac*

Mac® is the Company's line of personal computers based on its macOS® operating system. In November 2020, the Company released new versions of MacBook Air®, 13-inch MacBook Pro® and Mac mini®, and in May 2021, the Company released a redesigned iMac®, all powered by the Apple M1 chip. In October 2021, the Company released a redesigned MacBook Pro, available in 14- and 16-inch models and powered by the Apple M1 Pro or M1 Max chip.

### *iPad*

iPad® is the Company's line of multipurpose tablets based on its iPadOS® operating system. In October 2020, the Company released a new iPad Air®, and in April 2021, the Company released a new iPad Pro® powered by the Apple M1 chip. In September 2021, the Company released an updated iPad and a new iPad mini®.

### *Wearables, Home and Accessories*

Wearables, Home and Accessories includes AirPods®, Apple TV®, Apple Watch®, Beats® products, HomePod®, iPod touch® and accessories. AirPods are the Company's wireless headphones that interact with Siri®. In December 2020, the Company released AirPods Max™, new over-ear wireless headphones, and in October 2021, the Company released the third generation of AirPods. Apple Watch is the Company's line of smart watches based on its watchOS® operating system. In September 2021, the Company announced Apple Watch Series 7, which was available starting in October 2021.

## **Services**

### *Advertising*

The Company's advertising services include various third-party licensing arrangements and the Company's own advertising platforms.

### *AppleCare*

The Company offers a portfolio of fee-based service and support products under the AppleCare® brand. The offerings provide priority access to Apple technical support, access to the global Apple authorized service network for repair and replacement services, and in many cases additional coverage for instances of accidental damage and/or theft and loss, depending on the country and type of product.

### *Cloud Services*

The Company's cloud services store and keep customers' content up-to-date and available across multiple Apple devices and Windows personal computers.

### *Digital Content*

The Company operates various platforms, including the App Store®, that allow customers to discover and download applications and digital content, such as books, music, video, games and podcasts.

The Company also offers digital content through subscription-based services, including Apple Arcade®, a game subscription service; Apple Music®, which offers users a curated listening experience with on-demand radio stations; Apple News+®, a subscription news and magazine service; and Apple TV+SM, which offers exclusive original content. During 2021, the Company released Apple Fitness+SM, a personalized fitness service.

### ***Payment Services***

The Company offers payment services, including Apple Card®, a co-branded credit card, and Apple Pay®, a cashless payment service.

### **Markets and Distribution**

The Company's customers are primarily in the consumer, small and mid-sized business, education, enterprise and government markets. The Company sells its products and resells third-party products in most of its major markets directly to consumers, small and mid-sized businesses, and education, enterprise and government customers through its retail and online stores and its direct sales force. The Company also employs a variety of indirect distribution channels, such as third-party cellular network carriers, wholesalers, retailers and resellers. During 2021, the Company's net sales through its direct and indirect distribution channels accounted for 36% and 64%, respectively, of total net sales.

### **Competition**

The markets for the Company's products and services are highly competitive, and are characterized by aggressive price competition and resulting downward pressure on gross margins, frequent introduction of new products and services, short product life cycles, evolving industry standards, continual improvement in product price and performance characteristics, rapid adoption of technological advancements by competitors, and price sensitivity on the part of consumers and businesses. Many of the Company's competitors seek to compete primarily through aggressive pricing and very low cost structures, and by imitating the Company's products and infringing on its intellectual property.

The Company's ability to compete successfully depends heavily on ensuring the continuing and timely introduction of innovative new products, services and technologies to the marketplace. The Company designs and develops nearly the entire solution for its products, including the hardware, operating system, numerous software applications and related services. Principal competitive factors important to the Company include price, product and service features (including security features), relative price and performance, product and service quality and reliability, design innovation, a strong third-party software and accessories ecosystem, marketing and distribution capability, service and support, and corporate reputation

The Company is focused on expanding its market opportunities related to smartphones, personal computers, tablets, wearables and accessories, and services. The Company faces substantial competition in these markets from companies that have significant technical, marketing, distribution and other resources, as well as established hardware, software, and service offerings with large customer bases. In addition, some of the Company's competitors have broader product lines, lower-priced products and a larger installed base of active devices. Competition has been particularly intense as competitors have aggressively cut prices and lowered product margins. Certain competitors have the resources, experience or cost structures to provide products at little or no profit or even at a loss. The Company's services compete with business models that provide content to users for free and use illegitimate means to obtain third-party digital content and applications. The Company faces significant competition as competitors imitate the Company's product features and applications within their products, or collaborate to offer integrated solutions that are more competitive than those they currently offer.

### **Supply of Components**

Although most components essential to the Company's business are generally available from multiple sources, certain components are currently obtained from single or limited sources. The Company also competes

for various components with other participants in the markets for smartphones, personal computers, tablets, wearables and accessories. Therefore, many components used by the Company, including those that are available from multiple sources, are at times subject to industry-wide shortage and significant commodity pricing fluctuations.

The Company uses some custom components that are not commonly used by its competitors, and new products introduced by the Company often utilize custom components available from only one source. When a component or product uses new technologies, initial capacity constraints may exist until the suppliers' yields have matured or their manufacturing capacities have increased. The continued availability of these components at acceptable prices, or at all, may be affected if suppliers decide to concentrate on the production of common components instead of components customized to meet the Company's requirements.

The Company has entered into agreements for the supply of many components; however, there can be no guarantee that the Company will be able to extend or renew these agreements on similar terms, or at all.

Substantially all of the Company's hardware products are manufactured by outsourcing partners that are located primarily in Asia, with some Mac computers manufactured in the U.S. and Ireland.

## **Research and Development**

Because the industries in which the Company competes are characterized by rapid technological advances, the Company's ability to compete successfully depends heavily upon its ability to ensure a continual and timely flow of competitive products, services and technologies to the marketplace. The Company continues to develop new technologies to enhance existing products and services, and to expand the range of its offerings through research and development ("R&D"), licensing of intellectual property and acquisition of third-party businesses and technology.

## **Intellectual Property**

The Company currently holds a broad collection of intellectual property rights relating to certain aspects of its hardware devices, accessories, software and services. This includes patents, copyrights, trademarks, service marks, trade dress and other forms of intellectual property rights in the U.S. and various foreign countries. Although the Company believes the ownership of such intellectual property rights is an important factor in its business and that its success does depend in part on such ownership, the Company relies primarily on the innovative skills, technical competence and marketing abilities of its personnel.

The Company regularly files patent applications to protect innovations arising from its research, development and design, and is currently pursuing thousands of patent applications around the world. Over time, the Company has accumulated a large portfolio of issued patents, including utility patents, design patents and others. The Company also holds copyrights relating to certain aspects of its products and services. No single intellectual property right is solely responsible for protecting the Company's products. The Company believes the duration of its intellectual property rights is adequate relative to the expected lives of its products.

In addition to Company-owned intellectual property, many of the Company's products and services are designed to include intellectual property owned by third parties. It may be necessary in the future to seek or renew licenses relating to various aspects of the Company's products, processes and services. While the Company has generally been able to obtain such licenses on commercially reasonable terms in the past, there is no guarantee that such licenses could be obtained in the future on reasonable terms or at all.



## **Business Seasonality and Product Introductions**

The Company has historically experienced higher net sales in its first quarter compared to other quarters in its fiscal year due in part to seasonal holiday demand. Additionally, new product and service introductions can significantly impact net sales, cost of sales and operating expenses. The timing of product introductions can also impact the Company's net sales to its indirect distribution channels as these channels are filled with new inventory following a product launch, and channel inventory of an older product often declines as the launch of a newer product approaches. Net sales can also be affected when consumers and distributors anticipate a product introduction.

## **Human Capital**

The Company believes it has a talented, motivated, and dedicated team, and is committed to supporting the development of all of its team members and to continuously building on its strong culture. As of September 25, 2021, the Company had approximately 154,000 full-time equivalent employees.

### ***Workplace Practices and Policies***

The Company is committed to providing a workplace free of harassment or discrimination based on race, color, religion, sex, sexual orientation, gender identity, national origin, disability, veteran status, caste or other legally protected characteristic. The Company is an equal opportunity employer committed to inclusion and diversity.

### ***Compensation and Benefits***

The Company believes that compensation should not only be competitive; it should be equitable and should enable employees to share in the Company's success as shareholders of the Company. The Company recognizes its people are most likely to thrive when they have the resources to meet their needs and the time and support to succeed in their professional and personal lives. In support of this, the Company offers a wide variety of benefits to employees around the world.

### ***Growth and Development***

The Company invests in tools and resources that support employees' individual growth and development. The Company also provides classes and seminars to foster understanding and critical thinking about the Company's culture, organization and values.

### ***Inclusion and Diversity***

The Company is committed to hiring inclusively, providing training and development opportunities, fostering an inclusive culture, and ensuring equitable pay for employees, and is continuing to focus on increasing diverse representation at every level of the Company.

The Company has initiatives in place to implement its commitment to increase diverse representation, including creating diverse interview panels and candidate slates, focusing on robust diversity recruiting efforts, and expanding diversity outreach efforts through organizations that serve and engage talent from underrepresented communities. The Company also offers team members access to ongoing inclusion and diversity education, and support throughout their career journey and helps them find community and connection through employee groups that create spaces for belonging, learning, and growing inclusivity, diversity and equity efforts.

## ***Engagement***

The Company believes that open and honest communication among team members, managers and leadership fosters an open, collaborative work environment where everyone can participate, develop and thrive. Team members are encouraged to come to their managers with questions, feedback or concerns, and the Company regularly conducts surveys that gauge employee sentiment in areas like career development, manager performance and inclusivity.

## ***Health and Safety***

The Company is committed to protecting its employees everywhere it operates. The Company identifies potential risks associated with workplace activities in order to develop measures to mitigate possible hazards. The Company supports employees with general safety training and puts specific programs in place for those working in potentially high-hazard environments, including chemical management, laser safety, equipment and machinery safety, hazardous materials management and electrical safety. The Company has taken additional measures during the COVID-19 pandemic, including providing information resources, testing, face masks and personal protective equipment, and case support. The Company also offers special sick leave for employees with possible COVID-19 symptoms, as well as comprehensive health coverage.

## **Source of Information**

<https://www.sec.gov/Archives/edgar/data/0000320193/000032019321000105/aapl-20210925.htm>

As the underlying securities are listed on a foreign stock exchange regulated by the Securities and Exchange Commission of the relevant jurisdiction, investors may review and study additional information about the underlying securities in any of the following channels: annual reports, quarterly reports, company news, and publications.

<b>Website of Underlying Securities</b>	<a href="https://www.apple.com">https://www.apple.com</a>
<b>Quarterly/Annual Reports</b>	<a href="https://investor.apple.com/investor-relations/default.aspx">https://investor.apple.com/investor-relations/default.aspx</a>
<b>Events</b>	<a href="https://www.apple.com/apple-events/">https://www.apple.com/apple-events/</a>
<b>Newsroom</b>	<a href="https://www.apple.com/newsroom/">https://www.apple.com/newsroom/</a>
<b>Leadership and Governance</b>	<a href="https://investor.apple.com/leadership-and-governance/default.aspx">https://investor.apple.com/leadership-and-governance/default.aspx</a>
<b>Environmental Social Governance</b>	<a href="https://investor.apple.com/esg/default.aspx">https://investor.apple.com/esg/default.aspx</a>
<b>NASDAQ website</b>	<a href="https://www.nasdaq.com">https://www.nasdaq.com</a>
<b>Issuer's website</b>	<a href="https://krungthai.com/th/content/depositary-receipt">https://krungthai.com/th/content/depositary-receipt</a>

**Remark:** The issuer has not prepared websites listed above (except that of the issuer). The issuer only provides resources of additional information about the underlying securities. The issuer does not certify that the information in these websites is accurate or complete. The issuer denies all liabilities for damages caused to any person by the use of the information in these websites.

## **6. Fees and Related Expenses**

### **6.1 Fees charged to the DR holder**

- (a) A redemption fee of up to 5.0 percent of the redemption value with a minimum redemption value of THB 200,000 or as the issuer may determine (based on the number of DRs to be redeemed multiplied by the closing price of the previous business day). The DR holder is responsible for other expenses that may incur in accepting the DRs in the foreign securities account of the DR holder redeeming the DRs.
- (b) The fee for dividends transmission to the DR holder is not more than 5.0 percent of the amount of dividends that the DR holder is entitled to receive in proportion to the DR holding percentage, regardless of the amount of the trading unit of the DRs. The DR holder is responsible for other expenses incurred in benefit distribution to the DR holder.
- (c) The issuer may change the fees under (a) and (b) without being treated as amending the terms and conditions. If the fee changes, the issuer will take the following steps as may be applicable in each case of changes;
  - (1) If the fee increases by up to 10.0 percent of the original fee, the issuer will notify DR holders on the issuer's website at least 60 days in advance.
  - (2) If the fee increases by more than 10.0 percent of the original fee, the issuer will convene a DR holders' meeting to seek resolution from the DR holders before the increase.
  - (3) The issuer will hold a DR holders' meeting to seek a resolution if the fee increase under (1) is more than 10.0 percent of the original fee.
  - (4) The issuer will announce any reduction in fees on its website.
- (d) The fees in (a) and (b) do not include any foreign exchange differences that may occur during processing, which are the DR holders' responsibility.
- (e) VAT is not yet included in the fees specified under this Clause 6.1.

### **6.2 Costs included in the Offering Price**

Administrative expenses associated with the purchase of foreign securities such as brokerage fees, custodian fees, and fees required by the foreign stock exchange as well as the issuer's administrative expenses and disbursement charged by the DR registrar will not exceed 0.4 percent of the purchase price of foreign securities, which will be converted into Thai Baht at the applicable exchange rate, including exchange rate fees of up to 0.1 percent.

### **6.3 Expenses charged to the DR holders for the dividend transmission to the DR holders.**

The issuer will charge all fees and expenses associated with dividend transmission to DR holders by deducting the fees and expenses proportionately from the received dividends. Dividends after the deduction of fees and expenses will be distributed to DR holders proportionately to the number of the DRs.

## **7. Conditions and procedures applicable if DR holders wish to convert them to foreign securities**

### **7.1 Conditions for redemption of the DRs as foreign securities**

- (a) The DR holder who wishes to redeem the DRs must have a foreign trading account and must ensure that the DRs to be redeemed (which must be settled and delivered) are in the securities trading account opened with a securities company required by the issuer. If the DR holder does not have a securities trading account opened with the securities company required by the issuer, the DR holder must ensure that the DRs to be redeemed are transferred to a securities trading account required by the issuer.
- (b) The DR holder wishing to redeem the DRs must have enough DRs for the redemption in order to accept the foreign securities.
- (c) Foreign securities transfers will be subject to the conditions specified by the exchange on which foreign securities are listed and by securities companies whose stockholders have foreign trading accounts.

### **7.2 DRs Redemption Procedure**

- (a) To redeem the DRs, the DR holder who satisfies the requirements under Clause 7.1 must notify the issuer and the securities company with which a foreign trading account is opened and complete and sign the redemption form to comply with the issuer's and/ or securities company's requirements. The DR holder must pay the redemption fee before 12:00 a.m. (local time in Thailand) on the notification date. Otherwise, the issuer will process the redemption on the following business day.
- (b) The issuer will notify the sale suspension for the portion of the DRs for which the DR holder has notified the issuer of the redemption request.
- (c) Within ten business days of redemption, the issuer will deposit foreign securities into the DR holder's foreign securities trading account. For the purpose of this Clause, "business day" means the date on which both the foreign exchange on which foreign securities are listed and the Thai Stock Exchange are concurrently open for business.
- (d) The issuer will cancel the DR portion held by the DR holder who has notified the issuer of the redemption requests on the day foreign securities are credited to the foreign securities trading account of the DR holder who wishes to redeem.
- (e) The issuer may reject the redemption request of the DR holder who does not comply with the conditions specified in Clause 7.2 (a). The DR holder whose request has been rejected has no claim against the issuer for damages or expenses.
- (f) If the DR holder seeking to redeem the DRs takes any action that disrupts or affects the redemption process, the DR holder will be fully liable for all resulting damages, and the issuer may refuse to comply with the DR holder's request, in which case the DR holder will have no claim against the issuer for damages or expenses.

- (g) The issuer may charge from the DR holder taxes incurred because of the DRs redemption or any other related actions to comply with the Revenue Department requirements.

## **Summary of the Issuer's Rights and Obligations**

### **Benefits Distribution to DR Holders**

Where the foreign securities issuer provides the foreign securities holders with benefits, which are detailed in the Schedule of these Terms and Conditions, the DR issuer must take the following steps if the benefits may be distributed to the DR holder without violating any laws, rules, and regulations of the responsible regulatory authority governing the foreign securities issuer and the DR holder.

#### **1. Voting Rights at the Foreign Securities Issuer's Securities Holders Meeting**

A DR holder does not have any voting rights at the foreign securities issuer's securities holders meeting. The DR issuer may exclusively manage the voting rights and may vote at the foreign securities issuer's securities holders meeting on significant matters such as capital increase, capital reduction, the foreign securities issuer's merger and acquisition, and delisting of foreign securities from a foreign stock exchange.

#### **2. Beneficial Interests in Foreign Securities**

##### **2.1 Distribution of cash dividends on foreign securities**

The DR issuer will notify the Stock Exchange of Thailand (SET) of dividend payments on foreign securities and dividend payments on the DR from underlying foreign securities in order for the SET to announce XD (Excluding Dividend). The DR issuer will notify the SET at least five (5) business days before the DR holders register's closing date, or within the time period specified by the SET.

The DR issuer will normally pay cash dividends on DR from underlying foreign securities' benefits proportionately to a DR holder equal to the dividends it receives after deducting: (1) fees under Clause 2, Part 2 of these Additional Terms that are disclosed in the relevant 69-DR Form, and (2) expenses incurred in distributing the dividends to the DR holder such as cost of document delivery to DR holders, money remittance cost, foreign exchange cost, expenses incurred by the DR registrar as well as applicable taxes (if any). The expenses will be allocated in the proportion disclosed in the relevant 69-DR form.

The DR issuer may not distribute dividends to DR holders if the dividends received are less than the sum of fees under (1) plus expenses and costs under (2). The dividends that are not distributed will be kept until the accumulated dividends are more than the sum of fees and expenses to be incurred in distributing dividends. The accumulated dividends will be distributed to the current DR holders after deduction of applicable expenses, fees, and costs based on the distribution method described above. Both DR holders who have previously held or are holding the DRs have no claim against the issuer for any loss or damage that may be caused either directly or indirectly by the accumulation of dividends.

The DR issuer will pay the dividends in Thai Baht, which will be calculated using a commercial bank's foreign exchange rate information as it considers appropriate. The DR issuer will inform the DR holders of the

exchange rate used and relevant information via accessible channels. The DR holder understands and accepts that the exchange rate may differ from the prevailing rate on the date of the DR issuer's SET disclosure, which is calculated using the foreign exchange rate information announced by the Bank of Thailand on the disclosure date.

## 2.2 Stock dividends paid on foreign securities by a foreign securities issuer or stock dividends issued by other securities issuers

### 2.2.1 Stock dividends paid on foreign securities by a foreign securities issuer

The DR issuer will do either of the followings as it sees fit considering relevant factors, including but not limited to, administrative fees and expenses and the system availability, and may choose an option that will be in the DR holders' best interests.

- (1) The DR issuer will sell the stock dividends on a foreign stock exchange at a price it considers appropriate and distribute the proceeds, less selling expenses, to the DR holders as dividends on the DRs from underlying foreign securities' benefits by following the criteria and methods in Paragraph 2 and Paragraph 3 of Clause 2.1, Part 4 of these Additional Terms as disclosed in the relevant 69-DR Form.

Or

- (2) The DR issuer will issue the DRs equal to the underlying foreign securities it receives from the foreign securities issuer's stock dividend distribution. After deducting transfer fees and expenses described in Clause 2, Part 2 of these Additional Terms as disclosed in the relevant 69-DR Form, the DR issuer will allocate the DRs to DR holders proportionately as disclosed in the relevant 69-DR Form.

### 2.2.2 Stock dividends issued by another securities issuer

The DR issuer will sell the stock dividends on a foreign stock exchange at a price it considers appropriate, which may be the next business day's opening price after it receives the securities. If not all securities can be sold at the opening price, the DR issuer will gradually sell them at a price that corresponds to the daily average price throughout the day. Proceeds from the sale on a foreign stock exchange after expenses will be paid to the DR holder as dividends on the DRs from underlying foreign securities. The DR issuer will comply with criteria and methods under Paragraph 2 and 3, Clause 2.1 of Part 4 of these Additional Terms as disclosed in the relevant 69-DR Form. The DR holder acknowledges that the DR issuer does not guarantee that it will be able to sell the foreign securities at the market's best selling price and/or exchange rate.

## 2.3 New securities issued by a foreign securities issuer to foreign securities holders without consideration

Within 5 (five) business days of receiving information from the foreign securities issuer, the DR issuer will disclose to the SET the new securities issued by a foreign securities issuer to securities holders without consideration, and will take the following steps:

- (1) The DR issuer will sell on a foreign stock exchange new securities that are issued by the foreign securities issuer and that are listed on the foreign stock exchange for a price that the DR issuer considers appropriate. This could be the next business day's opening price of after it receives the securities. If not all securities can be sold at the opening price, the DR issuer will gradually sell them at a price that corresponds to the daily average price throughout the day. DR holders acknowledge that the DR issuer does not guarantee that it will be able to sell the foreign securities at the market's best selling price and/or exchange rate. The DR issuer will distribute the benefits to the DR holder in accordance with the requirements and methods described in Paragraph two and three of Clause 2.1, Part 4 of these Additional Terms as disclosed in the relevant 69-DR Form.
- (2) The DR issuer will use its best effort in selling new securities that are issued by the foreign securities issuer and that are not listed on a foreign stock exchange, or take steps that the DR issuer sees fit considering relevant factors, including but not limited to, administrative fees and expenses and the system availability, and may choose an option that will be in the DR holders' best interests. The DR issuer will distribute the benefits to the DR holder in accordance with the requirements of these Additional Terms as disclosed in the relevant 69-DR Form.

A DR holder who wants to be allocated the new securities and holds enough DRs to redeem the foreign securities may exercise the redemption rights for the new foreign securities under Part 5 of these Additional Terms.

#### 2.4 Foreign securities issuer's Rights Offering of capital increase shares or other types of securities to existing shareholders

Within 5 (five) business days of receiving information from the foreign securities issuer, the DR issuer will disclose to the SET the foreign securities issuer's Rights Offering of capital increase shares or other types of securities to existing shareholders. A DR holder who wants to subscribe for the capital increase shares or other types of securities in the Rights Offering and holds enough DR to redeem the foreign securities may exercise the DR redemption rights for the new foreign securities under Part 5 of these Additional Terms as disclosed in the relevant 69-DR Form to subscribe for the capital increase shares or other types of securities.

#### 2.5 Tender Offer for foreign securities

Within 5 (five) business days of receiving information from the foreign securities issuer, the DR issuer will disclose to the SET the Tender Offer for the foreign securities on the foreign stock exchange. A DR holder who wants to sell the foreign securities to the Tender Offeror and holds enough DRs to redeem the foreign securities may exercise the redemption rights for the new foreign securities under Part 5 of these Additional Terms as disclosed in the relevant 69-DR Form to sell the foreign securities to the Tender Offeror.



## 2.6 Delisting of foreign securities from a foreign stock exchange

The DR issuer will sell the foreign securities on a foreign stock exchange or (as the case may be) to the foreign securities buyer. Proceeds from the sale less expenses will be distributed to the DR holders in accordance with the criteria and methods under Clause 2.1 of Part 4 of these Additional Terms as disclosed in the relevant 69-DR Form.

## 3. Other Benefits

Distribution of benefits is subject to the DR issuer's discretion, which must not contravene the laws, rules, regulations, notifications, and other orders of government agencies or responsible supervisory regulators as well as applicable conditions and restrictions (if any). Within 7 (seven) business days of receiving information from the foreign securities issuer, the DR issuer will disclose to the SET information about other benefits.

### **DR issuer's actions upon material changes in a foreign securities issuer or foreign securities**

1. When a material change or a delisting event occurs ("**Extraordinary Event**") in relation to a foreign securities issuer or foreign securities, the DR issuer may apply to the SET to delist the DR on foreign securities by complying with the SET regulations on foreign DR.

For the purpose of this paragraph, the Extraordinary Event means one or more of the following events:

- a) the foreign securities issuer's merger event;
- b) nationalisation of the foreign securities issuer's assets;
- c) the foreign securities issuer's insolvency;
- d) delisting of foreign securities from a foreign stock exchange;
- e) average daily transaction value of foreign DR over the past three (3) months falling below THB 5 million;
- f) average market capitalisation of foreign DR over the past three (3) months falling below THB 200 million;
- g) the number of foreign DR holders falling below 50 (fifty);

Apart from the Extraordinary Event in a) to g), which allows the DR issuer to apply to delist the foreign DR, the SET may delist the foreign DR in accordance with the SET regulations on foreign DR.

When an Extraordinary Event under e) to g) occurs or when the DRs are delisted in accordance with the SET regulations on foreign DR, the DR issuer may apply to delist the foreign DR without calling a DR holders meeting. However, to delist the foreign DRs when an Extraordinary Event other than those under e) to g) occurs or upon delisting of DRs in accordance with the SET regulations on foreign DR, the DR issuer must call a DR

holders meeting and must obtain approval by a majority vote of the total voting rights of DR holders who attend and vote at the meeting.

The foreign DRs that are delisted will be treated as cancelled and these Terms will terminate only in relation to the part of the foreign DR that are delisted.

## 2. Definitions

“**Nationalisation**” means all foreign securities or all or the material portion of the foreign securities issuer’s assets become vested in the government, expropriated, or transferred to a governmental agency, a relevant authority, or other government juristic person or organisation.

" **Insolvency**" means a voluntary or involuntary liquidation, bankruptcy, or insolvency process, dissolution, or other similar action that results in (a) the foreign securities issuer handing over all of its foreign securities to the official receiver, the plan preparer, the plan administrator, or (as applicable) the responsible officer under the bankruptcy law, or (b) a foreign securities holder being unable to deliver its foreign securities to another person in accordance with the bankruptcy law.

“**Delisting**” means the removal of a listed foreign security from a foreign stock exchange in accordance with the delisting rules of the foreign stock exchange, or the suspension of trading or bidding of foreign securities on the stock exchange for any reason (other than the merger event or tender offer), the prompt refusal to list, trade, or bid for the foreign securities on the stock exchange or in the foreign stock exchange’s price determination system.

“**Merger event**” in connection with a foreign security means:

- (a) a change in the type of foreign securities or that relates to the foreign securities causing the foreign securities issuer to transfer or to have the irrevocable obligation to deliver all outstanding foreign securities to another natural or juristic person;
- (b) a consolidation or a merger with another juristic person or person or an acquisition of business to form a new juristic person, or the obligation to swap shares of the foreign securities issuer with another juristic person or person (excluding a merger, acquisition, consolidation, or the obligation to swap shares in which the foreign securities issuer will be the surviving entity without any change to the type or all outstanding foreign securities);
- (c) a natural or juristic person’s tender offer for takeover, a bid to acquire business, an offer to swap shares, or another requests and proposal to buy or take over all outstanding foreign securities of the foreign securities issuer, causing it to transfer or to have the irrevocable obligation to deliver the entire outstanding foreign securities to the natural or juristic person (except for foreign securities over which the natural or juristic person already owns or has a control); or
- (d) a consolidation or a merger with another juristic person or person or an acquisition of business to form a new juristic person, or the obligation to swap shares of the foreign securities issuer or its

affiliate with those of another juristic person, in which the foreign securities issuer will be the surviving entity without changing the type or all outstanding foreign securities (excluding the foreign securities already owned or controlled by the other juristic person), but the outstanding foreign securities will become less than 50 (fifty) percent of all outstanding foreign securities immediately after the event (“**Reverse Merger**”).

3. If the issuer of foreign securities changes the par value of the underlying foreign securities, the DR issuer may adjust the reference ratio of the DRs or do anything that the DR issuer considers appropriate to reflect the change to the par value.

The DR issuer will promptly disclose news about the change to the DR reference ratio or to take relevant steps via the SET disclosure system within 5 (five) business days after receipt of information from the issuer of foreign securities about the change to the par value of the underlying foreign securities. The adjustment to the DR reference ratio or actions to be taken will take effect on the same day and at the same time as the effective date of the change to the underlying foreign securities.

**Protection measures for DR holders if the DR issuer fails to distribute the DR holding in accordance with the Stock Exchange of Thailand’s requirements**

If the DR issuer fails to distribute the DR holding in accordance with the Stock Exchange of Thailand’s requirements, the DR issuer will apply to delist the DRs in accordance with the methods disclosed in the relevant 69-DR Form, which are:

1. The DR issuer will notify the SET of the delisting on the date that the DR issuer determines or on the next business day at the time specified by the SET.

2. The DR issuer will put in place a mechanism to allow the sale or surrender of the DRs at least three (3) months before the effective date of the delisting and at least one (1) month from the effective date of the delisting or until the DR issuer can demonstrate that it has bought back all the DRs or has taken other SET-approved steps.

3. The DR issuer will disclose information about the protection measures for DR holders to offer a reasonable exit to the DR holders at least three (3) months before the effective date of the delisting.

The DRs will be delisted in accordance with the SET regulations that are in effect when the DRs are delisted from the SET. While the DRs are being delisted from the SET, DR holders may redeem the DRs in accordance with the Terms and Conditions.

The DR issuer will at its discretion sell all foreign securities that are outstanding after the effective date of the delisting at a price that may not be the best prevailing price. The DR issuer will disclose information about the cash price in Thai Baht that it calculates using the commercial bank’s foreign exchange rate that it considers appropriate. The price to be announced in the disclosure will be less the amount of expenses incurred in selling

the foreign securities and applicable administrative expenses. The DR issuer will calculate all expenses and apply them proportionately to the number of DRs before sending the proceeds after the deduction to DR holders within 7 (seven) business days after all foreign securities are sold.

**Contact person:** Mr Varong Vongsinudom (02-208-4669)

## Information Memorandum (Additional Part)

### General Information

Details of DR	Restriction and right on transfer of DR	No restriction on transfer
	Dividend payment policy	Dividend of DRs will be paid subject to the dividend policy of underlying securities. No definite ratio/ timing of dividend distribution is provided for the underlying securities. The Board of Directors will pay dividend considering appropriate factors such as business conditions and financial positions.
	Registrar	Thailand Securities Depository Co., Ltd.
	Disclosure channels for the Terms and Conditions of the DRs	<a href="http://capital.sec.or.th/webapp/corp_fin_2/cgi-bin/final69.php?txt_compid=0150&amp;txt_offerid=001700&amp;txt_secuid=34&amp;txt_offertypeid=30&amp;txt_language=T&amp;txt_applydate=2022-08-15&amp;start_date=2022-09-29">http://capital.sec.or.th/webapp/corp_fin_2/cgi-bin/final69.php?txt_compid=0150&amp;txt_offerid=001700&amp;txt_secuid=34&amp;txt_offertypeid=30&amp;txt_language=T&amp;txt_applydate=2022-08-15&amp;start_date=2022-09-29</a>
Details of underlying	Underlying name and symbol	Full name: Apple Inc. Symbol / Stock coder: AAPL
	Channel of information disclosure relating to characteristics of underlying's business and material events which may impact on rights and benefits or the decision making of investors or the change in prices of DR as well as events which are disclosed to foreign stock exchange)	1.The issuer's website: <a href="https://www.krungthai.com">https://www.krungthai.com</a> 2.SET disclosure system: <a href="https://www.set.or.th">https://www.set.or.th</a> 3. NASDAQ's website: ( <a href="https://www.nasdaq.com/market-activity/stocks/aapl">https://www.nasdaq.com/market-activity/stocks/aapl</a> )
Details of issuer	Issuer name and symbol	Full name: Krung Thai Bank Public Company Limited Symbol: KTB
Details of custodian	Custodian name	Finansia Syrus Securities Public Company Limited

Market maker	Market maker name	Krung Thai Bank Public Company Limited
<b>Details of offering; in case of direct listing</b>		
Offering	Approved date from SEC	5 September 2022
	Expected offering price	THB 5.81 each unit
	How the expected offering price is calculated	The offering price is calculated based on the closing price of the underlying securities on NASDAQ on 27 September 2022 (28 September 2022 local time in Thailand) at USD 151.76, the exchange rate used in converting the expected offering price into Thai Baht is USD/THB = 38.0752 based on the BOT Average Selling Rate on 27 September 2022 and the applicable administrative expenses incurred in buying foreign securities such as brokerage fee, custodian fee, and fees required by the foreign stock exchange, as well as the issuer's administrative expenses and disbursement charged by the DR registrar, which do not exceed 0.4 percent of the foreign securities' purchase price and the foreign exchange fees do not exceed 0.1 percent.

**\*Remark:** The above expected offering price is not the actual offering price. The ATO price will be calculated using the above method based on the market price of the underlying securities in the NASDAQ and the prevailing exchange rate, which may differ from the expected offering price in this document.

### Statistics summary of underlying (Apple Inc.)

Statistic Data of Apple Inc. (AAPL)

Market capitalisation as of 27 September 2022: THB 92,861,503.37 million

Operating Results:

THB in Million	2019	2020	2021
Assets	12,889,064.4	12,332,100.4	13,364,471.4
Liabilities	9,443,715.7	9,844,304.9	10,962,307.0
Shareholders' equity	3,445,348.7	2,487,795.5	2,402,164.4
Sales/ service income	9,906,177.1	10,452,213.5	13,928,555.4
Cost of sale/ service	6,159,882.0	6,455,992.8	8,109,294.2
Net profit	2,103,883.3	2,185,935.3	3,604,959.9

Source: Apple Inc.'s annual report

**Remarks:** Market Capitalisation is calculated based on the market closing data of NASDAQ on 27 September 2022 (28 September 2022 local time in Thailand). The foreign exchange rate used in converting the market capitalisation and the operating results into Thai Baht is FX USD/THB = 38.0752 according to the BOT average selling rate as of 27 September 2022.

Prepared by Krung Thai Bank Public Company Limited

The Company certifies that the information in this memorandum is correct.

Signature .....

(Mr. Rawin Boonyanusasna)

Senior Executive Vice President Group Head

Managing Director

Global Markets Group