

EQUITIESFIRST IN THAILAND - INNOVATIVE AND BORROWER-FRIENDLY PRIVATE CREDIT PROVIDER

BACKDROP:

- EquitiesFirst has recently transacted deals in Thailand for both equities and crypto.
- Thailand is a key market for EquitiesFirst since 2014.
- Thailand is one of the largest markets in Southeast Asia (SEA) by market capitalization.
- Thai-listed stocks generally have higher liquidity comparing to other countries in SEA.
- Amongst Thai listed companies, 349 (40%) are eligible for an EquitiesFirst financing.

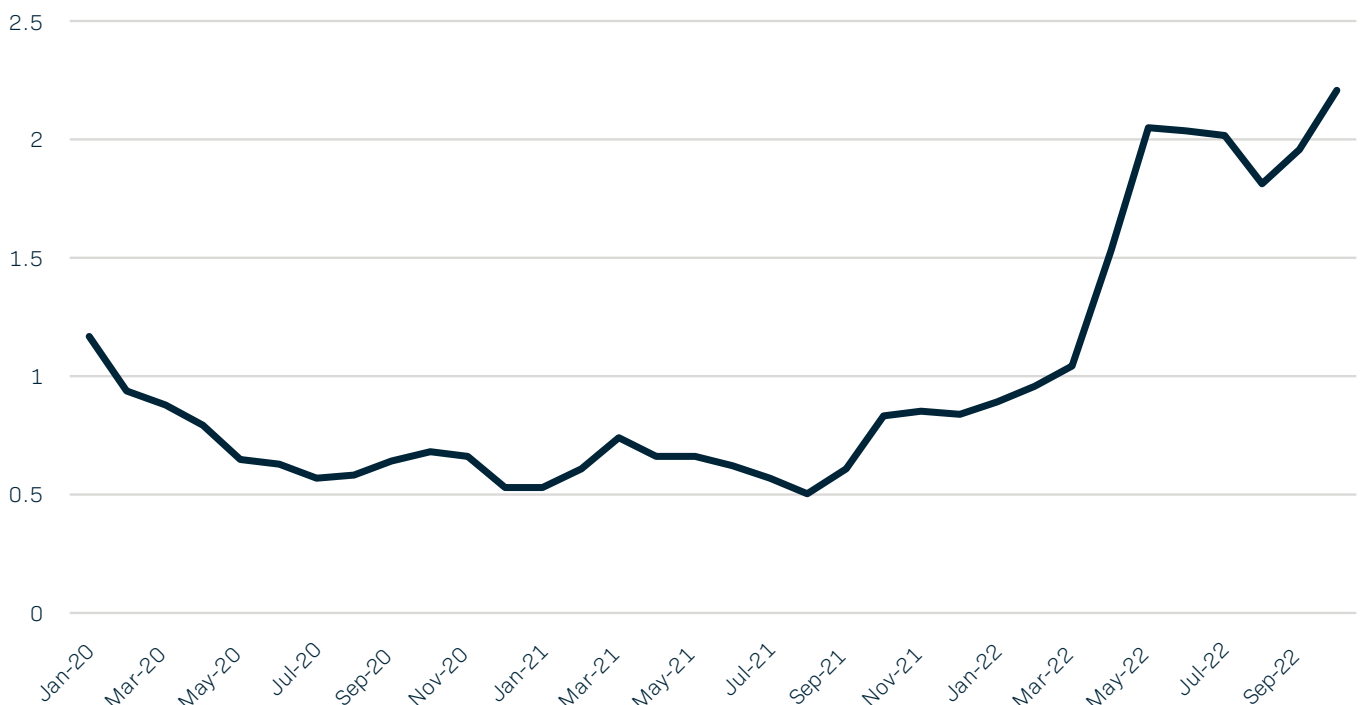
EQUITIESFIRST CURRENT DEVELOPMENTS IN THAILAND

As one of the largest markets in SEA by market capitalization, Thailand is a key focus for EquitiesFirst. Our business in the region for both equities and crypto continues to expand by providing clients with industry-leading terms.

EQUITIESFIRST FIXED AND LOW INTEREST RATES

As the US has been increasing interest rates, other countries, including Thailand, have followed this trend. Since the beginning of 2021, Thailand's 3-year Government T-Bill Interest Rate has increased from 0.5% to more than 2% in October 2022. This further increases lending interest rates as the risk-free rate has increased. To mitigate these increased rates, borrowers who seek low and fixed interest rates may turn to EquitiesFirst for its securities/crypto-backed lending solutions.

THAILAND'S 3-YEAR GOVERNMENT T-BILL INTEREST RATE



EQUITIESFIRST BORROWER FRIENDLY COMMERCIAL TERMS

- **Industry-leading loan-to-value (LTV) ratio:** With USD100 worth of collateral, given the collateral the shareholder may borrow USD 60-70
- **Non-recourse feature:** This limits the downside risk of the shareholder. In the worst-case scenarios (e.g. collapse of share price), the shareholder has the option to walk away from the loan with no further liabilities (while keeping the loan proceeds)
- **Non-Purpose:** The loan capital can be used for any purpose by the borrower and is not subject to restrictions. This helps shareholders to diversify their systematic risk by investing the loan proceeds in other assets
- **Upside Retention:** The borrower retains the full upside price appreciation in the best-case scenario (e.g. the share price keeps increasing after the event)
- **Margin Call Advantage:** Our margin call threshold is calculated as 80% of the loan LTV. If the LTV is 65%, the margin call threshold would be $80\% \times 65\% = 52\%$. This means the share price needs to drop from 100 to below 52 (for 3 consecutive days) before there would be a margin call. This protects the shareholder from getting margin calls easily when the share price fluctuates.

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