

Summary of the Revised Rules of the Stock Exchange of Thailand

1. Revision to the rules on the listing of securities (effective from 1 January 2025)

In order to improve the capability of the companies to be listed both in the SET and the mai to strengthen their financial position and operating results and to reduce discrepancy in terms of size for the purpose of accommodating businesses which do not require a high level of capital as follows:

- Increase the net profits to reflect good turnover
- Increase the shareholders' equity to demonstrate strong financial position
- Decrease the paid-up capital for listing in the SET, which still remains higher than the current minimum paid-up capital for the mai to support companies with low paid-up capital but with good operating results and financial position
- Increase the proportion of the distribution of minority shareholding (Free Float) and the proportion of shares offered for sale to the public (IPO) in order to improve liquidity in the secondary market

Summary of the Revision to the Rules on the Listing of Securities (Parts in blue are the revised rules)

	SET		mai	
	Current Rules	New Rules	Current Rules	New Rules
1) Profit^{1/}				
• Latest year	30 million Baht	75 million Baht	10 million Baht	25 million Baht
• Total 2-3 years	50 million Baht	125 million Baht	-	40 million Baht
2) Equity^{2/}	300 million Baht	800 million Baht	50 million Baht	100 million Baht
3) Paid-up	300 million Baht	100 million Baht	50 million Baht	50 million Baht

4) Free Float and Proportion of IPO		SET / mai	
Size of Paid-up (X)	% Free Float ^{3/}	Size of Paid-up (X)	% IPO
$50 \leq X < 300$ million Baht	30% (previously 25%)	$50 \leq X < 300$ million Baht	20% (previously 15%)
$300 \leq X < 3,000$ million Baht	25%	$300 \leq X < 500$ million Baht	15% or 60 million Baht ^{4/} whichever is higher
$X \geq 3,000$ million Baht	20%	$X \geq 500$ million Baht	10% or 75 million Baht ^{4/} whichever is higher

^{1/} Profit means net profit from operation whereby the applicant's operating results must be in accordance with the rules at all times up to the date the securities are listed

^{2/} This is equity after IPO whereby prior to the filing of an application, equity > 0

^{3/} The number of minority shareholders: SET 1,000 shareholders / mai 300 shareholders

^{4/} Calculated pursuant to the par value

2. Revision to the rules for listed companies with risks concerning financial position, operating results or financial liquidity or which possesses qualifications not in accordance with the prescribed rules (effective from 25 March 2024)

The SET has revised the rules for listed companies with risks concerning financial position, operating results or financial liquidity or which possesses qualifications not in accordance with the prescribed rules including the posting of signs to notify investors about the status of the companies possessing such qualifications. Such signs will be posted depending on the events which occur and will replace the existing C (Caution) sign.

After the SET has posted the signs, investors shall purchase such securities by means of cash balance account and the listed companies shall arrange a meeting to provide information to investors and relevant persons (Public Presentation) pursuant to the rules applicable to securities currently with the C sign posted thereon.

Summary of conditions for the posting of signs (parts in blue are the newly added conditions)

**CB
(Business)**

Financial position

- Shareholders' equity < 50% of paid-up capital*
- The court accepts a petition for the rehabilitation / bankruptcy claim
- Regulator has ordered to rectify the financial condition / operation
- No business, taking into consideration the fact that the operating revenue < 100 million Baht (SET) and 50 million Baht (mai)
- Suffer loss for a consecutive period of 3 years and shareholders' equity < 100% of paid-up capital*
- default on repayment of debts with financial institution / debt instruments**

**CS
(Financial Statements)**

Financial statements

- The auditor's report contains the issuance of a disclaimer of opinion on the financial statements **because the scope has been limited by management**
- The SEC orders the financial statements to be rectified or the special audit to be conducted

**CC
(Non-compliance)**

None-compliance with the rules

- Listed companies whose all or most of the assets are in the form of cash or short-term securities (Cash Company)
- Insufficient number of the members of the audit committee (AC) > 3 months (change from the NP (Notice Pending) sign, which is cancelled and replaced by CC)

**CF
(Free Float)**

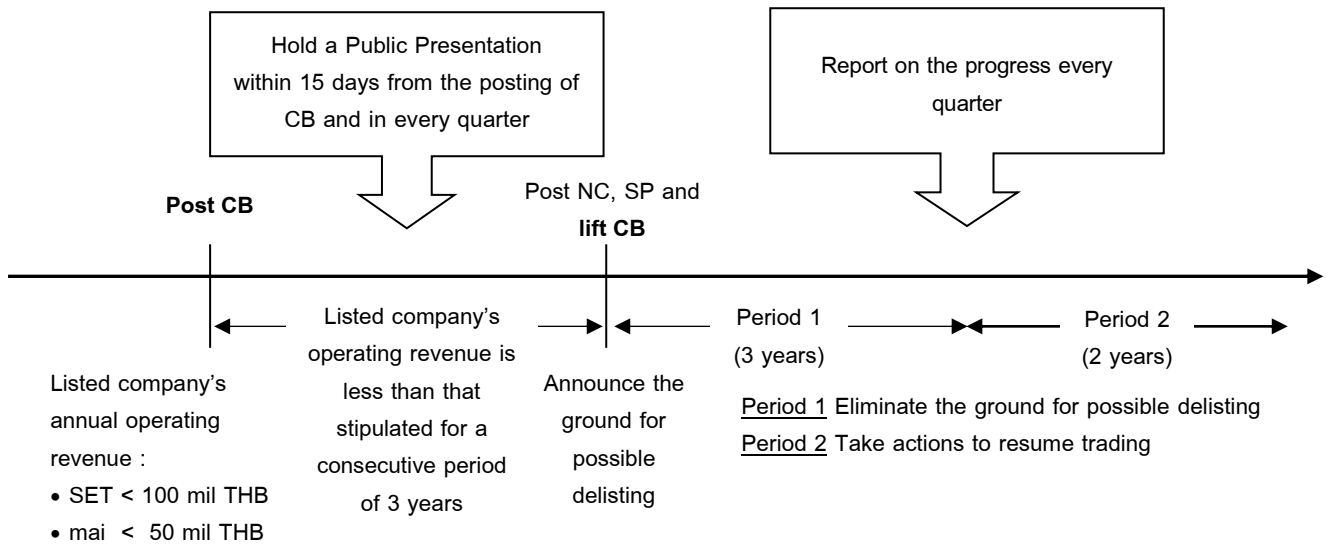
- **Free Float** does not comply with the rules (< 150 shareholders or < 15% of paid-up capital)

* The above paid-up capital means the paid-up capital deducting the discounts on share capital and the discounts from business restructuring

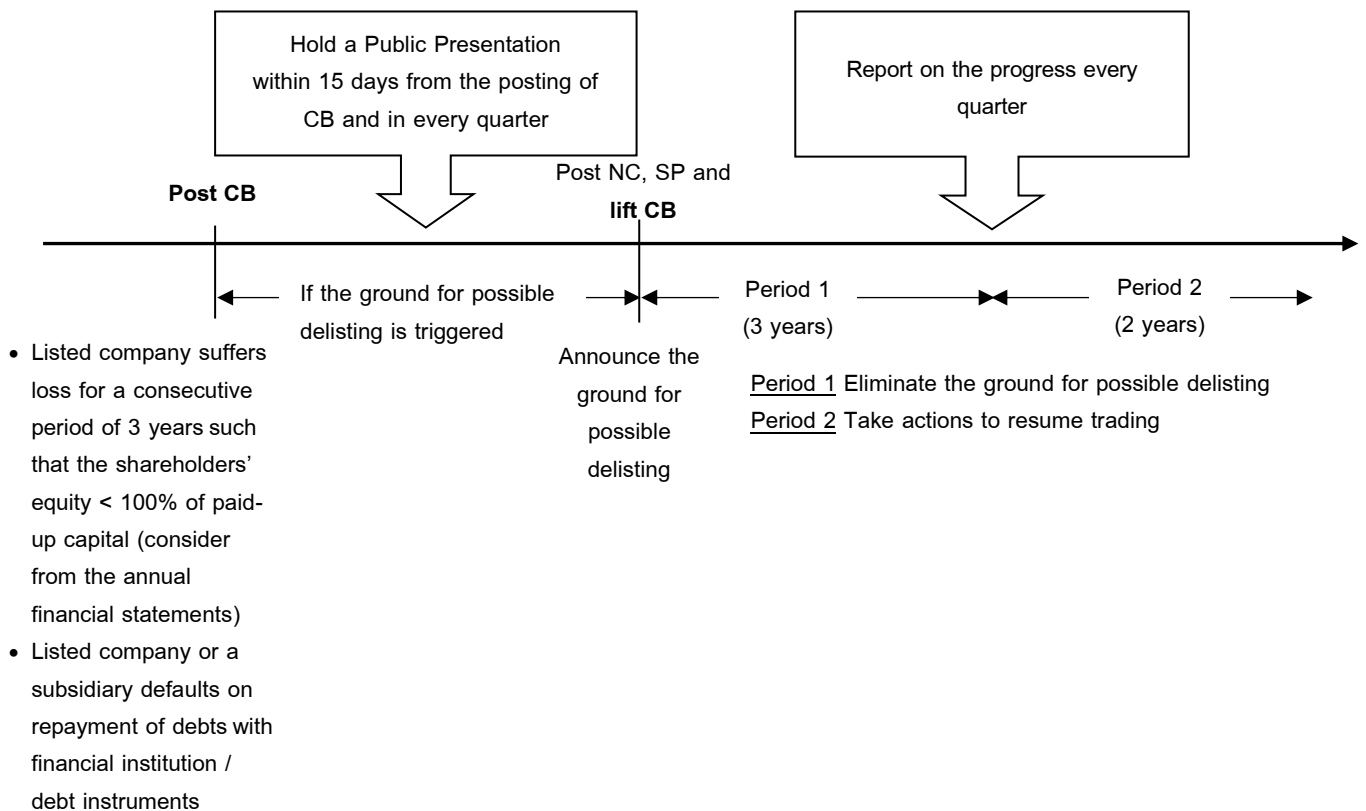
** Default on repayment of debts includes cases where a subsidiary defaults on the repayment of debts with the value from 5% of the total assets of the listed company, and in case of an event concerning the debt instruments, reference will be based on the posting of signs by authority acting as a debt instrument information center (currently the Thai Bond Market Association (ThaiBMA)) such as the DP (Default Payment) sign, DNP (Default not related to payment) sign, FP (Fail to Pay) sign, FPG (Failed to Pay with Guarantee) etc.

2.1 Adding actions against listed companies with no business, that suffer loss for a consecutive period of 3 years and that default on repayment of debts with financial institution / debt instruments

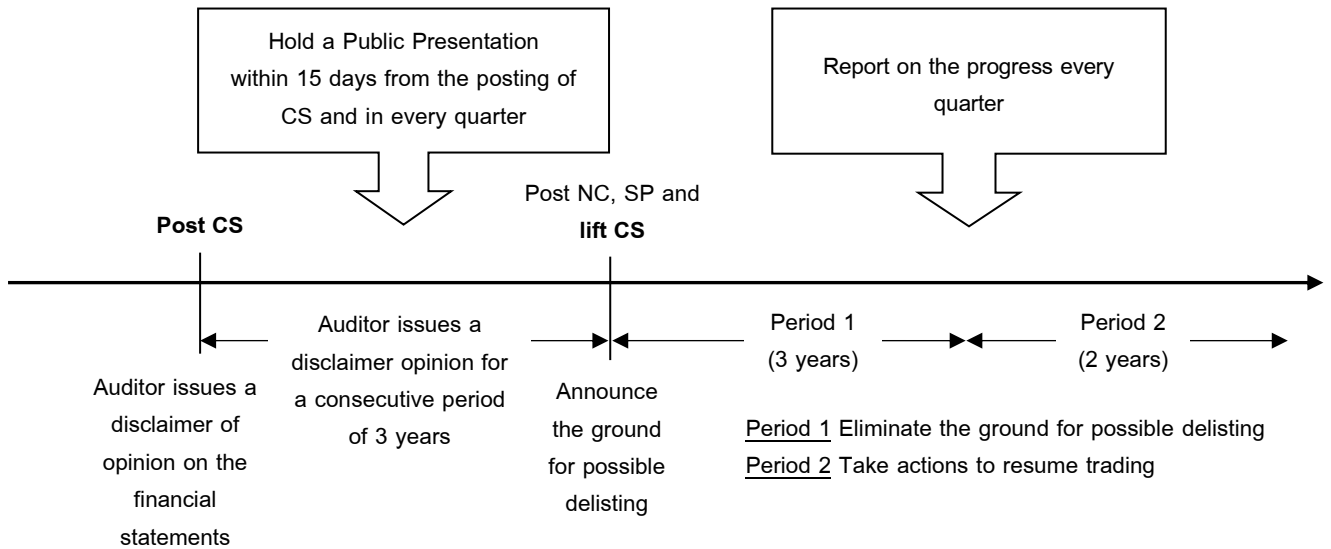
(1) Adding actions against listed companies with no business which takes into consideration a low level of operating revenue whereby the CB (Business) sign will be used as follows:



(2) Adding actions against listed companies that suffer loss for a consecutive period of 3 years such that the shareholders' equity < 100% of paid-up capital and that default on repayment of debts with financial institution / debt instruments whereby the CB (Business) sign will be used as follows:

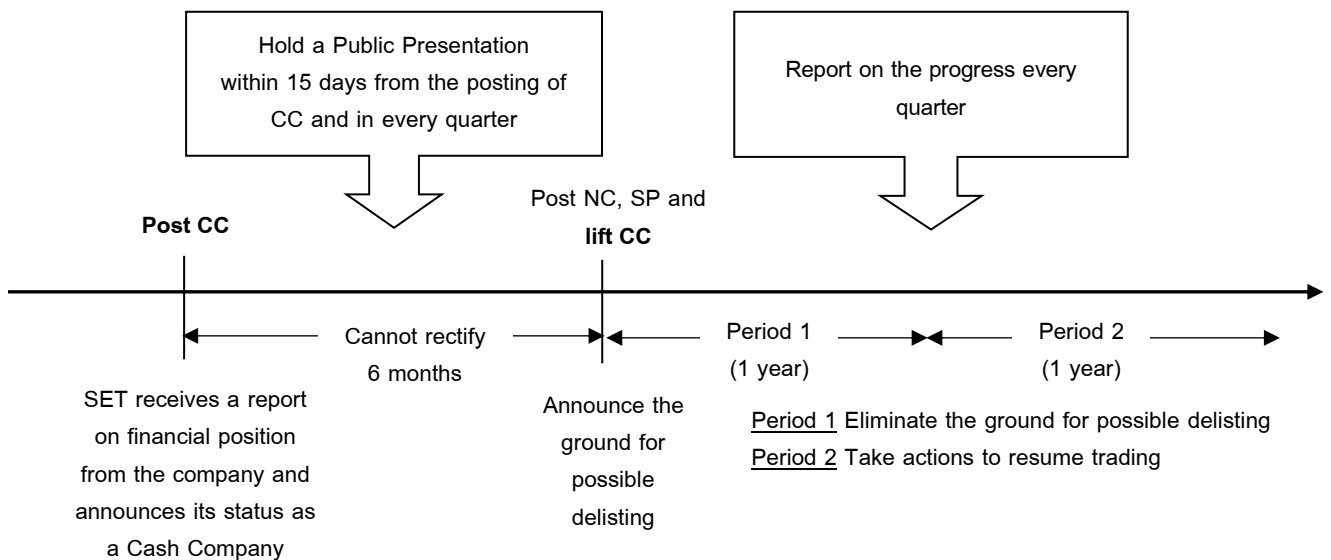


2.2 Revising the procedures for actions in case the auditor issues a disclaimer opinion on the financial statements whereby the NP (Notice Pending) sign will be replaced by the CS (Financial Statements) sign as follows:

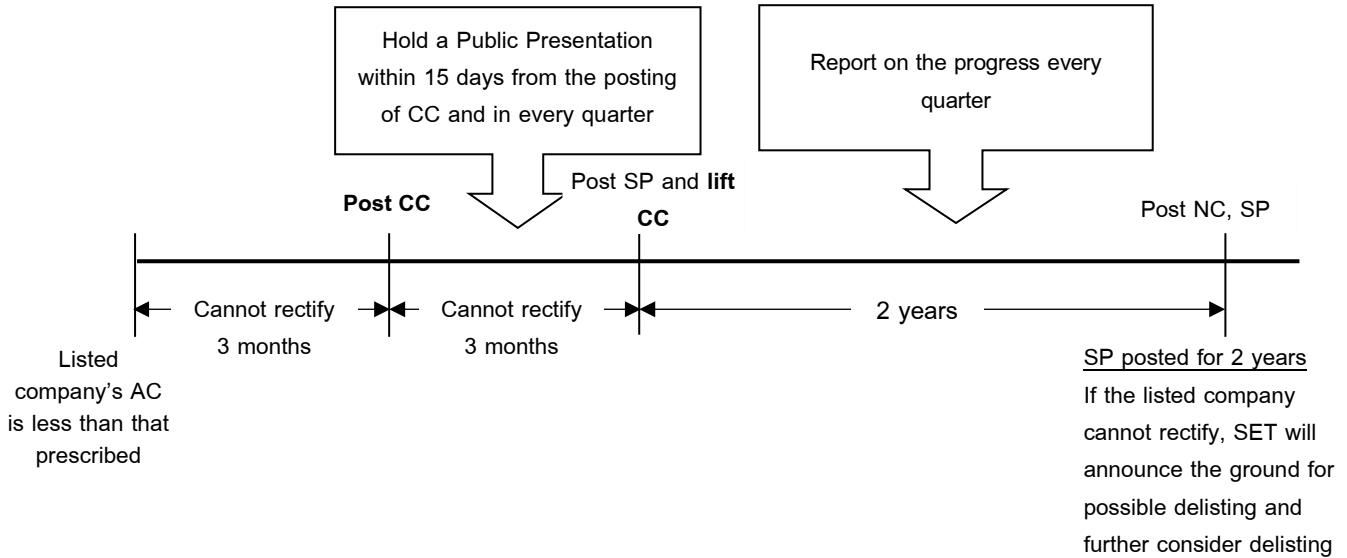


2.3 Revising the procedures for actions in case the listed companies possess the qualifications not in accordance with the prescribed rules i.e. being a Cash Company, the number of the members of the audit committee or the Free Float does not conform to the rules, or failing to arrange the Opportunity Day as prescribed

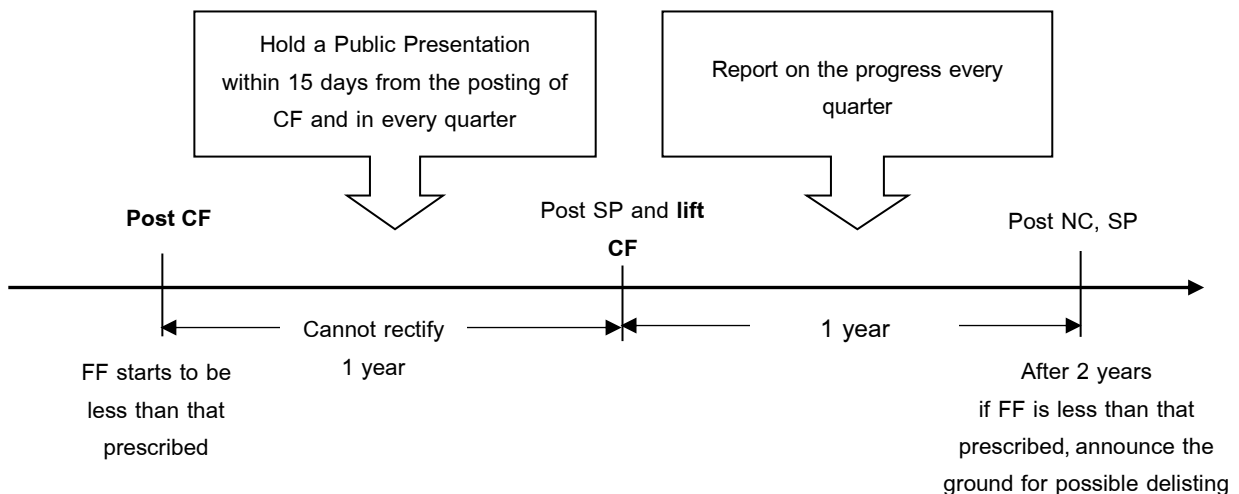
(1) Revising the procedures for actions in case the listed companies are Cash Companies whereby the NP (Notice Pending) sign will be replaced by the CC (Non-Compliance) sign as follows:



(2) **Revising the procedures for actions in case the number of the members of the audit committee (AC) does not conform to the rules** whereby the NP (Notice Pending) sign will be replaced by the CC (Non-Compliance) sign and the monthly announcement of names will be cancelled to reduce repetitiveness as follows:



(3) **Revising the procedures for actions in case the Free Float does not conform to the rules** whereby the CF (Free Float) sign and the SP sign will be used instead of the collection of additional fee and the announcement of names as follows:



(4) **Adding the procedures for actions in case the listed companies fail to arrange the Opportunity Day as prescribed** whereby the NP (Notice Pending) sign will be posted to warn investors to exercise greater caution and to study the information thoroughly.

2.4 Enhancing the process for the consideration of the qualifications of companies that undergo Backdoor Listing Resume Trading so that the companies to be listed via whatever channels are of similar quality comparable to the international standard as follows:

- (1) The process for the consideration of the qualifications for Backdoor Listing and Resume Trading will be the same as for New Listing as follows:
 - The application will be jointly prepared and submitted by a financial advisor (FA)
 - The SEC will jointly consider the qualifications and examine the documents of the company, the financial advisor and the auditor especially in relation to the internal control system and conflict of interests
 - Arrange the Opportunity Day at least once a year within the first year after the ordinary shares of the Backdoor Listing commence trading or the ordinary shares of the listed company resume trading on the SET.
- (2) The companies that undergo Backdoor Listing shall possess the qualifications pursuant to the rules on new listing with the operating results satisfying the Profit Test or the Infrastructure Business Test only.
- (3) Adding the process for the provision of information to investors by posting the NP (Notice Pending) sign when the board of directors of the listed company passes a resolution to purchase assets which constitute Backdoor Listing until the company notifies the outcome of the consideration of the entering into the Backdoor Listing transaction from the SEC and the SET to the investors.

In case the company purchases the assets without complying with the prescribed rules, the SET will post the SP sign, which may then lead to delisting if the SP sign is posted consecutively for a period of more than 2 years.

2.5 Revising the rules to be consistent with the rules of the SEC and repealing or revising the rules which do not conform to present circumstances in order for the rules to be clear, flexible, easy to understand and up-to-date such as the appointment of an auditor for the listed company, best practice guidelines for audit committee, the grant of approval in relation to restrictions on the transfer of shares in a listed company as these are already stipulated in the rules on the listing of securities etc.

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