


Dividend Payment

Rules Summary

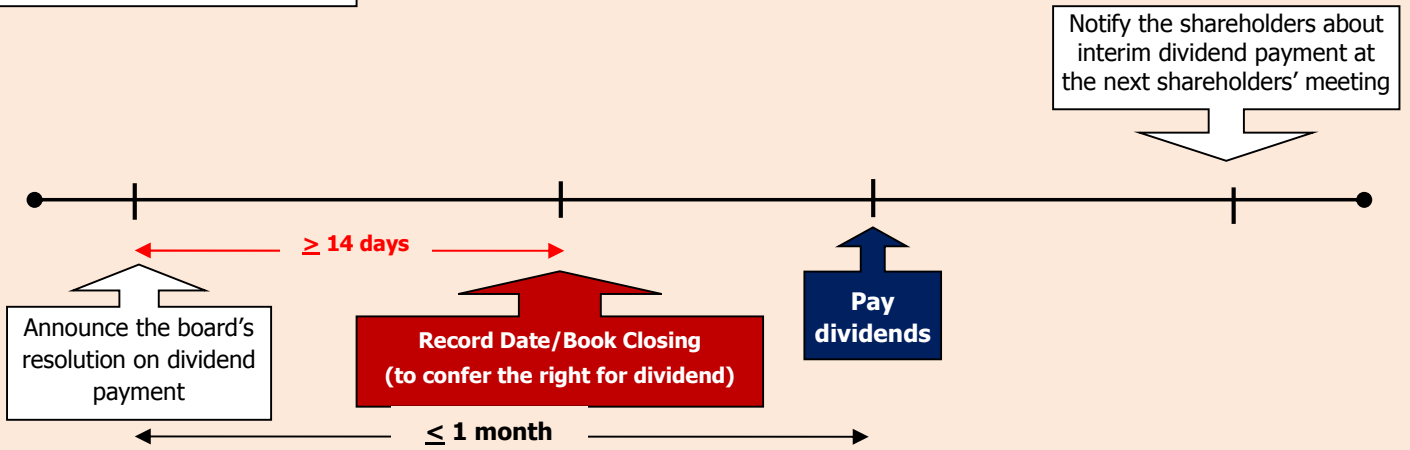
The announcement of dividend payment or non-dividend payment of a listed company is an important event that has a direct impact towards the shareholders' benefits as well as investors' decisions in securities trading. Therefore, the listed company must report to the SET and disclose to the shareholders and investors immediately, with the following key principles:

Topic	Details
Period of dividend payment	<p>According to the Public Company Act., Section 115, the dividend payment period is as follows:</p> <ol style="list-style-type: none"> 1. Annual dividend payment: Within one month from the date that the shareholders' meeting approves the dividend payment 2. Interim dividend payment: Within one month from the date that the board of directors has a resolution on dividend payment, and must be reported at the next shareholders' meeting
Type of dividend	<ol style="list-style-type: none"> 1. Cash 2. Stock dividend
Determining the date for eligible shareholders	<ul style="list-style-type: none"> • Determining eligibility by notifying the board's resolution no less than 14 days prior to the date of conferring any right • Two date types: 1. Record Date (RD) ; 2. Book Closing (BC) • In case the company holds the shareholders' meeting to get approval on dividend payment, the date to confer right for dividend payment should be at least five business days from the approval date. However, if it is necessary and likely that an approval will be reached as per the board's proposal, the date of entitling shareholders for meeting and receiving dividends can be on the same date. This message should be stated on the information memorandum to SET and notice of the shareholders' meeting that "The right to receive dividend or new shares, as the case maybe, is uncertain as it has not yet been approved by shareholders."
Information disclosure	<p><u>Case of dividend payment</u></p> <ul style="list-style-type: none"> • The listed company shall notify the resolution of the Board of Directors about dividend payment and the record date for dividend entitlement immediately via SETLink , that is, on the day the board resolution is reached, or prior to the first trading hours of the next business day at the latest. • Significant information regarding the board's resolution: <ol style="list-style-type: none"> 1. Date of the board's resolution to pay 2. Proposal by the board agreeing to pay 3. In case of cash dividend, information to be disclosed is: <ul style="list-style-type: none"> ○ Dividend payment rate, and the accounting period the dividend will be drawn from, dividend to be exempted from tax by the BOI (if any) 4. In case of stock dividend*, information to be disclosed in two parts: <ol style="list-style-type: none"> 4.1 Stock dividend: Number of shares, ratio of existing shares and stock dividend, and dividend stock value paid. 4.2 Cash allocated for 10% withholding tax out of disposable income, as per the Revenue Code, Article 50(2) (Jor) 5. Dividend payment date

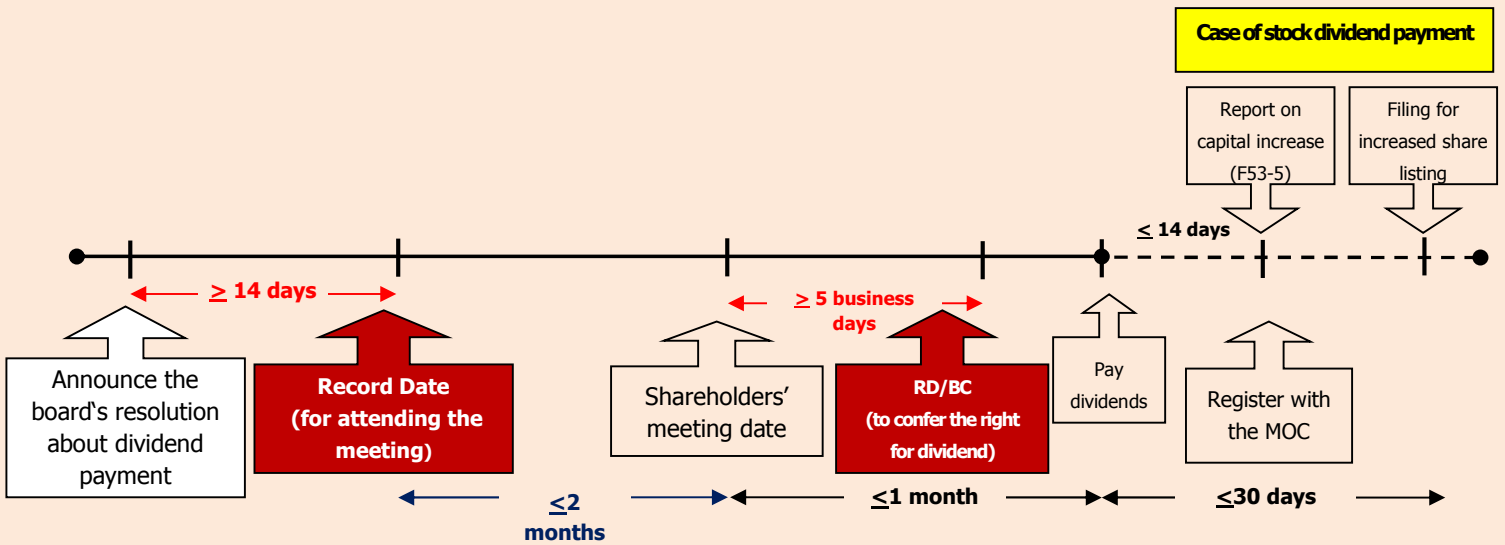
Topic	Details
Information disclosure	<div data-bbox="486 235 1412 465" style="border: 1px dashed black; padding: 5px; margin-bottom: 10px;"> <p>* Calculation of stock dividend value for withholding tax</p> <p>Value of the stock dividends each of the shareholder receives shall be included in the calculation of income tax:</p> <p>Value of stock dividend = $\frac{\text{Retained earnings to be transferred to shareholders' equity}}{\text{Number of stock dividend issued}}$</p> </div> <div data-bbox="486 510 1412 1070" style="border: 1px dashed black; padding: 5px; margin-bottom: 10px;"> <p>* Other related procedures of stock dividend payment</p> <ul style="list-style-type: none"> - The board of directors must hold a shareholders' meeting to propose an agenda concerning capital increase in preparation to the stock dividend <ul style="list-style-type: none"> • Submit the capital increase form (F 53-4) along with the board's resolution about capital increase for dividend payment. - After gaining the shareholders' approval and paying stock dividend finishes, those stocks must be listed on the SET by: <ul style="list-style-type: none"> • Report on the results of capital increase share allocation (F53-5) via SETLink after paying the stock dividend. This shall be within 14 days from the share subscription and payment date. • Filing for the listing of capital increase shares via SETLink along with the registration with the Ministry of Commerce (MOC), so that SET would consider for additional share listing. </div> <p><u>Case of dividend omission</u></p> <ul style="list-style-type: none"> • The listed company must announce the board's resolution about dividend omission immediately, which means by the date the board made the resolution or prior to the first trading hours of the next business day at the latest, via SETLink.
	<p>In case the company increases its capital to accommodate the stock dividend, but there is some capital unpaid and not allocated for any convertible securities, the company has to decrease registered capital before going to increase it for such purpose.</p>

Process

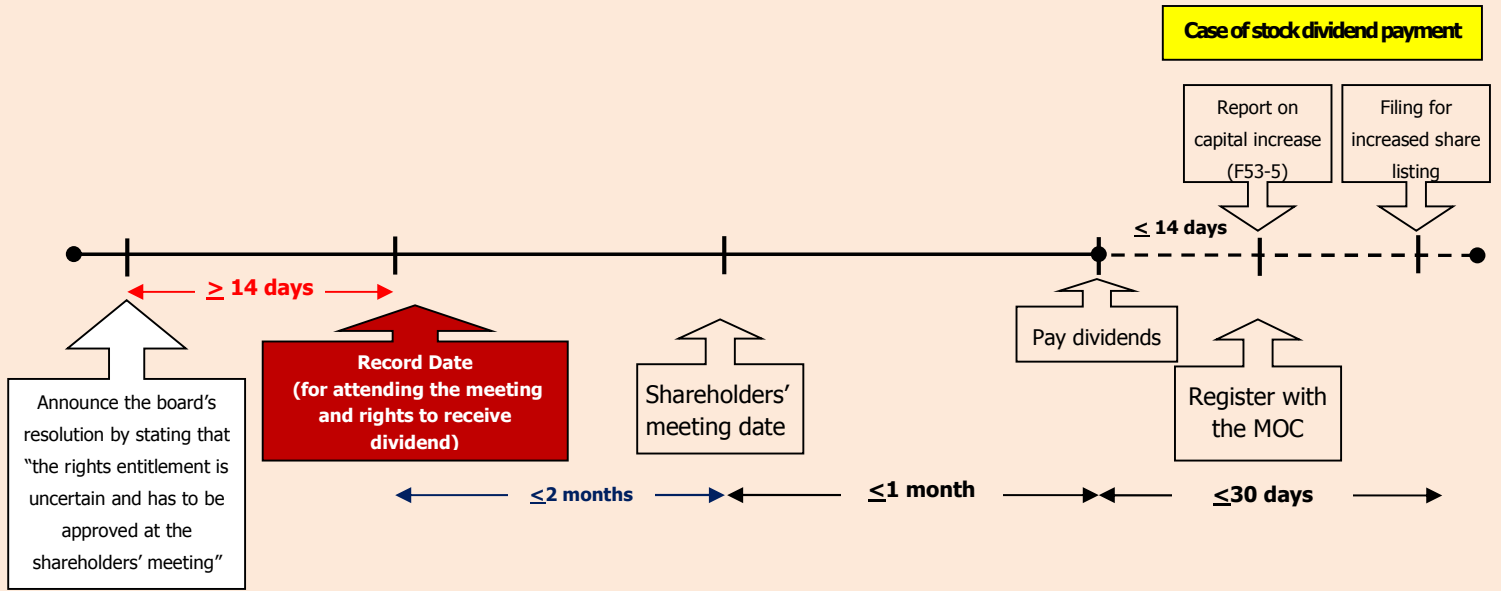
Interim dividend payment



Annual dividend payment: Rights being entitled after the shareholders' meeting date



Annual dividend payment: Rights to receive dividend on the same day as to attend the shareholders' meeting



Q&As

Question	Answer
If, in the latest fiscal year, the listed company had net income and accumulated retained earnings in the consolidated financial statements, but had accumulated losses in the separate financial statements, will the company be able to pay out dividends?	According to the Public Company Act, Section 115, dividends could not be paid out of other sources than company's profits. In case the company has accumulated losses, dividends could not be paid. Therefore, with outstanding accumulated losses, a listed company is not permitted to pay out dividends. Company's profits to be paid out as dividends should be unappropriated retained earnings.
In case the board of directors decided to omit dividends, will the listed company have to notify SET? What should the company do?	The listed company has to notify SET, whether the board's resolution is to pay or to omit dividends.
When a listed company has accumulated losses, what should the company do to pay out dividends?	The listed company can wipe out accumulated losses with reserved capital or share premium. To do this, it needs approval from the shareholders' meeting to transfer legal reserves (Section 116, Public Company Act), or share premium reserves (Section 51, Public Company Act), or other reserves that can compensate accumulated losses. Accumulated loss compensation should first be from other reserves, then legal reserves as per Section 116, then the share premium reserves as per Section 51, respectively.

Related Regulations

SET's regulations

1. Regulations of the Stock Exchange of Thailand Re: Rules, Conditions and Procedures Governing the Disclosure of Information and Other Acts of a Listed Company B.E. 2560 (2017)
2. Regulations of the Stock Exchange of Thailand Re: Procedure for the Disclosure of Information and Submission of Documents of Listed Companies through the Electronic System B.E. 2560 (2017)
3. Related SET Circular
 - Kor.Tor. (Wor) 51 /2001 Re: Rules regarding tax on The Stock Dividend
 - Bor.Jor. (Wor.) 25/2007 Re : Date of closing share register when increasing capital or paying dividends.
 - Bor.Jor. (Wor) 2/2024 Re: Revision to the rules of the Stock Exchange of Thailand to enhance supervision of listed companies and disclosure of information

Other organization's regulations

- Public Limited Company Act B.E.2535 (Section 115-116)

Forms

When the company has a stock dividend, there will be a capital increase. The forms related to capital increase are

- Capital increase Report Form (F53-4)