

Checklist: Connected Transactions

When the listed company or a subsidiary is doing a transaction with related party with the transaction over 0.03 percent of net total assets (NTA) or 1 million Baht, whichever is higher, or financial support at least 3 percent of NTA or 100 million Baht, whichever is lower, the listed company is required to provide the following information at a minimum:

Disclosed Information	Checked (✓)
1. The date of the board of directors gives an approval for the company to enter into the transaction, the date the company agrees to enter into the transaction and the date the transaction is expected to be complete.	
2. Related parties and characteristics of interests.	
<ul style="list-style-type: none"> • Name of seller or buyer 	
<ul style="list-style-type: none"> • Explain the nature of their connection by including blood relations (<i>such as father, mother, siblings, offspring and spouse of the offspring</i>) or the person per the Ordinary Partnership Article 258, as follows: <ul style="list-style-type: none"> <input type="checkbox"/> Major shareholder (<i>disclose shareholding proportion in a listed company</i>) <input type="checkbox"/> Director or the management of a listed company <input type="checkbox"/> Person with controlling power (<i>i. e., having influence in policy making, appointment and removal of directors or the company's operation</i>) • For juristic person, disclose ultimate shareholders, shareholding proportion in the juristic person and the relationship with directors, management or the controlling person in the listed company. 	
3. Explain type of transaction (<i>i.e., purchase or sales of raw materials, property, receipt or provision of services or financial supports</i>)	
<ul style="list-style-type: none"> • Ordinary business transactions: ordinary business support transaction, real estate rental transactions for a period not longer than 3 years span and acquisition or disposition of assets. <ul style="list-style-type: none"> <input type="checkbox"/> Explain the nature of transaction (<i>such as buying and selling raw materials, transporting goods, doing advertising, renting warehouses, buying/leasing factory or office</i>), location, conditions, usable lifespan, asset obligations, valuation price, valuation date (<i>independent appraiser approved by the SEC</i>), the beginning and end of the lease period, etc. In case of securities : disclose the company's name, nature of business, paid-up capital, the board of directors, list of shareholders before and after the transaction (<i>for juristic person, disclose its ultimate shareholder</i>) summary of financial status and operational results of the company's consolidated financial statements for 3 years together with the cumulative sum for the current period. If such information is not available; provide separate financial statement (<i>such as sales or service income, costs, sales and management expenses, profit (loss), total assets, total liabilities, retained profit (accumulated deficit), shareholders' equity and other important items</i>) <input type="checkbox"/> Price, pricing criteria (<i>such as the discounted cash flow method together with explanation about key assumptions for valuation. If the price is set by the agreement of the parties, reveal the basis of the price, book value and market price (if any)</i>). • Providing or receiving of services <ul style="list-style-type: none"> <input type="checkbox"/> Explain the nature of received or provided services (<i>such as providing consultant services</i>) 	

Disclosed Information	Checked (✓)
for logistics system).	
<input type="checkbox"/> Rates and service fees (such as consulting fees per hour), pricing criteria and comparison with industry rates	
<input type="checkbox"/> Beginning and ending period of service contract	
• Providing or receiving of financial assistance (such as loans or borrowing, guarantee or proving assets as collateral).	
<input type="checkbox"/> Principal amount, interest rate, beginning and ending period of loan agreements, total value of interest throughout the loan agreement period	
<input type="checkbox"/> Nature of assets or collateral and value	
<input type="checkbox"/> Restrictions on borrowing that may affect shareholder rights (such as dividend payment restrictions) and other important conditions (such as maintaining financial ratios and default on loan)	
<input type="checkbox"/> In case of lending, please specify the source of funds, cost of lending and the liquidity of the company during the loan period as well as the assessment on the debt service ability of the borrower.	
<input type="checkbox"/> In case of the receiving financial assistance, explain the reason, necessity, interest rate comparison with the rates offered by financial institutions and spending plan.	
4. Payment	
• Cash settlement	
<input type="checkbox"/> The date of the payment is received and settled in full. If there is deposit (if any), compare the deposit payment with the general guidelines, conditions for cancelling the agreement and refund of deposits.	
• Settlement by issuance of securities	
<input type="checkbox"/> Type of securities, amount, price and pricing method (i.e., using an average market price 7 days before the board of directors' resolution)	
<input type="checkbox"/> Schedule the shareholders' meeting to seek approval for capital increase (see checklist: Capital increase)	
• The plan for spending money that receive from the sale of assets.	
• Sources of funds for investment. If investment is financed by loans, explain the amount of loans, interests and conditions that may affect the shareholders' rights (such as restrictions on dividend payment)	
5. Transaction size	
<ul style="list-style-type: none"> • Type and size of transaction <ol style="list-style-type: none"> 1. The numbers used in the calculations must be from the latest consolidated financial statements (if it is not available, use separate financial statements) that have been <u>audited or reviewed</u> by auditors. 2. NTA calculation: Net Tangible Assets = total assets – intangible assets (such as attached goodwill and deferred expenses. <i>(Except intangible assets that generate major income such as the concession and patent permit)</i> – total liabilities - non-controlling shareholders' equity. 3. Transaction size by comparing transaction values by % NTA method or comparing with the amount of funds as specified in the SET's Notification on Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions. 	

Disclosed Information	Checked (✓)
<p><u>Type of Business</u></p> <p>1) Ordinary business transactions</p> <p>2.) Ordinary business support transactions</p> <p>3) Real estate rental transactions for a period not longer than 3 years span</p> <p>4) Products/services</p> <p>1. In case of disposition of capital investment to the extent that the subsidiary or affiliate no longer exists, transaction calculation will include loans, guarantee obligations and other outstanding obligations which the company still has with the other company.</p> <p>2. In case of providing/receiving of services, use the total received/paid value throughout the service agreement in calculation.</p> <p>5) Providing/receiving financial assistance</p> <p>1. In case of providing financial assistance, the transaction size must include the principal, interest, guarantee value and the amount of damages that may occur when the debt is not paid.</p> <p>2. In case of receiving financial assistance, use the interest value including any other benefits that must be paid.</p>	
<ul style="list-style-type: none"> Transaction size including the transactions in the past 6 months (including transactions of the same person and related persons, close relatives of the said persons, excluding transactions approved by the shareholders' meeting that have complied with the procedures in the Stock Exchange of Thailand Notification on Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions) 	
<ul style="list-style-type: none"> Explain how the calculated transaction affects the company's duty (such as requesting approval from the board of directors, disclosure of information to the SET or arranging a shareholders' meeting for approval and IFA appointment) 	
<p>6. Explain whether the transaction requires an approval from related party or not and identify the name of the party and conditions</p>	
<p>7. Opinions of the company's board of directors and the audit committee</p>	
<ul style="list-style-type: none"> Explain the reasons of the transaction, price, condition, necessity or benefits that the company will receive when compared with the transaction of independent person. 	
<ul style="list-style-type: none"> Disclose the opinions of the audit committee and directors with opposing views from that of the company's board of directors. If IFA has different opinions from the company's board of directors, disclose the opinions of the audit committee again after the IFA's opinion is taken into consideration. (Disclose IFA's opinions after they are submitted to the SEC for consideration and adjustment). 	

Template to choose for reporting news to the SET

Headline	Template
Connected transaction.....	<u>Choose:</u> - Connected transaction - Acquisition and disposition of assets <i>(if the transaction is the acquisition and disposition of assets)</i>
In case the shareholders' meeting is required: Schedule the shareholders' meeting for approval.....	<u>Choose</u> - Connected transactions - Acquisition and disposition of Assets <i>(if the transaction is acquisition or disposition of assets)</i> - Schedule of shareholders' meeting - Increasing capital <i>(if capital increase is required)</i>
Opinions of independent financial advisor..... Opinions of independent financial advisor disagreeing with the transaction...	<u>Choose</u> IFA's opinion
Opinions of the audit committee in response to IFA's disagreement with the transaction...	<u>Choose</u> Other
Resolutions of the shareholders' meeting.....	<u>Choose:</u> Shareholders' meeting's resolution <u>Agree Choose</u> > Accordingly approved with board's resolution <u>Disagree Choose</u> > Change from the board's resolution

Reference: 1. Notification of the Board of Governors of the Stock Exchange of Thailand, Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions

2. Notification of Capital Market Supervisory Board No.TorChor 21/2551, Re: Rules on Connected Transactions