

Checklist: Financial Transaction with Risk to Financial Position and Operating Performance.

(“Financial Risk Information”)

A listed company with Financial Risk Information, such as asset impairment, expected credit losses (ECL), deposits for business operations or investments that have not been refunded as due, etc., where the value of each transaction meets any of the following criteria^{1/}:

- $\geq 50\%$ of operating income^{2/};
- The significant transaction value, as follows:
 - In case the shareholders' equity is positive^{3/}: $\geq 50\%$ of the relevant transaction value and $\geq 5\%$ of shareholders' equity;
 - In case the shareholders' equity is less than zero^{3/}: $\geq 50\%$ of the relevant transaction value
- Transaction which causes an operating loss^{4/}.

A listed company shall disclose information within the due date for submission of its financial statements to SET. And the listed company shall disclose the progress in relation to such event within the due date for submission of its financial statements for each quarter or in case of substantial progress, disclose immediately until the rectification is fully completed.

Disclosed Information	Checked (✓)
1. Details of Financial Risk Information to be Disclosed	
<p>Name of Transaction: Specify name of transaction. In the case of multiple transactions that are related, please specify only one transaction and then select type of transaction.</p> <p><u>For example:</u> Investment in Company A is impaired and there is an expected credit loss (ECL) from a loan.</p> <ul style="list-style-type: none"> - Specify Name of Transaction, i.e. Investment impairment in Company A, and then - Select 2 types of transaction (1) Asset impairment and (2) Expected Credit Loss 	
<p>Type and Source of Transaction</p> <ol style="list-style-type: none"> 1. Specify type of transaction, such as asset impairment, expected credit losses (ECL), deposits for business operations or investments that have not been refunded as due, etc. including other transactions with similar nature but named otherwise 2. Sequence of Events: Date and description of the transaction 3. Counterparty Information: In the case of a juristic person, the name of ultimate shareholder must be disclosed. 	

^{1/} Consideration based on quarterly, the latest year-to-date, or annual financial statements or consolidated financial statements (if any).

^{2/} Operating income shall be considered in accordance with Measures in case of Events that may affect the Listed Companies' Financial Condition and Business operation, as specified in Q&A for CB CS CC and CF signs.

^{3/} Consideration from Shareholders' Equity Attributable to Owners of the Parent.

^{4/} Consideration from Net Loss Attributable to Owners of the Parent, where the transaction causes the operating performance to reverse from profit to loss. In case of continuous losses, the transaction shall be considered $\geq 50\%$ of net loss based on quarterly, the latest year-to-date, or annual financial statements.

Disclosed Information	Checked (✓)
<p>4. Relationship between the counterparty and the Group*, including the Group's shareholders, directors, or executives.</p> <p>* The Group means the listed company, its subsidiaries, and its associates.</p>	
<p>Cause of Transaction and Loss Amounts</p> <p>Examples of cause to be specified:</p> <ul style="list-style-type: none"> ● Ineffective internal control systems regarding the warehouse, resulting in inventory loss. ● Investment in high value shares whose operating performance failed to meet expectation. ● Inability to assess the fair value of investment. ● Counterparty experiencing liquidity issues or being sued for bankruptcy. ● Termination of a joint venture agreement where the counterparty is unable to refund the deposit. <p>Loss Amounts : Specify Loss Amounts and % Loss Amounts compared with Operating Income*, Net Profit (Loss) Attributable to Owners of the Parent*, The Relevant Transaction Value, and Shareholders' Equity Attributable to Owners of the Parent*.</p> <p>* Consideration from financial statements or consolidated financial statements (if any).</p>	
<p>Impact Analysis</p> <ol style="list-style-type: none"> 1. Assess the impact on business operation, financial position, liquidity, and operating performance. 2. Assess the completeness and adequacy of accounting records and relevant internal control systems. 	
<p>2. Corrective and Preventive Measures to Avoid Recurrence of Similar Event</p>	
<p>Listed companies must specify detail of the corrective and preventive measures to avoid recurrence of similar event as follows:</p> <ol style="list-style-type: none"> 1. Remedial Actions: Specify the procedures to be undertaken and a clear timeline. 2. Preventive Measures: Establish guidelines to prevent the recurrence of similar incidents in the future. 3. Enhancement of Internal Control Systems: Clearly compare the new governance mechanisms with the existing system, such as supplier selection processes, trade receivables monitoring procedures, investment policies and processes, accounting policies, etc. 	

Disclosed Information	Checked (✓)
3. Board of Directors' and Audit Committee's Opinion	
<p>Board of Directors and Audit Committee must provide opinions on the reasonableness of both past and current actions (if such opinions have previously been disclosed via SET's system, the prior information may be referenced). Key points include:</p> <ul style="list-style-type: none"> ● The Reasonableness of Past Transactions: <ul style="list-style-type: none"> ○ Evaluation of Price, Interest Rates, Expected Returns, and Key Terms and Conditions: (e.g., reasonableness of deposit amounts or collateral relative to the investment value, and contract termination clauses). ○ Compliance with Investment and Lending Policies, Including Guarantee Obligations: (Considering the authorized approvers, objectives, and sources of funds). ○ Due Diligence Process: Summary of significant findings and the counterparty's ability to fulfill contractual obligations or make payments. ○ Risks and Mitigation Measures: Assessing risks that may impact the financial position and the internal control system. ● The Appropriateness of Current Measures: <p>Assess the adequacy of remediation measures, prevention policies, and internal control system improvements to ensure that such incidents do not recur.</p> 	
4. Schedule or Procedures for Reporting to SET	
<ul style="list-style-type: none"> ● Schedule for Disclosure: Disclose information within the due date for submission of financial statements. ● Progress Report: Disclose information within the due date for submission of financial statements for each quarter or in case of substantial progress, disclose immediately until the rectification is fully completed. 	

Template to choose for reporting news to SET

Headline	Template
Financial Transaction with Risk to Financial Position and Operating Performance	<p>Choose: Financial Transaction with Risk to Financial Position and Operating Performance</p> <p>Name of Transaction Specify the name</p> <p>Select Type of Transaction (Multiple selections are allowed)</p> <ul style="list-style-type: none">> Asset Impairment> Expected Credit Losses (ECL)> Allowance for Doubtful Accounts> Deposits for Business Operations or Investments that have not been Refunded as due> Others (Please specify)
Progress Report on Financial Transaction with Risk to Financial Position and Operating Performance	<p>Select: Progress Report on Corrective of Financial Transaction with Risk to the Financial Position and Operating Performance</p>

Reference: Regulation of the Stock Exchange of Thailand Re : Disclosure of Information and Other Acts of a Listed Company
