

Checklist: Acquisition or Disposition of Assets

If a listed company or its subsidiary enters into material transactions deemed as acquisition or disposal of assets with the transaction size is equal to 15 percent or more, or less than 15 percent with the issue of securities as compensation, the listed company has to duty to disclose the information as follows:

<u>Information Disclosure</u>	Checked (✓)
1. The date of the board of directors approves the transaction, the date of the company agrees to enter into the transaction and the date the transaction is expected to be complete.	
2. The counterparty	
<ul style="list-style-type: none"> • Name of seller or buyer 	
<ul style="list-style-type: none"> • Explain the relationship whether they are connected persons <i>(If the transaction is made between connected persons, see checklist: Connected transactions)</i> 	
<ul style="list-style-type: none"> • For juristic person, identify ultimate shareholders 	
3. Describe the transaction.	
<ul style="list-style-type: none"> • Describe the nature of assets, 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. 	
<ul style="list-style-type: none"> • 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 shareholders)</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> 	
<ul style="list-style-type: none"> • Price, pricing criteria, such as the discounted cash flow method together with explanation about key assumptions for valuation <i>(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>. 	
<ul style="list-style-type: none"> • Settlement method 	
<ul style="list-style-type: none"> □ Cash settlement <p>The date of the payment is received or settled in full, deposit <i>(if any)</i> and compare the deposit value with the industry's average value, contract cancellation conditions and deposit refund.</p> 	
<ul style="list-style-type: none"> □ Settlement by issuance of securities <ul style="list-style-type: none"> ▪ Securities type, amount, price and price valuation <i>(for example, the price is based on the average market value in the past 7 days before the board of directors' resolution)</i>. 	
<ul style="list-style-type: none"> ▪ Set the date for the shareholders' meeting to seek approval for capital increase <i>(see checklist: Capital increase)</i> 	
<ul style="list-style-type: none"> ▪ Explain plans to spend money from disposition of assets 	

Information Disclosure

Checked (✓)

- Sources of fund, and in case of borrowing, provide explanation regarding the amount of the loan, interest and conditions that may affect shareholder rights *(such as dividend payment restrictions)*
- Explain how the transaction will benefit the company if such asset acquisition is not related to core business and explain the company's business direction in the future.

4. Transaction size

- Summarize transaction size per four calculation criteria as follows:
(Data should be extracted from the latest consolidated financial statements (if it is not available, use data from separate financial statement) which is reviewed or audited by the auditor).
 - 1) Calculation based on the value of net tangible assets *(NTA: Net Tangible Assets = total assets - intangible assets (i.e., goodwill and deferred expenses except intangible assets that generate major income such as concession and patent permit) – total liability – non-controlling shareholder's equity).*
 - 2) Calculation based on net operating profits *(net profits in the past 12 months)*
 - 3) Calculation based on total value of consideration *(monetary value of paid or received transaction)*
 - If market value or book value or appraisal value is higher than the amount of funds received from disposition of assets, use whichever higher value in calculation.
 - In case of investment disposition to the extent that a subsidiary or affiliate no longer viable, calculate value by incorporating obligations, i.e., loans to subsidiary and guarantees
 - 4) Calculation based on value of equity shares issued for payment *(Equity shares issued for payment of assets divided by paid-up shares of the company)*

- Transactions made during 6 months prior to the day the company agrees to enter into transaction shall be included as well.
 1. Consolidation of multiple transactions shall separate the acquisition and disposition transactions.
 2. Except for the acquisition or disposition of assets already approved at the shareholders' meeting which is being carried out per the SET notification on disclosure of Information and other acts of listed companies concerning the acquisition and disposition of assets.
 3. Transactions made during 6 months prior to the day the company agrees to enter into transaction shall be disclosed with the suggested format below:

Date/Month/Year	Item	Transaction size (%)			
		NTA	Net profit	Total value of consideration paid or received	Equity shares issued
.....
.....
Total	

- Explain how the calculated transaction size *(transaction size according to the calculation criteria that has the highest total value)* has affected the company's duty, i.e., requesting approval from the board of directors, disclosing information to the SET, sending the circular notice to shareholders, arranging a shareholders' meeting for approval and IFA appointment,

Information Disclosure	Checked (✓)
<p>filing for listing on the SET (backdoor listing) or acting to comply with the requirements when it is deemed as cash company.</p>	
<p>5. Explain whether the transaction requires an approval from related agencies; identify the name of agencies and conditions.</p>	
<p>6. Opinions of the company's board of directors and audit committee</p>	
<ul style="list-style-type: none"> • Specifying the reasonableness of transaction, price, condition and the appropriate of hypothesis. Other prerequisite conditions or benefit for the acquisition. 	
<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. <i>(Disclose IFA's opinions after they are submitted to the SEC for consideration and adjustment).</i> 	
<p>7. Backdoor listing</p>	
<ul style="list-style-type: none"> • Explain the nature of transaction why the transaction is deemed as backdoor listing 	
<ul style="list-style-type: none"> • If it is not be required to submit the application of re-listing, specifying the reasons why it is exempted. 	
<ul style="list-style-type: none"> • Compare the listing qualifications to show how it passes the criteria 	
<ul style="list-style-type: none"> • If the company plans to seek an approval from the shareholders' meeting to enter into the transaction before receiving the decision from the SET, the company shall disclose such risk as well. 	
<p>8. If a listed company has disposed its assets, making all or nearly all of its assets are now in cash or short-term assets, it must explain the procedures to eliminate the status of a cash company. <i>(such as the holding of a shareholders' meeting, the submission of financial statement within 30 days and actions to address a lack of qualification to maintain its listed security status).</i></p>	

Template to choose for reporting news to the SET

Headline	Template
Investment / Disposition.....	<u>Choose:</u> Acquisition and disposition of assets
<u>In case the shareholders' meeting is required:</u> Schedule the shareholders' meeting for approval.....	<u>Choose</u> - Acquisition and disposition of Assets - Schedule of the 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 Resolutions <u>Agree Choose</u> > Accordingly approved with board's resolution. <u>Disagree Choose</u> > Change from the board's resolution (please identify that the agenda item is not on accordance with the proposal by the board of director)

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 Acquisition and Disposition of Assets

(2) Notification of Capital Market Supervisory Board No. Tor Chor 20/2551, Re: Criteria for transactions deemed as acquisition or disposition of assets.