

No. 0361-2023

November 7, 2023

Subject : Report on Guidelines and Corrective Actions in the case of “C” sign  
To : The President  
The Stock Exchange of Thailand

CMO Public Company Limited (CMO) would like to inform that the Company has held a Meeting to report on guidelines for resolving the incident. To provide information to shareholders, investors, and related parties (Public Presentation) in the event that the company's securities are marked with a "C" sign because the auditor's investigation found irregular issues in the Company's transactions. Therefore, the Audit Committee sent the auditor's letter to the SEC Office in accordance with Section 89/25 of the Securities and Exchange Act B.E. 2535. The SEC Office relied on the power of Section 58 (3) of the Securities Act for the Company to arrange a special audit for the benefit of protecting investors. The Company has organized a Public Presentation meeting to provide information and explain the situation to shareholders and investors by holding the meeting via electronic media (E - Meeting) on November 7, 2023, which can be viewed via the C-Update channel of the Stock Exchange of Thailand and on YouTube of the Stock Exchange of Thailand following this link: <http://www.set.or.th/streaming/cupdate>

The company would like to report a summary of the causes of the problem and solution that caused the company's securities to be posted with a “C” sign as follows:

**1. Abnormal Expense transactions of Subsidiaries**

It is a transaction in which the internal audit department discovered an irregular withdrawal of advance payment in the form of a loop (Lapping). When examined, it was found that an ex-management employee was the one who gave the order and brought receipts that were not expenses of the Company to be cleared. The ex-management employee also brought a private company to receive money from the Company incorrectly according to the work system without making any contracts and any approval from the Board of Directors. This is an individual's fault. After the Company found these irregular transactions, it proceeded to report the allegations against the ex-management employee and in the process of hiring EY Office Company Limited to conduct a Special Audit.

**2. Consulting Payment without receiving service reports from the contracting party**

The auditor found that the Company had consulting contracts with many legal entities and had not received a report of such service. Thus, it is a reason for investigating the source and the necessity of hiring various consultants. In this regard, the contracts involve hiring consultants in various fields, which have been signed, and payment has been approved according to the Company's work system. These are consulting fees for business operations and investments abroad, digital platform services, and information technology consulting for event organizing agencies and consultants for organizing marketing activities, etc. Presently, the Company has received service reports from the contracting company and sent to the auditor. In addition, it is in the process of hiring EY Office Company Limited to conduct a Special Audit.

**3. The reasonable of Purchasing additional investment in Subsidiaries from a juristic person who is close to the directors being a shareholder**

The subsidiary is a company owned by CMO, which holds approximately 60% of the shares and provides private lifestyle services to well-known individuals in society. The Company considered the portfolios and credential value of its subsidiaries, which have the potential to generate revenue for the Company in the future. According to the definition of the Thai Stock Exchange, this transaction was not related to related party transactions and also passed the approval from the Board of Directors. However, the Company has already hired an independent appraiser to measure the fair value of investments in subsidiaries that auditors have noticed as well as being in the process of hiring EY Office Company Limited to conduct a Special Audit.

Please be informed accordingly

  
Yours Sincerely

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(Mr. Kitisak Jampathipphong)  
Chief Executive Officer  
CMO Public Company Limited