

### Summary

**Q:** As the COVID-19 pandemic has material impact on all aspects of the economy and the society, how should the Board adjust their roles in governing the organization's financial matters?

**A:** Under the current situation, all sectors are facing the most intense test. Leading the company to survive this crisis is genuine challenge for the Board and Management. Key issues that require emergency consideration include:

1. Revision of plan and business model in the short-, medium-, and long-run as well as how the business needs to change. The Board must take time to seriously discuss the matter with Management.
2. Financial status review and supervision of financial planning which comprise of

#### Cash cycle

The Board should consider period of cash outflows/inflows and whether the company is having positive/negative cash flows. The Board needs to understand the company's financial process including revenues, expenses, and reserves in order to make right decisions on relevant matters such as request for debt rescheduling or debenture issuance to preserve cash flows.

#### Outstanding corporate liabilities

The first part is liabilities initiated by the company such as investments. The Board must consider whether the company needs to suspend or put off planned investments. The second part is liabilities with obligations to other parties such as loans owed to financial institutions. The Board has to assess the current situation of the company, compare pros and cons both in the short- and long-run to plan further steps.

#### Funding

The Board must consider if it is necessary to issue debt instruments or debentures. The company must gain confidences from various groups of investors to be able to raise fund via this channel. Generally, the company should first consider the overall situation such as the ability to conduct AGM, terms, and conditions in interest and principle payments.



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#### Products and services

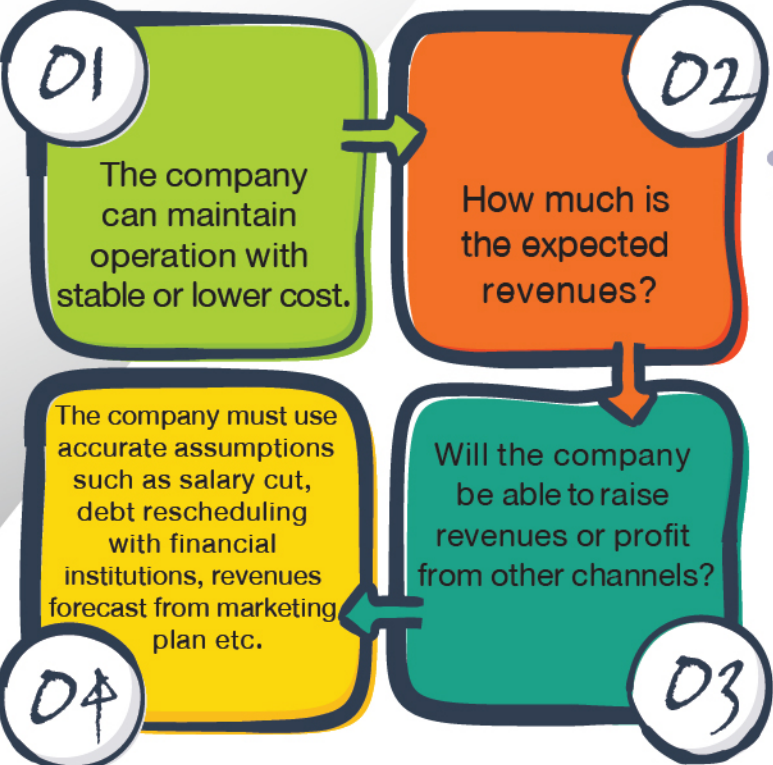
The Board must decide if the company's products and services meet demand of customers and whether they need to be adjusted to suit changing consumer behaviors (such as online order, delivery method etc). Good products and services that meet consumers' demand will secure the company's business prospect as it demonstrates commitment to consumers.

#### Client relationship management

The company needs to develop strategy to maintain existing customers and acquire new customers. It must adjust Business Model to suit current situation and future expectations.

**Q:** What would be your advice on cost management to ensure business continuity?

**A:** The Board should ensure that the company conducts Stress Test. Leading companies worldwide pay serious attention to Stress Test because they believe it is a tool to assess financial strength of the organization. It should cover 6-12 months forecasts and consider the following key factors:

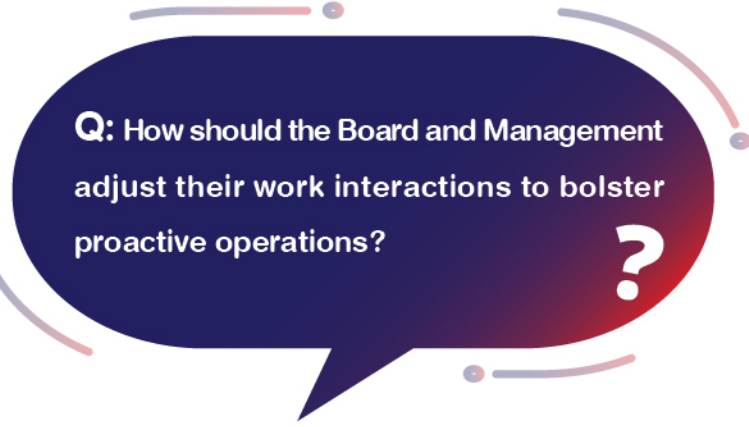


A comprehensive Stress Test will provide vital information that the company can use to adjust business model. The current situation is a good timing to review business plan to ensure sustainable growth in terms of staffs, trading partners in the supply chain, and innovation.

## “Sustainability”

Moreover, the ongoing situation also demonstrates that “sustainability” is not distant as many may have thought but it is very relevant as it involves stability and viability of the organization and that all stakeholders must be taken into account. In this regard, it is essential to adjust to changing consumer behavior and environment for example:

- ✍ Although people no longer read newspaper or listen to CD, they continue to consume news or music contents via various media. Therefore, business platform must adapt to match such changes.
- ✍ Work from home practices may change working behavior after COVID crisis is over. For instance, employees may spend less time to work in office and eventually lead to smaller office spaces, more efficient time management for meeting, travel time reduction, more paperless practices. Moreover, staffs may want to spend more time with family and, therefore, enhance their work efficiency.
- ✍ The situation forced consumers to adapt and upgrade their technological skills to enable them to order goods online.



**A: Data + Information = Knowledge**

The Board and Management must exchange comprehensive and accurate data, which will lead to the best collaborated decision. Now is a fine time to review business model, seeking new channels to make money as the world’s New Normal post- COVID will not be the same again. In a way, the pandemic is the catalyst for both the Board and Management to work better, faster, and more meticulous.

The key point is **the Board must perform its duty by providing perspective of the future to the Management**, who may be busy with daily tasks. Besides tackling with the current situation, the Board and Management need to discuss and come up with a clear direction after COVID crisis is over. They need to resolve on the status of the company, direction of business plan, how will market share be affected, and how will the company maintain client base.

It should be noted that the 2020 crisis, or COVID-19, is difference from all other economic crisis Thailand had ever experienced because this time around it hit the world over. However, liquidity of major listed firms is still in good shape but changing consumer behaviors led to softer consumption amid employment reduction. Tourism business was hit hardest and without swift recovery could damage economic prospect in the long run. The Board and Management must work out together on issues that the company needs to urgently improve. They need to emphasize on employment and that such goods and services are still in demand by consumers. This way, it will solve problems of both the company and the macro economy.



**Q: How should the company work with trading partners and various stakeholders to create balance with each other since the damage could trigger chain reaction?** ?

**A:** This crisis is a key opportunity to prove the validity of supply chain management. It will demonstrate the strength of relationship between the company and each trading partner, how each other help another one get over problem such as payment rescheduling or asset allocation etc.

Regarding staffs, the Board and Management must ensure that staffs are among the first priorities and must emphasize on aid and support for both the staffs and their families. Therefore, it is important to continue seeking revenues to feed the company, and in turn feeding employees.

**Q: In terms of financial management, Chief Financial Officer (CFO) is the key position in steering the company through the crisis. What are proactive roles of CFO?** ?

**A:** CFO must take parts in the organization's strategic planning because a successful strategy involves comprehensive and proactive financial planning. Effective management of financial channels, continuous exploration of new opportunities, and in-depth understanding of the company's financial system will allow the company to accurately assess risks and build investors' confidence.



Key management positions require leadership, the most crucial qualification in leading staffs to solve problems and maintain organizational stability. The Management is considered to be important person in driving and inspiring staffs to act useful and create mutual objectives through giving and taking.

**Q: Key Points that the Board should consider in making business decision post-COVID** ?

**A:**



**Business Growth**

Does the current business has growth potential? Is it the business that the company has expertise and considered to be the company's strength?



**Teamwork**

Do available human resources ready to move along the company's strategic direction? A successful plan requires efforts from all parts of the organization.



**Competitiveness**

Does the company ready to compete? The company should keep in mind that competitors are usually very strong in growing business. Therefore, now is a good time to probe the company's strength.



**Financial Foundation**

Comprehension of financial management process and solid financial position is the foundation of business.



**Governance**

Corporate governance is the way to express the company's integrity and sincerity to consumers, which will eventually reflect in solid and secured return.