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Introduction:

Finance department has responsibilities to govern to create standardized processes, clear roles, and responsibilities related to the management of financial activities within the organization.

This work procedure document is designed and targeted for officers within and outside Finance department (or its equivalent in subsidiary entities) to be guiding procedures for the specified financial and accounting processes in the Objective section.

Adherence to the activities and steps are crucial and mandatory to all targeted stakeholders to ensure consistent and transparent financial practice, clear accountabilities, regulatory compliance, and alignment with the company's financial policies used in conjunction with this work procedure.

Objective:

To establish the guideline procedures for the 'Output Tax Reconciliation for Thailand process,' ensuring that VAT collected on sales of goods and services that the company supplied to the customers in the period are accurately recorded for VAT report and submission to the tax authority.

Scope:

This work procedure shall be adopted by Banpu Public Company Limited and subsidiaries, whose Finance and Accounting operations are handled by Finance department in Thailand, and shall be effective until announced otherwise.

Definitions:

Key terminology used in this procedure includes the following:

- Output Tax
- Undue Output Tax

For definitions of each terminology, refer to the Appendix 1: Definitions [File Name: SOP Appendix 1 Definitions].

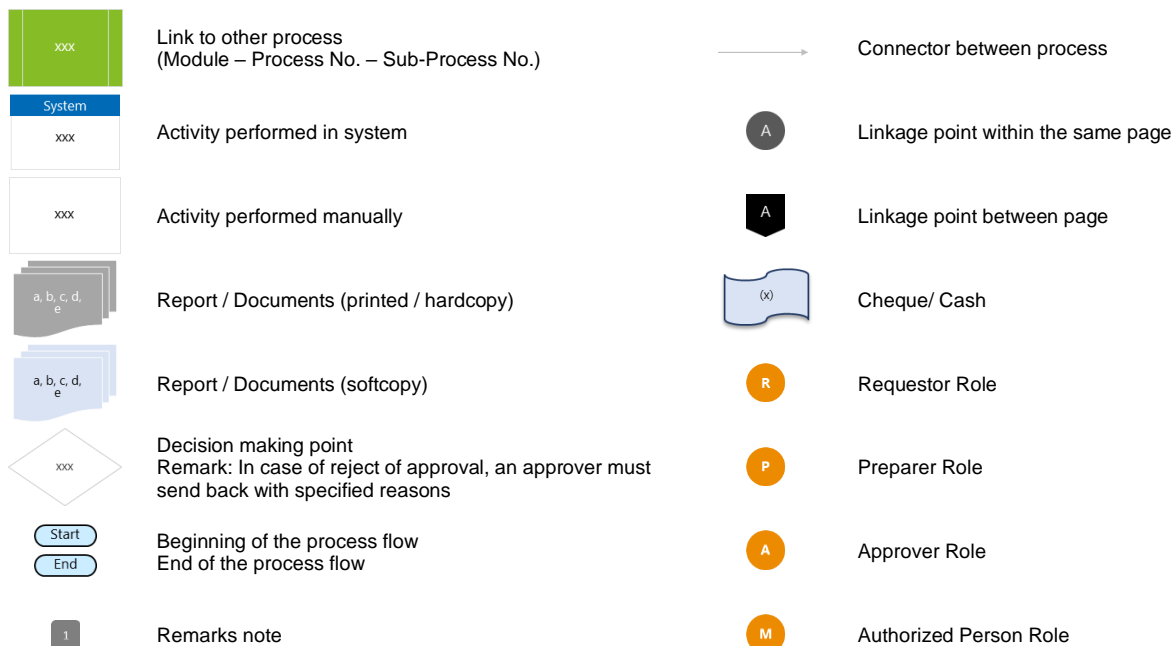
References:

N/A

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Flowchart:

Process Flowchart Legends

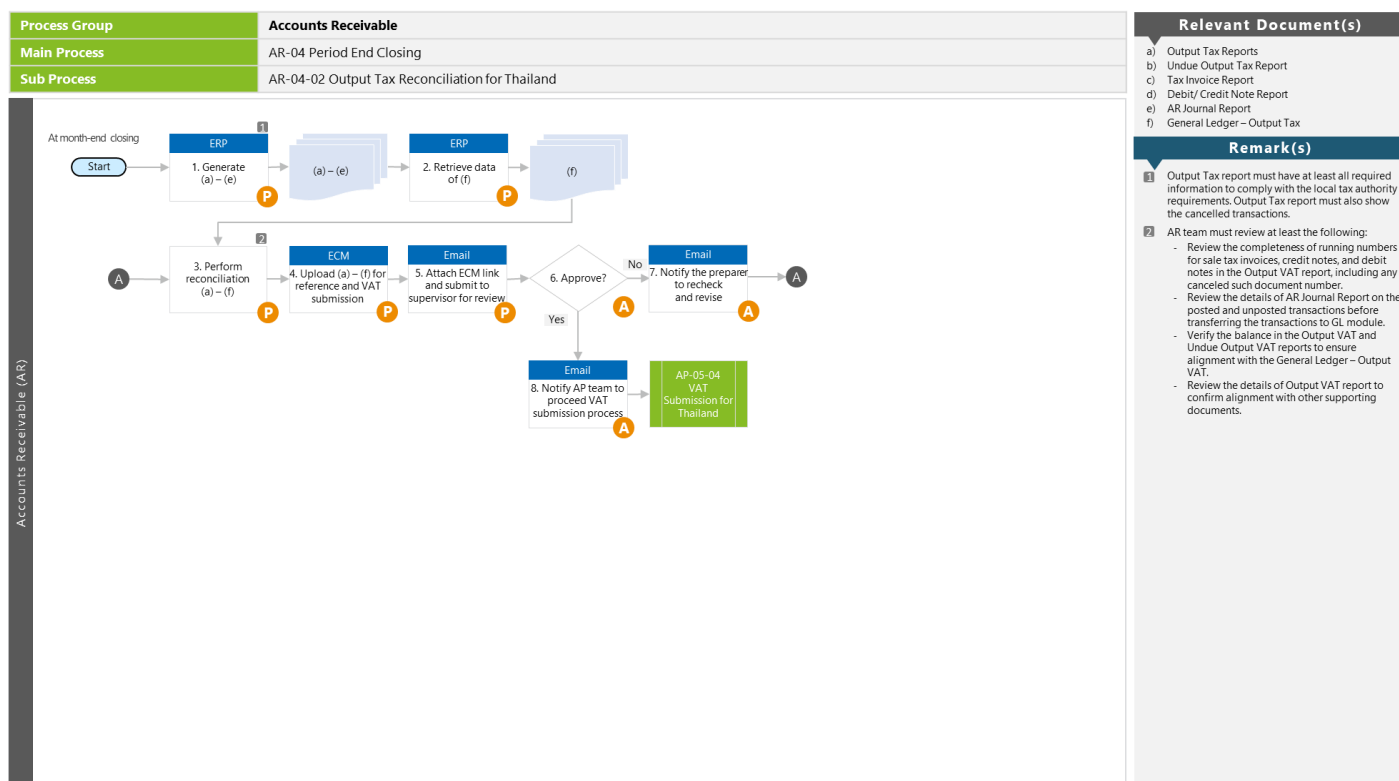


Abbreviations and Definitions

Abbreviation	Definition
AP	Accounts Payable
AR	Accounts Receivable
FA	Fixed Asset Accounting
GL	General Ledger
I&C	Inventory & Costing
TR	Treasury Operations
MA	Managerial Reporting and Budgeting
D&I	Digital and Innovation
MS&L	Marketing, Sales & Logistics

Abbreviation	Definition
ERP	Enterprise Resource Planning system
ECM	Enterprise Content Management system
ACCP	Accounting Portal system
VAT	Value Added Tax
WHT	Withholding Tax
SBT	Specific Business Tax
CIT	Corporate Income Tax

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Detail of Procedure: AR-04-02

1. At month-end closing, AR preparer generates the following reports from ERP:
 - Output VAT Reports
 - Undue Output VAT Report
 - Tax Invoice Report
 - Debit/ Credit Note Report
 - AR Journal Report

Note: Output VAT report must have all the required information per the local tax authority requirements, e.g. showing the canceled transactions.
2. AR preparer retrieves data of the General Ledger – Output VAT from ERP for output VAT reconciliation.
3. AR preparer performs output VAT reconciliation based on retrieved data and documents from step #1 and #2. This reconciliation must cover the review of at least the following:
 - Review the completeness of running numbers for sale tax invoices, credit notes, and debit notes in the Output VAT report, including any cancelled such document number.
 - Review the details of AR Journal Report on the posted and unposted transactions before transferring the transactions to GL module.
 - Verify the balance in the Output VAT and Undue Output VAT reports to ensure alignment with the General Ledger – Output VAT.
 - Review the details of Output VAT report to confirm alignment with other supporting documents.
4. AR preparer uploads the following documents in ECM for reference and VAT submission.
5. AR preparer attaches the ECM link and submits the link to supervisor for review via Email.
6. AR approver reviews the submitted documents to finalize output VAT reconciliation:
 - a. If approved, proceed to step #8.
 - b. If not approved, proceed to step #7.
7. AR approver notifies the preparer to recheck and revise via Email, and then proceed back to step #3.
8. AR approver notifies AP team to proceed with VAT submission via Email, and then proceed to the work procedure of AP-05-04 VAT Submission for Thailand.