



Related Party Transaction Policy

Siamese Asset Public Company Limited is in the process of preparing to issue and offer for sale company shares to the public and to register company shares as stocks in the Stock Exchange of Thailand (“**Stock Exchange**”) in the future. As such, the company has set in place measures for conducting related party transactions, procedures for conducting related party transactions and related transactions, and a policy and trends for future related party transactions to ensure compliance to the Securities and Exchange Act, B.E. 2535 (1992), and its amendments, including the related requirements of the Capital Market Supervisory Board and/or Securities and Exchange Commission (“**SEC Office**”).

The definitions related to related party transactions and related transactions are to be according to the laws governing securities and exchange as well as the related announcements, criteria, regulations and rules of the Securities and Exchange Commission, Capital Market Supervisory Board, the SEC Office and/or the Stock Exchange.

1. Measures for Conducting Related Party Transactions

The company gives importance to considering transactions transparently primarily for the best interest of the company on the principle that decisions to conduct business transactions must be made for the greatest interest of the company only and that actions that might cause conflicts of interest should be avoided. Thus, the company has set in place measures for conducting related party transactions according to the following key principles:

- (1) Company directors and executives are required to report to the company about their relationships or related party transactions in businesses that might create conflicts of interest, and they are prohibited from participating in decision-making, nor to have any authority to authorize said transactions.
- (2) Avoid conducting related party transactions with related persons or juristic persons or persons or juristic persons with potential conflict of interest or who hold any stake. In cases where it is necessary to conduct such a transaction, the related party transaction has to be presented to the Audit Committee for consideration and expression of opinions before further presenting it to the board of directors or shareholder meeting (depending on the case) for approval consideration according to the principles and criteria for conducting related party transactions as specified by the Stock Exchange and the SEC Office and in accordance with good corporate governance principles. Accordingly, directors and executives holding such interests are prohibited from participating in the approval of such transactions.
- (3) Executives and employees are required to comply with the company’s regulations and business ethics, which are important issues to which firm adherence is required to ensure that the company is reliable and trustworthy for every interested party, while disseminating information and practice understanding in employees across the entire company.



2. Procedures for Conducting Related Party Transactions or Connected Transactions

Related party transactions and connected transactions are conducted by the company in accordance with the regulations of the Stock Exchange and the SEC Office in every respect. Accordingly, the company has set in place procedures for conducting related party transactions or connected transactions as follows:

- (1) The company will use price criteria and trade agreements and terms that are the same as those used with regular customers, and transactions financial assistance must occur based on sound reason and according to the terms and conditions that are fair and for the best interest of the company.
- (2) In the absence of such pricing criteria for use as reference, the company will make comparisons with the prices of goods or services used externally according to identical or similar conditions, and the company might make use of reports made by independent appraisers to compare prices for important related party transactions.
- (3) The Audit Committee will give opinions about conducting transactions along with their necessity and reasonability and suitability of the value of such transactions by submitting them to the board of directors and/or shareholder meeting, depending on the case, for use as information to accompany the decision to authorize such transactions. In cases where the Audit Committee lacks the expertise to evaluate a potential related party transaction, the company will assign a person possessing special knowledge and expertise who is independent of the company and persons with potential conflict of interest such as an auditor or independent value appraiser or a law office, etc. to give opinions about said related party transaction. The opinions of said person with special knowledge and expertise will be used to accompany the decisions of the Audit Committee and/or board of directors or shareholders, depending on the case, to ensure confidence that said transaction does not move or transfer benefits between the company or a subsidiary or a person with potential conflict of interest of the company or subsidiary but is a transaction that the company conducted with consideration to the best interest of shareholders.
- (4) Directors, executives and related persons may conduct transactions with the company or a subsidiary only after said transactions are approved by a resolution of the board of directors or approved by a shareholder meeting according to the criteria of the Stock Exchange or the SEC Office, depending on the case.
- (5) The company must disclose information about transactions with potential conflict of interest or related party transactions or connected transactions according to the criteria of the Stock Exchange and SEC Office and disclose related party transactions to the company according to accounting criteria and standards.
- (6) Related party transactions are to be reviewed by the internal audit work section and be reported to the Audit Committee in addition to being subjected to control, audit and oversight measures that conduct random audits on actual transactions to ensure that they are correct according to the contracts or policies or set terms regularly on a quarterly basis.



3. Principles for Trade Agreements with General Conditions

In conducting transactions between the company and a subsidiary or a director, executive or related person, Management can authorize transactions with the company and/or subsidiary with the director, executive or related person (regardless of whether the transaction is being conducted and has to be continue to be conducted or it is a future transaction) without requiring the approval of a company board meeting or shareholder meeting.

In conducting related party transactions with agreement terms following general trade conditions between the company or a subsidiary and a director, executive or related person, approval is deemed to have been given in principle by the board of directors, and Management can approve such transactions, provided that said transactions have the same trade agreements as those which ordinary individuals would make with contract parties in general in the same situation and that their trade bargaining powers are free from influence from status as director, executive or related person, whereby Management has to prepare summary reports of related party transactions conducted with directors, executives or related persons to report them quarterly during meetings of the Audit Committee and the board of directors.

4. Policies and Trend for Future Related Party Transactions

For future related party transactions, they have to be transactions that conform to the general business characteristics of the company and have price and payment conditions that can be referenced to or comparable to those in transactions conducted with external parties and not involve any unfair transfer of company benefits to any person with potential conflict of interest, interested party or persons with potential future conflict of interest with the company. Accordingly, the Audit Committee and the board of directors will jointly monitor potential future related party transactions to ensure that they are necessary and reasonable and have fair remuneration rates and are approved correctly according to related procedures and regulations in addition to complying with securities and exchange laws and the regulations, announcements orders and specifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand along with complying with the specifications concerning disclosures of related party transactions of the company in line with accounting standards set by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King.