

Connected Transaction Policy

Carabao Group Public Company Limited and Subsidiaries

Carabao Group Public Company Limited (“the Company”) conducts business under the law and in compliance with the rules of the Securities and Exchange Act B.E. 2535 as well as the notification of the Capital Market Supervisory Board No. Tor Jor 21/2008, regarding the rules for making connected transactions, including the notification of the Board of Governors of the Stock Exchange of Thailand Bor Jor / Por. 22-01 regarding the disclosure of information and the Listed Companies in Connected Transactions Act B.E. 2546, including the related guidelines of the Securities and Exchange Commission (“SEC”) and/or Stock Exchange of Thailand (“SET”) as well as complying with the requirements for disclosure of connected transactions in the notes to the financial statements that have been audited by the Company and auditors subsidiary, and the annual registration statement (56-1 One Report). As a result, it has adopted a policy to regulate the Company's and the Company's dealings with related individuals (“Policy”) to conform to the principles of good corporate governance and to create equity and transparency for all shareholders.

In this regard, the Company's policy on entering into connected transactions was established based on the following principles:

- It is a transaction that must be passed through a transparent approval process by the Company's directors and executives with responsibility, care, and integrity by stakeholders not involved in decision making.
- It is a transaction that considers the company's interests as if it were a deal with a third party.
- There is a monitoring and auditing mechanism in place to ensure that the transactions are carried out correctly.

1. Definition

“**Connected transaction**” refers to transactions between the Company or its subsidiaries and a connected person of the Company

“**Connected person**” refers to a person who may cause the Company's directors or executives to have a conflict of interest in making decisions that will take into consideration that person's advantage or the maximum advantage to the Company.

In this regard, related transactions, connected transactions, persons who may have conflicts of interest, connected persons, and other definitions related to following the Notification of the SEC, the SET, and/or the relevant Capital Market Supervisory Board notifications.

2. Characteristics and types of connected transactions

Connected transactions may be divided into 2 types as follows:

- (1) When the Company or its subsidiaries make transactions with the executives or related persons or close relatives of the executives or major shareholders of the Company.
- (2) When the Company or its subsidiaries make transactions with any juristic person with major shareholder or controlling person as executive major shareholder controller or the person who will be nominated to be an executive or person with control over the company or a subsidiary, including related persons or close relatives of those persons.

However, the connected transaction does not include the transaction between the subsidiary company and the connected person of the subsidiary.

Connected transactions are divided into 6 types as follows:

- (1) Regular business transactions: a trade transaction that a listed company or a subsidiary does normally in order to operate a business with general trading conditions such as selling products, purchasing raw materials, providing services, and so on.
- (2) Transactions of usual business support with general commercial conditions: such as contracting for transportation, contracting for advertisement, contracting for management, receiving technical assistance, and so on.
- (3) Leases of real estate for not more than 3 years which cannot be shown that there are general commercial conditions: such as a lease of a building for office, a lease of a building or land for a warehouse, etc.
- (4) Transactions related to assets or services: such as purchase of machine, purchase of investments, sale of buildings, sale of leasehold, obtaining concession, etc.
- (5) Transactions of giving or receiving financial assistance: such as lending, guarantee, borrowing money, paying fees from the use of the connected person's credit line, paying fees to the connected person who guarantees the loan, etc.
- (6) Connected transaction other than the items under (1) to (5)

3. Measures and procedures for entering into connected transactions

The Company has established rules and procedures for making connected transaction in accordance with the criteria as follows:

- (1) In considering the connected transaction, the Company will use the same price and trading conditions as the Company's general counterparties. There must be terms and conditions that are fair, reasonable, and cause the maximum benefit of the Company.
- (2) In the case that the product or service has a standard price and many buyers and sellers in the market, the Company should find information about the price characteristics and standards in the market to be compared with transactions that are related transactions.

- (3) In the case where the product or service has a specific character or is made to order according to specific needs, making it impossible to compare prices of goods or services, the Company must demonstrate the gross profit margin that the Company should receive from connected transactions that are not different from transactions with other trading partners, and have the same conditions or agreement.
- (4) The Company is entitled to appoint a person with knowledge expertise such as independent experts, auditors, or an independent appraiser who is on the list of the SEC and is appointed by the Company or its subsidiaries to give opinions on such connected transactions or related transactions for the consideration of the Audit Committee, Board of Directors, and the Shareholders' meeting, as the case may be, to ensure that the price is reasonable and for the best benefit of the Company.
- (5) Directors, executives, and related persons can enter into transactions with the Company or its subsidiaries only after the Company's shareholders have approved such transactions in the meeting, unless it is a transaction that is a business agreement in the same way that a reasonable person would do with a normal counterparty under the same circumstances with the bargaining power in trading without the influence of being the directors, executives or related persons, as the case may be, and is a commercial agreement approved by the Board of Directors or in line with the principles approved by the Board of Directors or the transaction size does not need to be approved by the shareholders' meeting of the Company.
- (6) If the Company has a related transaction or other connected transactions that meet the regulations for engaging in connected transactions, the Company must strictly comply with the aforementioned rules.
- (7) The Company must disclose transactions that may have conflicts of interest, connected transactions, or related transactions subject to the rules following the Office of the Securities and Exchange Commission demonstrated in the annual registration statement (2013-1 One Report) or other reports depending on the case and disclose information on connected transactions to the Stock Exchange by the Stock Exchange of Thailand regulations, as well as the disclosure of related party transactions in the notes to the financial statements audited by the Company's auditor and subsidiaries.
- (8) The Company will provide a summary report on related transactions or connected transactions to be reported to the Company's Audit Committee and the Board of Directors meeting every quarter to comply with securities and exchange law, rules, notices, orders, or requirements issued by the SEC Office, the Capital Market Supervisory Board, and the SET.
- (9) The Company will arrange for a review of connected transactions according to the audit plan. The internal audit department must report to the Audit Committee and manage measures to control, inspect, and supervise a random review of the actual transaction by the contract, policy, or conditions set forth.

4. Criteria for the approval of engaging in connected transactions

The Company determines the authority to approve the connected transaction as follows:

- (1) In the case of a minor, medium, or major connected transaction that is entered into with general commercial terms that have been previously approved by the Board of Directors, the management division will consider for approval.
- (2) In the case of a minor or medium transaction that is inconsistent with general commercial terms, the Board of Directors will consider for approval.
- (3) In the case of a major transaction that is inconsistent with general commercial terms, the shareholders' meeting will consider for approval.

The following are the criteria for determining the amount of the associated transaction:

Scale of the transaction	Choose a higher value between	
Minor	$X < 1$ Million Baht	$X < 0.03\%NTA$
Medium	1 million baht $< X < 20$ million baht	$0.03\%NTA < X < 3\%NTA$
Major	$X > 20$ Million Baht	$X \geq 3\%NTA$

X is the value of the connected transaction

NTA is Net Tangible Assets

- "Minor transaction" means the transaction value that is less than or equal to 1 million baht or less than or equal to 0.03% of net tangible asset value, whichever is higher.
- "Medium transaction" means the transaction value is more than 1 million baht but less than 20 million baht or more than 0.03% but less than 3% of net tangible asset value, whichever is higher.
- "Major transaction" means the transaction with a value greater than or equal to 20 million baht or more than 3% of net tangible assets, whichever is higher.