

Policy on Connected Transaction Procedures

A connected transaction is a transaction that may cause a conflict of interest between a listed company and a connected person to make the conduct transparent and fair to all shareholders equally, the listed company should be adhering to the following principles:

- The transaction must be approved through a transparent process by the directors and executives performing their duties with responsibility, caution, and honesty without beneficiaries involved in the decision process.
- The transaction must be for the sake of the company's benefits, similarly to any transactions done with the third party.
- There must be a monitoring and audit system to ensure that the transaction has gone through the right process

Definition

On this matter, the Capital Market Supervisory Board has issued the Notification of the Capital Market Supervisory Board No. Tor Jor. 21/2551 Re: Criteria on Entering into a Connected Transaction dated 31 August 2008 and determined that entering into a connected transaction shall comply with the Notification of the Board of Governors of the Stock Exchange of Thailand (Bor Jor/Por.22-01) Re: Disclosure of Information and Other Acts of Listed Companies Concerning Connected Transactions 2003, dated 19 November 2003, mutatis mutandis.

“Connected transaction” means a transaction between Pruksa Holding Public Company Limited (“the Company”) or its subsidiary and the Company’s connected person or a transaction between its subsidiary and its connected person.

“Decision to enter into a transaction” means entering into or decision to enter into any contract or agreement, either directly or indirectly, to cause an acquisition or disposition of an asset, leasing or renting an asset, an offer or a receipt of service, an offer or a receipt of financial assistance, and an issuance of new securities, as well as creating rights or waiver of such rights to do such thing. **“Connected person”** means the following

(1) an executive, major shareholder, person with controlling power or person to be nominated as an executive or person with controlling power of the Company or its subsidiary including a related person and close relative of such person.

(2) any juristic person whose major shareholder or person with controlling power is any of the following persons of the Company or its subsidiary:

2.1 an executive

2.2 a major shareholder

2.3 a person with controlling power

2.4 a person to be nominated as an executive or person with controlling power

2.5 a related person or close relative of the persons under 2.1 to 2.4

(3) any person whose behavior can be indicated as a person acting person or being under the influence of a person from (1) to (2) when deciding, determining a policy, handling management or a significant operation or other persons that the Stock Exchange of Thailand deems as having behavior in the same manner.

(4) The director of a juristic person with controlling power.

(5) The spouse, underage offspring or adopted child of the director in (4).

(6) A juristic person under the controlling power of the person in (4) or (5).

(7) Any person taking action under the perception or agreement that if such action is to bring the financial benefit to the person, the following person will also gain similar benefit:

7.1 The company's director

7.2 The company's executive

7.3 The company's controlling person

7.4 The director of the person with controlling power over the company

7.5 The spouse, underage offspring or adopted child of the person described in 7.1 to 7.4 (4) a related person who is

“Executive” Executive refers to the manager or the first four top-ranking executives after the manager level as well as all other 4th ranking equivalent, and accounting or finance executives of department head level and up.

“Major shareholder” means a person holding shares directly or indirectly in any juristic person in excess of 10 percent of the total shares with voting rights of the juristic person. The shareholding includes the shares held by related persons and close relatives.

“Related person” means a person or partnership under Section 258 (1) to (7) of the Securities and Exchange Act B.E. 2535 and the amendments thereof, which comprises the following:

(1) the spouse

(2) a minor child

(3) an ordinary partnership of which such person or a person under (1) or (2) being a partner

(4) an ordinary partnership of which such person or a person under (1) or (2) being a partner with an unlimited liability or being a partner with a limited liability, holding shares in excess of 30 percent of the total number of shares of the limited partnership

(5) a limited company or public company limited in which such person or person under (1) or (2), or a partnership under (3) or (4), holds shares combined in excess of 30 percent of the total shares sold of the company

(6) a limited company or public company limited in which such person or person under (1) or (2), a partnership under (3) or (4) or a company under (5), holds shares combined in excess of 30 percent of the total shares sold of the company

(7) a juristic person with a person under Section 246 and Section 247 being able to exercise management power in the capacity of a representative of the juristic person.

“Close relative” means a person with a relationship by blood or by registration, i.e., father, mother, spouse, sibling, and child, including the child’s spouse.

"Controlling Authority" means a person who has the power to control a business.

(1) The shareholders who are entitled to vote in the Company exceed 50% of the total number of voting rights.

Of the company.

(2) Persons controlling majority of votes at the shareholders meeting of the Company by direct or indirect or for any other reason.

(3) Control the appointment or removal of half of all directors direct or indirect

“General trading conditions” means trading conditions under which the prices and conditions are fair and do not cause misappropriation of benefits, including the trading conditions under which the prices and conditions are as follows:

(1) the prices and conditions which the Company or its subsidiary receives from or offers to the general public

(2) the price and conditions which a connected person offers to the general public

(3) the price and conditions which the Company can prove to be the prices and conditions that an operator of similar business offers to the general public.

“Normal business transaction” means trading transactions normally undertaken by the Company or its subsidiary for the purpose of operating business.

“Normal business support transaction” means trading transactions undertaken by the general businesses of similar nature to that of the Company or its subsidiary for the purpose of supporting normal business transactions of the Company and its subsidiary.

Scope

This procedure is applicable to the entering into connected transactions, which can be divided into 2 cases as follows:

(1) When the Company or its subsidiary enters into a transaction with its

(A) executive

(B) major shareholder

(C) related person and close relative of such person

(2) When the Company or its subsidiary enters into a transaction with another company whose major shareholder or person with controlling power is an executive, person with controlling power, person to be nominated as executive or person with controlling power of the Company or its subsidiary, including a related person and close relative of such person.

Type of connected transactions There are six categories of connected transactions as follows:

(1) normal business transactions

(2) normal business supporting transactions

(3) transactions regarding rental or lease of chattel that not exceeding three years

(4) transactions relating to assets or services

(5) transactions regarding offering or receipt of financial assistance

(6) connected transactions other than transactions in (1)-(5).

The procedures of listed companies when there is a connected transaction:

| Types of connected transactions | Transaction value | Disclose to the Exchange | Seeking the Board of Directors' approval | Seeking an approval from the Shareholders' Meeting |
|--|---|--------------------------|--|--|
| 1. Normal business transaction or supporting normal business transaction 1.1 Normal business transaction with general trading conditions. 1.2 Supporting normal business transaction with general trading conditions whose value of consideration can be calculated from assets or underlying value. | Unlimited transaction value | - | - | - |
| 1.3 Supporting normal business transaction with general trading conditions whose value of consideration cannot be calculated from assets or underlying value. | ≤ 1 million Baht or $\leq 0.03\%$ of net tangible asset value, whichever is higher. | - | - | - |
| | > 1 million Baht but < 20 million Baht or $> 0.03\%$ but $< 3\%$ of the net tangible asset value, whichever is higher . | ✓ | - | - |
| | ≥ 20 million Baht or $\geq 3\%$ of net tangible asset value, whichever is higher. | ✓ | ✓ | - |
| 1.4 Normal business transaction or supporting normal business transaction without general trading conditions | ≤ 1 million Baht or $\leq 0.03\%$ of net tangible asset value, whichever is higher | - | - | - |
| | > 1 million Baht but < 20 million Baht or $> 0.03\%$ but $< 3\%$ of the net tangible asset value, whichever is higher. | ✓ | ✓ | - |

| | | | | |
|--|--|---|---|-------|
| | ≥ 20 million Baht or $\geq 3\%$ of net tangible asset value, whichever is higher. | ✓ | ✓ | ✓ |
| 2. Transaction regarding rental or lease of immovable property of not exceeding 3 years <u>without any indication that it is based on general trading conditions</u> | ≤ 1 million Baht or $\leq 0.03\%$ of net tangible asset value, whichever is higher. | - | - | - |
| | > 1 million Baht but < 20 million Baht or $> 0.03\%$ but $< 3\%$ of the net tangible asset value, whichever is higher. | ✓ | - | - |
| | ≥ 20 million Baht or $\geq 3\%$ of net tangible asset value, whichever is higher. | ✓ | ✓ | - |
| 3. Transaction relating to assets or services. | ≤ 1 million Baht or $\leq 0.03\%$ of net tangible asset value, whichever is higher. | - | - | - |
| | > 1 million Baht but < 20 million Baht or $> 0.03\%$ but $< 3\%$ of the net tangible asset value, whichever is higher. | ✓ | ✓ | - |
| | ≥ 20 million Baht or $\geq 3\%$ of net tangible asset value, whichever is higher. | ✓ | ✓ | ✓ |
| 4. Grant or receipt of financial assistance | < 100 million Baht or $< 3\%$ of net asset tangible value, whichever is lower. | ✓ | ✓ | - |
| 4.1 Listed company or subsidiary offering financial assistance to connected persons as follows | ≥ 100 million Baht or $\geq 3\%$ of net tangible asset value, whichever is lower. | ✓ | ✓ | ✓ |
| <ul style="list-style-type: none"> Connected persons being natural person Connected persons being juristic entity which listed company or subsidiary, holding shares at a lower ratio than the ratio of shares held by other connected persons not being the listed company or subsidiary, as the case may be, in such entity. | | | | ***** |

| | | | | |
|--|--|---|---|------------|
| ***** In case it is a transaction where a listed company or a subsidiary and connected persons jointly offer financial assistance to a juristic entity of which the shares are held by such listed company or subsidiary and connected persons based on the ratio they have an interest therein based on general trading conditions or even with better conditions, the listed company will be exempted from requesting for an approval from the Shareholders' Meeting for that transaction. | | | | |
| 4.2 Grant or receipt of financial assistance other than those stated in 4.1 | \leq 1 million Baht or \leq 0.03% of net tangible asset value, whichever is higher. | - | - | - |
| ***** In case it is a transaction where a listed company or a subsidiary and connected person jointly offer financial assistance to a juristic entity of which the shares are held by such listed company or subsidiary and connected persons based on the ratio they have an interest therein based on general trading conditions or even with better conditions, the listed company will be exempted from requesting for an approval from the Shareholders' Meeting for that transaction. | > 1 million Baht but < 20 million Baht or >0.03% but <3% of net tangible asset value, whichever is higher. | ✓ | ✓ | - |
| | \geq 20 million Baht or \geq 3 % of net tangible asset value, whichever is higher. | ✓ | ✓ | ✓ ***** |

* The original table attached to this notification was repealed and replaced with this table by The Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Act of Listed Companies Concerning the Connected Transactions,(No.2) 2004 dated July 21, 2004

- means listed company having duty to act according to details in column marked with “✓”

- means listed company not having any duty to act according to details in column marked with “-”

Guidelines on Connected Transactions

1. Prevention of Conflict of Interest

The Company attaches great importance to the consideration of transactions which are transparent, useful and important. Therefore, the Company attaches great importance to the prevention of transactions that may lead to conflicts of interest. Connected transaction or inter-company transactions the key principles are as follows.

1.1 Director and executives or persons who are connected persons shall report the information of transactions of their own and their respective to the Company Secretary

1.2 Avoid any connected transactions with directors, executives or related persons that may cause conflict of interest with the Company. In case of need to do that transaction. The connected transactions should be submitted to the Audit Committee for consideration before proposing to the Board of Directors for approval. And / or the shareholders meeting of the Company. (As the case may be) in accordance with the rules governing connected transactions at the Stock Exchange of Thailand. Capital Market Supervisory Board And the Office of the Securities and Exchange Commission (the "SEC"), and in line with the good corporate governance principles.

1.3 Executives and employees must comply with the Company's regulations. The Company's ethics and business ethics are strictly enforced. The Company is trusted and trusted by all stakeholders. The Company also publishes information on employees' practices throughout the company.

2. Procedures for entering into connected transactions or connected transactions

The Company has set up the procedures related to the connected transaction as follows:

2.1 Consideration of Connected Transaction The company will use the same price and commercial terms as the normal trading. Give items or receive financial assistance. Must be reasonable. And there must be fair terms. Make the most benefit to the company.

2.2 No such price for reference. The Company will compare prices of products or services with prices outside the same or similar conditions.

2.3 The Company may utilize the report of the independent appraiser appointed by the Company to compare prices for significant interconnection transactions. To ensure that the prices are reasonable and of utmost benefit to the Group.

2.4 Directors, executives or related persons may enter into transactions with the Company or its subsidiaries only when such transactions have been approved by the shareholders' meeting of the Company, unless they are in the form of a commercial agreement in the same manner. I will deal with the counterparts in the same situation. The commercial bargaining power is not influenced by being a director, executive or related person as the case may be, and is a trade agreement approved by the Board of Directors or in accordance with the principles approved by the Board. Already

2.5 If the Company has connected transactions or other connected transactions that meet the requirements of the Stock Exchange of Thailand The Capital Market Supervisory Board and the Office of the Securities and Exchange Commission must strictly comply with such requirements.

2.6 The Company must disclose information on transactions that may lead to conflicts of interest or related party transactions or inter-company transactions. The Stock Exchange of Thailand The Capital Market Supervisory Board and the Office of the SEC shall disclose in the Annual Report. And the annual report or any other report as the case may be. The

connected transaction is disclosed to the SET. The transactions are based on the principles of the Stock Exchange of Thailand and related transactions with the Company. According to the accounting standard.

2.7 The examination of connected transactions according to the audit plan by the Internal Audit Department shall be reported to the Audit Committee. The control measures should be checked to ensure that the actual transactions are accurate, in accordance with the contract or policies or conditions.

3. Operation of the Company with Connected Transaction

3.1 Size of each type of transactions and how to process

| Type of transaction | Authority | | |
|--|--|---|---|
| | Small | Medium | Large |
| 1. Normal business transactions/ 2. Normal business-support transactions - General commercial conditions | The company's board of directors approve in principal and lay down the framework for the management to proceed | | |
| - No general commercial conditions | Under the authority of the company. | Audit Committee / Board of Directors / Disclosure of Information to the SET | Audit Committee / Board of Directors / Shareholders |
| 3. Rental or rented real estate for not longer than 3-year period, and under no general commercial conditions | Under the authority of the company. | Audit Committee / Board of Directors / Disclosure of Information to the SET | Audit Committee / Board of Directors / Shareholders |
| 4. Transactions relating to products or services | Under the authority of the company. | Audit Committee / Board of Directors / Disclosure of Information to the SET | Audit Committee / Board of Directors / Shareholders |

| | | | |
|--|--|---|---|
| 5. Transactions on offering or receiving financial assistance | | | |
| 5.1 Grant or receive financial assistance to a company in which the listed company holds more than a related person. | Under the authority of the company. | Audit Committee / Board of Directors / Disclosure of Information to the SET | Audit Committee / Board of Directors / Shareholders |
| 5.2 Provide financial assistance to a connected person or a related company holding more than one holding company. Follow the level of significance. | (<100 million baht or 3% NTA, whichever is lower). / Board of Directors / Disclosure of Information to the SET | Board of directors + Information disclosure to SET | (> 100 million baht or 3% NTA, whichever is lower). / Board of Directors / Shareholders |

Remarks

1. *General commercial conditions refer* to the commercial transactions under fair pricing and conditions, which do not lead to the benefit transfer. This includes:

- The prices and conditions which the listed company or its subsidiary gain or offer to general people
- The price and conditions which connected person offer to general people
- The price and conditions which the listed company can prove that similar business operators have offered to general people as well.

2. *Gaining an approval from the shareholder meeting* must be from three-quarter of participating and voting shareholders, excluding the shareholders with special benefits. In doing so, IFA (independent finance advisor) must be appointed and express views regarding the transactions including the rationality and benefits to the company, fairness of prices and conditions, as well as risks

3.2 Every quarter, the accounting and finance section summarizes the items approved in items 1 and 2 to be submitted to the Audit Committee for consideration and report to the Board of Directors.
