

The Company’s internal audit works in 2021 included controls of assets, expenses disbursement, production costs of the Company, security supervision of the project works, working capital of the project works. The audit works had been reported to the Company’s management to improve for better efficiency.

The Board of Directors and the Audit Committee place importance and support independence of the auditor with aims to be able to prevent and reduce business’s risks for the Company’s growth on sustainable basis.

9.1.3 The Company’s Head of Internal Audit and Head of Compliance

During the meeting of the Audit Committee No. 4/2021 on November 9, 2021, Mr. Suthep Siriwatcharawong has been appointed as the head of Internal Audit Unit of the Company because he possessed adequate and suitable knowledge, capability and working experiences to perform such duty. Mr. Suthep Siriwatcharawong has attended various courses relevant to internal audit operations, such as audit risk analysis on transfer pricing; taxes and duties both accounting systems and standards; in-depth knowledge on tax burden and business contract, etc. and during 2021, the Head of internal Audit has performed the following duties.

- Propose 2021 audit plan to the Audit Committee for consideration and approval.
- Supervise operations of the internal auditor and review on compliance with the standards.
- Provide guidance and recommendation on compliance with regulations, orders and internal control to the department being audited.
- Inspection and control of the Company’s expenses disbursement, safekeeping of assets, storing document and Information to categories, supervised the performance of audit unit to compliance with the specified plans and determination of the employees’ duties and operations clearly.

In addition, the consideration on appointment, dismissal and transfer of the Head of internal Audit Unit shall always require to have an approval from the Audit Committee. Please see more details on qualifications of the head of internal auditors under topic “Information of Head of Internal Audit” in Attachment 3.

9.2 Connected Transactions

9.2.1 Related transactions which might have conflicts of interest in Year 2021

| Related Parties | Transaction Type | Value of Transaction (Million Baht) | Necessity of Transactions |
|---|---|-------------------------------------|--|
| 1. Vilailuck International Holdings Co., Ltd. (VIH) The major shareholder of Samart Corporation PCL. (SC) with 14.78% stake owner. <u>Related Directors</u> (Connected person) 1. Mrs. Siripen Vilailuck 2. Mr. Charoenrath Vilailuck 3. Mr. Watchai Vilailuck 4. Mr. Thananan Vilailuck | SC rented office space at Software Park Building via 30-year lease agreement for 11,926 sq. meters from VIH : The building owner. Rental, Services charge for public utilities and land and building tax. Remark : The rate of service fee will be increased 5% annually in accordance with the service conditions in the Services Agreement | 41.450 | Such transaction was complied with the Rental and Services Agreement dated May 1, 1999 (The lease agreement was approved by the Company’s shareholders in the meeting no. 1/1997 on August 24, 1997). The rental and service charge for public utilities were reasonable compared to market price in nearby area and the same price compared with other renters. |
| | Rental, Service charge for public utilities and land and building tax (11 th - 12 th floor, area 1,614 sq. Meters) for SC | 11.970 | The rental and service charge for public utilities were reasonable compared to market price in nearby area and the same price compared with other renters. |

| Related Parties | Transaction Type | Value of Transaction (Million Baht) | Necessity of Transactions |
|-----------------|--|-------------------------------------|---|
| | Rental, Service charge for public utilities and land and building tax (1 st floor, area 229.58 sq. Meters) for SC | 1.703 | The rental and service charge for public utilities were reasonable compared to market price in nearby area and the same price compared with other renters. |
| | Rental, Service charge for public utilities and land and building tax (mezzanine floor, area 359.45 sq. Meters) for SC | 2.665 | The rental and service charge for public utilities were reasonable compared to market price in nearby area and the same price compared with other renters. |
| | Rental, Service charge for public utilities and land and building tax (HOF, area 127.98 sq. Meters) for SC | 0.949 | The rental and service charge for public utilities were reasonable compared to market price in nearby area and the same price compared with other renters. |
| | Rental, Service charge for public utilities and land and building tax (16 th floor, area 1,366.86 sq.meters) for SC | 10.137 | The rental and service charge for public utilities were reasonable compared to market price in nearby area and the same price compared with other renters. |
| | Advance payment by SC for telephone expenses and medical fee to VIH (Total outstanding as of December 31, 2021 was Baht 1,883) | - | Advance payment was the actual expenses for normal business transaction. |
| | Miscellaneous expenses paid for entertain, parking lots, electricity, water supply and overtime air condition to VIH by SC. (Total outstanding as of December 31, 2021 was Baht 77,794) | 0.793 | It was the actual payment for normal business transaction. |
| | Revenue for telephone preventive maintenance | 0.005 | It was the actual revenue for normal business, which was the same rate charged to other customers. |
| | Rental, service charge for public utilities and actual miscellaneous payments i.e. parking lots, electricity, water supply for subsidiaries of SC paid to VIH during January 1,2021 - December 31, 2021 were as follows: | | |
| | - Samart Engineering Co., Ltd. (Subsidiary of SC) | 0.007 | The rental and service charge for public utilities were reasonable compared to market price in nearby area and the same price compared with other renters. And it was the actual payment for normal business transaction. |
| | - Samart U-Trans Co., Ltd. (Subsidiary of SC) | 0.001 | |
| | - Vision and Security System Co., Ltd. (Subsidiary of SC) | 0.060 | |
| | - Teda Co., Ltd. (Subsidiary of SC) | 0.073 | |
| | - Samart Telcoms PCL. (STC) (SC is a major shareholder) | 5.859 | |
| | | | |

| Related Parties | Transaction Type | Value of Transaction (Million Baht) | Necessity of Transactions |
|--|--|---|---|
| | <ul style="list-style-type: none"> - Samart Communication Services Co., Ltd. (Subsidiary of STC) - Posnet Co., Ltd. (Subsidiary of STC) - Thai Trade Net Co., Ltd. (Subsidiary of STC) - Samart Infonet Co., Ltd. (Subsidiary of STC) - Samart Comtech Co., Ltd. (Subsidiary of STC) - Smarterware Co., Ltd. (Subsidiary of STC) - Secureinfo Co., Ltd. (Subsidiary of STC) - Samart ed-Tech Co., Ltd. (Subsidiary of STC) - Samart Digital PCL. (SDC) (SC is a Major shareholder) - I-Sport Co., Ltd. (Subsidiary of SDC) <p>(Total outstanding as of December 31, 2021 was Baht 1,822,607)</p> | <ul style="list-style-type: none"> 5.169 0.980 0.062 0.053 1.623 0.376 10.071 0.013 0.041 2.413 | |
| | <p>Samart Engineering Co., Ltd. (Subsidiary of SC) sold Metal Works to VIH</p> <p>Samart Digital Media Co., Ltd. (Subsidiary of SDC) provided horoscopes forecasts to VIH</p> | <ul style="list-style-type: none"> 0.435 0.061 | <p>It was a normal business transaction for sale and purchase of goods according to the market price and general trade conditions.</p> <p>It was a normal business transaction for sale and purchase of service according to the market price and general trade conditions.</p> |
| <p>2. Vilailuck Development Co., Ltd. (VLX) whose major shareholder of 42.38% is VIH and VIH is the major shareholder of SC.</p> <p><u>Related Directors</u> (Connected person)</p> <p>1. Mr. Charoenrath Vilailuck 2. Mr. Watchai Vilailuck 3. Mr. Thananan Vilailuck</p> | <p>Samart Corporation PCL. (SC) advance payment for miscellaneous expenses i.e. telephone and medical to VLX (Total outstanding as of December 31, 2021 was Baht 3,314)</p> <p>Smarterware Co., Ltd. (Subsidiary of STC) provided system development service to VLX (Total outstanding as of December 31, 2021 was Baht 100,537)</p> | <ul style="list-style-type: none"> - - | <p>Advance payment was the actual expenses for normal business transaction.</p> <p>It was a normal business transaction for sale and purchase of service according to the market price and general trade conditions.</p> |

| Related Parties | Transaction Type | Value of Transaction (Million Baht) | Necessity of Transactions |
|---|--|-------------------------------------|---|
| 3. Phuphatara Co., Ltd. whose indirect shareholder of 42.38% is Vilailuck International Holding Co., Ltd. (VIH) and VIH is the major shareholder of SC. Related Directors (Connected person) 1. Mrs. Siripen Vilailuck 2. Mr. Charoenrath Vilailuck 3. Mr. Watchai Vilailuck 4. Mr. Thananan Vilailuck | Samart Corporation PCL. (SC) paid for accommodation with meal for entertain customers to Puphatara Co., Ltd. | 0.032 | It was a normal business transaction for sale and purchase of service according to the market price and general trade conditions. |
| | Samart Telcoms PCL. (STC) (SC is a major shareholder) paid for accommodation for entertain customers to Puphatara Co., Ltd. | 0.009 | It was a normal business transaction for sale and purchase of service according to the market price and general trade conditions. |
| | Vision and Security System Co., Ltd. (Subsidiary of SC) | 0.043 | It was a normal business transaction for sale and purchase of service according to the market price and general trade conditions. |
| | Provided CCTV repair service to Puphatara Co., Ltd. (Total outstanding as of December 31, 2021 was Baht 46,492) | | |
| 4. Vilailuck Property Co., Ltd. (VPP) whose major shareholder of 12.50% is Vilailuck International Holding Co., Ltd. (VIH) and VIH is the major shareholder of SC. Related Directors (Connected person) 1. Mrs. Siripen Vilailuck | Samart Corporation PCL. (SC) advance payment for miscellaneous expenses i.e. telephone, copy and training to VPP (Total outstanding as of December 31, 2021 was Baht 383,876) | - | Advance payment was the actual expenses for normal business transaction. |
| | Rental (Rangsit), service charge for public utilities, VPP paid to SC during May 17-31, 2021 | 0.027 | The rental and service charge for public utilities were reasonable compared to market price in nearby area and the same price compared with other renters. And it was the actual payment for normal business transaction. |
| | Samart Engineering Co., Ltd. (Subsidiary of SC) sold DTH satellite dish to VPP (Total outstanding as of December 31, 2021 was Baht 24,663) | - | It was a normal business transaction for sale and purchase of goods according to the market price and general trade conditions. |
| | Samart Engineering Co., Ltd. (Subsidiary of SC) advance payment for officer's salary working to VPP (Total outstanding as of December 31, 2021 was Baht 552,648) | - | Advance payment was the actual expenses for normal business transaction. |
| | Samart Engineering Co., Ltd. (Subsidiary of SC) service charge for public utilities i.e. electricity paid to VPP | 0.131 | It was the actual payment for normal business transaction. |

| Related Parties | Transaction Type | Value of Transaction (Million Baht) | Necessity of Transactions |
|---|--|-------------------------------------|---|
| 5. Le Votel Khaoyai Co., Ltd. whose indirect shareholder of 21.02% is Vilailuck International Holding Co., Ltd. (VIH) and VIH is the major shareholder of SC. <u>Related Directors</u> (Connected person) 1. Mr. Watchai Vilailuck | Samart Infonet Co., Ltd. (Subsidiary of STC) provided internet services to Le Votel Khaoyai Co., Ltd. (Total outstanding as of December 31, 2021 was Baht 48,198) | 0.535 | It was a normal business transaction for sale and purchase of service according to the market price and general trade conditions. |
| | Samart Corporation PCL. (SC) paid for accommodation for entertain customers to Le Votel Khaoyai Co. Ltd. | 0.010 | It was a normal business transaction for sale and purchase of service according to the market price and general trade conditions. |
| | Samart Telcoms PCL. (STC) (SC is a major shareholder) paid for accommodation for entertain customers to Le Votel Khaoyai Co. Ltd. (Total outstanding as of December 31, 2021 was Baht 5,900) | 0.165 | It was a normal business transaction for sale and purchase of service according to the market price and general trade conditions. |
| 6. CSV Asset Co., Ltd. (CSV) whose major shareholder of 99.97% is VIH and VIH is the major shareholder of SC. <u>Related Directors</u> (Connected person) 1. Mr. Charoenrath Vilailuck 2. Mr. Watchai Vilailuck | Samart Corporation PCL. (SC) paid for space rental, service charge for public utilities and actual miscellaneous payments i.e. electricity, water supply to CSV (Total outstanding as of December 31, 2021 was Baht 6,965) | 3.440 | The rental and service charge for public utilities were reasonable compared to market price in nearby area and the same price compared with other renters. And it was the actual payment for normal business transaction. |
| | Rental space, services charge for public utilities and actual miscellaneous payments i.e. electricity and water supply by subsidiaries of SC paid to CSV during January 1, 2021 – December 31, 2021 were as follows : | | |
| | - Samart Communication Services Co., Ltd. (Subsidiary of STC) | 1.924 | The rental and service charge for public utilities were reasonable compared to market price in nearby area and the same price compared with other renters. And it was the actual payment for normal business transaction. |
| | - Samart Comtech Co., Ltd. (Subsidiary of STC) | 0.048 | |
| - Samart Digital PCL. (SDC) (SC is a Major shareholder) (Total outstanding as of December 31, 2021 was Baht 372,384) | 2.377 | | |
| 7. I.Q Wine Co., Ltd. has Executive Director of SC is a related person. <u>Related Directors</u> (Connected person) 1. Mr. Thananan Vilailuck | SC and its subsidiaries paid for beverage (wine) to I.Q. Wine Co., Ltd. during January 1, 2021 - December 31, 2021. Actual payments were as follows : | | It was a normal business transaction for sale and purchase of goods according to the market price and general trade conditions. |
| | - Samart Corporation PCL. (SC) | 2.284 | |
| | - Vision and Security System Co., Ltd. (Subsidiary of SC) | 0.391 | |
| | - Samart Telcoms PCL. (STC) (SC is a major shareholder) | 0.317 | |
| | - Samart Communication Services Co., Ltd. (Subsidiary of STC) | 0.034 | |
| | - Samart Digital PCL. (SDC) (SC is a major shareholder) | 0.220 | |

| Related Parties | Transaction Type | Value of Transaction (Million Baht) | Necessity of Transactions |
|---|--|---|---|
| | <p>Samart Engineering Co., Ltd. (Subsidiary of SC) rental of storage space (area 530 sq. meters) service charge for public utilities and actual miscellaneous expenses i.e. electricity to I.Q. Wine Co., Ltd. (Total outstanding as of December 31, 2021 was Baht 121,953)</p> | 1.402 | The rental was reasonable compared to market price in nearby area and the same price compared with other renters. |
| | <p>Samart Engineering Co., Ltd. (Subsidiary of SC) sold digital tv with antenna to I.Q. Wine Co., Ltd.</p> | 0.002 | It was a normal business transaction for sale and purchase of goods according to the market price and general trade conditions. |
| | <p>Samart Infonet Co., Ltd. (Subsidiary of STC) provided internet service to I.Q. Wine Co., Ltd. (Total outstanding as of December 31, 2021 was Baht 23,005)</p> | 0.258 | It was a normal business transaction for sale and purchase of service according to the market price and general trade conditions. |
| <p>8. Win Performance Co., Ltd. has Executive Director of SC is a related person.</p> <p><u>Related Directors</u> (Connected person) 1. Mr. Watchai Vilailuck</p> | <p>Samart Corporation PCL. (SC) provided maintenance services for electronic document storage system to Win Performance Co., Ltd.</p> <p>Samart Corporation PCL. (SC) Sold Asset to Win Performance Co., Ltd.</p> <p>Samart Digital PCL. (SDC) (SC is a major shareholder) provided all the network peripheral maintenance services to Win Performance Co., Ltd. (Total outstanding as of December 31, 2021 was Baht 428,000)</p> <p>Samart Digital Media Co., Ltd. (Subsidiary of SDC) provided for bulk SMS to Win Performance Co., Ltd.</p> | <p>1.200</p> <p>0.120</p> <p>4.800</p> <p>6.565</p> | <p>It was a normal business transaction for sale and purchase of service according to the market price and general trade conditions.</p> <p>It was a normal business transaction for sale and purchase of goods according to the market price and general trade conditions.</p> <p>It was a normal business transaction for sale and purchase of goods according to the market price and general trade conditions.</p> <p>It was a normal business transaction for sale and purchase of service according to the market price and general trade conditions.</p> |
| <p>9. S39 Fish Market Co., Ltd. has Executive Director of SC is a related person.</p> <p><u>Related Person</u> (Connected person) 1. Mr. Watchai Vilailuck</p> | <p>SC and its subsidiaries paid for food and beverages for entertain customers to S39 Fish Market Co., Ltd. during January 1, 2021 - December 31, 2021 were as follows;</p> <ul style="list-style-type: none"> - Samart Corporation PCL. (SC) - Vision and Security System Co., Ltd. (Subsidiary of SC) - Samart Telcoms PCL. (STC) (SC is a major shareholder) - Portalnet Co., Ltd. (Subsidiary of STC) | <p>1.100</p> <p>0.055</p> <p>0.218</p> <p>0.025</p> | <p>It was a normal business transaction for sale and purchase of service according to the market price and general trade conditions.</p> |

9.2.2 Summary of guidelines for considering on the related transactions which might have conflicts of interest.

9.2.2.1 Necessity and Rationale of transactions

The Audit Committee had the opinion that the inter-company transactions above were reasonable and necessary for the Company's operations. The conditions were set according to the general trade conditions.

9.2.2.2 Measures and Steps of Approval for Connected Transactions

The connected transactions were verified by the Audit Committee to protect and avoid conflict of interest then proposed for consideration and approval in the Board of Directors' and shareholders' meetings respectively depended on conditions and values of transactions according to the SET's regulation. Meanwhile, the directors, management and the stakeholders who had conflict of interest would not participate in the such connected transactions. The approval on the connected transaction would be complied with the regulations and notifications of the Stock Exchange of Thailand (SET).

Principles on entering into the normal business transactions with general trading conditions and without general trading conditions are as follows :

- **Normal business transaction with general trading conditions**

Related transaction which is normal business transaction with general trading conditions is required to have an approval in principle from the Board of Directors. The management can approve such transaction if it has the same trading conditions as those an ordinary person would agree with any unrelated counterparty under the same circumstances on the basis of bargaining power which is without any dependent interest resulted from the status of the director, executive or related person.

Additionally, the Company shall summarize such transactions and report at the meeting of the Audit Committee and the meeting of the Board of Directors on quarterly basis.

- **Normal business transaction without general trading conditions**

Normal business transaction without general trading conditions is required to be considered and have an opinion form the Audit Committee before it can be proposed to the Board of Directors and/or the shareholders' meeting for further consideration. In addition, it must be complied with the laws on securities and stock exchange as well as regulations, notifications, orders and requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand including the regulations on disclosure of information concerning the connected transactions.

In the case where the Audit Committee does not have expertise in considering any of the related transaction to be incurred, the Company shall appoint the independent expert or the Company's auditor to express opinion on it. Such opinion shall be taken into account by the Audit Committee and/or the Board of the Directors and/or the shareholders, as the case may be, when making decision. The reasons are to ensure that such transaction is necessary and reasonable by taking into consideration the best interest of the Company. Moreover, the Company shall disclose the related transactions in an annual information disclosure form and in notes to the financial statement which has been audited/ reviewed by the Company's auditor.

9.3 Policy and Trend in Future Connected Transactions

The Company may have any connected transaction as appropriate based on normal business conditions and can be referred the same transaction made with outside parties with the necessity and the maximized benefit to the Company. However, the Company will strictly comply with SET's regulations and notifications. In case of any conflict of interest transaction occurred in the future, opinion from the Audit Committee on its necessity and appropriateness will be required and disclosed in the Company's audited noted of financial statement.