

9.1.4 The Company's Head of Internal Audit and Head of Compliance Department

During the meeting of the Audit Committee No. 1/2023 on February 23, 2023, Mr. Pathompong Chonpinyo 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. Pathompong Chonpinyo has attended various courses relevant to internal audit operations, such as COSO-ERM 2017 Organizational Risk Management, PDPA Internal Audit, SAP Security and Audit Mission Critical, ISMS ISO27001-2 for Auditor etc. And during 2023, the Head of internal Audit has performed the following duties.

- Proposed 2023 audit plan to the Audit Committee for consideration and approval.
- Supervised operations of the internal auditor and reviewed on compliance with the standards.
- Provided guidance and recommendation on compliance with regulations, orders and internal control to the department being audited.
- Inspected and controlled 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.

9.1.5 Appointment, Removal, and Transfer of the Head of Internal Auditor

Every appointment, removal, or transfer of the Head of Internal Auditor must be approved by the Audit Committee. The qualifications of the Head of Internal Auditor are detailed under the section titled "**Details Regarding the Head of Internal Auditor**" in Attachment 3.

Furthermore, the company does not have a separate oversight unit for its operations. Oversight of the company's operations is managed by the company secretary's office to ensure compliance with regulations from the SEC and SET, as well as other relevant laws. This oversight is conducted under the supervision of the company secretary. Further details regarding the company secretary can be found on Attachment 1.

9.2 Connected Transactions

9.2.1 Related transactions which might have conflicts of interest

Related Parties	Transaction Type	Value of Transaction (Million Baht)	Necessity of Transactions
1. Vilailuck International Holdings Co., Ltd. (VIH) Themajor shareholder of Samart Corporation PCL. (SC) with 14.79% 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. <u>Remark</u> : The rate of service fee will be increased 5% annually in accordance with the service conditions in the Services Agreement	44.952	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	12.923	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 229.59 sq. meters) for SC	1.838	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 340 sq. meters) for SC	2.722	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	1.025	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	10.944	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 (32 nd floor, area 39.55 sq. meters) for SC	0.150	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.
	- Miscellaneous expenses paid for entertain, parking lots, electricity, water supply and overtime air condition to VIH by SC. (Total outstanding as of December 31, 2023 was Baht 45,439)	0.256	It was the actual payment for normal business transaction.
	- Revenue for telephone preventive maintenance (Total outstanding as of December 31, 2023 was Baht 981)	0.003	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, 2023 - December 31, 2023 were as follows:		
	- Samart U-Trans Co., Ltd. (Subsidiary of SC)	0.002	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.
	- Vision and Security System Co., Ltd. (Subsidiary of SC)	0.002	
	- Teda Co., Ltd. (Subsidiary of SC)	0.025	
	- Samart Telcoms PCL. (STC) (SC is a major shareholder)	5.218	
	- Samart Communication Services Co., Ltd. (Subsidiary of STC)	6.131	
	- Posnet Co., Ltd. (Subsidiary of STC)	0.016	

Related Parties	Transaction Type	Value of Transaction (Million Baht)	Necessity of Transactions
	<ul style="list-style-type: none"> - Portalnet 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) - Lucky Heng Heng Co.,Ltd. (Subsidiary of SDC) - Net Service (Thailand) Co., Ltd. (Subsidiary of STC) <p>(Total outstanding as of December 31, 2023 was Baht 6,070,077)</p>	<p>0.012</p> <p>0.104</p> <p>0.049</p> <p>11.902</p> <p>1.152</p> <p>10.767</p> <p>0.012</p> <p>0.003</p> <p>2.745</p> <p>0.032</p> <p>0.279</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>The list of cleaning fees for Phuphathara residential units paid by the company and its subsidiaries to VLX were as follows :</p> <ul style="list-style-type: none"> - Samart Corporation PCL. (SC) - Samart Digital PCL. (SDC) (SC is a Major shareholder) <p>Smarterware Co., Ltd. (Subsidiary of STC)</p> <p>provided system development service to VLX (Total outstanding as of December 31, 2023 was Baht 100,537)</p>	<p>0.078</p> <p>0.056</p> <p>-</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 service according to the market price and general trade conditions.</p>
<p>3. Phuphatara Co., Ltd. whose indirect shareholder of 42.38% (Vilailuck International Holding Co., Ltd. (VIH) is the major shareholder of SC.)</p> <p><u>Related Directors</u> (connected person)</p> <p>1. Mrs. Siripen Vilailuck 2. Mr. Charoenrath Vilailuck 3. Mr. Watchai Vilailuck 4. Mr. Thananan Vilailuck</p>	<ul style="list-style-type: none"> - Samart Corporation PCL. (SC) <p>Pay for office space rental, utility services including electricity and water bills, as well as related miscellaneous expenses to Phuphathara Co., Ltd.</p> <ul style="list-style-type: none"> - Vision and Security System Co., Ltd. (Subsidiary of SC) - Lucky Heng Heng Co.,Ltd. (Subsidiary of SDC) <p>(Total outstanding as of December 31, 2023 was Baht 20,395)</p>	<p>0.149</p> <p>0.075</p> <p>0.012</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
<p>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.</p> <p><u>Related Directors</u> (connected person) 1. Mrs. Siripen Vilailuck</p>	<p>Rental (Rangsit), service charge for public utilities, VPP paid to SC (Total outstanding as of December 31, 2023 was Baht 811,470)</p> <p>Samart Corporation PCL. (SC) advance payment for miscellaneous expenses i.e. telephone, copy and training to VPP (Total outstanding as of December 31, 2023 was Baht 383,876)</p>	<p>0.029</p> <p>-</p>	<p>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.</p> <p>Advance payment was the actual expenses for normal business transaction.</p>
<p>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.</p> <p><u>Related Directors</u> (connected person) 1. Mr. Watchai Vilailuck</p>	<p>Samart Infonet Co., Ltd. (Subsidiary of STC) Provided internet services to Le Votel Khaoyai Co., Ltd.(Total outstanding as of December 31, 2023 was Baht 43,918)</p> <p>- Samart Corporation PCL. (SC) - Samart Telcoms PCL. (STC) (SC is a major shareholder) (Total outstanding as of December 31, 2023 was Baht 42,345)</p>	<p>0.505</p> <p>0.028</p> <p>0.021</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>6. CSV Asset Co., Ltd. (CSV) whose major shareholder of 99.97% is VIH and VIH is the major shareholder of SC.</p> <p><u>Related Directors</u> (connected person) 1. Mr. Charoenrath Vilailuck 2. Mr. Watchai Vilailuck</p>	<p>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, 2023 was Baht 19,387)</p> <p>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, 2023 - December 31, 2023 were as follows :</p> <p>- Samart Communication Services Co., Ltd. (Subsidiary of STC) - Samart Digital PCL. (SDC) (SC is a Major shareholder) (Total outstanding as of December 31, 2023 was Baht 170,135)</p>	<p>3.566</p> <p>2.054</p> <p>2.523</p>	<p>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.</p> <p>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.</p>

Related Parties	Transaction Type	Value of Transaction (Million Baht)	Necessity of Transactions
7. I.Q. Wine Co., Ltd. has Executive Director of SC is a related person. <u>Connected Person</u> 1. Mr. Thananan Vilailuck	<p>SC and its subsidiaries paid for beverage (wine) to I.Q. Wine Co., Ltd. during January 1, 2023 - December 31, 2023.</p> <p>Actual payments were as follows :</p> <ul style="list-style-type: none"> - Samart Corporation PCL. (SC) 0.785 - Vision and Security System Co., Ltd. (Subsidiary of SC) 0.067 - Samart Telcoms PCL. (STC) (SC is a major shareholder) 0.287 - Samart Communication Services Co., Ltd. (Subsidiary of STC) 0.564 - Samart Comtech Co., Ltd. (Subsidiary of STC) 0.106 - Samart Digital PCL (SDC) (SC is a major shareholder) 0.120 <p>(Total outstanding as of December 31, 2023 was Baht 99,799)</p> <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, 2023 was Baht 229,970)</p> <p>Samart Infonet Co., Ltd. (Subsidiary of STC) provided internet service to I.Q. Wine Co., Ltd. (Total outstanding as of December 31, 2023 was Baht 23,005)</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>The rental was reasonable compared to market price in nearby area and the same price compared with other renters.</p> <p>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. <u>Connected Person</u> 1. Mr. Watchai Vilailuck	<p>Samart Digital PCL. (SDC) (SC is a major shareholder) Providing network equipment maintenance and support services to Win Performance Co., Ltd.</p> <p>Samart Digital Media Co., Ltd. (Subsidiary of SDC) provided for bulk SMS to Win Performance Co., Ltd. (Total outstanding as of December 31, 2023 was Baht 281,222)</p>	<p>0.150</p> <p>3.510</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 service according to the market price and general trade conditions.</p>

Related Parties	Transaction Type	Value of Transaction (Million Baht)	Necessity of Transactions
<p>9. S39 Fish Market Co., Ltd. has Executive Director of SC is a related person.</p> <p><u>Connected Person</u></p> <p>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, 2023 - December 31, 2023 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) 	<p>0.669</p> <p>0.100</p> <p>0.151</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>10. Lim Fun Co., Ltd. whose major shareholder of 99.99% is VIH and VIH is the major shareholder of SC.</p> <p><u>Related Directors</u> (connected person)</p> <p>1. Mr. Watchai Vilailuck</p>	<p>SC and its subsidiaries paid for food and beverages for entertain customers to Limfun Co., Ltd. during January 1, 2023 - December 31, 2023 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) - Samart Communication Services Co., Ltd. (Subsidiary of STC) - Portalnet Co., Ltd. (Subsidiary of STC) - Samart Comtech Co., Ltd. (Subsidiary of STC) - Samart Digital PCL (SDC) (SC is a major shareholder) <p>(Total outstanding as of December 31, 2023 was Baht 127,043)</p> <p>SC provided for telephone preventive maintenance to Lim Fun Co., Ltd. (Total outstanding as of December 31, 2023 was Baht 214)</p>	<p>0.382</p> <p>0.036</p> <p>0.297</p> <p>0.066</p> <p>0.012</p> <p>0.096</p> <p>0.057</p> <p>0.002</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 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.

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.

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.

Remark : The Shareholders can find the information about connected transactions for the past 3 years on the Company's website (www.samartcorp.com) under the sections "Investor Relations" and "Information for Shareholders"