



(Translation)

Notification of Bangkok Commercial Asset Management Public Company Limited

Re: Related Party Transaction Policy

The Board of Directors' Meeting No. 11/2018 on June 19, 2018 resolved to approve review/amendment of the Notification on Related Party Transaction Policy to ensure that the Company's business administration is efficient and accords with the standards of listed companies on the Stock Exchange of Thailand. Therefore, the Notification on Related Party Transaction Policy given on November 26, 2015 shall be repealed and replaced with this Notification for use as operation guidelines as follows:

1. Principle and Rationale

The Company recognizes the importance of the Company's Related Party Transaction Policy or Connected Transaction Policy and has put in place practice guidelines for correct, complete and reasonable information disclosure and transaction approval to ensure that its business administration is transparent and examinable. Accordingly, the guidelines for information disclosure and approval of related party transactions or connected transactions are formulated in accordance with the practice guidelines of listed companies on the Stock Exchange of Thailand.

2. Objectives

2.1 To govern the Company's business administration to ensure transparency and prevent misappropriation of benefits so that efficiency is enhanced in business operation collaboratively with companies in its group and synergized benefits and higher value added are brought about for all entities concerned.

2.2 To provide clear guidelines for approval of related party transactions or connected transactions.

2.3 To protect benefits of the shareholders in overall and to enable them to acknowledge the information on entering into related party transactions or connected transactions.

3. Definition

"Company" means Bangkok Commercial Asset Management Public Company Limited.

“**subsidiary**” has the same definition as that specified in the Notification of the Securities and Exchange Commission regarding Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Securities.

“**connected transaction**” means transaction between the Company or its subsidiary and a related party of the Company.

“**decision to enter into a transaction**” means entering into or decision to enter into any contract or agreement, whether directly or indirectly, in order to lead to an acquisition or disposition of an asset, lease or rent of an asset, offer or receipt of service, offer or receipt of financial assistance, and issuance of new securities, as well as entitlement of rights or waiver of rights to perform any act as aforementioned.

“**connected person**” means any of the following:

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

(2) any juristic entity whose major shareholder or person with controlling power is any of those in (1).

(3) any person who by conduct can be indicated as a person who acts on one’s behalf or a person under the influence of any of those in (1) and (2).

(4) director of the juristic person with controlling power over the Company’s business.

(5) spouse, minor child or adopted child of the director in (4).

(6) juristic entity under the controlling power of any of those 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:

- a. director of the Company
- b. executive of the Company
- c. person with controlling power over the Company’s business
- d. director of the person with controlling power over the Company’s business
- e. spouse, minor child or adopted child of the person from (a) to (d)

“**executives**” means President or the equivalent, or the first four executive positions following the President or the equivalent and every officer holding a position equivalent to officers holding the fourth executive level position, as well as person holding an executive position in the accounting or finance function line at the level of a department head or higher or the equivalent.

“**major shareholder**” means shareholder, whether directly or indirectly in a juristic entity, who holds more than 10 percent of the total number of shares with voting rights of such juristic entity. Such shareholding also includes shares held by related persons and close relatives thereof.

“**person with controlling power**” means person with controlling power over the business by:

(1) holding shares with voting rights in juristic entity exceeding 50 percent of the total votes of the juristic entity.

(2) having controlling power over the majority of the votes of the shareholders' meeting of the juristic entity, either directly or indirectly, or for any other reason.

(3) having controlling power over the appointment or removal of half or more of the total number of directors, either directly or indirectly.

“related person” means person or partnership under Section 258 (1) to (7) of the Securities and Exchange Act B.E. 2535 (1992) (pre-amendment version).

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

“general trade conditions” means trade conditions under which prices and conditions are fair and do not cause misappropriation of benefits, as well as trade conditions with prices and conditions as follows:

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

(2) prices and conditions which the connected person offers to the general public.

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

“normal business transaction” means trade transaction normally undertaken by the Company or its subsidiary for the purpose of business operation.

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

4. Connected Transaction Policy Framework

4.1 Connected Transaction Policy

The entering into a connected transaction or related party transaction shall be compliant with the criteria under the securities and exchange law and the Notification of the Capital Market Supervisory Board Re: Criteria on Entering into a Connected Transaction in conjunction with the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies concerning Connected Transaction and the relevant rules and regulations of the Office of the Securities and Exchange Commission and/or the Stock Exchange of Thailand. Disclosure of related party transactions is also required in the notes to the financial statements duly audited by the Company's auditor and in the annual registration statement (Form 56-1).

In principle, the management may approve such transactions if such transactions have similar trade agreements as agreements generally made by reasonable persons with the counterparties under the same situations using trade negotiating power under no influence by his/her status as a director, executive or related person thereof. The Company shall also prepare a summary report on such transactions for the upcoming Board of Directors' meeting.

In case the Company is required by the law to obtain approval of the Board of Directors' meeting or the shareholders' meeting before entering into any related party transaction, the Company shall arrange to have the Audit Committee consider and give opinion on such transaction. The opinion of the Audit Committee shall be presented to the Board of Directors' meeting or the shareholders' meeting as the case may be in order to ensure that the entering into such transaction is in the best interest of the Company.

In case a transaction between the Company and a person that may have conflict of interest, beneficial interest or potential conflict of interest in the future, the Audit Committee shall give opinion on the necessity of entering into such transaction and the appropriateness in term of the transaction price, taking into consideration the conditions according to normal business operation in the industry and with comparison to third party price or market price. If the Audit Committee has no expertise in considering any potential related party transaction that may take place, the Company shall arrange to have an independent expert or the auditor of the Company to give opinion on such transaction for use to support the decision of the Board of Directors, the Audit Committee or the shareholders as the case may be. The directors or shareholders who have beneficial interest shall have no right to vote on such related party transaction and such transaction shall be disclosed in the notes to financial statements audited or reviewed by the Company's auditor.

The action as per the above paragraph (3) and (4) shall be taken as described in Clause 11.

4.2 Related party transaction prospect

After the Company's initial public offering (IPO) and entering into a transaction with a related person, a connected transaction, or a related party transaction of the group with a person which may have conflict of interest, beneficial interest, or potential conflict of interest in the future, the Company shall comply with the rules and regulations in force of the Securities Exchange Commission, the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand.

If the Company intends to enter into a transaction with a related person, a connected transaction or a related party transaction of the group with a person which may have conflict of interest, beneficial interest, or potential conflict of interest in the future, the Company shall strictly abide by the above-mentioned policy and procedure. The Audit Committee shall provide consideration guidelines, taking into account necessity of the transaction on the Company's operation and comparison of the transaction price with third party price (if any) as well as consideration of salient points on the transaction size.

However, in case of a related party transaction, the Company shall have the Audit Committee to give opinion on the appropriateness of such transaction. If the Audit Committee has no expertise in considering any potential related party transaction that may take place, the Company shall arrange to have an independent person with knowledge and expertise, such as an auditor or asset appraiser, to give opinion on such related party transaction. The opinion of the Audit Committee or the expert shall be used to support the decision of the Board of Directors or the shareholders as the case may be in order to ensure that such transaction shall not be a transfer or misappropriation of benefits between the Company or its shareholders, but it is the transaction entering into which the Company takes into account the best interest of all shareholders.

5. Characteristics of Connected Transaction mainly in the following two types:

5.1 When the Company or its subsidiary enters into a transaction with its director, executive, major shareholder, person with controlling power or person to be nominated as director, executive or person with controlling power, as well as related person and close relative thereof.

5.2 When the Company or its subsidiary enters into a transaction with any other juristic entity whose major shareholder or person with controlling power is a director, executive, major shareholder, person with controlling power or person to be nominated as director, executive or person with controlling power of the Company, as well as related person and close relative thereof.

6. Categories of Connected Transactions divided into six categories as follows:

- 6.1 normal business transactions
- 6.2 normal business support transactions
- 6.3 up to 3-year immovable property rent or lease transactions
- 6.4 asset- or service-related transactions
- 6.5 financial assistance offer or receipt transactions
- 6.6 connected transactions other than those in 6.1–6.5.

7. Connected Transaction or Related Party Transaction Criteria

The Company has laid down criteria for entering into connected transaction or related party transaction as follows:

7.1 Pricing criteria according to general trade conditions shall be applied with fair and reasonable terms and conditions in the best interest of the Company.

7.2 In case there are no pricing criteria according to general trade conditions for reference, the product or service price shall be considered and compared with market prices under the same or similar conditions.

7.3 Report of the independent appraiser as may be engaged by the Company or its subsidiary shall be considered for price comparison of major related party transactions to ensure price reasonableness in the best interest of the group.

8. Key Points for Consideration or Proposal to Approval Authority

8.1 Rationale and necessity to enter into transaction with a related person or connected transaction or agency which has conflict of interest

8.2 Reasonableness of price and trade conditions compared to transactions made with other companies

8.3 Opinion of the independent appraiser or financial advisor (if such opinion is required)

9. Approval of Related Party Transaction or Connected Transaction

9.1 Consider the transaction size according to the following criteria:

(1) Small sized transaction means a transaction in the value less than or equal to 1 million baht, or less than or equal to 0.03 percent of net tangible asset value, whichever is higher.

(2) Medium sized transaction means a transaction in the value exceeding 1 million baht but less than 20 million baht, or exceeding 0.03 percent but less than 3 percent of net tangible asset value, whichever is higher.

(3) Large sized transaction means a transaction in the value exceeding or equal to 20 million baht, or exceeding 3 percent of net tangible asset value, whichever is higher.

9.2 Transaction approval authority

(1) Management: In case of a connected transaction or related party transaction which carries general trade conditions or is a small sized transaction which is not in line with general trade conditions, the transaction shall be under the consideration and approval authority of the management. However, such agreement should be as approved by the Board of Directors or in alignment with the principles approved by the Board of Directors.¹

¹ Circular No. SEC. Chor. (Wor) 38/2008 Re: Suggestion on Procedures according to Section 89/12 (1) of the Securities and Exchange Act (No. 4) B.E. 2551 (2008) states that "... the above provisions which require the company...which will enter into transaction with the above characteristics...to propose such agreement for the board of directors' approval as well as the board of directors' approval in principle before entering into the transaction. Although such transaction is a normal business transaction or normal business support transaction with general trade conditions (previously under final approval authority of the management without further escalation for the board of directors' approval), the Office of the SEC recommends the company...to organize a board of directors' meeting to propose such agreement for the board of directors' approval or in-principle approval..."

(2) Board of Directors: In case of a connected transaction or related party transaction which is not in accordance with general trade conditions for medium sized transaction, the transaction shall be subject to consideration and approval of the Board of Directors.

(3) Shareholders: In case of a connected transaction or related party transaction which is not in accordance with general trade conditions for large sized transaction, the transaction shall be subject to consideration and approval of the shareholders' meeting.

The connected transaction described in (2) and (3) shall be compliant with Clause 11 thereby the department shall propose the transaction through the Compliance Department to the Corporate Governance and Social Responsibility (CG) Committee for scrutiny of the transaction and to the Audit Committee for concurrence before proposal to the approval authority as detailed in the Table of Notifications of the Board of Governors of the Stock Exchange of Thailand (Attachment).

9.3 Consideration of connected transaction as a special case

The management shall have approval authority for a connected transaction without having to accord with the criteria in 9.1 and 9.2 or disclosure of information under Clause 10 for entering into a transaction in any of the following cases:

(1) Transaction regarding receipt of financial assistance from a connected person and the financial assistance is a normal business of such person and carries general trade conditions.

(2) Issuance of debt instruments with general trade conditions

(3) Any other transactions of which the terms and conditions are as approved by the Board of Directors and they are transactions under Section 89/12 (1) of the Securities and Exchange Act B.E. 2535 (1992) and its amendments.

10. Disclosure of Information

Disclosure of information shall be in accordance with the securities and exchange law, the Notification of the Capital Market Supervisory Board Re: Criteria on Entering into a Connected Transaction in conjunction with the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies concerning Connected Transaction and the relevant rules and regulations of the Office of the Securities and Exchange Commission and/or the Stock Exchange of Thailand.

11. Roles of Related Agencies

11.1 The departments which have any transaction in relation to "entering into transaction" shall examine every connected transaction and comply with the policy established by the Company.

11.2 The Compliance Department shall give advice on connected transaction or related party transaction to the departments which have issues of doubt.

11.3 The departments shall propose to the Corporate Governance and Social Responsibility Committee for consideration and scrutiny of the connected transaction or related party transaction before proposal to the Audit Committee.

11.4 The department shall propose to the Audit Committee to give opinion on the connected transaction or related party transaction prior to seeking approval from the Board of Directors and shareholders' meeting.

Given on June 19, 2018.

-Signed-

(Mrs. Tongurai Limpiti)

Chairman of the Board of Directors

Corporate Governance and Compliance Group

Legal Department

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Table of Notifications of the Board of Governors of the Stock Exchange of Thailand

Re: Disclosure of Information and Procedure of Listed Companies in relation to Connected Transactions

Types of Connected Transactions	Transaction Value	Disclosure to SET	Approval from Board of Directors	Approval from Shareholders' Meeting
1. Normal business transactions or normal business support transactions 1.1 Normal business transactions with general trade conditions 1.2 Normal business support transactions with general trade conditions and consideration computable from assets or reference values	Unlimited transaction value	-	-	-
1.3 Normal business support transactions with general trade conditions and consideration not computable from assets or reference values	≤ 1 MB or $\leq 0.03\%$ of net tangible asset value, whichever is higher	-	-	-
	> 1 MB but < 20 MB or $> 0.03\%$ but $< 3\%$ of net tangible asset value, whichever is higher	✓	-	-
	≥ 20 MB or $\geq 3\%$ of net tangible asset value, whichever is higher	✓	✓	-
1.4 Normal business transactions or normal business support transactions without general trade conditions	≤ 1 MB or $\leq 0.03\%$ of net tangible asset value, whichever is higher	-	-	-
	> 1 MB but < 20 MB or $> 0.03\%$ but $< 3\%$ of net tangible asset value, whichever is higher	✓	✓	-
	≥ 20 MB or $\geq 3\%$ of net tangible asset value, whichever is higher	✓	✓	✓

Types of Connected Transactions	Transaction Value	Disclosure to SET	Approval from Board of Directors	Approval from Shareholders' Meeting
2. Up to 3-year immovable property rent or lease transaction without presentation of carrying general trade conditions	≤ 1 MB or $\leq 0.03\%$ of net tangible asset value, whichever is higher	-	-	-
	> 1 MB but < 20 MB or $> 0.03\%$ but $< 3\%$ of net tangible asset value, whichever is higher	✓	-	-
	≥ 20 MB or $\geq 3\%$ of net tangible asset value, whichever is higher	✓	✓	-
3. Asset- or service-related transactions	≤ 1 MB or $\leq 0.03\%$ of net tangible asset value, whichever is higher	-	-	-
	> 1 MB but < 20 MB or $> 0.03\%$ but $< 3\%$ of net tangible asset value, whichever is higher	✓	✓	-
	≥ 20 MB or $\geq 3\%$ of net tangible asset value, whichever is higher	✓	✓	✓
4. Financial assistance offer or receipt transactions 4.1 The Company or its subsidiary offering financial assistance to connected persons as follows:				
<ul style="list-style-type: none"> Connected persons who are natural persons. 	< 100 MB or $< 3\%$ of net tangible asset value, whichever is lower	✓	✓	-
<ul style="list-style-type: none"> Connected persons who are juristic persons in which listed company or its subsidiary holds shares in a proportion smaller than that of other connected persons who are not the Company or its subsidiary (as the case may be) holding shares in such juristic persons. 	≥ 100 MB or $\geq 3\%$ of net tangible asset value, whichever is lower	✓	✓	✓ (4)

Types of Connected Transactions	Transaction Value	Disclosure to SET	Approval from Board of Directors	Approval from Shareholders' Meeting
4.2 Financial assistance offer or receipt transactions other than 4.1	≤ 1 MB or $\leq 0.03\%$ of net tangible asset value, whichever is higher	-	-	-
	> 1 MB but < 20 MB or $> 0.03\%$ but $< 3\%$ of net tangible asset value, whichever is higher	✓	✓	-
	≥ 20 MB or $\geq 3\%$ of net tangible asset value, whichever is higher	✓	✓	✓ (4)

Notes to the Table

- (1) ✓ means the Company has the duty to take actions according to the column with ✓.
- (2) – means the Company has no duty to take actions according to the column with –.
- (3) Although such transaction is a normal transaction or normal business support transaction with general trade conditions which is under approval authority of the management without having to further seek the board of directors' approval, the Company is recommended to organize a board of directors' meeting to propose such agreement for the board of directors' approval or in-principle approval.²
- (4) In case of a transaction in which the Company or its subsidiary and the connected person have jointly provided financial assistance to the juristic person in which the Company or its subsidiary and the connected person hold shares in the proportion of its beneficial interest in such juristic person according to general or better trade conditions, the Company shall be exempted from seeking approval for such transaction from the shareholders' meeting.

² Circular No. SEC. Chor. (Wor) 38/2008 Re: Suggestion on Procedures according to Section 89/12 (1) of the Securities and Exchange Act (No. 4) B.E. 2551 (2008)