

## 9. Internal Control and Connected Transactions

### 9.1 Internal Control

#### **Opinions of the Board of Directors and the Audit Committee about the Company's internal control system**

The Company's Board of Directors puts emphasis on internal control system on continued, Special emphasis is placed on the adequacy and appropriateness of the internal control system on all business operation to improve efficiency and effectiveness. The Board of Directors oversees all the internal control systems of the Company by taking into account of good corporate governance. Therefore, the Audit Committee has been delegated to review the assessment of the sufficiency of internal control system, review the transparency and accuracy of financial statement and also review that all business operation are compliance with applicable law and regulation together with the connected transaction and the key issues shall be reported to the Board for further consideration. The internal audit office is responsible for regular audit of business operation in compliance with policies and guideline and reporting to the Audit Committee, has duty to audit performance of all units such as accounting, finance, management and operations of all departments to the annual audit plan which must have been approved by the Audit Committee.

The Company has efficient internal control system and risk management by using the principles and guidelines complying with the internal control and risk management framework which are referred to the international standard of the Committee of Sponsoring Organization of the Treadway Commission (COSO) concept, which relate to business operations and management processes within the Company. In 2022, the Board of Directors evaluated the Company's internal control system as guideline from the Securities and Exchange Commission and found no significant error on the Company's internal control system. The 5 enterprise risk management components are as follows:

#### **1) Control Environment**

The Company has set its annual Business Plan (BP) by carefully reviewing and considering the possibility of the goal setting and set Key Performance Indicator (KPI) as a tool to reward to employees. For business clearer and more efficiency, business structure has been classified into 3 Business Groups. Moreover, the Company has reviewed the implementation of good Corporate Governance Principle and issued the Corporate Governance Policy, the Code of Conduct Manual for Directors and Staff as the guidance to strictly adhere with integrity and transparency.

#### **2) Risk Assessment**

The Company has set up the Risk Management Committee and applying Enterprise Risk Management (ERM) to assess business risks and introduce preventive/corrective control measures to cope with such risks to comply with new standard of risk management of COSO (The Committee of Sponsoring Organizations of the Treadway Commission) The Company has systematic tools and methods on risk assessment and has prescribed the appropriated criteria in each level, i.e. at organizational and operational level. Qualitative and quantitative assessments have also been conducted by considering from the acceptable risk levels of the organization and from 2 aspects, i.e. impact or damages caused by the incident and risk likelihood to consider risk levels, such as high, middle or low and the methods have been sought to manage those risks. The Company specified that the meeting 3 times a year to evaluate business risks must be arranged on continued basis.

### 3) Control Activities

The Company's policies and working procedures were clearly put in place and timely adjusted to corporate changes. The Executive Board, Audit Committee, and the Board of Directors involved as deem appropriate in all-important decisions concerning SET/SEC's regulations. Financial Unit, Debt Management Units Legal Unit as well as Internal and External Audit Units were put in place to supervise corporate activities to be performed in accordance with applicable rules and laws.

### 4) Information and Communication

The Company places importance on information security management. There is a security control by setting permissions to access information in various systems according to the principle of separation of duties and uses. The Data Center was established to be the information center for the operations of the organization. The Company uses ERP Software (SAP) system to support Accounting unit, Inventory work and equipment stock control systems to support the Company's business. Under information security management and control with international standards, the Company has received the International Standard ISO 27001 including having a back up site of all information systems as well as implementing the Human Resources Information System (HRIS).

The Company provided the intranet, internet, line group and e-mail systems for internal and external communication regarding the policies, procedures, manuals, announcements and news. And also there are the channels for stakeholders' complaint or suggestion through mail and Company's website.

### 5) Monitoring Activities

The Company has appropriated procedures to monitor and supervise work performances by comparing them with the targets or Key Performance Indicator (KPI) in each level regularly. In addition, it also has good assessment, analysis and monitoring system, for instance, it specified that the employees at supervisor level must monitor work performances and reports of their subordinates closely and then report to higher supervisor level to ensure that internal control system and measures are efficiently and can respond to risk factors and changes appropriately and in time.

In addition, the Company arranges for the Executive Board Committee meeting every month, to monitor the performance of the Company and its subsidiaries in order to comply with the annual strategy and plan.

#### Conclusion

In the Board of Directors' Meeting No.1/2023 on February 23, 2023 in which all three Independent Audit Committee members attended, concluded that the Company has an effective internal control that suitable for the Company's business and has enough personnel to operate the internal control system effectively. Furthermore, the Company's auditor, Ms. Siriwan Suratepin, an auditor license no. 4604, audited the Company's financial statement for the year ended December 31, 2022 without any comment on the Company's internal control system as significant error.

#### **Internal Audit**

The Internal Audit unit has independence and righteousness and it shall directly report to the Audit Committee, has its Audit Charter which clearly defines scope and responsibility. The audit manual has been prepared and updated continually to be used as referenced criteria for equal operational guidelines and to ensure that the operations of Internal Audit unit are qualified and complied with the international standard on internal audit professions to promote and improve the organization so that it shall have good corporate governance, increase values to the stakeholders and can lead to sustainable development.

The Internal Audit unit must audit and assess efficiency of the internal control system, risk management system, compliance of the Company in accordance with the annual audit plan by considering from objectives, strategies, overall missions, risk based audit approach including key control point and additional comments from the management. Such audit plan has been approved by the Audit Committee and it also included recommendations in various aspects, i.e. the preparation of internal control measures and risk management. This method can help the Company be confident that the operations shall be achieved as per the set strategies and objectives. The results were also monitored and assessed regularly to ensure that the planned system can be performed continually and it has been revised and updated regularly.

With regard to the assessment of efficiency of risk management system, the Internal Audit unit has reviewed the incident indicators or risk factors which impacted objectives and risk management guidelines of the operators. The objectives were to ensure that risks have been identified and assessed correctly and risk management was systematically implemented so that it can manage risks to be in acceptable level. There must be a complete and prompt report and risks must be regularly monitored and reviewed.

With regard to the risk assessment on corruption from outside and inside the organization, the Internal Audit unit has assessed by identifying indication and possibility of corruption from outside and inside the organization and then considered the preventive and control measures for maximum efficiency to ensure that the Company can prevent and control this matter, so that it can achieve the objectives planned.

The Head of Internal Audit acts as the secretary to the Audit Committee to enhance the effective achievement of its responsibilities and ensure accountability as assigned by the Board of Directors and also provide recommendations and suggestions in various aspects which are beneficial to the organization. Moreover, the Audit Committee also emphasized quality and development of internal audit task and also encouraged the internal audit personnel to develop themselves on continued and regular basis.

#### **Head of Internal Audit of the Company**

In 2003, the Board of Directors by through the approval of the Audit Committee has appointed Mr. Somchai Bunsupaporn to be the Company's head of Internal Audit.

The Audit Committee deemed that the Head of Internal Audit Unit has suitable qualifications and can effectively perform duties. During 2022, the Head of Internal Audit Unit has performed the following duties:

1. Propose annual audit plan to the Audit Committee to approve the plan and supervise to have a check Examination of operations in accordance with the plans approved by the audit committee.
2. To control the audit work to ascertain that the Company's performance meet legal requirements, of the Stock Exchange of Thailand or regulations of the relevant government agencies.
3. To give suggestion to the Company's executives and employees on efficient performance.
4. To report important issues concerning internal control systems of the Company which have been found upon audit process.
5. To coordinate, supervise and control on various aspects, such as risk management, code of conducts, etc.
6. Perform other works which are relevant to internal audit as per assigned by the Audit Committee.

Head of Internal Audit Unit can provide useful information and recommendation to various departments in the Company with regards to how to operate the works to make them consistent with the laws, rules and regulations required as completely.

The consideration of the appointment, removal and relocation of the Head of Internal Audit are required to have an approval from the Audit Committee.

## 9.2 Connected Transactions

### 9.2.1 Details of the connected transactions which might have conflicts of interest.

The connected transactions disclosed in this section are transactions of the Company and its subsidiaries with those who may have a conflict of interest as at December 31, 2021 and 2022:

Connected Companies	Relationship	List of Joint Committees
Samart Corporation Pcl.	The major shareholder of the Company and holds a 70.14% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Thananan Vilailuck Mr. Sirichai Rasameechan
Samart U-Trans Co., Ltd.	Samart Corporation Pcl. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck
Vision and Security System Co., Ltd.	Samart Corporation Pcl. holds a 73% stake.	Mr. Watchai Vilailuck Mr. Thananan Vilailuck
Samart Engineering Co., Ltd.	Samart Corporation Pcl. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Thananan Vilailuck
Teda Co., Ltd.	Samart U-Trans Co., Ltd. holds a 94.35% stake.	Mr. Thananan Vilailuck
Samart Aviation Solutions Pcl. <sup>(1)</sup>	Samart U-Trans Co., Ltd. holds a 66.67% stake and Samart Inter Holding Co., Ltd. holds a 33.33% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Sirichai Rasameechan
Samart Digital Pcl.	Samart Corporation Pcl. holds a 65.31% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck
Samart Digital Media Co., Ltd.	Samart Digital Pcl. holds a 99.99% stake.	Mr. Watchai Vilailuck
Lucky Heng Heng Co., Ltd. (Formerly known as SIM 2 Asset Co., Ltd.)	Samart Digital Pcl. holds a 99.99% stake	Mr. Watchai Vilailuck
Thai Base Station Co., Ltd.	Samart Digital Pcl. holds a 99.99% stake.	Mr. Watchai Vilailuck
Vilailuck International Holding Co., Ltd.	Vilailuck International Holding Co., Ltd. holds a 14.78% stake in Samart Corporation Pcl.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Thananan Vilailuck
Samart Communication Services Co., Ltd.	Samart Telcoms Pcl. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Jong Diloksombat
Samart Comtech Co., Ltd.	Samart Telcoms Pcl. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Jong Diloksombat
Posnet Co., Ltd.	Samart Telcoms Pcl. holds a 99.99% stake.	-
Thai Trade Net Co., Ltd.	Samart Telcoms Pcl. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Jong Diloksombat
Smarterware Co., Ltd.	Samart Telcoms Pcl. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Jong Diloksombat
Samart Infonet Co., Ltd.	Samart Telcoms Pcl. holds a 99.63% stake.	Mr. Watchai Vilailuck Mr. Jong Diloksombat

*Remark:* <sup>(1)</sup> On process of being listed in SET.

Connected Companies	Relationship	List of Joint Committees
Samart Ed Tech Co., Ltd.	Samart Telcoms Pcl. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Jong Diloksombat
Portalnet Co., Ltd.	Samart Telcoms Pcl. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Jong Diloksombat
NetService (Thailand) Co., Ltd.	Samart Comtech Co., Ltd. holds a 60% stake.	Mr. Charoenrath Vilailuck Mr. Jong Diloksombat
Secureinfo Co., Ltd.	Samart Comtech Co., Ltd. holds a 99.99% stake.	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Jong Diloksombat
Phuphatara Co., Ltd.	Vilailuck International Holding Co., Ltd. indirectly holds a 42.38% stake. (VIH is the major shareholder of Samart Corporation Pcl.)	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Thananan Vilailuck
Vilailuck Development Co., Ltd.	Vilailuck International Holding Co., Ltd. holds a 42.38% stake. (VIH is the major shareholder of Samart Corporation Pcl.)	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck Mr. Thananan Vilailuck
I.Q Wine Co., Ltd.	Related Director is Mr. Thananan Vilailuck	Mr. Thananan Vilailuck
CSV Asset Co., Ltd.	Vilailuck International Holding Co., Ltd. holds a 99.99% stake. (VIH is the major shareholder of Samart Corporation Pcl.)	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck
Le Votel Khaoyai Co., Ltd.	Vilailuck International Holding Co., Ltd. indirectly holds a 21.19% stake. (VIH is the major shareholder of Samart Corporation Pcl.)	Mr. Watchai Vilailuck
S 39 Fish Market Co., Ltd.	Has Executive Director of the Company as a related person is Mr. Watchai Vilaluck.	-
Lim Fun Co., Ltd.	Vilailuck International Holding Co., Ltd. holds a 99.99% stake. (VIH is the major shareholder of Samart Corporation Pcl.)	Mr. Charoenrath Vilailuck Mr. Watchai Vilailuck

**Connected Transactions**
**1) Rental and Services Fee**

Nature of major transactions	Value (Million Baht)		Justification of Transactions
	For the year ended 31 December 2022	For the year ended 31 December 2021	
1. Samart Telcoms Pcl. rent the office at Software Park Building and used the public utilities services for the year 2021 with area 1,477.92 sq. meter. and for the year 2022 with area 1,047.92 sq. meter. from Samart Corporation Pcl.	9.11	10.01	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
2. Samart Telcoms Pcl. rent the office at Software Park Building and used the public utilities services for the year 2021 with area 770.38 sq. meter. and for the year 2022 with area 683.95 sq. meter. from Vilailuck International Holding Co., Ltd.	5.53	5.70	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
3. Samart Communication Services Co., Ltd. rent the office at Software Park Building and used the public utilities services for the year 2021 with area 245.50 sq. meter. and for the year 2022 with area 495.50 sq. meter. from Samart Corporation Pcl.	2.79	2.10	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
4. Samart Communication Services Co., Ltd. rent a warehouse located at 59 Moo 2, Phaholyothin Rd. Klong 1, Klongluang, Pathumthanee for the year 2021 with area 1,020 sq. meter. and for the year 2022 with area 1,200 and 600 sq. meter. from Samart Engineering Co., Ltd.	1.90	0.98	The building is rented to be used as a storage for the product and equipment. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
5. Samart Communication Services Co., Ltd. rent the office at Software Park Building and used the public utilities services for the year 2021 and 2022 with area 19.83, 54.67 and 546.93 sq. meter. from Vilailuck International Holding Co., Ltd.	4.68	4.60	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
6. Samart Communication Services Co., Ltd. rent the office at Smart One Building, and used the public utilities services for the year 2021 and 2022 with area 288 sq. meter. from CSV Asset Co., Ltd.	1.63	1.56	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
7. Posnet Co., Ltd. rent a warehouse located at 101/4 Moo 20 Phaholyothin Rd. Klong 1, Klongluang, Pathumthanee and used the public utilities services for the year 2021 with area . 199.40 sq. meter. and for the year 2022 with area 106.90 sq. meter. from Samart Corporation Pcl.	0.19	0.21	The building is rented to be used as a storage for the product and equipment. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
8. Posnet Co., Ltd. rent the office at Software Park Building and used the public utilities services for the year 2021 and 2022 with area 841.35 sq. meter. from Samart Corporation Pcl.	6.33	6.23	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.

Nature of major transactions	Value (Million Baht)		Justification of Transactions
	For the year ended 31 December 2022	For the year ended 31 December 2021	
9. Posnet Co., Ltd. rent the office at Software Park Building and used the public utilities services for the year 2021 with area 119.85 sq. meter. from Vilailuck International Holding Co., Ltd.	-	0.85	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
10. Posnet Co., Ltd. rent the office at Smart One Building, and used the public utilities services for the year 2022 with area 185.40 sq. meter. from CSV Asset Co., Ltd.	0.67	-	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
11. Samart Comtech Co., Ltd. rent the office at Software Park Building and used the public utilities services for the year 2021 with area 462.71 sq. meter. and for the year 2022 with area 436.26 sq. meter. from Samart Corporation Pcl.	3.28	3.87	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
12. Samart Comtech Co., Ltd. rent a warehouse located at 37/1 Moo 2 Phaholyothin Rd. Klong 1, Klongluang, Pathumthanee and used the public utilities services for the year 2021 and 2022 with area 830 sq. meter. from Samart Corporation Pcl.	0.90	0.86	The building is rented to be used as a storage for the product and equipment. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
13. Samart Comtech Co., Ltd. rent the office at Software Park Building and used the public utilities services for the year 2021 and 2022 with area 1,476.41 sq. meter. from Vilailuck International Holding Co., Ltd.	11.11	10.93	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
14. Secureinfo Co., Ltd. rent the office at Software Park Building and used the public utilities services for the year 2021 and 2022 with area 1,286.86 sq. meter. from Vilailuck International Holding Co., Ltd.	9.68	9.77	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
15. Samart Infonet Co., Ltd. rent the office at Software Park Building and used the public utilities services for the year 2021 and 2022 with area 48 sq. meter. from Samart Corporation Pcl.	0.36	0.36	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
16. Portalnet Co., Ltd. rent the office at Software Park Building and used the public utilities services for the year 2021 and 2022 with area 116.44 sq. meter. from Samart Corporation Pcl.	0.88	0.86	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.
17. Smarterware Co., Ltd rent the office at Software Park Building and used the public utilities services for the year 2021 with area 80 sq. meter. and for the year 2022 with area 166.43 sq. meter. from Vilailuck International Holding Co., Ltd.	0.87	0.35	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.

Nature of major transactions	Value (Million Baht)		Justification of Transactions
	For the year ended 31 December 2022	For the year ended 31 December 2021	
18. Thai Trade Net Co., Ltd rent the office at Software Park Building and used the public utilities services for the year 2022 with area 180 sq. meter. from Smart Corporation Pcl.	1.07	-	The building is rented to be used as office space. The rental and service charges for public utilities are reasonable when compared to market price within the same area.

## 2) Interest income on Finance lease receivables

Lessor Company	Lessee Company	Interest Rate (%)	Value (Million Baht)	
			For the year ended 31 December 2022	For the year ended 31 December 2021
1. Samart Comtech Co., Ltd.	For the hire purchase agreement to lease Outside Broadcasting Van equipped with media production system and television broadcast to Siam Sport Television Co., Ltd.,	7.5%	Finance lease receivables 90.18 Interest income 5.86	Finance lease receivables 128.36 Interest income 6.59

## 3) Transactions of Sales of Goods and Services as a Normal Business

Sellers of Goods / Services	Buyers of Goods / Services	Value (Million Baht)	
		For the year ended 31 December 2022	For the year ended 31 December 2021
1. Samart Telcoms Pcl.	Samart Corporation Pcl.	0.06	-
	Samart Digital Media Co., Ltd.	-	0.02
2. Samart Communication Services Co., Ltd.	Samart Corporation Pcl.	0.01	-
	Samart Digital Pcl.	6.37	2.15
	Vision and Security System Co., Ltd.	0.58	1.40
3. Thai Trade Net Co., Ltd.	Samart Corporation Pcl.	0.01	0.01
4. Samart Comtech Co., Ltd.	Samart Corporation Pcl.	16.24	14.16
	Samart U-Trans Co., Ltd.	0.01	0.30
	Samart Digital Pcl.	424.02	295.75
5. Secureinfo Co., Ltd.	Samart Corporation Pcl.	3.88	1.65
6. Smarterware Co., Ltd.	Samart Corporation Pcl.	0.59	0.73
7. Samart Infonet Co., Ltd.	Samart Corporation Pcl.	3.42	2.08
	Samart Digital Pcl.	1.37	1.45
	Samart Engineering Co., Ltd.	0.17	0.17
	I.Q Wine Co., Ltd.	0.26	0.26
	Le Votel Khaoyai Co., Ltd.	0.54	0.54



Sellers of Goods / Services	Buyers of Goods / Services	Value (Million Baht)	
		For the year ended 31 December	For the year ended 31 December
		2022	2021
8. Samart Corporation Pcl. (IT Data Center services)	Samart Telcoms Pcl.	10.80	4.32
	Samart Communication Services Co., Ltd.	8.04	19.44
	Posnet Co., Ltd.	2.78	2.78
	Thai Trade Net Co., Ltd.	1.32	1.39
	Samart Comtech Co., Ltd.	3.49	3.49
	NetService (Thailand) Co., Ltd.	0.56	0.60
	Samart Infonet Co., Ltd.	0.85	1.07
	Portalnet Co., Ltd.	4.02	3.87
	Smarterware Co., Ltd.	0.81	0.81
	Samart Ed Tech Co., Ltd.	0.56	0.61
9. Samart Corporation Pcl. (Management Fee)	Samart Telcoms Pcl.	36.84	34.56
10. Samart Corporation Pcl.	Samart Telcoms Pcl.	0.03	-
	Samart Communication Services Co., Ltd.	0.01	-
	Samart Infonet Co., Ltd.	0.47	1.42
	Thai Trade Net Co., Ltd.	1.51	1.27
	Samart Comtech Co., Ltd.	0.24	-
	Secureinfo Co., Ltd.	0.35	0.58
	Samart Ed Tech Co., Ltd.	0.01	-
	Posnet Co., Ltd.	0.20	0.20
11. Samart Digital Pcl.	Samart Telcoms Pcl.	-	2.12
	Samart Communication Services Co., Ltd.	58.42	180.06
	Samart Comtech Co., Ltd.	0.75	0.36
12. Samart Engineering Co., Ltd.	Samart Telcoms Pcl.	0.07	0.32
	Samart Communication Services Co., Ltd.	38.03	3.45
	Samart Comtech Co., Ltd.	55.53	60.58
13. Vision and Security System Co., Ltd.	Samart Telcoms Pcl.	0.04	0.01
	Samart Communication Services Co., Ltd.	1.87	4.16
	Samart Comtech Co., Ltd.	54.22	256.59
	Portalnet Co., Ltd.	-	0.01
14. Vilailuck International Holding Co., Ltd.	Portalnet Co., Ltd.	0.01	-
	Samart Communication Services Co., Ltd.	-	0.01
15. CSV Asset Co., Ltd.	Samart Telcoms Pcl.	-	0.05
	Samart Comtech Co., Ltd.	-	0.05
	Samart Communication Services Co., Ltd.	-	0.05
16. I.Q Wine Co., Ltd.	Samart Telcoms Pcl.	0.18	0.32
	Samart Comtech Co., Ltd.	0.68	0.05
	Samart Communication Services Co., Ltd.	-	0.04
17. Portalnet Co., Ltd.	Samart Corporation Pcl.	1.85	1.80
18. Teda Co., Ltd.	Samart Comtech Co., Ltd.	0.04	-

Sellers of Goods / Services	Buyers of Goods / Services	Value (Million Baht)	
		For the year ended 31 December 2022	For the year ended 31 December 2021
19. Lucky Heng Heng Co., Ltd.	Samart Communication Services Co., Ltd.	0.02	-
	Samart Comtech Co., Ltd.	0.02	-
20. Lim Fun Co., Ltd.	Samart Communication Services Co., Ltd.	0.01	-
	Samart Comtech Co., Ltd.	0.06	-
	Portalnet Co., Ltd.	0.02	-
21. S 39 Fish Market Co., Ltd.	Samart Telcoms Pcl.	0.06	0.22
	Portalnet Co., Ltd.	0.03	0.03

#### 4) Miscellaneous Normal Business Transactions

Nature of Major Transactions	Value (Million Baht)		Justification
	For the year ended 31 December 2022	For the year ended 31 December 2021	
1. Samart Telcoms Pcl. paid for the equipment rental, services charges, and miscellaneous expenses to Samart Corporation Pcl.	0.01	0.01	The equipment rentals, services charges, and miscellaneous expenses are normal business transactions at market or actual price in advance.
2. Samart Telcoms Pcl. paid for the water, electricity, and car park rental to Vilailuck International Holding Co., Ltd.	0.11	0.16	Normal business transaction at market price.
3. Samart Telcoms Pcl. paid for miscellaneous expenses to Le Votel Khaoyai Co., Ltd.	-	0.16	Normal business transaction at market price.
4. Samart Telcoms Pcl. paid for miscellaneous expenses to Phuphatara Co., Ltd.	-	0.01	Normal business transaction at market price.
5. Samart Telcoms Pcl. paid for miscellaneous expenses to Lucky Heng Heng Co., Ltd.	0.04	-	Normal business transaction at market price.
6. Samart Telcoms Pcl. paid for miscellaneous expenses to Lim Fun Co., Ltd.	0.17	-	Normal business transaction at market price.
7. Samart Communication Services Co., Ltd. paid for the water, electricity, and car park rental to Vilailuck International Holding Co., Ltd.	0.66	0.57	Normal business transaction at market price.
8. Samart Communication Services Co., Ltd. paid for the miscellaneous expenses to CSV Asset Co., Ltd.	0.43	0.37	Normal business transaction at market price.
9. Samart Communication Services Co., Ltd. paid for the miscellaneous goods and service expenses to Phuphatara Co., Ltd.	0.01	-	Normal business transaction at market price.
10. Samart Communication Services Co., Ltd. paid for miscellaneous expenses to I.Q Wine Co., Ltd.	0.13	-	Normal business transaction at market price.
11. Posnet Co., Ltd. paid for miscellaneous expenses to CSV Asset Co., Ltd.	0.02	-	Normal business transaction at market price.
12. Posnet Co., Ltd. paid for miscellaneous expenses to Vilailuck International Holding Co., Ltd.	0.05	0.13	Normal business transaction at market price.

Nature of Major Transactions	Value (Million Baht)		Justification
	For the year ended 31 December 2022	For the year ended 31 December 2021	
13. Thai Trade Net Co., Ltd. paid for miscellaneous expenses to Vilailuck International Holding Co., Ltd.	0.10	0.06	Normal business transaction at market price.
14. Samart Comtech Co., Ltd. paid for the office supplies and the miscellaneous services to Samart Corporation Pcl.	0.01	-	Normal business transaction at market price.
15. Samart Comtech Co., Ltd. paid for the water, electricity, and car park rental to Vilailuck International Holding Co., Ltd.	0.63	0.55	Normal business transaction at market price.
16. Samart Comtech Co., Ltd. paid for miscellaneous expenses to Samart Engineering Co., Ltd.	2.13	0.06	Normal business transaction at market price.
17. Samart Comtech Co., Ltd. paid for miscellaneous expenses to Vilailuck Development Co., Ltd.	0.16	-	Normal business transaction at market price.
18. Samart Infonet Co., Ltd. paid for miscellaneous expenses to Vilailuck International Holding Co., Ltd.	0.05	0.05	Normal business transaction at market price.
19. Smarterware Co., Ltd. paid for car park rental to Vilailuck International Holding Co., Ltd.	0.02	0.03	Normal business transaction at market price.
20. Samart Ed Tech Co., Ltd. paid for car park rental to Vilailuck International Holding Co., Ltd.	0.01	0.01	Normal business transaction at market price.
21. Secureinfo Co., Ltd. paid for miscellaneous expenses to Samart Corporation Pcl.	1.08	1.44	Normal business transaction at market price.
22. Secureinfo Co., Ltd. paid for the water, electricity, and car park rental to Vilailuck International Holding Co., Ltd.	0.38	0.31	Normal business transaction at market price.

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

### Necessity and Rationale for Transactions

The Company's Audit Committee is of the opinion that the inter-company transactions above were reasonable and necessary for the Company's operations. Before entering such transactions, the Board of Directors evaluates them on the basis of providing maximum value to the Company. The terms and conditions of connected transactions were set according to standard business terms and conditions, and at market rates.

### 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 from 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.

### 9.2.3 Policies and Trend in Future Connected Transactions

In the future, the Company may engage in connected transactions as it deems appropriate based on normal business terms and conditions. It will comply with the laws on securities and the stock market, as well as the relevant regulations, announcements, orders or requirements of the Stock Exchange of Thailand. It will also strictly follow the requirements and practices regarding disclosure of connected transactions, and the acquisition or sale of important assets of the listed company, according to the accounting standards set by the Association of Accountants. The Company will disclose connected transactions in the Notes to Financial Statements audited by the Company's external auditor.

*Remark: The shareholders can find the information about connected transactions for the past 3 years on the Company's website [www.samtel.com](http://www.samtel.com) under the sections "Investor Relations" and "Financial Information"*