

## **Connected Transaction Policy**

### **TQM Alpha Public Company Limited**

The Company has established a Connected Transaction Policy to address situations where the Company and/or its subsidiaries engage in transactions with persons who may have a conflict of interest or who are connected persons of the Company and/or its subsidiaries. The Company and its subsidiaries shall comply with the criteria outlined in the Securities and Exchange Act, the notifications issued by the Capital Market Supervisory Board regarding the criteria for conducting connected transactions, as well as the notifications provided by the Securities and Exchange Commission concerning information disclosure and the connected transactions involving listed companies. It also includes any relevant rules, notifications, orders, or requirements set forth by the Office of the Securities and Exchange Commission ("SEC") and the Stock Exchange of Thailand ("SET"). The disclosure of related party transactions shall be conducted in accordance with the laws and regulations specified by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as the accounting standards established by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King. Information will be disclosed in the notes of the financial statements, which will be audited by the Company's auditor, as well as in the annual registration statements and annual report of the Company.

Measures on connected transactions: In the event that the Company or its subsidiaries engage in transactions with connected persons, the Audit Committee will assess and provide an opinion regarding the necessity and reasonableness of the transaction. They will also evaluate the appropriateness of the price and other conditions, ensuring consistency with the industry's ordinary course of business. This involves comparing the prices and conditions of the transactions to those offered by third parties or the market price before proposing the transaction to the Board of Directors or the meeting of shareholders (as applicable) for approval. If the Audit Committee lacks the expertise to evaluate connected transactions that may arise, the Company will arrange for a person with the required knowledge and expertise, such as an auditor or independent asset appraiser, to provide opinions on related party transactions. These opinions will support the consideration and/or decision-making processes of the Audit Committee, Board of Directors, and/or the meeting of shareholders (as applicable). Individuals with vested interests shall have no rights to cast votes on such matters to ensure that these transactions are not carried out with the intention of changing or transferring the Company's benefits but rather in the best interests of the Company and its shareholders. The Company has established the following policy to govern connected transactions:

In cases where the connected transaction involves regular trade transactions conducted by the Company or its subsidiaries to support the Company's normal business operations or transactions that are typically associated with the Company or its subsidiaries for the purpose of supporting its normal business operations, and with commercial conditions having fair prices and conditions that do not cause transfer of benefits. This includes commercial conditions with the following prices and conditions:

- (A) Transactions that the Company typically enters into with other trading partners (who are not directors, executives, or related persons) involving a product or service with a standard price. The prices, conditions, or other agreements must not differ when comparing the Company's transactions with other trading partners and transactions with directors, executives, or related persons.
- (B) Transactions that the Company exclusively enters into with directors, executives, or related persons involving a product or service with a standard price, and multiple buyers and sellers in the market. The Company can seek information regarding standard qualifications and prices in the market for comparison with transactions entered into with directors, executives, or related persons. When compared, the prices, conditions, or other agreements must not differ.
- (C) Transactions that the Company enters with related persons, with commercial conditions and price determination similar to the transactions that the related persons typically conduct with other trading partners (who are not directors, executives, or persons related to the connected persons). The connected persons must be able to prove that the prices, conditions, or other agreements for a product, service, or transaction do not significantly differ from when they offer to other trading partners or from standards in the market under similar circumstances (if applicable).
- (D) Transactions that the Company typically enters into with other trading partners (who are not directors, executives, or related persons) involving a product or service that has a specific character or is made to order according to specific needs, making it impossible to compare its price. The Company must demonstrate that the gross profit margin obtained from connected transactions is not different from transactions with other trading partners. Additionally, the gross profit margin received by directors, executives, or related individuals from connected transactions should not differ from transactions with other trading partners, and should be subject to the same conditions or agreements.

In the case of a connected transaction that constitutes a normal business transaction or supports the normal business operations of the Company or its subsidiaries, the transaction should be conducted as a business agreement in a manner that a reasonable person would engage in with a regular counterparty under similar circumstances, with the bargaining power in trading, and without any influence from being directors, executives, or related persons. Additionally, such transactions should not result in a transfer of benefits and/or must demonstrate fair and reasonable prices and conditions. The Company has established a framework for evaluating such transactions and seeks the opinion of the Audit Committee before proposing them for approval to the Board of Directors. Subsequently, the management division proceeds with the transactions. A summary report of connected transactions will be provided to the Company's Audit Committee and presented at the quarterly Board of Directors meetings. However, if the Audit Committee and the Board of Directors determine that the operation does not comply with the established policy, appropriate actions will be jointly considered by both entities.

If the Company or its subsidiaries intend to engage in additional connected transactions, they must adhere to the established connected transactions policy, measures, and procedures. These guidelines are in place to ensure that such transactions are not carried out with the intention of altering or transferring benefits between the Company or its subsidiaries and persons who may have a conflict of interest. Instead, the transactions should be conducted in the best interests of the Company and its shareholders. The Company's President holds the authority to issue orders or notifications pertaining to the Company's policies, as outlined in the Delegation of Authority. They will consider the development and implementation of Company guidelines pertaining to related transactions and connected transactions as deemed appropriate.

The Company places significant emphasis on transparent consideration of transactions and prioritizes the best interests of both the Company and its Group. Consequently, the Company has established guidelines aimed at preventing transactions that may result in conflicts of interest, connected transactions, or related transactions. These guidelines are based on key principles wherein the Company must avoid engaging in any connected transactions with directors, executives, or related persons that could create a conflict of interest with the Company and its Group. However, exceptions can be made if the transaction is conducted in a manner that a reasonable person would engage in with a regular counterparty under the same circumstances, it does not result in the transfer of benefits, and it aligns with the best interests of the Company and its Group. In cases where it is necessary to enter into such transactions, thorough consideration and opinions from the Audit Committee must be sought before seeking approval from the Executive Board or the Board of Directors (as applicable) in accordance with the criteria established for conducting connected transactions. The directors, executives, and employees are expected to strictly adhere to the Company's regulations and its Charter and Code of Conduct. These measures are in place to ensure that the Company is trusted by all stakeholders involved.

\*\*\*\*\*