Document	Reporting Conflicts of Interest of Directors and Executives Policy
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Reporting Conflicts of Interest of Directors and Executives Policy

Proud Real Estate Public Company Limited (the "Company") requires its directors and executives to report their own interests or those of related persons to the Company in accordance with Section 89/14 of the Securities and Exchange Act B.E. 2535 (1992) (as amended) (the "Securities and Exchange Act"). Directors and executives are required to report interests related to the management of the Company or its subsidiaries, whether their own interests or those of related persons, so that the Company has information to support compliance with the requirements on connected transactions. Such transactions may give rise to conflicts of interest and may result in the transfer of benefits of the Company and its subsidiaries. In addition, directors and executives are required to perform their duties with due care and integrity (Fiduciary Duties) and make decisions without any direct or indirect interest in the matters under consideration. Information contained in such reports is therefore useful for monitoring the performance of duties by directors and executives in accordance with these principles. The Company has therefore established this Policy on Reporting Conflicts of Interest, with details as follows:

Definitions

1. "Company" means Proud Real Estate Public Company Limited.
2. "Subsidiary" means a company in which the Company directly or indirectly holds at least 50 per cent of the shares, or a company over which the Company has control. The definition of "Subsidiary" shall be in accordance with Section 89/1 of the Securities and Exchange Act and the relevant notifications of the Securities and Exchange Commission and the Stock Exchange of Thailand.
3. "Affiliated Company" means a public limited company or limited company that has a relationship with a private company or public limited company in any of the following manners:

   (1) One company has control over the appointment and removal of directors who have all or a majority of the management authority of another company.

   (2) One company holds more than 50 per cent of the issued shares of another company.

   Where the first company and/or one or more affiliated companies, or the first company and/or affiliated companies at the first level and/or at subsequent levels, individually or collectively hold more than 50 per cent of the issued shares of another company, that company shall also be deemed an affiliated company of the first company.

   The definition of "Affiliated Company" shall be in accordance with Ministerial Regulation No. 4 (B.E. 2535 (1992)), issued pursuant to the Public Limited Companies Act B.E. 2535 (1992) (as amended) (the "Public Limited Companies Act").

4. "Connected Transaction" means a transaction between the Company or a subsidiary and a connected person of the Company, or a transaction between a subsidiary and a connected person of the subsidiary.

5. "Entering into a Transaction" means entering into or agreeing to enter into a contract or any agreement, whether directly or indirectly, for the acquisition or disposal of assets, leasing or letting of assets, provision or receipt of services, provision or receipt of financial assistance, and issuance of new securities, as well as for the creation of rights or the waiver of rights to undertake such acts.

6. "Related Person" means a person who has any of the following relationships:

   (1) A person who has control over the Company and, where such person is a juristic person, this shall also include the directors of such juristic person.

   (2) The spouse, minor child, or adopted minor child of a director, executive, or person under (1).

   (3) A juristic person over which a person under (1) or (2) has control.

   (4) Any other person who has the characteristics prescribed by the Capital Market Supervisory Board.

   Where any person acts with the understanding or agreement that, if the Company enters into a transaction that provides a financial benefit to such person, a director, executive, or person under (1) or (2) will also receive a financial benefit, such person shall be deemed a Related Person for that transaction.

7. "Connected Person" means a connected person under 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 Transactions B.E. 2546 (2003), dated 19 November 2003 (as amended) (the "Notification of the Board of Governors of the Stock Exchange of Thailand"), as follows:

   (1) An executive, major shareholder, controlling person, or person nominated to be an executive or controlling person of the Company or a subsidiary, as well as related persons and close relatives of such person.

   (2) Any juristic person whose major shareholder or controlling person is any of the following persons:

      (a) an executive;

      (b) a major shareholder;

(c) a controlling person;

(d) a person nominated to be an executive or controlling person; or

(e) a related person or close relative of any person under (a) to (d).

(3) Any person whose conduct may be regarded as that of a representative or a person under the influence of a person under (1) or (2) in decisions, policy determination, management, or significant operations, or any other person whom the Stock Exchange of Thailand considers to have similar conduct, as well as the following persons:

(1) A director of a juristic person that has control over the Company.

(2) The spouse, minor child, or adopted minor child of a director under (1).

(3) A juristic person over which a person under (1) or (2) has control.

(4) Any person who acts with the understanding or agreement that, if the Company enters into a transaction that provides a financial benefit to such person, any of the following persons will also receive a financial benefit, only in respect of such transaction:

(a) a director of the Company;

(b) an executive of the Company;

(c) a person who has control over the Company;

(d) a director of a person who has control over the Company; or

(e) the spouse, minor child, or adopted minor child of a person under (a) to (d).

8. "Listed Company" means a company whose shares are listed for trading on the Stock Exchange of Thailand, whether a Thai or foreign company, but does not include a foreign company with the following characteristics:

(1) A foreign stock exchange or regulatory authority is its primary stock exchange or primary regulator (Home Regulator).

(2) The primary stock exchange or regulatory authority of such country has rules equivalent to those of Thailand concerning the disclosure of information on securities holdings and futures contracts of the Company's directors, executives, and auditors, and of planners, plan administrators, or persons with equivalent characteristics where the company is undergoing business rehabilitation.

9. "Executive" means the Chief Executive Officer or the four executive positions immediately below the Chief Executive Officer, every person holding a position equivalent to the fourth executive position, and any person holding an executive position in accounting or finance at the level of department manager or higher or equivalent.

   For the purposes of the Notification of the Capital Market Supervisory Board, the term "Executive" shall also include directors holding executive positions.

10. "Major Shareholder" means a shareholder who directly or indirectly holds more than 10 per cent of the total voting shares of any juristic person. Such shareholding shall also include shares held by related persons.

11. "Controlling Person" means a person who has control over a business.

12. "Related Person" means a person or partnership that has a relationship with any person in any of the following manners:

    (1) The spouse of such person.

    (2) A minor child of such person.

    (3) An ordinary partnership in which such person, or a person under (1) or (2), is a partner.

    (4) A limited partnership in which such person or a person under (1) or (2) is an unlimited liability partner, or in which such persons are limited liability partners who collectively hold more than 30 per cent of the total capital of the limited partnership.

    (5) A limited company or public limited company in which such person, a person under (1) or (2), or a partnership under (3) or (4) collectively holds more than 30 per cent of the total issued shares of that company.

    (6) A limited company or public limited company in which such person, a person under (1) or (2), a partnership under (3) or (4), or a company under (5) collectively holds more than 30 per cent of the total issued shares of that company.

    (7) A juristic person over which such person has management authority as a representative of the juristic person.

    For the purposes of the Notification of the Board of Governors of the Stock Exchange of Thailand, "Related Person" means a person under Section 258 (1) to (7) of the Securities and Exchange Act, as follows:

(1) The spouse of such person.

(2) A minor child of such person.

(3) An ordinary partnership in which such person, or a person under (1) or (2), is a partner.

(4) A limited partnership in which such person or a person under (1) or (2) is an unlimited liability partner, or in which such persons are limited liability partners who collectively hold more than 30 per cent of the total capital of the limited partnership.

(5) A limited company or public limited company in which such person, a person under (1) or (2), or a partnership under (3) or (4) collectively holds more than 30 per cent of the total issued shares of that company.

(6) A limited company or public limited company in which such person, a person under (1) or (2), a partnership under (3) or (4), or a company under (5) collectively holds more than 30 per cent of the total issued shares of that company.

(7) A juristic person over which a person under Sections 246 and 247 of the Securities and Exchange Act B.E. 2551 (2008) (prior to amendment) has management authority as a representative of the juristic person.

13. "Close Relative" means a person related by blood or by legal registration, namely parents, spouse, siblings, and children, and the spouses of children.

14. "Derivatives Contract" means a derivatives contract under the law governing derivatives that has all of the following characteristics:

(1) The contract provides for the counterparty to receive a return by reference to the price or return of shares issued by a listed company.

(2) The contract is traded on a derivatives exchange licensed under the law governing derivatives.

15. "Securities" means shares or convertible securities.

16. "Convertible Securities" means securities with any of the following terms and conditions:

(1) The securities provide for the conversion of settlement obligations into the delivery of shares issued by a listed company.

(2) The securities grant the holder the right to purchase shares issued by a listed company.

(3) The securities grant the holder the right to receive a return by reference to the price or return of shares issued by a listed company.

17. "Control" means:

(1) A person holds shares with voting rights in a juristic person in an amount exceeding 50 per cent of the total voting rights of that juristic person.

(2) A person has control over a majority of the voting rights at a shareholders' meeting of a juristic person, whether directly or indirectly or for any other reason.

(3) A person has control over the appointment or removal of at least half of all directors, whether directly or indirectly.

Relevant Laws

This Policy on Reporting Conflicts of Interest is issued in accordance with the Securities and Exchange Act and relevant laws as follows:

1. Reporting Conflicts of Interest

- Securities and Exchange Act B.E. 2551 (2008) (as amended)

  Section 89/14 requires directors and executives to report to the Company their own interests or those of related persons where such interests relate to the management of the business of the Company or its subsidiaries, in accordance with the rules, conditions, and procedures prescribed by the Capital Market Supervisory Board.

  Section 89/16 requires the Company Secretary to submit a copy of the report on interests under Section 89/14 to the Chairman of the Board of Directors and the Chairman of the Audit Committee within seven business days from the date the Company receives the report.

  <u>Penalty</u> Section 281/3 provides that any director or executive of the Company who fails to comply with Section 89/14 shall be liable to a fine not exceeding five hundred thousand baht and a further fine not exceeding three thousand baht for every day during which the failure to comply continues.

  <u>Penalty</u> Section 281/5 provides that any Company Secretary who fails to perform the duty prescribed under Section 89/16 shall be liable to a fine not exceeding one hundred thousand baht.

- Public Limited Companies Act B.E. 2535 (1992) (as amended)

  Section 88 (1) requires a director to notify the Company without delay of any direct or indirect interest in any contract entered into by the Company during an accounting period. The notification shall state the facts concerning the nature of the contract, the name of the contracting party, and the director's interest in the contract, if any.

Penalty Section 203 provides that any director of the Company who fails to comply with Section 88, or provides incomplete or false information, shall be liable to a fine not exceeding twenty thousand baht.

2. Entering into Connected Transactions

- Securities and Exchange Act B.E. 2551 (2008) (as amended)

  Section 89/12 provides that a director, executive, or related person may enter into a transaction with a subsidiary only after the transaction has been approved by a shareholders' meeting of the Company, except where the transaction has any of the following characteristics:

  (1) A commercial agreement on the same basis as a reasonable person would enter into with a general counterparty in the same circumstances, with bargaining power free from the influence of the person's status as a director, executive, or related person. The commercial agreement must have been approved by the Board of Directors or comply with the principles previously approved by the Board of Directors.

  (2) A loan provided in accordance with the employee and staff welfare regulations.

  (3) A transaction in which the other contracting party of the Company, or both contracting parties, has any of the following status:

  (a) a subsidiary in which the Company holds at least 90 per cent of the total issued shares of that subsidiary; or

  (b) a subsidiary in which a director, executive, or related person holds shares or has an interest, whether directly or indirectly, not exceeding the amount, proportion, or characteristics prescribed by the Capital Market Supervisory Board.

  (4) A transaction of a type or value not exceeding the amount or proportion prescribed by the Capital Market Supervisory Board.

  The Capital Market Supervisory Board may require a transaction under (3)(b) or (4) to be approved by the Board of Directors.

Section 87[1] of the Public Limited Companies Act shall not apply to transactions between a director and the Company or its subsidiaries.

- Public Limited Companies Act B.E. 2535 (1992) (as amended)

  Section 87 provides that a director may purchase the Company's assets, sell assets to the Company, or enter into any transaction with the Company, whether in his or her own name or on behalf of another person, only with the consent of the Board of Directors. Without such consent, the purchase, sale, or transaction shall not be binding on the Company.

3. Reporting Changes in Securities and Derivatives Holdings

- Securities and Exchange Act B.E. 2535 (1992)

  Section 59 requires directors, managers, persons holding executive positions, and auditors of the Company to prepare and disclose reports on their holdings and changes in holdings of securities and derivatives held by themselves, their spouses or persons who cohabit as husband and wife, and their minor children to the Office of the Securities and Exchange Commission (the "SEC Office"), in accordance with the rules and procedures prescribed by the SEC Office.

  The securities and derivatives are as follows:

  (1) Securities of the Company as prescribed by the SEC Office.

  (2) Securities issued by another person that grant the holder the right to acquire, sell, obtain, or dispose of the securities under (1), or that provide returns by reference to the price or return of the securities under (1).

  (3) Derivatives contracts under the law governing derivatives that provide for the delivery of the securities under (1), or that provide returns by reference to the price or return of the securities under (1).

[1] Section 87 of the Public Limited Companies Act B.E. 2535 (1992) (as amended) provides that a director may purchase the Company's assets, sell assets to the Company, or enter into any transaction with the Company, whether in his or her own name or on behalf of another person, only with the consent of the Board of Directors. Without such consent, the purchase, sale, or transaction shall not be binding on the Company.

The above reporting requirements shall also apply to holdings and changes in holdings of securities and derivatives by a juristic person in which a director, manager, person holding an executive position, or auditor of the Company, or the spouse or person who cohabits as husband and wife and minor children of such person, collectively hold more than 30 per cent of the total voting rights of that juristic person and constitute the largest group of voting rights holders.

Penalty Section 275 provides that any person responsible for preparing and disclosing a report under Section 59 who violates or fails to comply with Section 59, or violates or fails to comply with the rules or procedures prescribed under Section 59, shall be liable to a fine not exceeding five hundred thousand baht and a further fine not exceeding ten thousand baht for every day during which the violation continues.

- Public Limited Companies Act B.E. 2535 (1992)

  Section 88(2) requires a director to notify the Company without delay of shares or debentures held in the Company and its affiliated companies and any increase or decrease in such holdings during the accounting period, if any.

  Penalty Section 203 provides that any director of the Company who fails to comply with Section 88, or provides incomplete or false information, shall be liable to a fine not exceeding twenty thousand baht.

Reporting by Directors and Executives

1. Reporting of Interests

   Reports on interests shall be made as follows:

   (a) Directors, executives, and persons designated by the Company to report interests shall report to the Company their own interests or those of related persons where such interests relate to the management of the business of the Company or its subsidiaries. The report shall be made in the Report on Interests of Directors and Executives form (as attached), as follows:

   - Initial report: The report shall be submitted by the 15th day of the following month from the date on which the interest arises.
   - Report upon a change in information on interests: The report shall be submitted within three business days from the date on which the information changes. The report shall also specify the number of the previous report to be amended.

(b) Directors and executives shall submit their own Report on Interests form or that of their related persons to the Company Secretary immediately or within the prescribed period.

(c) The Company Secretary shall take the following actions:

- Submit a copy of the report on interests under Section 89/14 of the Securities and Exchange Act to the Chairman of the Board of Directors and the Chairman of the Audit Committee within seven business days from the date the Company receives the report.
- Retain the reports on interests submitted to the Company by directors and executives.
- Disclose information on the interests of directors and executives in the annual report (One Report).

2. Reporting Changes in Securities and Derivatives Holdings

Directors, executives, and auditors of the Company who hold securities or derivatives shall prepare and submit reports to the SEC Office on changes in their own holdings of securities and derivatives, those of their spouses or persons who cohabit as husband and wife, and those of their minor children. This requirement shall also apply where such persons collectively hold more than 30 per cent of the total voting rights of a juristic person and such shareholding represents the largest proportion of shares in that juristic person. Reports shall be made upon the purchase, sale, transfer, or acceptance of transfer of securities or derivatives, except where the acceptance of transfer is from a custodian who holds the securities on behalf of such person.

(a) Shares issued by a listed company where such person is a director, executive, or auditor.

(b) Convertible securities whose underlying securities are shares issued by a listed company where such person is a director, executive, or auditor.

(c) Derivatives contracts whose underlying securities are shares issued by a listed company where such person is a director, executive, or auditor.

The reporting of such securities holdings may be exempted in accordance with the relevant notifications of the SEC Office.

Directors, executives, and auditors of the Company shall prepare reports on changes in securities holdings in the form prescribed by the SEC Office through its electronic system and submit such reports to the SEC Office within the following periods:

1. Where the names of the Company's directors and executives have not yet appeared in the database of directors and executives, the report shall be submitted within seven business days from the date of the purchase, sale, transfer, or acceptance of transfer of securities or derivatives. The Company shall notify the SEC Office of the names of the directors and executives in accordance with the procedures prescribed by the SEC Office.
2. Where the names of the Company's directors and executives already appear in the database of directors and executives, the report shall be submitted within three business days from the date of the purchase, sale, transfer, or acceptance of transfer of securities or derivatives.

Policy Review

The Company shall regularly review and improve the Policy on Reporting Conflicts of Interest of Directors and Executives based on recommendations and feedback from various departments within the organisation.

Issued on 1 January 2021

(Mr. Pumipat Sinacharoen)
Chief Executive Officer
Proud Real Estate Public Company Limited