



TRC Construction Public Company Limited Procedure on the Approval of Connected Transactions

The 2/2005 Board of Directors' Meeting dated 19 May 2005 has set the procedures for undertaking connected transactions in the future that all the connected transactions must be reviewed by the Audit Committee and/or the Board of Directors who shall provide their opinions of the necessity and appropriateness of such transactions. Also, all prices and conditions of such transactions must be compared with those of the transactions between the Company and the outside parties to check that they are comparable with conditions of normal business practices. With a purpose of flexibility in operation, the Board of Directors approved the Company to be able to enter into any connected transactions that are normal business practices such as a construction service or a subcontracting work for the amount of not more than Baht 30 million under the condition that all the prices and other conditions of such transaction must be comparable to the normal business conditions. For the best interest of the Company, the meetings of the Audit Committee and/or the Board of Directors must acknowledge and provide the opinion upon such transactions. Furthermore, the following connected transactions must be reviewed and approved by the meetings of the Audit Committee and/or the Board of Directors before undertaking:

- The connected transactions that are neither normal business practice nor supportive to the normal business of the Company;
- The connected transactions whose prices and conditions are different from normal prices and conditions that the Company normally undertakes with outside parties.
- The connected transactions that are normal and supportive to the normal business of the Company under normal prices and other conditions whose value exceeds Baht 30 million.

The conflicted persons (as specified in the Company's article of association and the regulations of the SEC and the SET) must not perform any duties in relation to the transactions that they are related or might have conflicts of interests.

The Board of Directors shall govern the Company's operation to ensure that they are in compliance with the securities laws and the regulations of the SET including the regulation with regard to the information disclosure of the Connected Transaction and the Acquisition and Dispositions of assets of the Company or the subsidiary (if any). Such compliance shall include the compliance of the accounting standard specified by the Accountant Association.

In case that the Audit Committee and/or the Board of Directors have no expertise in any of the connected transaction, the Company shall appoint independent expert or the Company's auditor to provide their opinion on such transaction for the Audit Committee and/or the Board of Directors and/or the shareholders as appropriate. The Company shall disclose the details of related transactions in the notes to financial statements that are audited by the auditor of the Company.





Approval of Common Connected Transaction

As per the Securities and Exchange Act (Vol. 4) B.E. 2008 announced on 31 August 2008, any common connected transaction is required to be proposed and approved by the Board of Directors or the Board of Directors is required to approve in principle such connected transaction prior to proceeding. Formerly, the company's management could proceed such transaction without prior approval of the Board of Directors.

In 2005, the Board of Directors Meeting had passed its resolution in principle that any common connected transaction with value of over than 30 MB was required to obtain a prior approval of the Board of Directors (as described hereinabove in item of "Policy and procedure of connected transaction approval"). This approval is in line with the principle of common connected transaction and also guideline of practice of the new act. However, the Company later raised this issue for acknowledgement of the 7/2008 Board of Directors Meeting held on 7 August 2008.