

Pricing policy for related business

It is in compliance with normal trade condition which is the market price and the same price as dealt with other persons.

Description	Remuneration Policy
Acquisition of the trademark	Cost of trademark registration plus interest cost incurred by the buyer since the acquisition year
Immovable property rental income / expense	Depending on the market price by consideration on the location, condition and benefits generated by the use of property.
Royalty income	At percentage of net factory sales
Consultancy income / expense	Depending on complexity level of such service provided
Inventory management fee	Number of item pick-up, registering record and number of boxes in transporting goods and goods return
Transportation charge	Depending on the volume or number and distance of Goods transported, compared with other transportation companies' charge
Interior design & installation expense	Depending on the design, area, size, construction materials and interior design technique, through bidding process
Advertising expense	Depending on market price and the service charge must not be higher than the rate set by advertising business.
Display equipment	} Depending on market price
Computer expense	
Packaging, purchase of computers and give-away items	

Related transactions in 2017

1. At the Board of Directors' Meeting # 9/2559 held on January 13, 2017 and the Board of Directors' Meeting # 4/2560 held on August 11, 2017 to which 4 members of the Audit Committee attended, resolutions were passed to provide a joint guarantee to Sahapat Real Estate Co., Ltd. within the credit line with the Bank of Ayudhya Plc. respectively as follows :

- The total amount of 1,080 million Baht
- 380 million Baht for guarantee period of 5 years
 - 700 million Baht for guarantee period of 7 years

The proportion to the investment of 19.90%, amounted to 214,920,000.- Baht.

To this agenda, Mr. Thamarat Chokwatana, Directors with conflict of interest or being related parties, neither attended nor voted at the meetings

2. At the Board of Directors' Meeting # 10/2559 held on February 24, 2017 to which 4 members of the Audit Committee attended, resolutions were passed as follows:

- To allow the company to provide an extension of one-year guarantee facilities for Tsuruha (Thailand) Co., Ltd. with regard to credit limit with Sumitomo Mitsui Banking Corp., Bangkok Branch in the proportion of investment starting from March 1, 2017 and ending February 28, 2018. The credit limit provided by the bank totaled 101,000,000.- Baht. This joint guarantee proportionate to Thai party investment provided by ICC was 30.61% amounting to a loan guarantee set at 30,910,000.- Baht

To this agenda, Mr. Thamarat Chokwatana, Directors with conflict of interest or being related parties, neither attended nor voted at the meeting.

- To allow the company to provide an extension of one-year guarantee facilities for Transcosmos (Thailand) Co., Ltd. with regard to credit limit from Trancosmos Inc. (Japan) in the proportion of investment starting from March 16, 2017. The credit limit provided by the bank totaled 100,000,000.- Baht. This joint guarantee proportionate to Thai party investment provided by ICC was 9.00% amounting to a loan guarantee set at 9,000,000.- Baht.

To this agenda, Mr. Thamarat Chokwatana, Director with conflict of interest or being related parties, neither attended nor voted at the meeting.

3. At the Board of Directors' Meeting # 11/2559 held on March 17, 2017 and the Board of Directors' Meeting # 1/2560 held on May 19, 2017 to which 4 members of the Audit Committee attended, resolutions were passed to approve an extension of two-month's guarantee facilities for Tokyu Corporation (Japan) to the Bank of Ayudhya Plc. for the Credit Line of Saha Tokyu Corporation Co., Ltd., in the proportion of investment starting from April 1 - May 31, 2017. The loans provided by the bank amounted to 700,000,000.- Baht. This joint guarantee provided by ICC was 12.00 % amounting to a loan guarantee set at 84,000,000.- Baht.

Due to Saha Tokyu Corporation Co., Ltd. having undertaken financial restructuring in accordance with its equity thereby receiving a new credit line from the Bank of Ayudhya Plc. of 689,500,000.- Baht.

Credit line of	- long-term period of 3 years	since May 31, 2017 - May 29, 2020	loan of 589.50 million Baht
	- short-term period of 1 year	since May 31, 2017 - May 29, 2018	loan of 100.00 million Baht

To this agenda, Director with conflict of in interest who neither attends nor votes at the meeting : None

4. At the Board of Directors' Meeting # 3/2560 held on July 14, 2017 and the Board of Directors' Meeting # 5/2560 held on September 15, 2017 to which 4 members of the Audit Committee attended, resolutions were passed to provide a joint guarantee for Toyobo Saha Safety Weave Co., Ltd. in the latter's credit lines respectively extended by

- Sumitomo Mitsui Banking Corporation	in the amount of	336	million Baht
- Mizuho Bank, Ltd.	"	336	"
- Bank of Ayudhya Plc.	"	336	"
	Total	1,008	million Baht

With Toyobo Co., Ltd. (Japan) being the guarantor for the full amount in order to be eligible for the lowest interest rate available, and companies in the Saha Group, as the Thai investors, providing joint guarantee of 25.00% or 252 million Baht of the total guarantee amount in proportion to their investment in Toyobo Co., Ltd. (Japan) resulting in ICC's share of the joint guarantee at 7.00% , amounting to 70,560,000.- Baht.

To this agenda, Director with conflict of in interest who neither attends nor votes at the meeting : None

No. 1 - 4 Purpose of transactions :

1. To provide business support to the JV company
2. To comply with obligation of the joint venture agreement

5. At the Board of Directors' Meeting # 11/2559 held on March 17, 2017 to which 4 members of the Audit Committee attended, a resolution was passed to allow the Company to lease immovable properties for no more than 3 years, as well as executing transactions relating to the assets and services of related parties. For details of the said parties and their relationship to the Company, please refer to Transactions of Business-related Companies on pages 126 - 128 of this Annual Report

Such leasing of property and transactions relating to the assets and services had a total value of less than 521 million Baht or less than 3% of NTA as at December 31, 2016.

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|----------------------------------------------------------------------------------------------------------|---|-------------|------|
| 1. Rental income (immovable property), with one-year lease, the actual amount in 2017 | = | 35,346,800 | Baht |
| 2. Royalty income with three-year agreement period starting from 2016 to 2018, the actual amount in 2017 | = | 13,212,092 | Baht |
| 3. Royalty payment with five-year agreement period starting from 2017 to 2021, the actual amount in 2017 | = | 24,626,118 | Baht |
| 4. Actual expenses in 2017 Total | = | 113,247,532 | Baht |
| - Interior design and fixtures | | | |
| - Business and legal consultancy fees | | | |
| - Construction and repairs to old building | | | |

To this agenda, Mr. Boonkiet Chokwatana, Mr. Thamarat Chokwatana, Mr. Manu Leelanuwatana and Mrs. Kobsuk Saengsawad the directors who stood to gain and lose, not being entitled to vote, had neither attended the meeting nor given any approval to the transaction.

6. At the Board of Directors' Meeting # 2/2560 held on June 16, 2017 to which 4 members of the Audit Committee attended, a resolution was passed to approve investment in convertible bonds issued by Saha Pathana Inter-Holding Plc. in proportion to its equity in Saha Pathana Inter-Holding Plc. of 398,691 units at 1,000.- Baht per unit for a total amount of 398,691,000.- Baht, up to 7 years with due date

on June 29, 2024.

- Allocation ratio : 123.508575 existing shares : 1 convertible debenture
- Conversion ratio : 1 convertible debenture : 22.222222 ordinary shares, with the Company not having to make additional investment in exercising the right to convert the convertible debentures into ordinary shares.

Purpose of transaction :

1. To maintain the proportion of its equity in the company which is part of our corporate group strategy, as well as being a well-established and stable company with good performance.
2. To gain interest throughout the period of holding the convertible debentures.
3. To profit from the difference in ordinary share prices in the future.
4. To gain dividend.

To this agenda, Mr. Boonkiet Chokwatana, Mr. Manu Leelanuwatata, and Mr. Nophorn Bhongsvej, Directors with conflict of interest or being related parties, neither attended nor voted at the meeting.

7. According to the Board of Directors' Meeting # 6/2560 held on October 10, 2017 to which 4 members of the Audit Committee attended, a resolution was passed to provide a loan to Amis du Monde SARL, France, a subsidiary company in the amount of 440,000.- Euro, equivalent to 17,600,000.- Baht (Exchange rate as of October 2, 2017 : 1 Euro = 39.6482 Baht) Interest rate 1.50 % loan repayment is upon demand.

Purpose of transaction :

To enable Amis du Monde SARL, to repay debts as part of its liquidation process as previously reported to the Stock Exchange of Thailand on October 14, 2016.

To this agenda, Director with conflict of in interest who neither attends nor votes at the meeting : None

8. At the Board of Directors' Meeting # 7/2560 held on November 10, 2017 to which 4 members of the Audit Committee attended, a resolution was passed to allow the company to purchase shares of Canchana International Co., Ltd. (Kingdom of Cambodia) from Saha Pathana Inter-Holding Plc. in the total amount of 200 shares, at the price of USD 1,020.861 per share (the Book Value as of close of business on December 31, 2016), totaling USD 204,172.20 which is equivalent to approximately 7,350,710.- Baht, (exchange rate as at December 30, 2016 : USD 1 = 36.0025 Baht)

- Proportion of share-owning before : 400 shares = 40.00 % of registered capital
- Proportion of share-owning after : 600 shares = 60.00 % of registered capital

Purpose of transaction :

1. To increase the proportion of investment in a company which is part of its supply chain in terms of distribution of goods in the Kingdom of Cambodia
2. To gain dividend

To this agenda, Mr. Boonkiet Chokwatana, Mr. Manu Leelanuwatata, and Mr. Nophorn Bhongsvej, Directors with conflict of interest or being related parties, neither attended nor voted at the meeting.

Criteria for Approval of Related Transaction

1. All related transactions (loan, guarantee, investment, rental or leasing of immovable properties not exceeding 3 years and transactions involving assets or services) must be approved by all the following boards and committee:

1. The Audit Committee
2. The Executive Board
3. The Board of Directors

In every instance, the Audit Committee must audit, scrutinize and make a summary of any conflict of interest in each transaction for submission to the Executive Board and the Board of Directors for the judgment in terms of business risk. In the Board of Directors' Meeting, directors who stood to gain or lose were not entitled to vote, and thus had neither participated in the meeting, nor given any approval to the transaction.

2. The Board of Directors has approved in principle to allow the management to manage all normal business transactions or the transactions that should support normal business terms and conditions under a trade agreement generally made between normal counterparties having no undue bargaining power influenced by being in the capacity of director, executive or related persons.

Approval in principle shall be conducted annually and the report on related transactions arising during the year shall be presented to the Audit Committee and the Board of Directors to ensure such related transactions are of sound reason and in the best interest of the Company, together with disclosure of relevant details, types and value of related transactions in the remarks of financial statement on a quarterly basis.

Criteria for Approval

1. Potential benefits to the company and/or affiliated companies in terms of interest, dividend, trade activity and transaction, including ongoing trade.
2. Security that the company should hold or receive from the said transaction.
3. The borrower's strength, as well as the ability to pay back the capital and interest in due time.
4. Business prospective of the borrowing, guaranteeing and investing company.
5. The capability of the CEO of the borrowing, guaranteeing and investing company.
6. Criteria in monitoring and checking transaction as well as access to statistical reports in the borrowing, guaranteeing and investing company to perceive its status.

The necessity and rationale for entering into transactions with parties with possible conflict of interests

To sustain the company's operations under the prevailing severe competitive situation, the company needed to secure the support of business partners and business alliance network from upstream to downstream industries, further contributing to its competitiveness and business potentials, and leading to its further development and sustainable growth in the future.

While its business partners and business alliance members might be parties with possible conflict of interests, nevertheless, the Board of Directors might find it reasonable and necessary to enter into agreement or transaction with said parties, bearing in mind the best interests of the shareholders and the Company. In such case, the transaction price would be based on normal business terms, without harboring any intention to engage in unjust transfer of company asset or interest to such parties with possible conflict of interests.

Furthermore, the Company has the measure to control the related transaction and limit financial assistance for non-subsidiary companies by requiring that giving loan or guarantee shall be done according to the share-owning proportion in compliance with the joint - venture agreement.

The Company is committed to further improving on its effective standard in assessing the value of related transactions, as well as monitoring, evaluating and reporting on the related transaction with more clarity, thoroughness, accuracy and speed

Future Trend in Related Transactions

The Board of Directors duly recognized their responsibilities as the directors of a public company in carrying out their duties toward the shareholders, employees, and all stakeholders, in accordance with good corporate governance practices. The prospect of related transactions being undertaken as a normal feature in regular trade, based on the trading principle of price mechanisms in the market, is very likely, provided said transactions are fair and do not serve to transfer the interests relating to price mechanisms between the Company and business or other relevant persons, and disclosure of all relevant information is duly carried out in accordance with the Notification of the Capital Market Supervisory Board, regarding "rules on connected transactions"