

9. Internal Control and Related Party Transactions

9.1 Internal Control

Internal Control and Risk Management

I.C.C. International Plc. adheres to teamwork spirit, based on transparency and good corporate governance, which have been the company's management philosophy for many years. This has proven to be one of the key factors in maintaining effective internal control systems.

The Audit Committee, with all members attended, reported the audit result to the Company Board of Directors at the 12/2565 Board of Directors Meeting on 24 February 2023, whereby the Board assessed the corporate internal control system on the basis of information from corporate management and the auditors' report. A summary of the findings concluded that in the assessment of the corporate internal control system which consists of the five elements: control environment, risk management, control measures, information technology and communication and monitoring, the board concurred with the opinion of the Audit Committee that the corporate internal control system is adequate and appropriate.

Chief of Internal Auditor

Since 2004, the company has appointed an outside party, Dharmniti Internal Audit Co., Ltd., as consultant to oversee the quality of internal auditing and control, in the interests of self-improvement and in response to the ever-changing internal and external environment. Dharmniti Internal Audit Co., Ltd. has assigned Miss Somcharee Kawkomdee as an internal auditor.

The Audit Committee has scrutinized the qualifications of Dharmniti Internal Audit Co., Ltd. and Miss Somcharee Kawkomdee and found that they are suitably qualified for this task because of their independent standing and 12 years of experience in internal auditing of businesses with the same nature as the company's.

Details of the Chief of Internal Auditor can be found in the attachment 3 on page 217 of the Annual Registration Statement/ Annual Report 2022 (Form 56-1 One Report)

For better efficiency in auditing, the company has mandated that the internal auditor coordinate with the Secretary of the Audit Committee who is responsible for the Internal Audit Unit, reporting directly to the Audit Committee on a quarterly basis.

Dharmniti Internal Audit Co., Ltd. has coordinated closely with the company's Internal Audit Unit to submit and discuss the audit results with the President and Executive Chairman before reporting in writing to the Audit Committee every quarter. This is aimed at exchanging views and opinions for further internal audit works especially the issues regarding the control of sales management to ensure consistency and promotion of the company's business which has become more diversified and complicated. Emphasis continued to be placed on development of information technology in support of internal auditing process in line with the company's business development plan according to the new Enterprise Resource Planning (ERP) and the Paper Usage Decreasing Plan. For operations in 2022, Dharmniti Internal Audit Co., Ltd., as the company's internal audit consultant, reported that I.C.C. International Plc. had adequate and appropriately effective Internal Control Systems.

Organization and Environment

The company's organizational nature and environment enable management to implement actions efficiently and effectively, with clear set objectives in business operations, whereby performance can be clearly followed up and evaluated and managed on the basis of good corporate governance and fairness, mainly taking into consideration fairness to customers.

Risk Management

The Risk Management Committee, comprising Mr. Amorn Asvanunt as Chairman, and Mr. Thamarat Chokwatana, Ms. Munchusa Terapongpipat, Miss Yauwaluk Namakorn, Mr. Yothin Suvannakate, Mr. Viritpol Chaitavornsathien, and Mrs. Duangrudee Milintanggul as member, reported progress in risk management for the Year 2022 to the Audit Committee.

In 2022, The management proceeded with modification of the organization structure along with the improvement and development of the work processes to increase efficiency and productivity in both business and back-office sections; namely, merging work units, restructuring all supervising levels from company level, division level, to the others, utilizing Information Technology to replace traditional works and reducing redundant work steps, under the guidelines of the Company's risk assessment which covered strategic, operational, fraud and corruption, cybersecurity, and personal data breach according to Personal Data Protection Act (PDPA) AD2019. The Company also appointed a Data Protection Officer (DPO) and hired consultant team to assess the Company's cybersecurity state to make sure that the Company had work processes and systems that were consistent with the cybersecurity framework according to the appropriate Information Technology's system management standards, to comply with the Company's policies, Anti-Corruption Policy, and to enhance the Company's preparedness in the face of changing internal and external situations, as well as in the line with shifting competitive and marketing trends, with the objectives to bolster sustainability of its business.

Control of Administrative Operations

I.C.C. International Plc. provides a clear and written delegation of authority and financial approval limit for each level of the management. In conducting transactions with major shareowners, directors, management executives or other related parties, the company has adhered strictly to the official procedures and regulations.

For clarity of personnel's legal obligations, the company has issued sets of regulations for strict adherence by employees in accordance with the corporate rules and related laws concerning corporate governance policies, business ethics and employee ethics.

The Audit Committee, together with the Vice President of Accounting and Finance, have carefully scrutinized on the basis of transparency twenty-three inter-related transactions, including the anticipated benefits in line with market situation and conflicts of interests of related parties, prior to proposing them to the Board of Directors for approval.

During the year, the Board of Directors developed the policy that management report periodically through executive summaries on significant and binding transactions that were carried out by authorized staff, with a view to fostering good corporate governance and providing better risk management.

Whereas the Company has announced its intention to become a member of the Private Sector Collective Action Coalition against Corruption: CAC and has been renew certified as member of Thailand's Private Sector Collective Action Coalition against Corruption on 4 November 2019. In 2022, the Company submitted the application to renew the Private Sector Collective Action Coalition Against Corruption (CAC) membership certificate for the second time on 27 September 2022. The renewal was approved on 31 December 2022.

It is noted that in 2022, the Company has not received any complaint or report of any alleged or suspected acts of corruption via any of the channels provided.

Furthermore, the Board of Directors and the management team have motivated and enforced the operational discipline of employees in compliance with legal and regulatory procedures, as well as the principles of good corporate governance as stipulated by the Stock Exchange of Thailand and Securities and Exchange Commission.

Information Technology and Data Communication Systems

The company always provides sufficient and comprehensive information to the Board of Directors to consider in the meetings and sets meeting dates well in advance.

Monitoring

The company has set clear objectives in writing for business operations, with systematic monitoring and solution directions, in case operations deviate from targets.

9.2 Related Transaction

In 2022, the Company had not sought approval from the Annual general meeting in allocating loans and loan guarantees to the related parties. Instead such proposed transactions were submitted to the Board of Director's Meeting or Annual General Meeting for approval from time to time depending on the value of transaction.

As of December 31, 2022, the total amount of loans and loan guarantees provided are as follows :

Type of business	Loans		Loan Guarantees		
	Number of companies	Million Baht	Rate of guarantee annual fee	Number of companies	Million Baht
Joint-ventured companies	2	119.00	0.125-0.75	9	174.57
Total	2	119.00		9	174.57

In 2022 loans and guarantees were provided for the purpose of providing financial support to associated companies in proportion with its investment.

Related transactions in 2022 comprise

1. Investment in related companies
2. Loan to related companies

Reasons and necessities of providing loan:

1. To support the business of the invested company.
 2. The corporate borrowers are well-related with the company and the Saha Group of Companies as part of the supply chain, strategic alliance and so forth.
 3. To gain benefit from loan interest and interest rates are higher than the institutional market rates.
3. Transactions of business-related companies

Details of above three subjects can be found as per Notes of Financial Statements: No. 5 Transactions in relation to persons or business-related companies page 162-168 No. 10 Investment in associates page 170-172 and No. 11 Investment in subsidiaries page 172-173 of this Annual Registration Statement / Annual Report 2022 (From 56-1 One Report).

Type of relationship with the companies which can be observed from the Transactions of Business-related companies page 121-123 of this Annual Registration Statement / Annual Report 2022 (From 56-1 One Report).

Transactions of Business-related companies as of December 31, 2022

No.	Name of Company	Relationship	Sales of Goods	Incomes	Purchase of Goods	Expenses	Purchase of property, plant and equipment/ leasehold
1	TPCS	A	-	8,830,636.44	-	-	-
2	Thai President Foods	A	-	13,449,434.72	-	-	-
3	Thai Wacoal	A	-	9,746,330.33	2,276,762,223.00	286,702.49	-
4	Thanulux	A	58,129.00	5,474,266.12	631,878,243.25	103,107.44	-
5	Newcity Bangkok	A	-	91,579.40	-	-	-
6	People's Garment	A	119,610.18	767,453.34	403,197,412.32	2,576,144.04	-
7	Pan Asia Footwear	A	-	1,537,806.67	-	-	-
8	Far East Fame Line DDB	A	-	4,387,900.00	-	13,365,481.34	-
9	Sahapathanapibul	A	4,128,652.65	52,391,275.13	(46,508.25)	909,040.47	-
10	S & J International Enterprises	A	5,889,666.70	26,334,867.98	3,121,164.00	435,406.95	-
11	O.C.C.	A	-	3,888,228.18	352,717.26	-	-
12	Sahacogen(Chonburi)	A	-	3,980,123.29	-	-	-

No.	Name of Company	Relationship	Sales of Goods	Incomes	Purchase of Goods	Expenses	Purchase of property, plant and equipment/ leasehold
13	Sahapat Properties	A	-	115,000.00	-	-	-
14	Molten (Thailand)	A	-	8,098,224.42	-	-	-
15	Molten Asia Polymer Products	A	-	1,872,000.00	-	-	-
16	Lion Corporation (Thailand)	A	-	97,068,238.71	1,068,350,814.52	271,260.79	-
17	Sahapat Real Estate	A	-	442,082.85	-	3,063,273.67	-
18	International Laboratories	A	1,463,936.18	15,850,037.62	376,229,043.59	9,911,333.19	-
19	Kewpie (Thailand)	A	-	8,502,870.00	-	-	-
20	Sun Vending Technology	A	111,971.60	3,553,885.40	-	-	-
21	Better Way (Thailand)	A	(1,241.89)	16,496,341.14	(444,954.11)	201,221.31	-
22	Raja Uchino	A	-	138,270.26	6,073,886.23	12,150.00	-
23	Thai Secom Security	A	-	11,595,384.00	-	689,592.00	-
24	Thai Naxis	A	-	162,000.00	-	1,368.00	-
25	Pattaya Manufacturing	A	-	385,362.70	162,380,067.29	768.00	-
26	SSDC (Tigertex)	A	-	1,241,466.89	-	-	-
27	Erawan Textile	A	-	763,199.98	-	-	-
28	H&B Intertex	A	-	2,379,094.29	41,009,774.35	1,900.00	-
29	E.P.F.	A	21,261,373.75	650.00	-	-	-
30	Total Way Image	A	-	1,000,000.00	5,113.00	-	-
31	Thai Sports Garment	A	-	3,000,000.00	-	-	-
32	Tsuruha (Thailand)	A	7,886,715.57	723,392.00	-	404,334.12	-
33	Osoth Inter Laboratories	A	-	-	-	13,288.87	-
34	Saha Lawson	A	2,592,587.62	1,083,800.23	-	328,032.40	-
35	S.T.(Thailand)	A	-	9,182,952.52	41,646,180.85	-	-
36	Kai I.T. Service	A	-	551,097.23	-	6,283,679.30	6,363,150.00
37	Sahachol Food Supplies	A	-	594,179.68	49,326,564.40	3,900.00	-
38	I.D.F.	A	-	2,895,881.17	-	-	-
39	Thai Takeda Lace	A	-	324,000.00	-	-	-
40	Thai Hoover Industry	A	-	2,849,000.00	-	-	-
41	WBLP	A	-	1,621,337.66	12,012,167.68	-	-
42	Transcosmos (Thailand)	A	-	152,725.63	-	1,834,000.00	-
43	Top Trend Manufacturing	A	7,346.00	3,240,000.00	-	-	-
44	Shop Global (Thailand)	A	23,685,702.00	5,531,600.15	-	3,720.00	-
45	Thai Arusu	A	-	2,776,081.26	-	9,337,135.00	33,604,827.00
46	President Bakery	A	-	6,048,000.00	-	-	-
47	International Commercial Coordination	A	-	40,940.19	-	20,672,164.40	-
48	D F Inter	A	-	332,500.00	-	-	-
49	Bangkok Tokyo Socks	A	-	1,400,000.00	-	-	-

No.	Name of Company	Relationship	Sales of Goods	Incomes	Purchase of Goods	Expenses	Purchase of property, plant and equipment/ leasehold
50	Saha Capital Tower	A	-	176,832.75	-	-	-
51	American Food	A	-	10,560.00	-	-	-
52	King Square Development	A	-	557,380,000.00	-	-	-
53	PTZ E-Commerce SEP	A	2,457,627.84	-	-	-	-
54	PTK Multi-Services	A	-	-	-	696,000.00	-
55	Paknumpo Wattana	A	15,855,764.44	142,094.63	-	483,330.00	-
56	Maharachapreuk	A	26,715,829.97	143,244.88	-	1,368,577.85	-
57	Can	A	12,982,271.90	79,500.16	-	236,622.80	-
58	Koraj Wattana	A	14,881,636.20	1,900.80	-	1,545,069.24	-
59	Sun and Sand	A	24,520,942.17	2,791.20	-	2,044,466.64	-
60	Intersouth	A	20,367,199.67	1,166.40	-	1,866,016.74	-
61	Intanin Chiangmai	A	31,335,686.52	3,302.40	-	5,541,375.18	-
62	Eastern I.C.C.	A	24,359,052.35	1,800.00	-	3,309,810.05	-
63	Saha Pathana Inter-Holding	B	34,882.92	51,767,535.35	-	21,061,096.88	-
64	Vira Law Office	C	-	247,636.78	-	6,591,000.00	-
65	Sukhatasana	C	-	557,160.79	-	13,631,980.40	4,057,351.00
66	Train Time Test	C	-	47,250.63	-	3,403,716.75	-
67	T-Way	C	18,134.32	-	-	177,121.78	-
68	Torfun Property	D	-	25,833.34	-	-	-
69	International Leather Fashion	E	-	8,613.97	90,878,028.21	4,361,017.94	-
70	Worldclass Rent a Car	E	-	-	-	3,585,382.45	-
71	Canchana International	F	21,617,643.34	230,868.94	-	-	-
72	Thai Itokin	F	(288,808.65)	7,416,219.71	60,813,201.52	3,174,567.80	-
73	WBRE	F	6,280.37	624,822.61	-	-	-
74	Tiger Distribution & Logistics	F	650,137.07	68,326,058.22	-	175,086,700.11	-
75	Pens Marketing and Distribution	G	6,422,719.70	1,930,811.48	9,529,844.95	422,930.52	-
76	Chokwatana	G	-	11,035.00	-	32,721.00	-
Total			269,021,839.31	1,032,028,537.62	5,233,074,984.06	319,328,507.91	44,025,328.00

Remarks 1 : A : SPI is a co-major shareowner

B : ICC's major shareowner

C : Major shareowner is ICC's Directors or Executives

D : MD is ICC's Directors or executives

E : Associate

F : Subsidiary

G : Directors or executives is ICC's MD

2 : Related transactions for the past 3 years, please see details on the company website (<http://www.icc.co.th>)

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 compared to market price.
Royalty expense	At percentage of net company sales compared to market price.
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	
Training expense	According to the training course and proficiency of resource person.
Service fee of sales personnel provider at special sales events	At percentage of wage rate per day compared to market price and other contractors.
Landscape maintenance expense	Depending on the size of the maintenance and decoration area and the materials and the number of Man Day.
Program service expense	Depending on the number of licenses.
Consumer Survey Service expense	Depending on the number of working hours and the difficulty program value and the format of the data received, compared to market price.

Related transactions in 2022

1. At the Board of Directors' Meeting # 11/2564 held on January 14, 2022 and Meeting # 1/2565 held on May 20, 2022, attended by 4 members of the Audit Committee, resolutions were passed as follows:

1.1 To allow the Company to provide a joint guarantee for Toyobo Saha Safety Weave Co., Ltd. with Toyobo Co., Ltd. (Japan) for additional loans obtained from Sumitomo Mitsui Banking Corporation, Mizuho Bank and the Bank of Ayudhya, for a total additional loan amount of THB 180 million, for a period of 1 year from January 31, 2022 to January 31, 2023, in proportion to its investment.

In addition, the Board also considered and approved provision of joint guarantee for Toyobo Saha Safety Weave Co., Ltd. for additional loans obtained from 3 Banks in the additional loan amount of THB 80 million, for a total credit line amounting to THB 240 million.

(Unit : million Baht)

	Credit line	New Credit line	Total
- Sumitomo Mitsui Banking Corporation	60	80	140
- Mizuho Bank, Ltd.	60	80	140
- Bank of Ayudhya Plc.	60	80	140
Total	180	240	420

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 THB 105 million 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 THB 29,400,000.-.

1.2 To allow the Company to provide a joint guarantee for Komehyo Co., Ltd. the latter's credit lines extended by the Bank of Ayudhya in the amount of THB 50 million, with Komehyo 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 51.00% or THB 25.50 million of the total guarantee amount in proportion to their investment in Komehyo Co., Ltd. (Japan), resulting in ICC's share of the joint guarantee amounting to THB 2,500,000.-.

1.3 To allow the Company to provide an extension of one-year' 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 from May 31, 2022 to May 31, 2023. The credit limit provided by the bank totaled THB 100,000,000.-. This joint guarantee proportionate to its investment of 12.00%, amounted to THB 12,000,000.-.

To agenda : 1.1 - 1.3, Director(s) with conflict of interest or being related parties who neither attended nor voted at the meeting :
- None -

Purpose of transaction in items 1.1 - 1.3 :

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

2. At the Board of Directors' Meeting # 3/2565 held on July 15, 2022, attended by 4 members of the Audit Committee, resolutions were passed to allow the Company to provide an extension of Mobile Logistics Co., Ltd.'s loan repayment, from the existing loan period by an additional 2 years, from 24 July 2022 to 24 July 2024, in the amount of THB 3,550,000.- with the interest rate of 3.37 percent per annum.

Purpose of transaction :

1. To support the business of the invested company.
2. To gain benefit from loan interest.

To this agenda, Director(s) with conflict of interest or being related parties who neither attended nor voted at the meeting :
- None -

3. At the Board of Directors' Meeting # 4/2565 held on August 19, 2022, attended by 4 members of the Audit Committee, resolutions were passed as follows:

3.1 To allow the Company to sell a total of 7 title deeds of land without buildings, covering an area of 4 rai 1 ngan 14.4 square wa (1,714.4 square wa) to King Square Development Company Limited, at the selling price per square wa of THB 325,000.-, amounting to a total of THB 557,180,000.-. (The negotiated price which is comparable to the appraised value of independent appraisers approved by the Securities and Exchange Commission and the Thai Independent Appraisers Association.)

Purpose of transaction :

1. The Company is not fully utilizing the said assets.
2. Sale of land for development and construction of a condominium will render the land and the area more prosperous.
3. To reduce the burden of taking care of such assets and also procuring benefits in profitability for the Company.

3.2 To allow the Company to lease land, covering an area of 3 ngan 58 square wa to King Square Development Co., Ltd., to be used as a condominium project sales office. The rental period is 2 years, from the beginning of the contract, the rental rate is THB 360,000.- / month, with total rent for the duration of the 2 year lease amounting to THB 8,640,000.-.

Purpose of transaction :

To manage assets that are not being used in order to procure benefits from the rental income.

To agenda : 3.1 - 3.2, Mr. Thamarat Chokwatana, director with conflict of interest or being a related party, neither attended nor voted at the meeting.

4. At the Board of Directors' Meeting # 6/2565 held on September 19, 2022, attended by 3 members of the Audit Committee, resolutions were passed to allow the Company to consider and approve the investment by the Company in debentures of Sahacogen (Chonburi) Plc. in the amount of 90,000 units, at THB 1,000 per unit, amounting to a total sum of THB 90,000,000.-.

- Name of debentures : 1st Set of Debentures of Sahacogen (Chonburi) Public Company Limited No. 1/2022, due for redemption in the year 2025.
- Type of debentures : Named debentures, unsubordinated, uninsured and with representative bondholders
- Face value : THB 1,000.- per 1 unit of debentures
- Tenor : 3 years
- Maturity date : By the end of 2025
- Total value of transaction : Including interest until the maturity date THB 98,000,000.-

Purpose of transaction :

- To effectively utilize the Company's cash flow to generate benefits and long-term returns at a reasonable rate.

To this agenda, Director(s) with conflict of interest or being related parties who neither attended nor voted at the meeting :

- None -

5. At the Board of Directors' Meeting # 7/2565 held on October 14, 2022, attended by 4 members of the Audit Committee, resolutions were passed as follows:

5.1 To allow the Company to sell Sorter Machine with computer equipment and Network equipment and Software Licenses Manhattan in the amount THB 54,436,849.-, which is being used at Tiger Suvarnabhumi D.C. for Tiger Distribution & Logistics Co., Ltd. The book value as of December 31, 2021 = THB 54,198,325.-.

- The basis used to determine the total value :

It is the negotiated price which is an appropriate fair value, since it is an asset with unique characteristics, therefore it is not possible to compare prices in the market. Thus the fair value is based on the book value as of December 31, 2021 plus the cost of acquiring assets.

Purpose of transaction :

1. The Company has not made use of these assets. Since the Company use the fulfillments of goods storage service at Tiger Suvarnabhumi D.C. form Tiger Distribution & Logistics Co., Ltd. for managing warehouse costs and management.
2. To reduce the burden on maintenance and reduce loss from property depreciation.
3. The selling price is higher than the book value. It also benefits in the profitability of the Company.

5.2 To allow the Company to approve the Company's additional investment in Tiger Distribution and Logistics Co., Ltd., amounting to 2,394,000 shares, and receiving the right partially relinquished by the 5 existing shareowners in the new capital shares amounting to 888,000 shares, at a purchasing price of THB 10.- per share, amounting to a total investment of THB 32,820,000.- which fall within the guidelines of a connected transaction resulting in Tiger Distribution and Logistics Co., Ltd. becoming a subsidiary of the Company.

- Number of shares to be granted by the existing shareholders who partially waived their rights

Name	Number of shares	Amount (THB)
1. Sariraporn Co., Ltd.	73,877	738,770
2. Saha Pathana Inter-Holding Plc.	280,732	2,807,320
3. OCC Plc.	73,877	738,770
4. I.D.F. Co., Ltd.	385,637	3,856,370
5. Vitayasithii Co., Ltd.	73,877	738,770
Total	888,000	8,880,000

- Proportion of shares before : 798,000 shares equivalent to 39.90% of the former registered capital share increase

- Proportion of shares after : 4,080,000 shares equivalent to 51.00% of the new registered capital share increase

Purpose of transaction :

1. To increase the proportion of investment in a company that is an important supply chain of the ICC in warehouse management.
2. To gain returns in the form of dividend.

To agenda : 5.1 - 5.2, Mr. Boonkiet Chokwatana and Surat Wongrattanapassorn Ph.D., directors with conflict of interest or being related parties, neither attended nor voted at the meeting.

6. At the Board of Directors' Meeting # 13/2564 held on March 11, 2022 which was attended by 4 members of the Audit Committee, 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 Business-related Companies on pages 121-123 of this Annual Registration Statement /Annual Report 2022 (Form 56-1 One Report).

Such leasing of property and transactions relating to the assets and services had a total value of less than THB 833 million (less than 3% of NTA as at December 31, 2021).

1. Rental income (immovable property), with one-year lease, the actual amount in 2022	=	19,421,104	Baht
2. Rental expense (immovable property), with one-year lease, the actual amount in 2022	=	-	Baht
3. Royalty income with three-year agreement period starting from 2022 to 2024, the actual amount in 2022	=	1,488,758	Baht
4. Royalty payment with five-year agreement period starting from 2023 to 2026, the actual amount in 2022	=	20,724,046	Baht
5. Actual expenses in 2022	Total =	61,876,683	Baht
<ul style="list-style-type: none"> - Interior design and fixtures - Business and legal consultancy fees - Construction and renovation of existing building - Training expenses - Service fee for sales personnel at events - Landscape maintenance expense - Program service expense - Consumer survey service expense 			

To this agenda, Mr. Boonkiet Chokwatana, Mr. Thamarat Chokwatana, Mr. Nophorn Bhongsvej, Mrs. Kobsuk Sangsawad, Miss Munchusa Terapongpipat and Surat Wongrattanapassorn Ph.D., the directors with conflict of interest or being related parties, neither attended nor voted at the meeting.

Note : Related transactions, which occurred in the past 3 years are available on the company's website (<http://www.icc.co.th>).

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-subsiary 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".