

CENTRALRETAIL

**Principles on the Agreement with General Commercial Terms between
CRC or its Subsidiaries with Directors, Executives or Connected Persons**

Central Retail Corporation Public Company Limited

25 February 2021

Principles on the Agreement with General Commercial Terms between CRC or its Subsidiaries with Directors, Executives or Connected Persons

Under CRC's Related Party Transaction, the Securities and Exchange Act as well as the applicable rules, notifications, orders or requirements of the Securities and Exchange Commission, the Capital Market Supervisory Board and the Stock Exchange of Thailand, if CRC and/ or its subsidiaries (so called as "Group Company") will enter into transactions with its directors, executives or related persons ("Related Party Transaction"), CRC will proceed in accordance with the following guidelines and conditions:

1. Ordinary Business Transactions or Ordinary Business Support Transactions with General Commercial Conditions

Nature of Transactions

These refer to the ordinary business transactions or ordinary business support transactions, either new transactions or amendment of conditions of previously agreed transactions, with general commercial conditions, including price and terms, similarly to any transactions done with the third party in the same situation and no influence from any related person ("General Commercial Conditions")

The general commercial conditions include

- Price and terms which CRC or its subsidiaries (as the case may be) obtains or offers to general public and/ or
- Price and terms which the related persons offer to general public and/ or
- Price and terms which are the same as those offered to general public by other similar business operators.

Approval Authority

The Executive Committee, Chief Executive Officer and management (as the case may be) can enter into such related party transactions according to the delegation of authority of CRC and its subsidiaries without proposing to the Board of Directors for approval.

Then, such related party transactions into which CRC have entered must be summarized and reported to the Audit Committee and the Board of Directors for acknowledgement on a quarterly basis.

2. Ordinary Business Transactions or Ordinary Business Support Transactions with Price and Conditions unable to Compare with General Public or Other Similar Business Operators

Nature of Transactions

These refer to the ordinary business transactions or ordinary business support transactions, either contract extension under the same conditions or amendment of conditions of previously agreed transactions which have already been considered by the Audit Committee and the Board of Directors, with the following nature:

- (1) Transactions which are unable to compare their price and conditions with general public or other similar business operators due to no similar service.
- (2) Transactions which the management considers reasonable and that they will not make CRC or its subsidiaries (as the case may be) lose its benefit; and
- (3) Transactions which the Audit Committee considers reasonable.

Such transactions can be categorized as follows:

Rental Transactions

- Rental back to Harg Central Department Store Ltd. (“HCDS”) and/ or the subsidiaries of HCDS (so called “HCDS Group”) for the space in the building the Group Company has rented from HCDS Group which has the ownership, which is the Chidlom Tower Building

Trading Transactions

- Special product purchasing from HCDS Group such as JD Commerce.

Transactions relating to The 1 Reward Point Program

- Business services relating to the special privileges offered to members of The 1 between The 1 Central Limited, as the service provider, and the Group Company, as the customers, which include.
 - Trading of reward points of The 1; and
 - Expense on the management fee for information service and customer analyst report including expense on the investment on the management system for The 1 reward points; and
 - Expense on additional sales promotion programs as specified in the agreement (for instance, sending of short message via mobile phone to members of The 1).
 - Expense for Siebel software

Service Transactions

- Expense on the rental of electronic data capture machine and system (EDC Service) from HCDS Group, as the service provider
- Expense on the liaison for purchasing of advertisement paid to HCDS Group, as the service provider
- Expense on the software copyright and computer system which HCDS has ownership or Expense for software copyright and computer service fee that RIS Co., Ltd. or other related companies copyright owner or provide service.
- Expense on the revenue sharing from the accepting payment with cash coupons issued by HCDS Group.

- Management fee such as consultancy for business development or mergers and acquisitions.

Providing Service Transactions

- Fee income and revenue sharing from being the service representative for bill payment and prepaid card from HCDS Group.

Approval Authority

After receiving consent from the Audit Committee, the Executive Committee, Chief Executive Officer and management (as the case may be) can enter into the related party transactions according to the delegation of authority of CRC and its subsidiaries without proposing to the Board of Directors for approval.

Such related party transactions into which CRC have entered must be summarized and reported to the Audit Committee and the Board of Directors for acknowledgement on a quarterly basis.

3. Services or Providing Services with Fee Calculated on the Cost Plus Basis

Nature of Transactions

These refer to the services or providing services with fee calculated on the cost plus basis as agreed by the counterparties and approved by the Audit Committee under the condition that the cost plus must not exceed ten (10) % which include.

- Finance and accounting service (FAST) between HCDS, as the service provider, and the Group Company, as the customer
- Human resources (HR) management service between HCDS, as the service provider, and the Group Company, as the customer
- Employee Service Center (ESC) service between the Group Company, as the service provider, and Central People Development Center Company Limited, as the customer

Approval Authority

The adjustment of the agreed cost plus must be consented by the Audit Committee. In any case, the cost plus must not exceed ten (10) %. After receiving consent from the Audit Committee, the Executive Committee, Chief Executive Officer and management (as the case may be) can enter into such related party transactions according to the delegation of authority of CRC and its subsidiaries without proposing to the Board of Directors for approval.

Such related party transactions into which CRC have entered must be summarized and reported to the Audit Committee and the Board of Directors for acknowledgement on a quarterly basis.

For any questions, the corporate secretary must be consulted prior to entering into such transactions.

In case the transactions into which CRC or its subsidiaries will enter are not considered as any of the above-mentioned transactions, prior to entering into such transactions, CRC or its subsidiaries must

comply with the Securities and Exchange Act as well as the applicable rules, notifications, orders or requirements of the Securities and Exchange Commission, the Capital Market Supervisory Board and the Stock Exchange of Thailand.

These Principles on the Agreement with General Commercial Conditions between CRC or its Subsidiaries with Directors, Executives or Related Persons are effective from 25 February 2021 onwards.

-Signed-

(Dr. Prasarn Trairatvorakul)

Chairman

Central Retail Corporation Public Company Limited