



Human
Wellness

INVESTMENT POLICY



Mega Lifesciences has established the Investment Policy for investment in and supervision of Subsidiaries and or Associate Companies.

Supervision

The Company defines the corporate governance policy for subsidiaries and associate companies, with the objective to set measures and mechanisms, both direct and indirect, so that the Company can govern and manage business operation of subsidiaries and associate companies. This includes monitoring the subsidiaries' and associate companies' compliance, as if it is their own function, also in accordance with the Company's policies, Public Limited Companies Act, Civil and Commercial Code, and relevant laws, announcement, regulations, and other related criteria of the Capital Market Supervisory Board, SEC, and SET. This is to protect the Company's interests from investment in the subsidiaries and associate companies, as follows;

- (1) The Company shall nominate a representative to serve as a director in each subsidiary and/or associate company, in proportion to shares hold in each company. Their duty is to govern subsidiaries and/or associate company to ensure the compliance with laws, good corporate governance policy, and other policies of the Company. However, the nomination into each subsidiary and/or associate company must be considered and approved by the Board of Directors in the consideration of the appropriateness for each company.
- (2) In case of entering into transactions, or any other conduct of subsidiaries that are considered as the acquisition or disposal of assets as prescribed by the notification of acquisition or disposal of assets, or related party transaction, which may affect the Company to request for approval from the Company's Board of Directors and/or from the shareholder meeting, or law-related functions prior to entering into the transaction. Subsidiaries shall proceed with the transaction only upon being permitted by the Company's Board of Directors and/or shareholder meeting and/or related agencies (as the case may be). In addition, in the event that entering into



any transaction causes certain circumstances in subsidiaries to require the Company to disclose such transaction to SET according to the regulations of the SET's Board of Governors. The director of subsidiaries has the duty to immediately inform the Company's management that the subsidiaries are about to enter into the transaction, or the said circumstances.

- (3) The Board of Directors and management of subsidiaries and/or associate companies have the scope of authority and responsibilities in accordance with applicable laws such as disclosure of financial position and operating performance to be reported to the Company for acknowledgment. In this regard, the regulations of the Capital Market Supervisory Board, and SET's Board of Governors are applicable mutatis mutandis, including disclosing and delivering information on their own interests and those who are related persons to the Board of Directors in order to demonstrate relationship and transaction with the Company, subsidiaries and/or associate companies that may cause a conflict of interest, and avoid proceeding with transaction that may cause a conflict of interest.
- (4) The Company shall set the important working plans and operations in order to ensure that subsidiaries and/or associate companies disclose information on operating performance and financial position. In addition, the Company shall monitor subsidiaries and/or associate companies to ascertain sufficient and appropriate disclosure of information system, and internal control system. Furthermore, the Company also closely monitors the operating performance and implementation of subsidiaries and/or associate companies, and present summary analysis, opinions or suggestions to the Company's Board of Directors, boards and sub-committees of each subsidiary and associate company, in order to consider and determine policies, or improve subsidiaries' business and/or associate companies business for further development and growth.