

Indexlivingmall

Index Living Mall Public Company Limited

ANNUAL
REPORT
2020





Indexlivingmall

THAILAND'S NO.1 FURNITURE AND
HOME FURNISHINGS COMPANY

VISION

Be top-of-mind for the best furniture and home furnishing business in Asia.

CORE VALUE

Speed Technology & Service:
STS

MISSION

1. We are a manufacturer and distributor of furniture and home decor that has grown sustainably through a strong brand and a professional management team.
2. We are determined to be a leader in the furniture and home decor business by expanding franchises to the Asian region and developing continuously
3. We are the customers' top-of-mind brand due to our quality and modern designed products and services that better meet the customers' lifestyles.
4. We aim to provide good returns to employees, trade partners, and create good things in order to give back to society.



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Index livingmall

Index is a leading integrated home furnishing
retail business in Thailand

TOTAL RETAIL STORES

65



1 **Maldives**
Store

1 **Laos**
Store

2 **Nepal**
Store

2 **Cambodia**
Store

3 **Vietnam**
Store

3 **Indonesia**
Store

4 **Pakistan**
Store

5 **Myanmar**
Store

Thailand
44 Stores

Overseas
21 Stores



The Company was assessed for good corporate governance for the first year and was rated at 4 stars (very good) by the Thai Institute of Directors Association (IOD).



The assessment results of the first Annual General Meeting of shareholders (AGM Checklist) of the Company which is evaluated by Thai Investors Association. The Company was rated in the highest score category for the year 2020 with a full score of 100%.

Financial Highlights

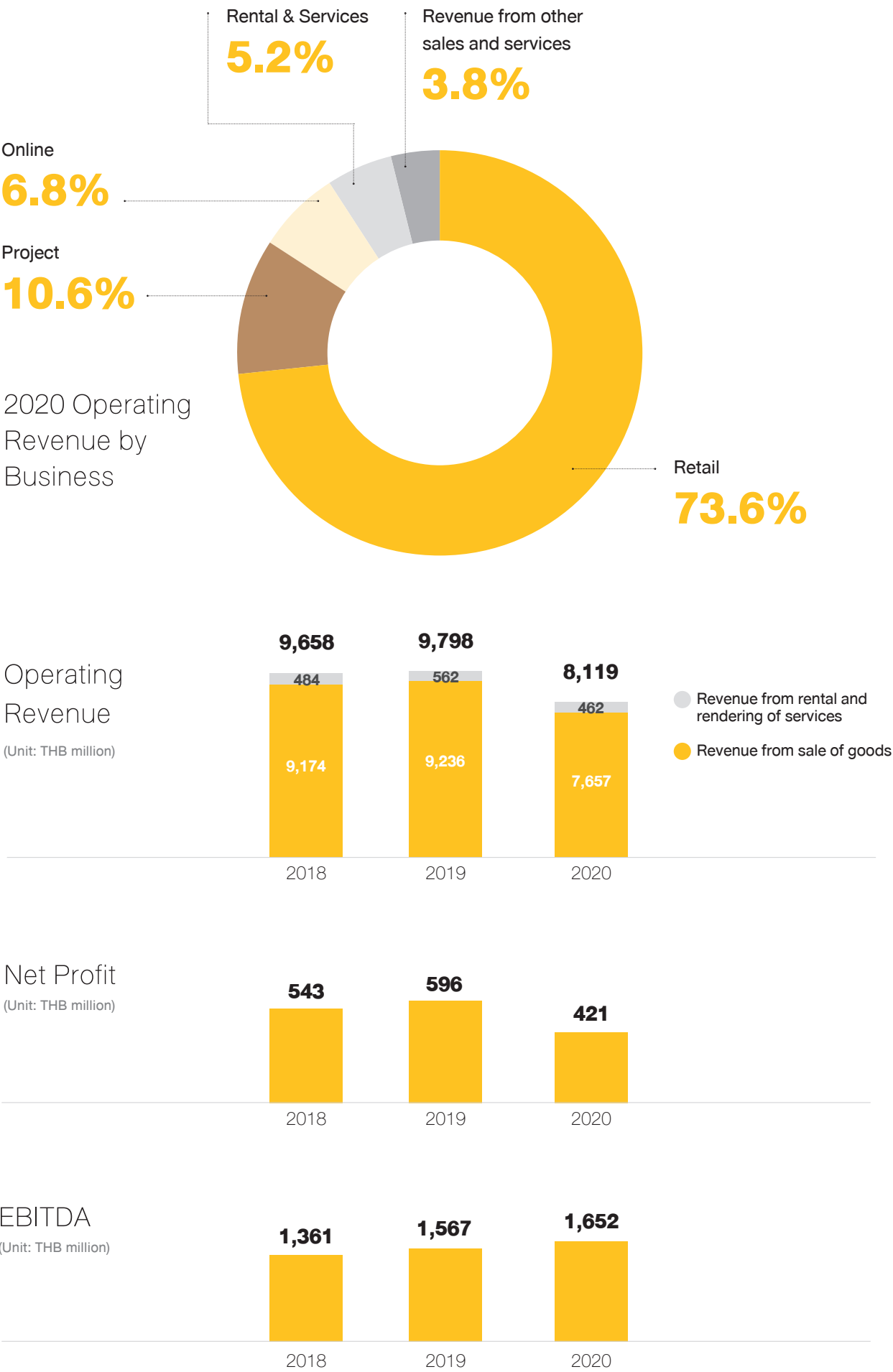
STATEMENT OF INCOME (THB million)	2018	2019	2020
Revenue from Sale of Goods	9,174	9,236	7,657
Revenue from Rental and Rendering of Services	484	562	462
Cost of Sale of Goods	5,119	5,208	4,132
Cost of Rental and Rendering of Services ^{1/}	249	304	274
Selling and Distribution Expenses	2,400	2,347	1,981
Administrative Expenses ^{2/}	1,172	1,219	1,033
EBITDA	1,361	1,567	1,652
Depreciation and Amortization	700	743	874
EBIT	661	824	778
Net Profit	543	596	421
Earnings per Share (Baht) ^{3/}	-	1.33	0.83
Dividend per Share (Baht) ^{3/}	-	0.46	0.42
STATEMENT OF FINANCIAL POSITION (THB million)	2018	2019	2020
Total Assets	12,282	12,201	12,951
Total Liabilities	7,710	7,241	7,871
Paid-up Capital	2,000	2,525	2,525
Equity Attributable to Owners of the Parent	4,571	4,959	5,078
Book Value per Share (Baht) ^{3/}	-	9.8	10.1
Liquidity Ratios	2018	2019	2020
Current Ratio (x)	0.7	1.1	1.0
Quick Ratio (x)	0.2	0.4	0.2
Leverage Ratios	2018	2019	2020
D/E (x)	1.7	1.5	1.5
IBD/E (x)	1.1	0.9	1.2
Interest Coverage Ratio (x) ^{4/}	3.9	4.5	2.6
Profitability Ratios	2018	2019	2020
%GPM from Sale of Goods	44.2%	43.6%	46.0%
%GPM from Rental and Rendering of Services ^{1/}	48.6%	45.8%	40.7%
%Overall GPM ^{1/}	44.4%	43.7%	45.7%
EBIT Margin (%)	6.8%	8.3%	9.5%
Net Profit Margin (%)	5.6%	6.0%	12.7%
EBITDA Margin (%)	13.9%	15.8%	20.2%
ROA (%)	5.4%	6.7%	6.2%
ROE (%)	11.9%	12.5%	8.4%
Share Information	2018	2019	2020
Par value (Baht / share) ^{3/}	-	5.0	5.0
Number of listed shares (mn shares) ^{3/}	-	505.0	505.0

1/ Figures in 2018 and 2019 were after reclassification. Cost of rental and rendering of services before reclassification were Baht 276 million in 2018 and Baht 328 million in 2019. %GPM from rental and rendering of services were 43.0% in 2018 and 41.7% in 2019. %Overall GPM were 44.1% in 2018 and 43.5% in 2019

2/ Figures in 2018 and 2019 were after reclassification. Administrative expenses before reclassification were Baht 1,145 million in 2018 and Baht 1,196 million in 2019.

3/ ILM was listed on the Stock Exchange of Thailand on 26 July 2019

4/ Decreased Interest Coverage Ratio in 2020 was due to an impact of the adoption of Thai Financial Reporting Standards 16 Leases (TFRS 16) since 1 January 2020 which caused higher depreciation and interest expenses. If excluding the impact of TFRS 16, Interest Coverage Ratio in 2020 would increase to 6.5x.



4 JOY

There are 4 joys to serve you at

Index Living Mall which give you pleasure to shop for furniture and home furnishings that don't hurt your wallet and offer you special services that are unlike any other.



JOY PRICE

JOY PRICE for
pocket friendly
and happier
shopping



SERVICE

JOY QUALITY
guaranteed with
international
standard



DESIGN

JOY DESIGN
by world class
designers



QUALITY

JOY QUALITY
guaranteed with
international
standard

Sell at a Lower Price

A sincere price so you neither need to wait for a discount nor worry that our prices are more expensive than elsewhere, nor check to see whether our prices are actually less than other places because we are a manufacturer and a direct distributor that uses modern technology and a systematic management system. As a result, we are able to effectively control price factors at the highest level.

Economy of Scale

As a leader in the home furnishing market, both domestically and in exports for more than 25 years, the Company has a high production volume which results in low costs, so that you can have high-quality products that don't hurt your wallet.

Hi-Technology

Through the use of machines and one of the most modern technology systems in the world.

Productivity

Produces high quality products at a valuable price with an effective management system which reduces the waste of resources and raw materials in every procedure in order to maximize efficiency.

Direct to Our Customers

As a manufacturer and distributor that has implemented integrated marketing, we are able to control price factors directly in order to have quality products at an appropriate price level.



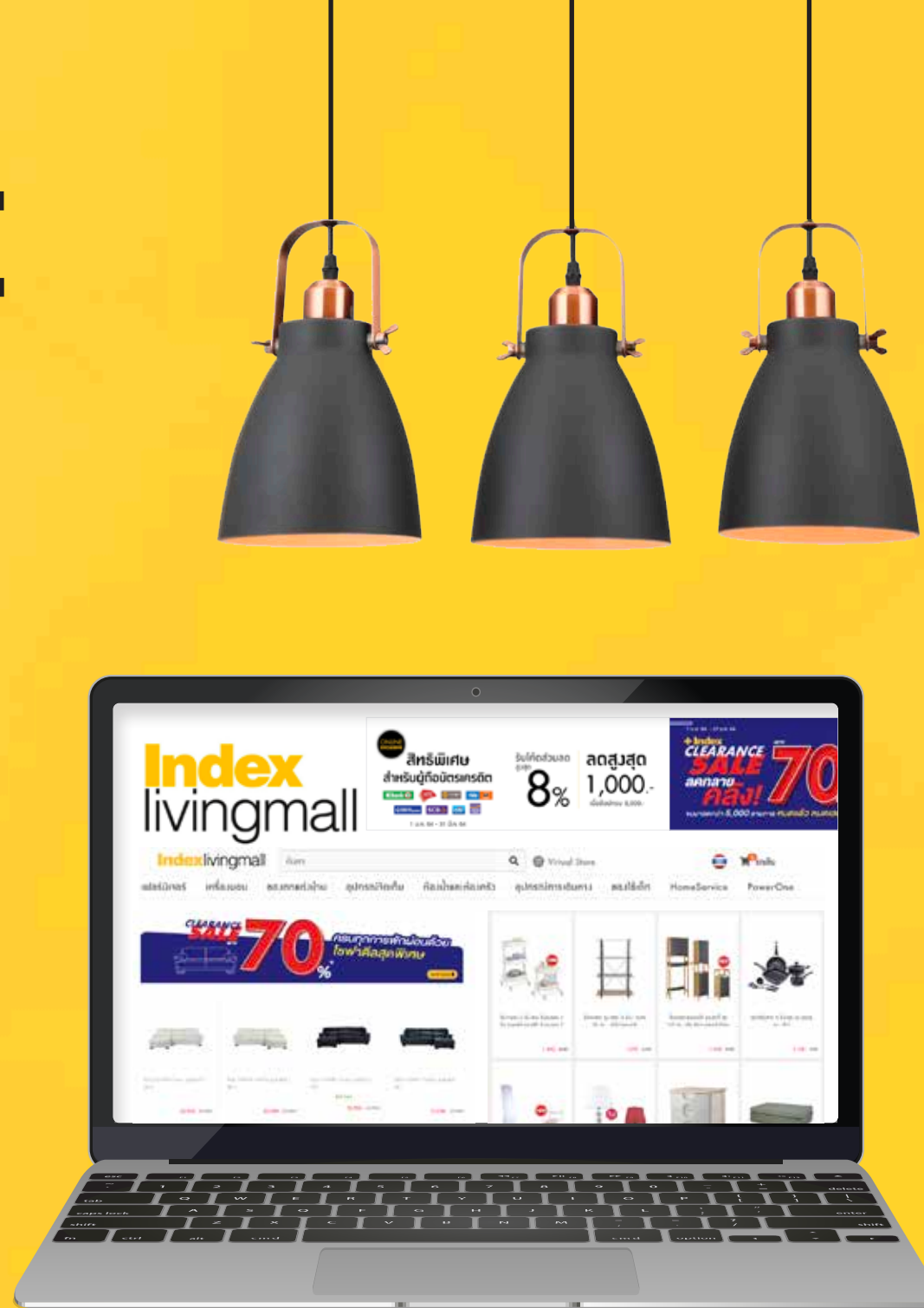
ONLINE SHOP

YOUR SAFETY YOUR CONVENIENCE

The company is a manufacturer and distributor of furniture and home decoration product using state-of-the-art technology. There is a systematic management system. From sales to shipping, quick installation and after-sales service to customers. The Company has focused on creating the identity of each brand and its products to be recognized by customers. With a wide variety of products and quality to meet all lifestyles through various distribution channels covering all customer groups domestically and abroad. Online shopping will make it easier and faster for customers to get a better and more valuable experience through product searching including choosing to buy products as if shopping in the real place.

YOUR SAFETY

The company has both a physical store and online shopping. All customers can be able to confident in their personal data. The Company also has clearly shipping, returns and online payment security policies whereby the Company pay utmost important to customer's personal information.



YOUR CONVENIENCE


Convenient and fast no matter where and when you can do shopping instantly. No matter what time you want to shop, it can be done 24 hours a day, no need to wait for the store opening-closing, no need to wait until the holidays to buy. Just go to your smartphone or computer anywhere in Thailand and you can do shopping instantly. The company also provides transportation and installation services covering all provinces.

The customers can reach online distribution channel as below details:

1. The website www.indexlivingmall.com gathers furniture, home appliances, home decoration accessories, and all electrical appliances in one place and also has a Virtual Store to support online visits and shopping through the website.
2. Selling products through Line "Index Chat to Shop", "Facebook Live", and "Facebook Messenger" to support the behavior of Thai consumers who use social media applications to communicate. This is another online product distribution channel that continues to expand.
3. Selling products through Marketplace and other platforms such as Lazada, Shopee, JD Central, and NocNoc.com in order to cover the possible growth of online customers.



Message from the Chairman



Please be ensured that the Company
will remain committed to
continuous growth,
operate business on
good governance principles
with honesty and transparency
as well as giving back to
society and caring for
the environment.

In 2020, Index Living Mall Public Company Limited faced tremendous challenges due to the outbreak of the Coronavirus disease 2019 (COVID-19) which affected people's well-being, changed consumer behavior and caused a global recession. In order to survive in these conditions, an excellent vision and quick adaptation to the situation was required as well as a strong liquidity position. When typical sales channel (retail store) were closed between March 22 and May 16, 2020, due to the government's lockdown policy, the Company was greatly impacted. However, the Company has good strategies for supply chain management. Strategic adjustments were made quickly by expanding the online sales channel plan, and reducing production costs effectively and continually. The Company's ability to increase the gross profit margin and quick adjustments enabled the Company to generate more revenue and profits after stores reopened.

In addition to the performance that the Company overcame, the Company improved the efficiency of the entire organization in terms of technology development and employee skills in customer service and online sales. The Company placed importance on key stakeholders who have supported and believed in the Company. As a result, the Company made an interim dividend payment in October 2020.

On behalf of the Board of Directors of Index Living Mall Public Company Limited, I would like to express my gratitude to the shareholders, business partners, and customers who have always been a great support to the Company. This also includes the executives and employees of the Company that cooperated to move the Company forward in accordance with the mission and operating plan of the Company. Please be ensured that the Company will remain committed to continuous growth, operate business on good governance principles with honesty and transparency as well as giving back to society and caring for the environment.



Mrs. Kannikar Chalitaporn
Chairman

Executive Committee Report



To Shareholders

Due to the outbreak of the Coronavirus disease 2019 (COVID-19) and global recession. Consumer behavior have changed into new normal; therefore, quick adaptation to the situation was required in terms of strategy and operations. Online sales channel has been greatly focused together with cost control and reduction, decrease of production cost in order to make a strong liquidity position.

In accordance with the changing of social, economic and technology, the Executive Committee performed the duties assigned by the Board of Directors by closely examining and monitoring the performance on a monthly basis as well as analyzing competition, scrutinizing store expansion and investment, and steering operations in the direction set by the Company prior to proposing them to the Board of Directors for consideration.

In 2020, the Executive Committee held a total of 12 meetings and reported the operating results to the Board of Directors for their acknowledgement on a regular basis. The meeting attendance details of the Executive Committee are as follows:

Name – Last Name	Position	Number of Meetings Attended
Mr. Pisith Patamasatayasonthi	Chairman of the Executive Committee	12/12
Ms. Kridchanok Patamasatayasonthi	Executive Committee/ Managing Director	12/12
Ms. Pichapim Patamasatayasonthi	Executive Committee	11/12
Mr. Ekalak Patamasatayasonthi	Executive Committee	11/12
Mr. Ekaridhi Patamasatayasonthi	Executive Committee	12/12

Significant operation details in 2020 can be summarized as follows:

1. Considered and monitored monthly operation performance to meet the set goals, scrutinized the Company’s strategic plan and matters that required an initial decision before proposing to the Board of Directors for further consideration.
2. Supervised the business operation in accordance with the policy, goals, action plans, and financial goals and scrutinized the use of budget approved by the Board of Directors in an effective and efficient way to foster the business growth of the Company group.
3. Considered and scrutinized the feasibility of crucial investment projects as well as providing managerial advice to Managing Director and executives.
4. Considered and provided recommendations to management regarding cash flow management to enhance opportunities for higher returns under reasonable risks. Credit limit for each transaction is as specified in the delegation of authority and budget approval by the Board of Directors, as well as the contracts made for each matter.
5. Approved other items that were assigned by the Board of Directors.

Mr. Pisith Patamasatayasonthi
Chairman of the Executive Committee

Audit Committee Report

To Shareholders

The Audit Committee of Index Living Mall Public Company Limited consists of 3 independent directors who are capable, qualified and independent in accordance with the regulations of the Stock Exchange of Thailand. The Audit Committee consists of Mr. Jirayut Rungsrithong, the Chairman of the Audit Committee, Mrs. Pennapha Dhanasarnsilp and Mr. Adisak Ruckariyaphong who are members on the Audit Committee.

In 2020, the Audit Committee performed its duties within the scope of responsibility as specified by the Audit Committee Charter and the responsibilities assigned by the Board of Directors. There was a total of 6 meetings. In addition to this, auditors were invited to attend the meetings for relevant agenda items. The meeting attendance details of the Board are as follows:

Name – Last Name	Position	Number of Meetings Attended
Mr. Jirayut Rungsrithong	Chairman of the Audit Committee	4/4
Mrs. Pennapha Dhanasarnsilp	Audit Committee Member	4/4
Mr. Adisak Ruckariyaphong	Audit Committee Member	4/4

The Audit Committee duties and responsibilities were in accordance with the Audit Committee Charter and were in accordance with the duties and responsibilities assigned by the Board of Directors. The Audit Committee reviewed the Company's financial reports to ensure that they were accurate, sufficient, had internal control systems, had an efficient monitoring process, complied with any related laws and regulations, conflict of interest transactions were supervised in accordance with the relevant regulations to maximize the benefit of the Company. The Audit Committee also has responsibility to select and propose the appointment of auditors. The significant operations of the Audit Committee can be summarized as follows:

Operational Summary 2020

1. Reviewed the Company's quarterly and annual financial statements prior to being disclosed to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. This was done during the Meeting agenda item: to review the financial statements of the Company.
2. Proposed the Company's auditors and determined the remuneration to the Board of Directors for approval at the Shareholders' Meeting.
3. Joint meeting with the Internal Audit Department concerning the operations, the scope of work, and the audit plan to ensure that the internal audit was carried out completely, appropriately, and in accordance with the standards of internal auditing. In 2020, the Audit Committee assessed the overall sufficiency and efficiency of the internal control system of the Company and its subsidiaries, acknowledged the audit results and monitored the improvements results as recommended in order to increase the effectiveness and efficiency of internal control.
4. Reviewed regulatory compliance of the Company in regards to securities and exchange laws, SET regulations, and relevant laws concerning the business operations of the Company.
5. Assigned the Internal Audit Department to audit, review, disclose connected transactions and conflict of interest transactions, and report to the Audit Committee annually in order to ensure that the Company operates its business with reasonableness under normal business conditions.
6. Assessed the sufficiency and appropriateness of the internal control system regarding the organization, environment,

risk management, operational control of the management, information and communication systems, and monitoring system. Emphasized having a sufficient and effective internal control system. Led the organization to have a good governance system.

7. The Audit Committee reviewed and self-assessed the work performance over the past year by using the good practice guidelines and Audit Committee Charter as a standard. The assessment results revealed that the Audit Committee performed its duties effectively in accordance with the specified Charter.
8. Encouraged the Company to create channels to report anti-corruption and blow the whistle through the website that directly reports to the Audit Committee in order to be consistent with the Good Corporate Governance principles.
9. In regards to the supervision of anti-corruption practice guidelines, the Audit Committee assigned the Internal Audit Department to review the measures and established guidelines to prevent fraud and inappropriate behavior that may occur in various systems. These guidelines extend to trading partners by preparing supplier evaluation criteria, Code of Conduct for Suppliers, and framework guidelines to refrain from accepting gifts during various festivals, etc.

The Audit Committee Opinions Regarding the Operations of 2020

1. The financial statements of the Company were reliable, accurate, complete, and in accordance with the generally accepted accounting principles. The important information was sufficiently disclosed in a timely manner.
2. The Company has a sufficient, efficient, and effective internal control system, operational control system, and monitoring system.
3. The Company did not violate security and exchange law, SET regulations or any relevant laws related to the Company's business
4. Transactions with associates or conflict of interest transactions were in compliance with the law and SET regulations. Such transactions were reasonable for the maximum benefit of the Company. There were no indications or observations of suspicious activities.
5. The appointed auditors were knowledgeable, capable, experienced, independent, and credible. They did not have any relationships or conflict of interest transactions with the Company. This ensured that the audit was complete, appropriate, effective and transparent in accordance with the auditing standards.
6. The Audit Committee reviewed the independence of the annual internal audit plan, the scope of work of the Internal Audit Department, and considered the evaluation results of the internal audit. This included evaluating the performance of the head of the internal audit department. The Audit Committee is of the opinion that the internal audit of the Company was independent, sufficient and effective.
7. The Audit Committee performed its duties independently, completely and accurately in accordance with the Audit Committee Charter and received good cooperation from all relevant parties.



Mr. Jirayut Rungsrithong
Chairman of the Audit Committee

Nomination, Remuneration and Corporate Governance Committee Report

To Shareholders

The Nomination, Remuneration and Corporate Governance Committee was appointed to perform the duties as assigned by the Board of Directors as specified in the Nomination, Remuneration and Corporate Governance Committee Charter, determine remuneration and corporate governance, establish procedures and recruitment criteria for the selection of directors and managing directors, select suitable personnel to be proposed as new directors, stipulate methods and criteria for setting remuneration and other benefits for the Board of Directors and the subcommittees, consider the annual remuneration and other benefits of the Chief Executive Officer based on the duties, responsibilities, evaluation criteria, and key performance indicators, consider salary budget increases, annual rewards, welfare, and any other benefits for the Company's employees.

In 2020, the Nomination, Remuneration and Corporate Governance Committee held the total of 2 meetings. The meeting attendance details of the Board are as follows:

Name – Last Name	Position	Number of Meetings
		Attended
Mrs. Pennapha Dhanasarnsilp	Chairman of the Nomination, Remuneration and Corporate Governance Committee	2/2
Mr. Jirayut Rungsithong	The Nomination, Remuneration and Corporate Governance Committee Member	2/2
Mr. Adisak Ruckariyaphong	The Nomination, Remuneration and Corporate Governance Committee Member	2/2

Operational summary are as follows:

1. Considered the recruitment and selection of candidates for the appointment of Company's directors and the sub-committees in order to replace directors whose term had expired. The Committee recruited suitable personnel who have the complete qualifications as required by the Office of Securities and Exchange Commission and the Stock Exchange of Thailand and deemed eligible according to the law. The Committee took into account the qualifications, experience, and knowledge that is beneficial to the Company. In addition, minority shareholders were given an opportunity to nominate candidates to be directors of the Company between December 1, 2020 and January 14, 2021 in order to be proposed to the Board of Directors and the Annual General Meeting of Shareholders for 2021. However, no shareholders nominated a candidate to be considered.
2. Stipulated methods and criteria for setting remuneration and other benefits for directors and the subcommittees.
3. Evaluated the performance of the Chief Executive Officer based on the target achievement in order to consider appropriate remuneration.
4. Considered salary budget increases, annual rewards, welfare, and other benefits for the Company's employees at a reasonable rate that is in line with the Company's operating results and remuneration in the retail business market.
5. Considered and reviewed the Good Corporate Governance Policy. No amendments have been made because the current policy is complete and appropriate.

The Nomination, Remuneration and Corporate Governance Committee performed duties in accordance with the Good Corporate Governance principles, taking into account the best interests of the Company and all stakeholders.

Mrs. Pennapha Dhanasarnsilp
Chairman of the Nomination, Remuneration
and Corporate Governance Committee

Risk Management Committee Report

To Shareholders,

The Board of Directors of Index Living Mall Public Company Limited made a resolution to appoint the Risk Management Committee (RMC) at the meeting No. 1/2020 on February 24, 2020. The Risk Management Committee consists of 3 members which includes Mr. Adisak Rakariyapong, Chairman of the Risk Management Committee. Ms. Kridchanok Patamasatayasonthi and Mr. Ekaridhi Pattamasatayasonthi are members of the Risk Management Committee.

The Board of Directors determined the scope of duties and responsibilities of the Risk Management Committee to be in line with the Risk Management Charter under the Enterprise Risk Management:ERM of the Company which is aligned with the international standard of COSO ERM Framework

In 2020, the Risk Management Committee held a total of 1 meeting. There were monthly sub-meetings of the Risk Management Working Group.

The performance of Risk Management Committee is summarized as follows;

1. Set and review the enterprise risk management framework to be appropriate and in line with the Company's strategic plans and business operation among the changing circumstances.
2. Regularly monitor, evaluate and provide recommendations to the Company in order to ensure that the Company operates business at an acceptable risk level. There is a concrete mitigation plan that is practical and is able to follow up in order to minimize damages that may occur in a timely manner.
3. Review to ensure that the Company has an appropriate management and risk management system which is efficient and effective. Communicate with the Risk Management Working Group in order to understand any critical risks, whether internal and external risks regularly on a quarterly basis.
4. Give advice and comment on a corporate risk reporting for 2020, so that it is in accordance with the direction of the business operation, strategic plans and corporate goals.
5. Report the results of enterprise risk management to the Board of Directors for acknowledgement.

On Behalf of the Risk Management Committee

Mr. Adisak Rakariyaphong
Chairman of the Risk Management Committee

Board of Directors



- 1 Mrs. Kannikar Chalitaporn**

 - Chairman of the Board
- 2 Mr. Jirayut Rungsrithong**

 - Independent Director
 - Chairman of the Audit Committee
 - Nomination, Remuneration and Corporate Governance Committee
- 3 Mrs. Pennapha Dhanasarnsilp**

 - Independent Director
 - Chairman of the Nomination, Remuneration and Corporate Governance Committee
 - Audit Committee
- 4 Mr. Adisak Ruckariyaphong**

 - Independent Director
 - Audit Committee
 - Chairman of Risk Management Committee
 - Nomination Remuneration and Corporate Governance Committee
- 5 Mr. Ariya Banomyong**

 - Independent Director
- 6 Mr. Pisith Patamasatayasonthi**

 - Director
 - Chairman of the Executive Committee
 - Chief Executive Officer



- 7 Mrs. Kunthong Udommahuntisuk**

 - Director
- 8 Ms. Kridchanok Patamasatayasothi**

 - Director
 - Risk Management Committee
 - Executive Committee
 - Managing Director
- 9 Ms. Pichapim Patamasatayasonthi**

 - Director
 - Executive Committee
- 10 Mr. Ekalak Patamasatayasonthi**

 - Director
 - Executive Committee
- 11 Mr. Ekaridhi Patamasatayasonthi**

 - Director
 - Risk Management Committee
 - Executive Committee

Details about the Directors



Mrs. Kannikar Chalitaporn
Chairman of the Board

Age : 73 Years old

Date of Appointment:

- May 30, 2018

Educational Qualifications History:

- Bachelor of Business, University of Colorado, USA
- Advanced Management Program, Harvard University, USA

Training History:

- Certificate, Thai Institute of Directors Association (IOD) Program
 - Director Accreditation Program (DAP) Batch 149/2018
 - Role of the Chairman Program (RCP) Batch 7/2005

Proportion of Company Shares Held (percent):

- 0.040

Family Relationship between Directors and Executives:

-

Work Experience:

2018-present	Chairman of the Board	Index Living Mall PLC/Furniture Retailer
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Other Companies:

2018-2019	Director/Member of the Committee for Social Responsibility and Risk Committee	Siam Commercial Bank PLC/ Financial Institution
2016-present	Vice Chairman/Advisor to the Executive Committee	Osotspa PLC/Producer and Distributor of Consumer Products
2015-2018	Director/Member of the Executive Committee/ Member of Social	Siam Commercial Bank PLC/ Financial Institution
2007-2015	Responsibility Committee President	Siam Commercial Bank PLC/ Financial Institution



Mr. Jirayut Rungsritthong
Independent Director/
Chairman of the Audit Committee/
Nomination & Remuneration and
Corporate Governance
Committee

Age : 54 Years old

Date of Appointment:

- May 30, 2018

Educational Qualifications History:

- Bachelor of Computer Engineering – King Mongkut’s Institute of Technology, Ladkrabang
- Master of Operations Research - George Washington University, USA

Training History:

- Certificate, Thai Institute of Directors Association (IOD) Program
 - Director Accreditation Program (DAP) Batch 36/2005
 - Director Certification Program (DCP) Batch 60/2005
 - Financial Institutions Governance Program (FGP) Batch 4/2012

Proportion of Company Shares Held (percent):

- 0.029

Family Relationship between Directors and Executives:

-

Work Experience:

2020-present	Independent Director Nomination, Remuneration, and Corporate Governance Committee	Index Living Mall PLC/Furniture Retailer
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2018- present	Independent Director / Chairman of the Audit Committee	Index Living Mall PLC/Furniture Retailer
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Other Companies:

2017-present	Director	Universal Utilities PLC/Clean Water Production Contracts
2016-present	Director/President	Eastern Water Resources Development and Management PLC/ Utilities
2013-2015	Independent Director	Christiani & Nielsen (Thai) PCL/ Construction Services
2015	Advisor to the Minister	Ministry to Transport
2009-2011	President	CAT Telecom PLC/ Telecommunications Network Services
2006-2009	Senior Vice President of Finance	CAT Telecom PLC/ Telecommunications Network Services
2005-2006	Managing Director	Bualuang Securities PLC/Securities Business
2004-2005	Managing Director	United Securities PLC/Securities Business



Mrs. Pennapha Dhanasarnsilp
Independent Director /
Chairman of Nomination,
Remuneration and Corporate
Governance Committee /
Member of the Audit Committee

Age : 66 Years old

Date of Appointment:

- May 30, 2018

Educational Qualifications History:

- Bachelor of Economics- Chulalongkorn University
- Master of Business Administration – Thammasat University
- Doctorate of Business Administration - Nova University, Southeastern USA

Training History:

- Certificate, Thai Institute of Directors Association (IOD) Program
 - Director Accreditation Program (DAP) Batch 3/2003
 - Director Certification Program (DCP) Batch 68/2005

Proportion of Company Shares Held (percent):

- 0.039

Family Relationship between Directors and Executives:

-

Work Experience:

2020-present	Chairman of Nomination, Remuneration, and Corporate Governance Committee	Index Living Mall PLC/Furniture Retailer
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2018- present	Independent Director / Member of the Audit Committee	Index Living Mall PLC/Furniture Retailer
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Other Companies:

2015-present	Independent Director/ Member of the Audit Committee/Chairman of the Nomination and Remuneration	Pioneer Motor PLC/ Manufacturer of fan motors, and all kinds of parts and accessories
2014-present	Committee Director	IV Global Securities PCL/ Securities Brokerage Activities
2013-present	Chairman of the Nomination and Remuneration Committee/Independent Director/ Member of Audit Committee	Plan B. Media PLC/Advertising and Media Service and Production Provider
2003-present	Member of the Executive Committee/Division Director	ICC International PCL/Distributor of Consumer Products
2012-present	Director	Penn Inter Trading Company Limited/Exporter of Consumer Products
2011-present	Chief Executive Officer	Penn Marketing and Distribution Company Limited/Distributor of Consumer Products
2009-present	Director	Hua Hin Sub Siri Company Limited/Real Estate
2005-present	Director	Thai Bunka Fashion Company Limited/Sewing School
2000-present	Director	Train Time Test Company Limited/Organizes Seminars
1997-present	Director	Ngamsiri Company Limited/Restaurant
1991-present	Director	Nithasiri Company Limited/Restaurant
1982-present	Director	Chai Nithasiri Company Limited/Restaurant
1987-present	Director	Chittana Company Limited/Food and Beverage Sales
1986-present	Director	Thai Alliance Products Company Limited/ Food Manufacturer



Mr. Adisak Ruckariyaphong
Independent Director / Member
of the Audit Committee /
NominationRemuneration and Cor-
porate Governance
Committee / Chairman of Risk Man-
agement Committee

Age : 47 Years old

Date of Appointment:

- May 30, 2018

Educational Qualifications History:

- Bachelor of Business Administration – Assumption University
- Master of Business Management – Nagoya University, Japan

Training History:

- Certificate, Thai Institute of Directors Association (IOD) Program
 - Director Accreditation Program (DAP) Batch 103/2013
 - Advance Audit Committee Program (AACP) Batch 29/2020

Proportion of Company Shares Held (percent):

- 0.059

Family Relationship between Directors and Executives:

-

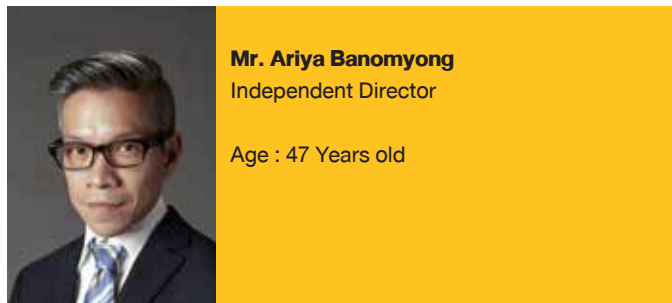
Work Experience:

2020-present	Independent Director/ Chairman of Risk Management Committee / Nomination, Remuneration & Corporate Governance Committee	Index Living Mall PLC/ Furniture Retailer
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2018- present	Independent Director/ Member of the Audit Committee	Index Living Mall PLC/ Furniture Retailer
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Other Companies:

2018-present	Director	Meat Store Company Limited/Meat Sales
2017-present	Director	Coco Art Company Limited / Manufacturer and Distributor of Coconuts and Coconut Products
2016-present	Director	Toyox Asia (Thailand) Company Limited/ Manufacturer that distributes plastic pipes and joints for use in industry
2016-present	Director	Hose Center Company Limited/ Manufacturer and Distributor of industrial pipe and couplings used in machinery
2015-present	Director	All Coco Group Company Limited/ Manufacturer and Distributor of Coconut Products
2015-present	Director	Sappe Hong Kong Company Limited/ Provider of Management Services for Affiliated Companies
2015-present	Director	Sappe Trading (Hong Kong) Company Limited/ Imports, Exports and Distributes Products
2013-present	Director	Sappe Holding (Thailand) Company Limited/ Management Services for Affiliated Companies
2010-present	Vice Chairman/ Chairman of the Executive Committee	Sappe PLC/ Manufacturer and Distributor of healthy beverages
2008-present	Director	Hayashi Products Company Limited/Condom Distribution
2007-present	DirectoR	Sappe Corporation Company Limited/Retailer of non-alcoholic beverages
2013-2016	Managing Director	Toyox Trading (Thailand) Company Limited/ Industrial Pipe Distributor
2008-2013	Director/ Chief Executive Officer	3T Engineering Company Limited/Industrial Machine Part Distributor
		Supanan General Food Company Limited/ Manufacturer and Distributor of Healthy Beverages



Mr. Ariya Banomyong
Independent Director

Age : 47 Years old

Date of Appointment:

- May 30, 2018

Educational Qualifications History:

- Bachelor of Mathematics & IT, University De Marne-La-Vallee, France
- Master of Mathematics & IT, University De Marne-La-Vallee, France
- Master of Management, London School of Economics, United Kingdom

Training History:

- Certificate, Thai Institute of Directors Association (IOD) Program – Director Accreditation Program (DAP) Batch 149/2018

Proportion of Company Shares Held (percent):

- -

Family Relationship between Directors and Executives:

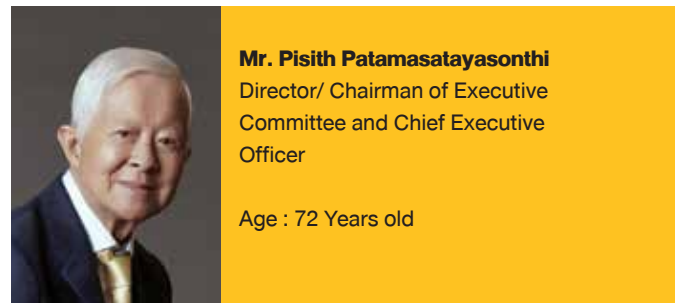
- -

Work Experience:

2018– present	Independent Director	Index Living Mall PLC/Furniture Retailer
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Other Companies:

2019–2020	Director/President	BEC World PLC/Broadcasting and Advertising Media and Television Business
2016–2019	Director/Managing Director	Line Company (Thailand) Company Limited/ Information and Communication
2011–2015	Thailand Manager	Google (Thailand) Company Limited/ Information Finding Website



Mr. Pisith Patamasatayasonthi
Director/ Chairman of Executive Committee and Chief Executive Officer

Age : 72 Years old

Date of Appointment:

- May 30, 2018

Educational Qualifications History:

- Honorary Doctorate of Arts, Marketing – Sripatum University

Training History:

- Certificate, Thai Institute of Directors Association (IOD) Program – Director Accreditation Program (DAP) Batch 147/2018

Proportion of Company Shares Held (percent):

- 2.654

Family Relationship between Directors and Executives:

- Spouse of the person No. 7
- Father of the person No. 8–11

Work Experience:

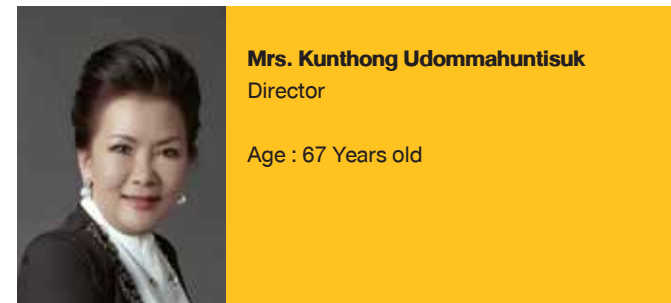
1994–present	Director/ Chairman of Executive Committee/ Chief Executive Officer	Index Living Mall PLC/Furniture Retailer
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Affiliated Companies:

2016–present	Director	Index Living Mall Inter Company Limited/Grants rights to Index Living Mall franchises in foreign countries
2012–present	Director	The Walk Company Limited/Shopping Center Rentals
1991–present	Director	Bangkok Casa Company Limited/Warehouse Services
1983–present	Chairman of the Executive Committee	Index Interfurn Company Limited/Furniture Manufacturer

Other Companies:

2019–present	Director	Patamma Company Limited/Hotel and Resort
2018–present	Director	Krobkrua Thammada Panich Company Limited/ Holds Company Shares
2017–present	Director	Mai Thammada Panich H.Q Company Limited/Real Estate
2017–present	Director	Mai Thammada Panich Ekachai Company Limited/ Real Estate
2017–present	Director	Mai Thammada Panich K.N. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich Company Limited/Real Estate
2016–present	Director	Mai Thammada Panich K.K. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich P.L Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich U.D. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich C.H. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich N.R. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich P.Y. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich R.Y. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich S.N. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich S.Y. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich H.Y. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich C.T. Company Limited/ Real Estate
2000–present	Director	Bangkok Master Wood Company Limited/ Manufacturer and Distributor of OEM wooden furniture
1996–present	Director	The Plaza Mall Chiang Rai Company Limited/ Land Rentals
1995–present	Director	Bangkok Sanyo Spring Company Limited/ Electronic Spring Production
1990–present	Director	Bangkok Ito Company Limited/ Wire and Steel Sales



Mrs. Kunthong Udommahuntisuk
Director

Age : 67 Years old

Date of Appointment:

- May 30, 2018

Educational Qualifications History:

- Bachelor of Political Science, Bangkok Thonburi University
- MINI MBA, Commerce and Accountancy, Thammasat University

Training History:

- Certificate, Thai Institute of Directors Association (IOD) Program – Director Accreditation Program (DAP) Batch 147/2018

Proportion of Company Shares Held (percent):

- 4.308

Family Relationship between Directors and Executives:

- Spouse of the person No.6
- Mother of the person No.8–11

Work Experience:

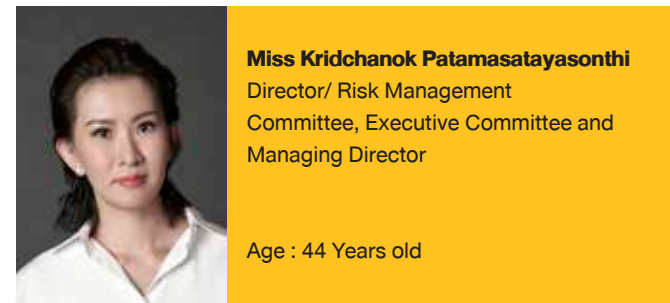
1995–present	Director	Index Living Mall PLC/Furniture Retailer
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Affiliated Companies:

2019–present	Director	Index Living Mall Inter Company Limited/ Grants rights to Index Living Mall franchises in foreign countries
2012–present	Director	The Walk Company Limited/Shopping Center Rentals
2002–present	Director	Bangkok Casa Company Limited/ Warehouse Services
1983–present	Executive Vice Presidente	Index Interfurn Company Limited/ Furniture Manufacturer

Other Companies:

2019–present	Director	Patamma Company Limited/Hotel and Resort
2018–present	Director	Krobkrua Thammada Panich Company Limited/ Holds Company Shares
2017–present	Director	Mai Thammada Panich H.Q Company Limited/Real Estate
2017–present	Director	Mai Thammada Panich Ekachai Company Limited/ Real Estate
2017–present	Director	Mai Thammada Panich K.N. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich K.R. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich K.K. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich P.L Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich U.D. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich C.H. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich N.R. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich P.Y. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich R.Y. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich S.N. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich S.Y. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich H.Y. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich C.T. Company Limited/ Real Estate
2015–present	Director	Mai Thammada Panich R.I. Company Limited/ Real Estate
2015–present	Director	Mai Thammada Panich R.P. Company Limited/ Real Estate
2015–present	Director	Mai Thammada Panich C.M. Company Limited/ Real Estate
2015–present	Director	Mai Thammada Panich B.N. Company Limited/ Real Estate



Miss Kridchanok Patamasatayasonthi
Director/ Risk Management Committee, Executive Committee and Managing Director

Age : 44 Years old

Date of Appointment:

- May 30, 2018

Educational Qualifications History:

- Bachelor of Business Administration, Assumption University
- Master of Business Administration, International Business, San Francisco State University, USA

Training History:

- Certificate, Thai Institute of Directors Association (IOD) Program – Director Accreditation Program (DAP) Batch 144/2018

Proportion of Company Shares Held (percent):

- 6.834

Family Relationship between Directors and Executives:

- Child of the person No.6 & 7
- Sister of the person No. 9–11

Work Experience:

2020– present	Risk Management Committee	Index Living Mall PLC/Furniture Retailer
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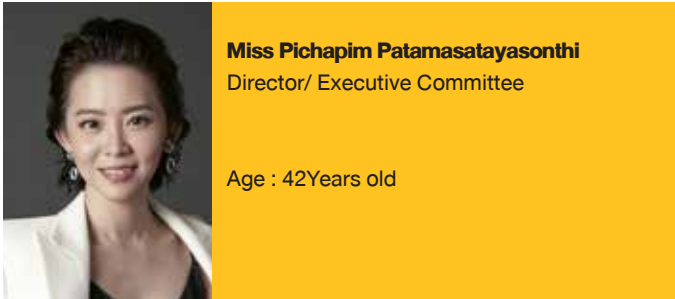
2008–present	Director/ Executive Committee and Managing Director	Index Living Mall PLC/Furniture Retailer
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Affiliated Companies:

2016–present	Director	Index Living Mall Inter Company Limited/Grants rights to Index Living Mall franchises in foreign countries
2012–present	Director	The Walk Company Limited/Shopping Center Rentals
2009–present	Director	Bangkok Casa Company Limited/Warehouse Services
2008–present	Director	Index Interfurn Company Limited/Furniture Manufacturer

Other Companies:

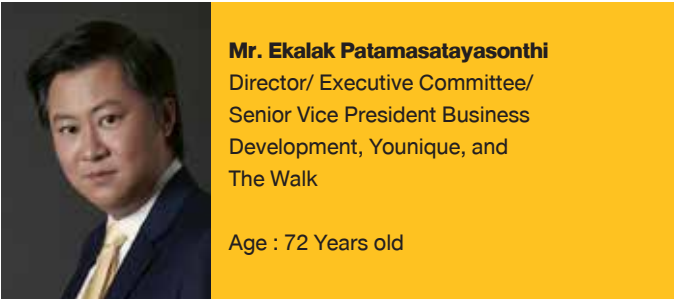
2019–present	Director	Patamma Company Limited/Hotel and Resort
2018–present	Director	Krobkrua Thammada Panich Company Limited/ Holds Company Shares
2017–present	Director	Mai Thammada Panich H.Q Company Limited/Real Estate
2017–present	Director	Mai Thammada Panich Ekachai Company Limited/ Real Estate
2017–present	Director	Mai Thammada Panich K.N. Company Limited/Real Estate
2016–present	Director	Mai Thammada Panich Company Limited/Real Estate
2016–present	Director	Mai Thammada Panich K.R. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich K.K. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich P.L Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich U.D. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich C.H. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich N.R. Company Limited/Real Estate
2016–present	Director	Mai Thammada Panich P.Y. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich R.Y. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich S.N. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich S.Y. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich H.Y. Company Limited/ Real Estate
2016–present	Director	Mai Thammada Panich C.T. Company Limited/ Real Estate
2015–present	Director	Mai Thammada Panich R.I. Company Limited/ Real Estate
2015–present	Director	Mai Thammada Panich R.P. Company Limited/ Real Estate
2015–present	Director	Mai Thammada Panich C.M. Company Limited/ Real Estate
2015–present	Director	Mai Thammada Panich B.N. Company Limited/ Real Estate
2010–present	Director	Bangkok Sanyo Spring Company Limited/ Electronic Spring Production
2009–present	Director	Bangkok Master Wood Company Limited/ Manufacturer and Distributor of OEM wooden furniture



Miss Pichapim Patamasatayasonthi
Director/ Executive Committee

Age : 42Years old

Date of Appointment: <ul style="list-style-type: none">May 30, 2018		
Educational Qualifications History: <ul style="list-style-type: none">Bachelor of Architecture, King Mongkut's Institute of Technology, LadkrabangMasters of Business Administration, International Business, California State University at Long Beach, USA		
Training History: <ul style="list-style-type: none">Certificate, Thai Institute of Directors Association (IOD) Program – Director Accreditation Program (DAP) Batch 144/2018		
Proportion of Company Shares Held (percent): <ul style="list-style-type: none">6.808		
Family Relationship between Directors and Executives: <ul style="list-style-type: none">Child of the person No. 6 & 7Sister of the person No. 8-11		
Work Experience:		
2008-present	Director/ Executive Committee	Index Living Mall PLC/Furniture Retailer
Affiliated Companies:		
2016-present	Director	Index Living Mall Inter Company Limited/Grants rights to Index Living Mall franchises in foreign countries
2012-present	Director	The Walk Company Limited/Shopping Center Rentals
2009-present	Director	Bangkok Casa Company Limited/Warehouse Services
2008-present	Director	Index Interfurn Company Limited/Furniture Manufacturer
Other Companies:		
2019-present	Director President	Patamma Company Limited/Hotel and Resort
2018-present	Director	Krobkrua Thammada Panich Company Limited/ Holds Company Shares
2017-present	Director	Mai Thammada Panich H.Q Company Limited/Real Estate
2017-present	Director	Mai Thammada Panich H.Q Company Limited/Real Estate
2017-present	Director	Mai Thammada Panich Ekachai Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich Ekachai Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich K.N. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich Company Limited/Real Estate
2016-present	Director	Mai Thammada Panich K.R. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich K.K. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich P.L Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich U.D. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich C.H. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich N.R. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich P.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich R.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich S.N. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich S.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich H.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich C.T. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich R.I. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich R.P. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich C.M. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich B.N. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Ubonratchathani Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich B.R. Company Limited/ Real Estate
2000-present	Director	Bangkok Master Wood Company Limited/ Manufacturer and Distributor of OEM wooden furniture



Mr. Ekalak Patamasatayasonthi
Director/ Executive Committee/
Senior Vice President Business
Development, Younique, and
The Walk

Age : 72 Years old

Date of Appointment: <ul style="list-style-type: none">MAY 30, 2018		
Educational Qualifications History: <ul style="list-style-type: none">Bachelor of Engineering, Industrial Engineering – Chulalongkorn UniversityMaster of International Business, Thunderbird Global School of Management, Arizona, USA		
Training History: <ul style="list-style-type: none">Certificate, Thai Institute of Directors Association (IOD) Program – Director Accreditation Program (DAP) Batch 144/2018		
Proportion of Company Shares Held (percent): <ul style="list-style-type: none">6.775		
Family Relationship between Directors and Executives: <ul style="list-style-type: none">Child of the person No.6 & 7Brother of the person No. 8-11		
Work Experience:		
2009-present	Director/ Executive Committee/ Senior Vice President- Business Development, Younique, and The Walk Line	Index Living Mall PLC/Furniture Retailer
Affiliated Companies:		
2016-present	Director	Index Living Mall Inter Company Limited/Grants rights to Index Living Mall franchises in foreign countries
2012-present	Director	The Walk Company Limited/Shopping Center Rentals
2009-present	Director	Patamma Company Limited/Hotel and Resort
2009-present	Director	Bangkok Casa Company Limited/Warehouse Services
Other Companies:		
2019-present	Director	Index Interfurn Company Limited/Furniture Manufacturer
2018-present	Director	Krobkrua Thammada Panich Company Limited/ Holds Company Shares
2017-present	Director	Mai Thammada Panich H.Q Company Limited/Real Estate
2017-present	Director	Mai Thammada Panich Ekachai Company Limited/ Real Estate
2017-present	Director	Mai Thammada Panich K.N. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich Company Limited/Real Estate
2016-present	Director	Mai Thammada Panich K.R. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich K.K. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich P.L Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich U.D. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich C.H. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich N.R. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich P.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich R.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich S.N. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich S.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich H.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich C.T. Company Limited/ Real Estate
2016-present	Director	JV Resto Company Limited/Restaurant
2015-present	Director	Mai Thammada Panich R.I. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich R.P. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich C.M. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich B.N. Company Limited/Real Estate
2015-present	Director	Mai Thammada Ubonratchathani Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich B.R. Company Limited/ Real Estate
2000-present	Director	Bangkok Master Wood Company Limited/ Manufacturer and Distributor of OEM wooden furniture








Mr. Ekaridhi Patamasatayasonthi
Director/ Risk Management
Committee/ Executive
Committee

Age : 35 Years old

Date of Appointment: <ul style="list-style-type: none">May 30, 2018		
Educational Qualifications History: <ul style="list-style-type: none">Bachelor of Computer Engineering – Thammasat UniversityMasters, Global MBA program, University of Michigan, Ross School of Business, Ann Arbor, USA		
Training History: <ul style="list-style-type: none">Certificate, Thai Institute of Directors Association (IOD) Program – Director Accreditation Program (DAP) Batch 149/2018		
Proportion of Company Shares Held (percent): <ul style="list-style-type: none">6.965		
Family Relationship between Directors and Executives: <ul style="list-style-type: none">Child of the person No. 6 & 7Brother of the person No.8-10		
Work Experience:		
2020-present	Risk Management Committee	Index Living Mall PLC/Furniture Retailer
2009-present	Director/ Executive Committee	Index Living Mall PLC/Furniture Retailer
Affiliated Companies:		
2016-present	Director	Index Living Mall Inter Company Limited/Grants rights to Index Living Mall franchises in foreign countries
2014-present	Director	Index Living Mall Malaysia SDN. BHD./Index Living Mall Shopping Center in Malaysia
2012-present	Director	The Walk Company Limited/Shopping Center Rentals
2009-present	Director	Bangkok Casa Company Limited/Warehouse Services
2009-present	Director	Index Interfurn Company Limited/Furniture Manufacturer
Other Companies:		
2019-present	Director	Patamma Company Limited/Hotel and Resort
2019-present	Director	Number 8 Company Limited/Restaurant
2018-present	Director	Krobkrua Thammada Panich Company Limited/ Holds Company Shares
2017-present	Director	Mai Thammada Panich H.Q Company Limited/Real Estate
2017-present	Director	Mai Thammada Panich Ekachai Company Limited/ Real Estate
2017-present	Director	Mai Thammada Panich K.N. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich Company Limited/Real Estate
2016-present	Director	Mai Thammada Panich K.R. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich K.K. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich P.L Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich U.D. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich C.H. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich N.R. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich P.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich R.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich S.N. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich S.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich H.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich C.T. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich R.I. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich R.P. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich C.M. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich B.N. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Ubonratchathani Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich B.R. Company Limited/ Real Estate
2009-present	Director	Bangkok Master Wood Company Limited/ Manufacturer and Distributor of OEM wooden furniture

Executives Profiles

	 Mr. Pisith Patamasatayasonthi Chief Executive Officer		 Ms. Kridchanok Patamasatayasonthi Director Risk Management Committee Executive Committee Managing Director
 Mr. Vipol Vorasowharid Chief Operating Officer		 Mr. Ekalak Patamasatayasonthi Senior Vice President - Business Development, Yunique & The Walk Line Director Executive Committee	
	 Mr. Nattinai Yuttapatsak Senior Vice President - Project Sales and Office Furniture Management Line		

 Mr. Kwanchai Kitkongkajornchai Senior Vice President – Product Strategy & Development Line		 Mr. Somchai Tosomsakul Senior Vice President - Operation, Online & Wholesales Line	
	 Mrs. Kanokwanrat Srimaneesiri Senior Vice President Accounting & Finance Company Secretary		 Mrs. Kanjanawan Layluxsiri Senior Vice President - Marketing Line
 Ms. Pavaravadee Wichaidit Senior Vice President - Supply Chain, DC and Information Technology Line		 Mr. Gerard McGurk Senior Vice President- Trading & International Retail Line	



Details about Executives

Mr. Pisith Patamasatayasonthi
Director/ Chairman of Executive Committee and Chief Executive Officer

Age : 72 Years old

Date of Appointment : May 30, 2018

Educational Qualifications History

- Honorary Doctorate of Arts, Marketing – Sripatum University

Training History

- Certificate, Thai Institute of Directors Association (IOD) Program
- Director Accreditation Program (DAP) Batch 147/2018

Proportion of Company Shares Held (percent) 2.654

Family Relationship between Directors and Executives : -

Work Experience

1994-present	Director/ Chairman of Executive Committee/ Chief Executive Officer	Index Living Mall PLC/Furniture Retailer
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Affiliated Companies

2016-present	Director	Index Living Mall Inter Company Limited/Grants rights to Index Living Mall franchises in foreign countries
2012-present	Director	The Walk Company Limited/Shopping Center Rentals
1991-present	Director	Bangkok Casa Company Limited/Warehouse Services
1983-present	Chairman of the Executive Committee	Index Interfurn Company Limited/Furniture Manufacturer

Other Companies

2019-present	Director	Patamma Company Limited/Hotel and Resort
2018-present	Director	Krobkrua Thammada Panich Company Limited/ Holds Company Shares
2017-present	Director	Mai Thammada Panich H.Q Company Limited/Real Estate
2017-present	Director	Mai Thammada Panich Ekachai Company Limited/ Real Estate
2017-present	Director	Mai Thammada Panich K.N. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich Company Limited/Real Estate
2016-present	Director	Mai Thammada Panich K.K. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich P.L Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich U.D. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich C.H. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich N.R. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich P.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich R.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich S.N. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich S.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich H.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich C.T. Company Limited/ Real Estate
2000-present	Director	Bangkok Master Wood Company Limited/ Manufacturer and Distributor of OEM wooden furniture
1996-present	Director	The Plaza Mall Chiang Rai Company Limited/ Land Rentals
1995-present	Director	Bangkok Sanyo Spring Company Limited/ Electronic Spring Production
1990-present	Director	Bangkok Ito Company Limited/ Wire and Steel Sales

Miss Kridchanok Patamasatayasonthi Director/ Risk Management Committee, Executive Committee and Managing Director		
Age : 44 Years old		
Date of Appointment : May 30, 2018		
Educational Qualifications History		
<ul style="list-style-type: none">Bachelor of Business Administration, Assumption UniversityMaster of Business Administration, International Business, San Francisco State University, USA		
Training History		
<ul style="list-style-type: none">Certificate, Thai Institute of Directors Association (IOD) ProgramDirector Accreditation Program (DAP) Batch 144/2018		
Proportion of Company Shares Held (percent) 6.834		
Family Relationship between Directors and Executives : -		
Work Experience		
2020 - present	Risk Management Committee	Index Living Mall PLC/Furniture Retailer
2008-present	Director/ Executive Committee and Managing Director	Index Living Mall PLC/Furniture Retailer
Affiliated Companies		
2016-present	Director	Index Living Mall Inter Company Limited/Grants rights to Index Living Mall franchises in foreign countries
2012-present	Director	The Walk Company Limited/Shopping Center Rentals
2009-present	Director	Bangkok Casa Company Limited/Warehouse Services
2008-present	Director	Index Interfurn Company Limited/Furniture Manufacturer
Other Companies		
2019-present	Director	Patamma Company Limited/Hotel and Resort
2018-present	Director	Krobkrua Thammada Panich Company Limited/ Holds Company Shares
2017-present	Director	Mai Thammada Panich H.Q Company Limited/Real Estate
2017-present	Director	Mai Thammada Panich Ekachai Company Limited/ Real Estate
2017-present	Director	Mai Thammada Panich K.N. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich Company Limited/Real Estate
2016-present	Director	Mai Thammada Panich K.R. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich K.K. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich P.L Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich U.D. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich C.H. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich N.R. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich P.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich R.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich S.N. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich S.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich H.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich C.T. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich R.I. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich R.P. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich C.M. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich B.N. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Ubonratchathani Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich B.R. Company Limited/ Real Estate
2015-present	Director	Wonderland Beauty Company Limited/ Cosmetic Sales
2010-present	Director	Bangkok Sanyo Spring Company Limited/ Electronic Spring Production
2009-present	Director	Bangkok Master Wood Company Limited/ Manufacturer and Distributor of OEM wooden furniture

Mr. Vipon Vorasowharid Chief Operating Officer		
Age : 55 Years old		
Date of Appointment : August 1, 2019		
Educational Qualifications History		
<ul style="list-style-type: none">Bachelor of Business Administration, Marketing – Assumption UniversityMaster of Business Administration – Bangkok University		
Training History		
<ul style="list-style-type: none">Certificate, Thai Institute of Directors Association (IOD) ProgramDirector Certification Program (DCP) Batch 154/2011		
Proportion of Company Shares Held (percent) 0.004		
Family Relationship between Directors and Executives		
<ul style="list-style-type: none">Spouse of the person No. 7Father of the person No. 8-11		
Work Experience		
2019-present	Chief Operating Officer	Index Living Mall PLC/Furniture Retailer
Other Companies		
2017-2018	Managing Director	Bangkok Insurance PLC/Insurance
2014-2017	First Executive Vice President	Siam Commercial Bank PLC/Financial Institution
2011-2014	Managing Director	SCB Life Insurance PLC/Life Insurance
Mr. Ekalak Patamasatayasonthi Director/ Executive Committee/ Senior Vice President Business Development, Younique, and The Walk		
Age : 39 Years old		
Date of Appointment : May 30, 2018		
Educational Qualifications History		
<ul style="list-style-type: none">Bachelor of Engineering, Industrial Engineering – Chulalongkorn UniversityMaster of International Business, Thunderbird Global School of Management, Arizona, USA		
Training History		
<ul style="list-style-type: none">Certificate, Thai Institute of Directors Association (IOD) ProgramDirector Accreditation Program (DAP) Batch 144/2018		
Proportion of Company Shares Held (percent) 6.775		
Family Relationship between Directors and Executives		
<ul style="list-style-type: none">Child of the person No.6 & 7Brother of the person No. 8-11		
Work Experience		
2009-present	Director/ Executive Committee- Senior Vice President- Business Development, Younique, and The Walk Line	Index Living Mall PLC/Furniture Retailer
Affiliated Companies		
2016-present	Director	Index Living Mall Inter Company Limited/Grants rights to Index Living Mall franchises in foreign countries
2012-present	Director	The Walk Company Limited/Shopping Center Rentals
2009-present	Director	Bangkok Casa Company Limited/Warehouse Services
2009-present	Director	Index Interfurn Company Limited/Furniture Manufacturer

Other Companies

2019-present	Director	Patamma Company Limited/Hotel and Resort
2018-present	Director	Krobkrua Thammada Panich Company Limited/ Holds Company Shares
2017-present	Director	Mai Thammada Panich H.Q Company Limited/Real Estate
2017-present	Director	Mai Thammada Panich Ekachai Company Limited/ Real Estate
2017-present	Director	Mai Thammada Panich K.N. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich Company Limited/Real Estate
2016-present	Director	Mai Thammada Panich K.R. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich K.K. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich P.L Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich U.D. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich C.H. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich N.R. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich P.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich R.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich S.N. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich S.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich H.Y. Company Limited/ Real Estate
2016-present	Director	Mai Thammada Panich C.T. Company Limited/ Real Estate
2016-present	Director	JV Resto Company Limited/Restaurant
2015-present	Director	Mai Thammada Panich R.I. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich R.P. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich C.M. Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich B.N. Company Limited/Real Estate
2015-present	Director	Mai Thammada Ubonratchathani Company Limited/ Real Estate
2015-present	Director	Mai Thammada Panich B.R. Company Limited/ Real Estate
2000-present	Director	Bangkok Master Wood Company Limited/ Manufacturer and Distributor of OEM wooden furniture

Mr. Nattinai Yuttapatsak

Senior Vice President- Project Sales and Office Furniture Management

Age : 59 Years old

Date of Appointment : October 1, 1994

Educational Qualifications History

- Bachelor of Engineering, King Mongkut’s University of Technology, North Bangkok

Training History : -

Proportion of Company Shares Held (percent) 0.411

Family Relationship between Directors and Executives : -

Work Experience

1994-present	Senior Vice President of Project Sales and Office Furniture Management Line	Index Living Mall PLC/Furniture Retailer
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Mr. Kwanchai Kitkongkajornchai

Senior Vice President- Product Strategy and Development Line

Age : 53 Years old

Date of Appointment : August 1, 1994

Educational Qualifications History

- Bachelor of Arts – Silpakorn Univerity

Training History : -

Proportion of Company Shares Held (percent) 0.003

Family Relationship between Directors and Executives : -

Work Experience

1994-present	Senior Vice President - Product Strategy & Development Line	Index Living Mall PLC/Furniture Retailer
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Affiliated Companies

2014-present	Director	Index Living Mall Malaysia SDN. BHD./Shopping Center Index Living Mall in Malaysia
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Mr. Somchai Tosomsakul

Senior Vice President- Operation, Online and Wholesales Line

Age : 53 Years old

Date of Appointment :November 1, 2019

Educational Qualifications History

- Bachelor of Science in Statistics – Chulalongkorn University
- Master of Business Administration, Chulalongkorn University

Training History : -

Proportion of Company Shares Held (percent) 0.0001

Family Relationship between Directors and Executives : -

Work Experience

2019-present	Senior Vice President- Operation, Online and Wholesales Line	Index Living Mall PLC/Furniture Retailer
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Affiliated Companies

2019	Head of Wholesales	Asset World PLC
2018	Managing Director	True Digital Media and Platform Company Limited/Digital Media

2015-2018	Senior Vice President, Food Business Unit Head and Corporate Strategy	Charoen Pokphand Foods PCL
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2009-2011	Regional Customer Service Excellent Director	Unilever South Africa Company Limited
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Mrs. Kanokwanrat Srimaneesiri

Senior Vice President – Accounting & Finance and Company Secretary

Age : 54 Years old

Date of Appointment : September 16, 2010

Educational Qualifications History

- Bachelor of Business Administration, Accounting – Assumption University
- Master of Business Administration – Assumption University

Training History

- Certificate, Thai Institute of Directors Association (IOD) Program
- Company Secretary Program (CSP) Batch 95/2019
- Certificate, Capital Market Knowledge Center, The Stock Exchange of Thailand, CFO's Orientation Course for New IPOs 2018
- Participated in continuous knowledge development in accordance with qualifications of the responsible person in the accounting and finance department of the Stock Exchange of Thailand, TLCA CFO Professional Development Program (TLCA CFO CPD) 2019
- Participated in continuous knowledge development in accordance with qualifications of the responsible person in the accounting and finance department of the Stock Exchange of Thailand, TLCA CFO Professional Development Program (TLCA CFO CPD) 2020

Proportion of Company Shares Held (percent) 0.013

Family Relationship between Directors and Executives : -

Work Experience

2010-present	Senior Vice President of Accounting & Finance Line and Company Secretary	Index Living Mall PLC/Furniture Retailer
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Other Companies

2005-present	Director	Siam B2B Company Limited/Communication Business
2001-2010	Corporate Finance Director	Minor International PLC/Food & Beverage Business, Hotel Business, and other businesses related to the Hotel Business

Mrs. Kanjanawan Layluxsiri

Senior Vice President Marketing

Age : 49 Years old

Date of Appointment : March 1, 2019 4

Educational Qualifications History

- Bachelor in Political Science – Chulalongkorn University Mini MBA - Chulalongkorn University

Training History : -

Proportion of Company Shares Held (percent) 0.0001

Family Relationship between Directors and Executives : -

Work Experience

March 2019-present	Senior Vice President of Marketing Line	Index Living Mall PLC/Furniture Retailer
2017-2018	Vice President of Marketing	Index Living Mall PLC/Furniture Retailer

Other Companies

2014-2016	Vice President of Marketing	Central Pattana PCL/Development and Leasing Space in Shopping Centers
2003-2014	General Manager	Robinson PLC/Retailer

Ms. Pavaravadee Wichaidit

Senior Vice President – Supply Chain DC, and Information Technology Line

Age : 51 Years old

Date of Appointment : September 7, 2016

Educational Qualifications History

- Bachelor of Science, Biotechnology – Mahidol University

Training History : -

Proportion of Company Shares Held (percent) 0.003

Family Relationship between Directors and Executives : -

Work Experience

2016-present	Senior Vice President of Supply Index Living Mall PLC/Furniture Retailer Chain, DC and Information Technology Line
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Affiliated Companies

1999-2016	Customer Service Director	Unilever Thai Trading /Manufacturer and Distributor of Consumer Products
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Mr. Gerard McGurk

Senior Vice President – Trading and International Retail Line

Age : 53 Years old

Date of Appointment :May 3, 2016

Educational Qualifications History

- Bachelor of Business Studies, Dundee College of Commerce - Scotland

Training History : -

Proportion of Company Shares Held (percent) 0.001

Family Relationship between Directors and Executives : -

Work Experience

2016-present	Senior Vice President of Trading and International Retail Line	Index Living Mall PLC/Furniture Retailer
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Other Companies

2014-present	Director	Index Living Mall Malaysia SDN. BHD./Shopping Center
2012-2015	Executive Vice Present	Index Living Mall in Malaysia Robinson PLC/Retailer

* Note: Calculated in accordance with the effective rate of shareholding as of January 29, 2021.

Business Goals of the Company



The Company has a vision to focus on being the Top-of-Mind Brand for the best furniture and home furnishing businesses in Asia. The Company cares about lifestyle behaviors, customer needs and consumer behaviors that have changed after the COVID-19 pandemic. The Company sees the opportunity and potential in online marketing. Therefore, the Company continues to pay attention to the development of online sales channels in order to provide customers with convenience, speed, and good online shopping experiences. The online marketing strategies have been formulated to motivate customers to purchase the Company's products through the indexlivingmall.com website, the marketplace website, and leading platforms as well as every possible social media sales channel. In addition, the Company

plans business expansion by cooperating with new business partners from various businesses in order to target wider customer groups and increase potential to meet the increasing demand of online consumers. The Company also plans to strengthen YOUNIQUE, the custom-made furniture business, to be aligned with the rising demand for customized furniture by providing services through business partners such as SCG and Boonthavorn so that the Company has the opportunity to expand its business by opening showrooms called "YOUNIQUE Customized Furniture, innovative, customized furniture made as you desire" in other branches throughout the country. Moreover, the Company also seeks to cooperate with other home

builders after having a successful business expansion with Landy Home (Thailand) Company Limited. This is the number 1 home building center in Thailand. The Company continues to develop innovative and functional products that meet the needs of different lifestyles. In regards to the 2021 business expansion plan of Index Living Mall stores domestically and internationally, the sluggish economy and low purchasing power in Thailand has caused the Company to carefully consider any investments in the country. In regards to the international market, the Company continues to focus on business expansion through franchise channels. The Company has mainly focused on CLMV countries that show high growth potential. This includes Cambodia, Laos, Myanmar, and Vietnam etc.

In regards to rentals and the retail space business, the Company plans to renovate and expand the retail space within Index Living Mall and The Walk. In addition to business expansion through various distribution channels, the Company has maintained costs and the expense reduction policy so that the Company has stability and financial liquidity to operate the business under the tendency to have a long-term economic slowdown. The Company is also committed to improving the production process by implementing innovative machinery from Germany that has fully automated technology. The Company also gives importance to inventory management so that it has maximum efficiency in order to reduce storage costs, operating costs, and help increase the business liquidity in another way.

General Information

The Company

Company Name in Thai	:	บริษัท อินดีกซ์ ลิฟวิ่งมอลล์ จำกัด (มหาชน)
Company Name in English	:	Index Living Mall Public Company Limited
Type of Business	:	Furniture and Home Décor Retail Business
Head Office	:	No. 147, Soi Rama 2, Soi 50, Rama 2 Road Samae Dam Subdistrict, Bang Khun Thian District, Bangkok 10150
Registration Number	:	0107561000226
Phone Number	:	0 2898 6420-5
Fax Number	:	0 2898 6940
Website	:	www.indexlivingmall.com
Registered Capital	:	2,525.0 million Baht
Paid Up Capital	:	2,525.0 million Baht

Subsidiary Companies

Index Interfurn Company Limited		
Company Name in Thai	:	บริษัท อินดีกซ์ อินเตอร์เฟิร์น จำกัด
Company Name in English	:	Index Interfurn Company Limited
Type of Business	:	Furniture Manufacturer
Head Office	:	No. 143 Soi Rama 2, Soi 50 Rama 2 Road Samae Dam Subdistrict, Bang Khun Thian District, Bangkok 10150
Registration Number	:	0105552064096
Phone Number	:	0 2415 0077
Fax Number	:	0 2898 6940
Website	:	0 2415 7399
Registered Capital	:	960.0 million Baht
Paid Up Capital	:	960.0 million Bahtn

The Walk Company Limited		
Company Name in Thai	:	บริษัท เดอะ วอล์ค จำกัด
Company Name in English	:	The Walk Company Limited
Type of Business	:	Shopping Center Rentals
Head Office	:	No. 147, Soi Rama 2, Soi 50, Rama 2 Road Samae Dam Subdistrict, Bang Khun Thian District, Bangkok 10150
Registration Number	:	0105555116551
Phone Number	:	0 2898 6420-5
Registered Capital	:	25.0 million Baht
Paid Up Capital	:	15.4 million Baht

Bangkok Casa Company Limited		
Company Name in Thai	:	บริษัท บางกอก คาซ่า จำกัด
Company Name in English	:	Bangkok Casa Company Limited
Type of Business	:	Warehouse Services
Head Office	:	No. 143 Soi Rama 2, Soi 50 Rama 2 Road Samae Dam Subdistrict, Bang Khun Thian District, Bangkok 10150
Registration Number	:	0105534058616
Phone Number	:	0 2898 6420-5
Registered Capital	:	250.0 million Baht
Paid Up Capital	:	250.0 million Baht

Index Living Mall Inter Company Limited		
Company Name in Thai	:	บริษัท อินดีกซ์ ลิฟวิ่งมอลล์ อินเตอร์ จำกัด
Company Name in English	:	Index Living Mall Inter Company Limited
Type of Business	:	Giving Franchise Rights to Foreign Index Living Mall Stores
Head Office	:	No. 147, Soi Rama 2, Soi 50, Rama 2 Road Samae Dam Subdistrict, Bang Khun Thian District, Bangkok 10150
Registration Number	:	0105559003602
Phone Number	:	0 2898 6420-5
Registered Capital	:	5.0 million Baht
Paid Up Capital	:	5.0 million Baht

Other References		
Securities Registrar	:	Thailand Securities Depository Company Limited
Securities Registrar	:	93 Ratchadaphisek Road, Din Daeng Subdistrict, Din Daeng District, Bangkok 10400
Phone Number	:	0 2009 9000
Fax Number	:	0 2009 9991
Auditor	:	KPMG Phoomchai Audit Company Limited
Auditor	:	1 Empire Tower Building, 48-51 Floor, South Sathorn Road, Yan Nawa, Sathorn, Bangkok 10120
Phone Number	:	0 2677 2000
Fax Number	:	0 2677 2222
Legal Counsel	:	Wirawong, Chinnawat and Partners Company Limited
Legal Counsel	:	540 Mercury Tower, Floor 22, Ploenchit Road Lumpini, Pathumwan, Bangkok 10330
Phone Number	:	0 2264 8000
Fax Number	:	0 2657 2222

Major Changes and Developments Over the Past 3 Years

Year 2018

- The furniture brand MOMENTOUS, American-style luxury living furniture under the concept of “Living in the Moment”, was launched at Siam Paragon Department Store.
- Home Service (Thailand) Company Limited changed its name to Index Living Mall Inter Company Limited. The Company received the franchise business from the Patamasatayasonthi Family to provide franchise rights to foreign operators.
- Adjusted the shareholder structure, registered as a public company, increased the registered capital to support the registration on the Stock Exchange of Thailand and issued an initial public offering.
- Discontinued Index Living Mall Malaysia SDN. BHD. because the operating results did not meet the expectations and continued to have financial losses. Since September 2018, products were no longer sold in the store. The Company is in the process of legal proceedings to close the business.
- Index Living Mall, Bang Kruai-Sai Noi Branch was launched. This is an area of potential on the west side of Bangkok.

Year 2019

- The Company was listed on the Stock Exchange of Thailand (IPO) on July 26, 2019.
- Index Living Mall, Chaiyaphruek Branch and Chanthaburi Branch were launched to cover the area of Nonthaburi and the east side of Bangkok respectively.
- The first branch of WINNER Store in Ratchaburi was launched. This is a COCO store (Company Owned Company Operated).
- The Company launched two branches of Index Living Mall in Vietnam. These were franchise stores in Ho Chi Minh City, Vietnam. Vietnam is a country with high growth potential for business expansion because of its recent high economic growth rate.

Year 2020

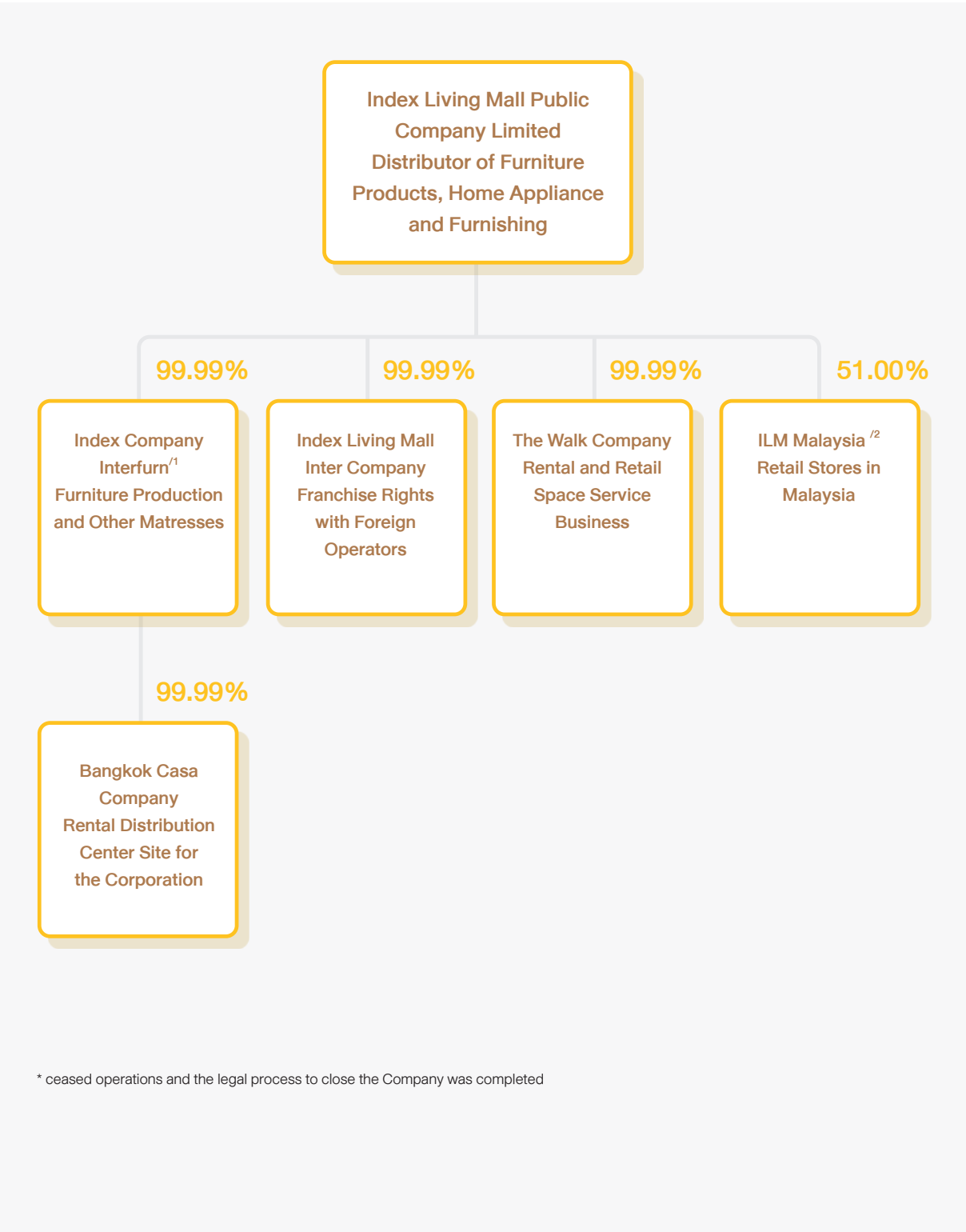
- There was a temporary closure of Index Living Mall, The Walk and Little Walk from March 22 to May 16, 2020 due to the government lockdown restrictions in order to prevent the spread of COVID-19. However, there were some areas inside The Walk and Little Walk that were opened for service. These included supermarkets, restaurants (for take away service only), and pharmacies, etc. Every branch reopened on May 17, 2020.
- The Company discontinued the Index Furniture Center at The Mall, Tha Phra Branch on January 14, 2020 due to the expiration of the long-term lease agreement. The Company also discontinued Index Furniture Center at Don Muang Airport branch in June 2020 because of the disruption in air travel due to the measures to stop the spread of COVID-19. The operating results of the branch did not significantly increase the total sales volume of the Company. As a result, the Company ceased the operation of the branch.
- Discontinued a BoConcept store, in the Index Living Mall, Pattaya, on October 16, 2020, after the spread of the COVID-19 pandemic affected the sales volume of the store. This is one of the areas that had a relatively significant economic impact because its main source of income is from tourism and the purchasing power still has not returned to normal. The Company decided to cease the operations of the branch in order to reduce the expenses and properly manage the business.
- Launched a 5th franchise of Index Living Mall in Yangon, Myanmar on June 2, 2020. Launched a 3rd franchise of Index Living Mall in Ho Chi Minh City, Vietnam on December 3, 2020.
- Launched Furinbox, a brand-new product that is a ready-to assemble furniture. Furinbox is an innovative furniture that resulted from a new design concept. The product was designed and developed to be multi-functional and convenient. The highlights of the product are its affordable price, easy to assemble, and it is accessible in all areas. The product was designed to penetrate the mass market and the new generation customers through online sales channels.
- Collaborated with NocNoc.com, the leading ecommerce platform that sells building materials and home furnishing products in order to enhance the Company's potential in the online marketing of the Home Living category as well as stimulate the growth of online sales.
- Cooperated with SCG, the leader in Innovative Houses, by officially opening a showroom called “Younique Customized Furniture, innovative customized furniture made as you desire” in SCG Experience Building in order to create opportunities to expand YOUNIQUE's customer base.
- Cooperated with Boonthavorn Ceramic Company Limited, a leading business center for decorative materials, tiles, and sanitary ware, as well as bathroom, kitchen and home furnishings. A showroom called “YOUNIQUE Customized Furniture, an innovative custom-made furniture as you desire” was opened at Boonthavorn Kaset Nawamin Branch in order to widen YOUNIQUE's customer base.
- Cooperated with Landy Home (Thailand) Company Limited, the number 1 home building center in Thailand, in order to create direct access to customers who are in the process of building new homes.
- Temporarily closed Index Living Mall, Mahachai Branch (December 19, 2020 to January 15, 2021) and Rayong Branch (December 28, 2020 to January 3, 2021) in compliance with the provincial governor's mandate to stop the second wave of COVID-19 pandemic.



Operational Policies of the Corporation

The Company clearly distinguished its operations in accordance with business types. The affiliated companies such as Index Company Interfurn Company Limited is responsible for the production of furniture and product delivery to Index Living Mall Public Company Limited and the Walk Company Limited, rental and retail space service business. In addition, Index Living Mall Inter Company Limited oversees franchise rights with foreign operators.

Shareholding Structure of the Corporation



Achievement Awards & Recognitions

Index Living Mall Enhances Thai Furniture Design

Wins the grand prize for “GERMAN DESIGN AWARD 2020” on the world stage With the innovative bed design: INVISIBLE BED



‘Index Living Mall’ or ILM, the leading home furnishing retailer in Thailand, showed success in 2020 after the “INVISIBLE BED” won the “German Design Award 2020” on the world stage. The bed was designed by Apirat Boonruangthavorn, Thailand’s leading designer and furniture designer. The bed features a cantilever design which has a protruding section that hides the bed’s legs so that the bed and the bedside shelves appear to float. The bed’s base was also designed to be thin with well hidden corners so that users do not kick or hit the edge of the bed. The bed is expected to be released in the second quarter at an accessible price. The trend outlook for furniture and home furnishing designs over the next 1-3 years will focus

on innovation and production technology to meet lifestyles and changing housing styles. Miss Pichapim Patamasatayasonthi, the Deputy Managing Director of the Product Development in Index Living Mall Public Company Limited, the leader in the comprehensive home furnishing business retailer, said that the Company successfully designed and developed an “INVISIBLE BED”. This is a new innovative product design and development which was selected as the winner of the GERMAN DESIGN AWARD 2020 on the world design competition stage on February 7, 2020 in Germany. The Company is proud of this achievement because this award is given to product



developers with outstanding designs and styles which are different from general products in the market or new innovative trends in the business.

The “INVISIBLE BED” was designed “as a bed ought to be”. It presents bed essentials which are a solid structure that can support the weight of a person while sleeping. However, the structure does not need to be visible. The designer designed and developed the product to be simple yet captivating in a Minimalistic Form. The highlight is the Cantilever design in which the protruding sections hide the bed’s legs and the headboard is made with large pillows. This makes the bed and the bedside shelves appear to float. At the same time, the bed was designed to solve customers’ pain points. For example, the design of the bed base is thin and the corners are well hidden so that the user does not kick or hit the edge of the bed. The floating bed design gives a beautiful view from all angles. etc. Moreover, the top of the bed can also be adjusted to meet the needs of each individual user. This bed is expected to be released in the upcoming second quarter of the year to provide consumers with world-class, award-winning quality products at an affordable price.

Ms. Kridchanok Patamasatayasonthi, Managing Director of Index Living Mall Public Company Limited, said that the Company paid great attention to every dimension of furniture design and development. The Company regularly

made study visits to learn about international designs in order to analyze and develop furniture products to meet the needs of consumers today and in the future. The Company is also aware of innovative designs for society and the environment by using materials, components, and fittings which are environmentally friendly, and modifying the manufacturing processes to make worthwhile use of materials and reduce production capacity in order to meet the actual needs of users. Currently, the Company has a total product design and development team of 27 people. As living conditions and housing styles change and innovation and technology is developed rapidly, furniture and home furnishing trends will also be impacted over the next 1-3 years. The trend will be the combination of innovative furniture products and technology. For example, there will be new manufacturing methods that are quick, on-demand orders, or producing products in accordance with orders via mobile phones, etc.



Achievement Awards & Recognitions



1 Feb 2020
GERMAN DESIGN AWARD 2020 from Winner of Invisible Bed designed by Apirat Boonruengthaworn, top furniture designer of Thailand



2 Asia Pacific Entrepreneurship Awards 2019



3 2018 - 2019
No. 1 Brand Thailand 2018 - 2019 Marketeer



4 March 2017
Thailand's Most Admired Brand Award 2017



5 February 2017
THAILAND'S TOP 10 RETAILERS RANKING, the only furniture and home furnishing retail company of Thailand from the 500 Asia-Pacific Retail Companies ranked in 2017 at the 2017 RET



6 February 2016
No.1 Brand Thailand Award 2015 - 2016



8 February 2016
Thailand's Most Admired Brand Award 2016



7 February 2016
THAILAND'S TOP 10 RETAILERS RANKING, the only furniture and home furnishing retail company of Thailand from the 500 Asia-Pacific Retail Companies ranked in 2016 at the 2016 RET



9 February 2015
Thailand's Most Admired Brand Award 2015



10 February 2008
PRIME MINISTER'S EXPORT AWARD for Outstanding Exporters Award in the Furniture Category for the Year 2008



11 February 2005
SUPERBRANDS AWARD FOR "WINNER" Award for the best Thai brand in the Furniture Category for the Year 2005

Nature of Business



The Company operates a comprehensive retail business of home furnishing by aiming to be the center of home appliances, furniture, home accessories and electrical appliances under the Company’s brand as well as other brands through various distribution channels, whether in the Company’s retail stores, projects work, dealers, as well as online in order to cover domestic distribution. In regards to the international market, the Company has

franchise rights for foreign operators to distribute the Company’s products in that country, including the sale of projects works and original equipment manufacturers (OEM). In addition, the Company has also engaged in rentals and retail space business within Index Living Mall and community malls under the brands The Walk, Little Walk and Index Mall.

The summary of the Company’s revenue structure classified by distribution channels is as follows:

	2018		2019		2020	
	Millions of Baht	Percent	Millions of Baht	Percent	Millions of Baht	Percent
Sales Revenue						
Domestic						
Company’s Retail Stores	7,438.1	81.1	7,472.7	80.9	5,976.0	78.0
Projects	1,082.8	11.8	1,189.3	12.9	839.0	11.0
Dealers	133.1	1.5	123.6	1.3	83.4	1.1
Online	84.8	0.9	216.4	2.3	549.0	7.2
Total Revenue from Domestic Sales	8,738.9	95.3	9,001.9	97.5	7,447.4	97.3
International						
Franchises and Dealers	106.9	1.2	107.2	1.2	62.2	0.8
Original Equipment Manufacturer (OEM)	43.4	0.5	56.6	0.6	125.3	1.6
ILM Malaysia ¹	175.4	1.9	-	-	-	-
Foreign Projects	109.6	1.2	70.4	0.8	22.2	0.3
Total Revenue from International Sales	435.3	4.7	234.2	2.5	209.7	2.7
Total Sales Revenue	9,174.2	100.0	9,236.1	100.0	7,657.1	100.0

Remark : ¹ Discontinued ILM Malaysia since September 2018 and still in the legal process

Product and Service Type

Nature of the Company’s business is as follows:

•Retailer of Furniture, Home Appliances, Home Accessories, and Electrical Appliances

Products are classified into 4 core products group.

1. Furniture products

- 1.1 The Company has a total of 6 furniture brands, Index Furniture, WINNER, Logica, Trend Design, Younique, and Furinbox, which covers all types of furniture products for home and office use. This furniture is mainly made from particle board and medium density fiberboard (MDF) under the European Standard E1. Furniture under these brands is manufactured from the corporation’s factories and external manufacturers. Furinbox, a brand-new product that was launched in the third quarter of 2020. It is a new concept of ready-to assemble furniture that is affordable, easy to assemble, convenient, and quick which primarily targets mass market customers.
- 1.2 Furniture products under other brands are the STANLEY and HOOKER brands sold in MOMENTOUS stores and BoConcept brands sold in BoConcept stores. These furniture products are imported from abroad in order to fulfill the lifestyle of customers who have higher levels of income.

2. Home Furnishing Products

This covers all types of products needed in the home and there are more than 16,000 items that were handpicked and have modern design under the brand, Index Home. The sales volume for home furnishing ranked second, behind furniture products. There are also brands for babies and kids such as BABY JOURNEY. The Company also distributes leading brands such as UMBRA from Canada and QD LITTLE THINGS which are specifically imported.

3.Mattresses and Bedding Products

The Company distributed mattresses and bedding products in Index Living Mall stores, whether manufactured by the Company or are consignment products. THERAFLEX and WINNER are the Company’s manufacturing brand. As of the end of 2020, the Company is no longer distributing Serta brand after the manufacturing and distribution agreement expired. The Company sells mattresses and bedding on consignment under the brands SEALY, DUNLOPPILO, LOTUS SANTAS, SLUMBERLAND and STEVENS, etc. as well as bedding, pillows, duvets, bolsters and pillowcases under the Company’s brands of Index Home and Catherine Brooks.

Moreover, the Company offers a full range of health and physical sleep-related consultations to promote the sales of mattresses and bedding products in the Sleeping Clinic zone.

4.Electrical Products

The Company gathers a wide range of electrical appliances from leading brands and the Company’s brand in the POWER ONE zone within Index Living Malls. The Company’s electrical brands include CUSINO, small electrical appliances and electric kitchen appliances as well as CAVALLINI, electric home appliances.

The leading electrical appliance brands that the Company sells are Samsung, LG, ELECTROLUX Hitachi, Phillips and SHARP etc.

Distribution Channels can be divided as follows:

1. Retail

The specialty mall is a furniture center for home and office, home accessories, electrical appliances and other home appliances. Sales revenue through retail stores accounts over 70% of the Company’s retail sales. This includes:

- 1.1
- Index Living Mall has 35 branches, 31 branches are standalone stores and 6 branches are in department stores or community malls. The selling area ranges from 3,500 to 18,000 square meters. Another 4 branches are Index Furniture Centers which are located in department stores. The selling area ranges from 530 to 3,300 square meters. Besides furniture and home furnishing, Index Living Mall also offers other services that respond to home related issues such as Design & Build by Index Living Mall, a design and decoration service as well as Index Home Service that offers delivery and installation services for electrical appliances for home lovers. This includes wallpaper and curtain installation services, moving services, interior design services, electrical appliance cleaning services, house cleaning, electrical appliance delivery and installation services. This also includes other services by specialists such as inspection and renovation services within residences to promote and support a full range of furniture product distribution.

List of Index Living Mall branches

Number	Branch	Province	Store Name
Bangkok and Vicinities			
1	Seacon Srinakarin	Bangkok	Index Furniture Center
2	Central Bangna	Bangkok	Index Furniture Center
3	The Mall Bang Khae	Bangkok	Index Furniture Center
4	Rangsit	Pathumthani	Index Living Mall
5	Bangna	Bangkok	Index Living Mall
6	Ekkamai	Bangkok	Index Living Mall
7	Bang Yai	Nonthaburi	Index Living Mall
8	Rattanathibet	Nonthaburi	Index Living Mall
9	Fashion Island - Ramintra	Bangkok	Index Furniture Center
10	Ratchapruek	Bangkok	Index Living Mall
11	Kaset Nawamin	Bangkok	Index Living Mall
12	Mahachai	Samut Sakhon	Index Living Mall
13	Chaengwattana	Bangkok	Index Living Mall
14	Nakhon Pathom	Nakhon Pathom	Index Living Mall
15	Rama 2	Bangkok	Index Living Mall
16	Bang Kruai-Sai Noi	Nonthaburi	Index Living Mall
17	Chaiyapruek	Nonthaburi	Index Living Mall
Central Region			
18	Phitsanulok	Phitsanulok	Index Living Mall
19	The Walk Nakhon Sawan	Nakhon Sawan	Index Living Mall
Western Region			
20	Hua Hin	Prachuap Khiri Khan	Index Living Mall

Number	Branch	Province	Store Name
Eastern Region			
21	Chonburi	Chonburi	Index Living Mall
22	Pattaya	Chonburi	Index Living Mall
23	Rayong	Rayong	Index Living Mall
24	Chachoengsao	Chachoengsao	Index Living Mall
25	Chanthaburi	Chanthaburi	Index Living Mall
Northeastern Region			
26	Ubon Ratchathani	Ubon Ratchathani	Index Living Mall
27	Udon Thani	Udon Thani	Index Living Mall
28	Khon Kaen	Khon Kaen	Index Living Mall
29	Nakhon Ratchasima	Nakhon Ratchasima	Index Living Mall
30	Surin	Surin	Index Living Mall
Northern Region			
31	Chiang Mai	Chiang Mai	Index Living Mall
Southern Region			
32	Phuket	Phuket	Index Living Mall
33	Hat Yai	Songkhla	Index Living Mall
34	Suratthani	Suratthani	Index Living Mall
35	Nakhon Si Thammarat	Nakhon Si Thammarat	Index Living Mall

- 1.2
- Trend Design stores have launched for more than 10 years to expand the product range in order to meet the needs of customers in premium mass to premium segments. They sell high quality furniture in classic modern Italian style. The Trend Design stores are located in 6 different branches of the Index Living Mall. They are clearly separated from the Index Living Mall. The selling area ranges between 240.0 to 502.0 square meters.
- 1.3
- MOMENTOUS is a multi-brand living store that sells an American luxurious style which includes real wood furniture, decorative lamps and more than 200 imported home furnishings from leading brands such as HOOKER STANLEY, etc. Momentous is located on the 3rd floor of Siam Paragon Department Store. The area is approximately 436 square meters.
- 1.4
- BoConcept is a Danish furniture store franchise under the concept of urban Danish design that focuses on furniture designed in a minimalist style. BoConcept has 2 branches located on the 3rd floor of Siam Paragon Department Store with a selling area of 464.0 square meters.
- 1.5
- WINNER is a small furniture shop under the COCO model (Company Owned Company Operated). One branch was launched in Ratchaburi province.

2. Project Sales

The Company distributes products for both domestic and international projects which are mainly made to order products under the Company’s brands and non-branded products. The project sales are divided into:

- 2.1
- Home projects which are mainly for home furnishings, condominiums, hotels and restaurants. The Company manufactures prefabricated metal stairs, and mezzanine work. This service covers production and installation. The Company has been well-received by large real estate customers in Thailand.
- 2.2
- LogicaProject such as desks, chairs, lockers, sofas, which covers production and installation. The main customers are architects, designers, private companies, hospitals, educational institutions, government agencies and medium-sized state enterprises.

3. Domestic Dealers

The Company has small and large dealers that have selling areas that range between 240.0 to 1,700.0 square meters by dealers who mainly sell Winner brand products. Target customers that purchase products through dealers are homeowners in the vicinity who prefer products that have good value and are simple, which is in accordance with the concept of the brand WINNER. Currently, the Company has 25 domestic dealers in major cities and secondary cities.

4. Online Sales

Online distribution channels are divided into:

- 4.1 The website www.indexlivingmall.com gathers furniture, home appliances, home decoration accessories, and all electrical appliances in one place and also has a Virtual Store to support online visits and shopping through the website.
- 4.2 Selling products through Line “Index Chat to Shop”, “Facebook Live”, and “Facebook Messenger” to support the behavior of Thai consumers' who use social media applications to communicate. This is another online product distribution channel that continues to expand.
- 4.3 Selling products through MarketPlace and other platforms such as Lazada, Shopee, JD Central, and NocNoc.com in order to cover the possible growth of online customers.

5. International Distribution

The Company foresaw growth opportunities in retail furniture and home furnishing in overseas markets. This allowed the Company to collaborate with well-experienced operators to sell furniture and home furnishing products in each country. International distribution channels are divided as follows:

- 5.1 Overseas retail Stores in the form of a franchise business. These are full-scale Index Living Mall franchised stores that have the same in-store management like the stores in Thailand.
- 5.2. Original Equipment Manufacturers (OEM) and trading: The Company manufactures made to order products which includes furniture and home furnishing without any branding for foreign customers in South Korea, Japan, European countries, the Americas, etc. This includes selling the Company's brands such as Index Furniture and Winner to foreign customers as well.
- 5.3. Project sales: The Company began overseas project sales in 2016. This includes home and office designs, either in the form of purchasing products or purchasing products with installation services. The Company has networks in many countries through the storefront of franchises and dealers as well as direct customers.

• Rental and Retail Space Service Business

The Company conducts a rental and retail space service business by itself and through The Walk Company by combining the strengths of the retail furniture business and the retail space business as a strategy to attract

customers to visit Index Living Mall. The rental and retail space service business are divided into the following 4 categories:

- (1) **The Walk or mini community malls** : Retail space within multistory buildings. The Company selects various stores that are complete and meet the target lifestyle. This includes Index Living Mall, supermarkets, restaurants, cafes, shops, and banks that have convenient parking for customers who use the service. In 2020, there were three branches, Ratchaphruek, Kaset Nawamin, and Nakhon Sawan, with the total area of 48,000 square meters.
- (2) **Little Walk or small community malls** : Retail space in one-story buildings which features convenient access. This includes drive-throughs and a short distance from the parking lot to the shop. At the end of 2020, there were two branches in Bangna and Pattaya. The total area accounts to 8,800 square meters.
- (3) **Index Mall** : A large retail space within the Index Living Mall building in a standalone format that increases opportunities and attracts people to visit and shop at Index Living Mall. At the end of 2020, there were four branches in total at Bang Yai, Rama 2, Bang Na and Chaiphruet. The total area is approximately 16,000 square meters.
- (4) **Retail space within the Index Living Mall** : A retail space in the Index Living Mall is smaller than the current Index Mall. The Index Living Mall has retail space in 11 branches which is approximately 108.0 to 1,000.0 square meters to rent. The total area is approximately 2,900 square meters.

The Company increased channels to generate income by purchasing a franchise of Amazon and opened for service at The Walk Kaset Nawamin branch in June 2020 to supplement beverage services in the retail space and to attract consumers to use services within the branch in another way.

• Other Businesses

The Company offers a small restaurant and beverage service under the brand Kafé that aims to serve snacks and beverages to customers who shop at Index Living Mall. The Company is planning to change this business model to better meet the needs of customers in the future. There are currently 12 Kafé stores in Index Living Malls.

Market and Competitive Environment

The Company operates in a highly competitive furniture market where there are numerous operators, most of which are small operators and a few of large operators. Generally, the competition is in the form of functionality, price, quality of products, and services through the operators' brands. Products are distributed through various sales channels, both in retail stores, dealers, project sales, online sales etc.

The major furniture operators in Thailand are as follows:

- SB Furniture Group, SB Furniture and Konzept brands are the main product brands that focus on unique, modern and multi-functional furniture.
- Ikano (Thailand) Company Limited, IKEA is the main product brand that focuses on Do It Yourself (DIY) furniture.
- Modern Form Group Public Company Limited, MODERNFORM is the main product brand that focuses on office furniture and their target group is project owners.
- East Coast Furnitech Public Company Limited has a variety of brands such as ELEFA, Finna House, Fur Direct, Leaf, etc. They mainly focus on furniture made from particleboard and rubber and the main target group is international customer groups and large retailers. These are customized and made to order products.
- Chic Republic Public Company Limited, CHIC and RINA HEY are the main product brands that emphasize elegant, cool, and chic furniture. The target customers are middle to upper level customers.

However, over the past year, the Company was managed by professional executives and a well-experienced management team in the retail industry, and the furniture and home decoration industry. The Company focused on creating unique features for each brand in order to get customers to remember the Company's products. The Company has a variety of quality products that meet every lifestyle through various distribution channels that covers all customer groups, both domestically and internationally. This includes integrated marketing communication which covers a variety of communication channels, both online and offline, in order to effectively communicate with target groups and provide integrated services through various strategies. They are as follows:

1. Branch Expansion Strategies in Thailand

1.1. New Branch Expansion

In the past, the Company's strategy was to expand its business in Thailand through new branch expansion at the concentrated areas of customers who have high purchasing power. However, due to the COVID-19 pandemic the Thai economy slowed down, private and household consumption continued to shrink. Therefore, the Company adjusted its strategy by suspending new branch expansion and carefully considering and postponing projects that required high investment budgets. This was done in order to maintain liquidity in business operations. The Company also renovated old branches, arranging new product zones and provided space to place and display products that are of interest. This included organizing marketing activities and sales promotions that attract more customers to visit and purchase products in stores more. The Company has to carefully and circumspectly consider investments of launching new stores in the future.

1.2. Business Expansion through Growing Sales Channels

The closure of all Index Living Mall stores during the country lock-down caused the disruption of the Company's main sales channels for more than two months. The Company turned the crisis into an opportunity by immediately expanding the market and customer groups through online sales channels. The Company mobilized employees from branches and related departments to develop systems and support online sales channels in order to respond to the orders from increased number of customers and create good experiences for customers and provide convenience with a quick service through the website www.indexlivingmall.com, the Marketplace website, and other leading platforms, as well as every social media sales channel.

As a result, online sales grew exponentially. The Company formulated online marketing strategies to motivate customers to continually purchase the Company's products and penetrate new online customers. The Company also strengthened its potential online market by collaborating with NocNoc.com, the leader in online marketplace for building materials and home decoration products in order to enhance the Company's potential of Home Living products on the online platform and support the growth of online sales.

1.3 Business Expansion through Cooperation with Strategic Partners

The Company saw opportunities to expand its business through partnering with strong business partners in order to expand the developed business model without having to invest in launching standalone branches such as Younique, a custom-made furniture brand. The Company used cooperative strategies with business partners such as SCG (the innovative house leader) and Boonthavorn Ceramic Company Limited (the business center leader of decorative materials, tiles, sanitary ware, bathroom, kitchen and home decorations) in opening showrooms “Younique Customized Furniture, innovative customized furniture made as you desire at the SCG Experience Buildings and Boonthavorn stores, respectively. This enlarges the opportunity to expand showrooms in other branches in the future. In addition, the Company also collaborated with Landy Home (Thailand) Company Limited, the number 1 home builder center in Thailand, to expand Younique’s customers target by penetrating customer groups who are building new houses that have a high demand for furniture and home furnishing as well as a high purchasing power.

2. Business Expansion Strategies Overseas

The Company intends to work with existing trade partners in each country in order to look for branch expansion opportunities in strategic areas and develop operational management to have sustainable and stable growth. This includes seeking trade partners in new countries, especially in Southeast Asia where the Company sees growth potential in the macro economy and furniture retail businesses such as in Vietnam, Myanmar, Indonesia, etc. The Company also had an opportunity to expand its business in terms of operating equipment manufacturers (OEM) to more customers from the United States as a result of the US Trade War with China.

3. Product Development and New Innovation Strategies

Due to the economic slowdown, the Company considered adjusting the product development plan to procure new products that support the shrinking purchasing power of consumers because they are more careful in their spending by focusing on affordably priced products and adjusted product assortments that are necessary and meet the needs of customers and markets even more, especially home offices, kitchens, and home decoration products in order to improve and organize homes. This is a product group that had a good sales percentage

during the lockdown period in Thailand. The Company also gave importance to keeping a balance between existing customer base and attracting new customers to shop in the Company’s stores. Since the needs of customers change all the time, the Company must develop products to keep up with these changes and meet the needs directly. The product development team and the marketing team study domestic and international furniture market trends as well as future lifestyles. They also collaborate with the commercial team who manages store operations because the commercial team knows the current customer behavior of the Company. Customer feedback is used as information to design and procure new products. Some new products are developed from existing products so they are more beneficial and some have different designs to meet future needs. The marketing team carries out the marketing plan for new products in accordance with the laid-out concept and closely monitors the marketing situation to be able to adjust plans in a timely manner.

In addition, the Company focused on cost management in production by improving the efficiency of its subsidiary manufacturing factories, seeking furniture and home decorations both domestically and internationally in order to be able to meet the needs of customers at a low cost and be able to compete. Since the furniture business is a competitive business, in terms of prices for worldwide furniture manufacturers, such as China and Vietnam, the Company plans to adjust its production line to be automated by increasing the efficiency of machines, developing software and purchasing new machines that can modify production so that it can produce products in smaller batches. As a result, the Company can manage raw materials and inventory at a lower level.

4. Sales and Service Strategy

The concerns regarding the spread of COVID-19 affected the confidence of using services and shopping in retail stores. The Company paid attention to the safety of customers’ health who came to purchase furniture, home appliances and home furnishings at every branch of Index Living Mall and The Walk, nationwide. The Company emphasized the importance of cleaning and disinfecting various areas and instructed employees to wear protective masks while serving customers in order to help customers be worry-free and prevent the cause of health problems. In terms of sales and services at storefronts for retail customers and project customers, the Company paid attention to the development of salespeople and

employees that directly serve customers. Employee training was arranged to train employees in accordance with the sales and service management policies and acknowledge the details on a variety of products in order to make effective presentations to customers and ensure that consumers receive the same service standard from employees in every branch. In addition, the Company set up a commission structure based on the sales performance and service quality evaluation to motivate employees.

The training program for the Company’s salespersons and installation staff include (1) Orientation Programs, to help employees understand their duties and responsibilities as well as the practice guidelines for employees in each position. (2) Product Knowledge Training (3) Functional & Soft Skill Training, this course is designed in accordance with each line of work to effectively improve work performance (4) Leadership Development Program, a supervisor training program, to ensure that employees have knowledge and appropriate leadership skills (5) Personnel Development Program, for franchisees and overseas dealers so they have the same quality standard as the Company’s branches.

5. Pricing and Marking Up Price Strategies

Pricing involves product costs, related expenses, brand positioning, and the market price of similar products. For imported products, the Company will take into account the changes in exchange rates and other related expenses such as import taxes, shipping costs, etc., in order to determine product pricing. In this regard, product pricing for each distribution channel, domestically and internationally, will be managed by a team that is responsible for sales in each channel. The mid-price for products sold in Index Living Mall is used as a reference price. Discounts and sales promotions will be made in accordance with the executive’s policies to ensure that prices are appropriate and competitive in regards to the image and type of product that meets the desires of each customer group. The Company also followed up with sales volume and customer feedback regarding various products on sale and considered pricing on a regular basis. The Company has a marketing plan to have appropriate promotions in each period. This includes special clearance management for slow-moving stock and products that will no longer be purchased or manufactured. In addition, the Company also gave importance to purchasing management in order to

ensure that products have a reasonable cost and there are enough products for sale. This included monitoring inventory management services closely in order to reduce inventory levels to be at an appropriate level through various measures. This significantly reduced the problem of slow-moving products and created liquidity for the Company.

6. Marketing and Sale Promotional Strategy

The Company has marketing policies and strategies to make the general public remember the identity of Index Living Mall brand and the various brands of the Company as intended. This includes creating a desire to purchase the Company’s products. Therefore, the Company is committed to creating marketing strategies that will attract customers who visit the store and purchase products, both online and offline, or online links for customers to keep shopping at the branch in order



to have a real-life experience, pass it on, continue to use the product, reuse, and repurchase. This includes marketing through various channels in the most effective way that is appropriate for each target customer group.

Product Sourcing

1. Furniture, Home Appliances, Home Accessories, and Electrical Appliance Business

The Company starts finding furniture and home furnishing products to sell through the Company’s retail stores after creating a sales forecast for the next year between August and September of each year. This is done by considering the following factors: (1) the sales volume over the past 1 to 2 years (2) growth rate (3) sales promotions for that year and (4) economic conditions and demand trends for furniture and retail trade in order to plan the amount and the time to order products from the Company and trade partner manufacturers. The Company reviews order planning on a monthly basis and preorders products with trade partners in accordance with the lead time and the minimum order quantity, as specified by the trade partner.

In addition, the Company classifies products into 4 main periods, namely, Summer between March and July, in Fall between August and October, in the Festive season between November and December, and in Spring

between January and March each year. The trading team, product development team, and the marketing team jointly plan product sourcing to acquire new products at the end of every season. The Company takes 4-6 months to procure new products beginning with the study of production demand.

Manufacturing Plants and Production Capacity

As of December 31, 2020, the Company’s manufacturing plant operated by IDF located at Mahachai area in Samut Sakhon, has an estimated area of 160,000 square meters, and 1,262 employees. The main manufactured products are (1) home furniture such as closets, beds, cabinets, home entertainment cabinets, lockers, and tables made from particle board and medium density fiberboard. Customers can choose materials for the top layer and sofas (2) built-in furniture (3) office furniture (4) kitchen sets (5) steel furniture such as chairs and prefabricated stairs (6) mattresses. Currently, the company’s manufacturing plant still has sufficient production capacity to support the Company’s growth plans. The highest production capacity, the actual production volume, and the total capacity utilization rate of the Company with the monthly average rate are as follows:

Number	Item	Maximum Production Capacity ¹	Actual Production Volume ²	Capacity Utilization Rate ²
Home Furniture				
1	Wardrobe	8,000 pieces	3,738 pieces	47 percent
2	Bed	8,000 pieces	5,106 pieces	64 percent
3	Home Entertainment Cabinet	12,000 pieces	2,485 pieces	21 percent
4	Cabinet and Locker	12,000 pieces	13,056 pieces	109 percent
5	Table	6,000 pieces	3,232 pieces	54 percent
6	Wooden Table	8,000 pieces	5,299 pieces	66 percent
7	Sofa	2,000 pieces	1,837 pieces	92 percent
Built-in Furniture				
8	Built-in Furniture	4,200 pieces	708 pieces	17 percent
Office Furniture				
9	Desk	4,000 pieces	1,196 pieces	30 percent
10	Storage Cabinet	5,200 pieces	1,490 pieces	29 percent
11	Partition	500 pieces	141 pieces	28 percent
Kitchen Sets				
12	kitchen Set	8,000 pieces	4,615 pieces	58 percent
Steel Furniture				
13	Chair	7,000 pieces	2,269 pieces	32 percent
14	Prefabricated Stairs	200 pieces	248 pieces	124 percent
Mattress				
16	Mattress	4,000 pieces	2,577 pieces	64 percent

Note: The maximum production capacity is calculated from the maximum monthly production capacity for working 3 shifts per day, and the plant is open for operation 6 days per week. The maximum production capacity in 2020 decreased approximately 65% from the year 2019 due to machine streamlining, reducing of production lines, disposal of old machinery, and having new machinery for more automated production lines in order to increase production efficiency and reduce production costs. Presently, the number of production plants has reduced from 7 to 3 production plants.



In 2020, the Company improved the factory’s manufacturing process by using new innovative machinery from Germany that has fully automated technology in order to increase production efficiency and be able to produce smaller batches.

Raw Material Management

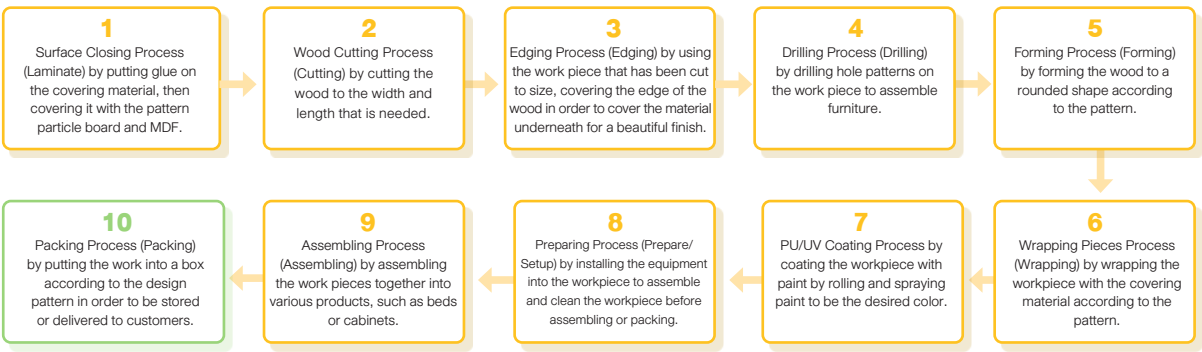
The merchandising team is responsible for sourcing raw material. The procurement of raw materials will be considered by the merchandising team based on the sales order of the product 1 month in advance, the inventory in the distribution center and the factory’s production plan. The selection of raw material suppliers requires comparison of two to three trade partners. Consideration is based on key factors such as the quality of the raw materials, punctuality, price, payment conditions, etc. In the case that one supplier has specific raw materials that other suppliers do not have, the Company will negotiate the price with the supplier by referring to the price that the Company has bought in the past or the market price of the similar raw materials. In addition, to ensure that the quality and quantity of raw materials are in accordance with the purchasing order, the raw material and supply department will count the number of raw materials that were ordered and the quality control department will randomly inspect the quality of the raw materials in accordance with the MIL STD-105E Standard, an international standard for inspection.

For products manufactured by the Company’s factory, raw material costs are the most important proportion of the Company’s cost of sales. The raw material cost accounts for 67.5% of the cost of sales for products manufactured by IDF for the fiscal year that ended on December 3, 2020. The main raw materials used in production are particle board and medium density fiberboard (MDF), steel edges, glass, top layer materials, leather, fabrics, and fittings such as handles, hinges, spring, drawer rails, etc. However, these raw materials can generally be acquired from many raw material suppliers both domestically and internationally. For the fiscal year that ended on December 31, 2020, the Company’s imports of raw materials from foreign countries represented 10.8% of IDF’s raw material purchase amount which was paid mainly in US dollars.

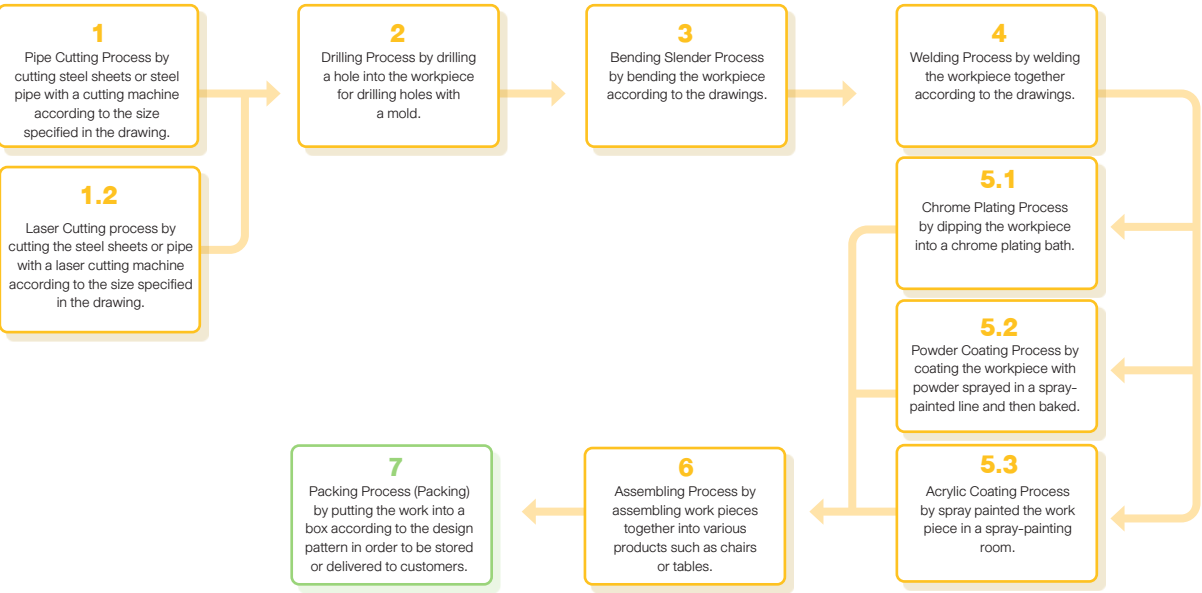
In addition, the purchase of raw materials from the top 10 suppliers was equal to 44.4% of the purchase value of raw materials to produce products from the Company’s factories for the fiscal year that ended on December 31, 2020. In addition, the Company did not depend on any one raw material supplier for more than 30.0% of the total purchase order value according to the consolidated financial statements. The Company has maintained good relationships with the main raw material suppliers and many suppliers for a long time to prevent a shortage of raw materials that may occur and/or significant price increases, disruptions in production processes and/or increases in raw material prices.

Production Process

The furniture production process from particle board and medium density fiberboard (MDF).



Steel Furniture Production Process



Product Sourcing from Vendor or External Manufacturers

The purchased products from vendors or manufacturers are products that the Company has designed and the manufacturer's copyrighted products. Most home furnishing products and electrical appliances are the Company's brand. The product development department selects product manufacturers by comparing at least three manufacturers based on the following key factors: (1) product quality (2) production costs (3) minimum order quantity (4) reliability and (5) the potential to be the main, long-term manufacturer. The Company will not consider every criterion when the products require specialized raw materials with certain specifications, the manufacturer's copyrighted products, and repeat ordered products from the vendor and manufacturer that passed the selection process. The quality control team will randomly inspect products from every order. The product development team, the product management team, the merchandising team, and the import team will jointly evaluate the performance of the vendor or manufacturer each year in order to consider areas of improvement and decide whether or not to continue to hire these vendors or manufacturers.

Product Sourcing from Brand Owners

Sourcing products from the brand owner is divided into two categories: outright sale and consignment. For BoConcept brand furniture and MOMENTOUS furniture such as HOOKER and STANLEY, etc., the Company directly imported these products from the brand owner with an outright sale at a specified mid-price and mainly paid in US Dollars. The Company chooses products from that brand's catalog by taking into account the demand trends of the customer. Similar to the electrical products of leading brands, the Company purchased an outright sale from the brand dealers in Thailand.

Consignment products are mainly distributed in the Company's retail stores. These include mattresses, bedding, carpets, wallpaper, etc. The Company will receive a proportion of the gross sale for commissions, rebate fees and other supports as agreed upon with each trade partner. However, the purchasing or restocking of products will be discussed between the Company and the trade partner. If the said product has a slower turnover rate than the Company expected, the Company will return the consignment products to the trade partners immediately.

The purchase order from the top 10 vendors or third-party manufacturers was 27.4% of the order value of Index Living Mall for the fiscal year that ended on December 31, 2020, respectively.

In addition, the Company ordered products from vendors or external manufacturers overseas which accounted for 13.7% of the purchase order of Index Living Mall for the year that ended on December 31, 2020. The Company imported the said products from China and paid in US Dollars.

Inspection, Storage and Distribution of Products

Currently, the Company has 3 distribution centers which are the Bang Bon Distribution Center, the Ekachai Distribution Center, and the Bang Kadi Distribution Center which have a total storage area of approximately 110,870 square meters. The Bang Bon and Bang Kadi Distribution Centers are the main distribution centers that distribute the products to the Company's retail stores all over Thailand. This includes customers who purchase products from branches in Bangkok and its vicinities (except Nakhon Pathom). The Ekachai Distribution Center stores electrical goods for delivery to retail stores and spare products for further delivery to the Bang Don Distribution Center. The Company acquired quality and standardized equipment to control, track and transport products as well as developed personnel and operational processes to be effective to ensure that the products that are delivered to the distribution centers meet the quantity and quality of the order. This is done by inspecting every product to check if any are broken or damaged and make a random inspection for other products as well. The Company has a storage management system that results in minimal damage and minimal loss. This includes accurate and fast product delivery. The Company set a minimum acceptable loss rate at 0.04% of the total number of products that are stored in the distribution center.

In addition, the product delivery process is divided into 2 categories. These are (1) Direct delivery and installation by the distribution center for customers of Index Living Mall stores in Bangkok and its vicinities (except the Nakhon Pathom branch), and (2) Delivery and installation by the Company's branches for branches in other provinces. The Company has a transportation plan for each delivery so that the number of products can be delivered to customers appropriately and effectively by taking into account various factors such as the delivery time specified by the customer, location, route, time of installation, etc. In addition, products are installed

by professional teams that have been trained by the Company. As a result, the installation is quick and leaves few mistakes.

Storefront Management

The Company's retail stores will store products in accordance with different types and quantities of the products inside the stores. The number of products for branches in Bangkok and its vicinities (except the Nakhon Pathom branch) is less than other branches and are mostly home furnishing products because furniture and other products are delivered directly from the distribution center to the customer. In addition, the Company has a system to control the restocking of products in the storefront by taking into consideration the average sales in the past.

In this regard, Index Living Mall may transfer products between branches if it is urgent or necessary. For example, a particular branch that has a small number of products or a product sells particularly well makes a request to transfer products from a branch that has a large amount of the said product, transfer products back to the distribution center when the sales promotion is over, the product is damaged and transferred products back to the vendor when the sales promotion is over, the product is no longer available for sale, and products are changed or damaged.

2. Rentals and Retail Space Service Business

Area Procurement and Project Development

The main factors that the Company considers in finding a location for the community mall is density, the purchasing power of the population, the number of shopping malls and community malls nearby, ease of travel and access to stores. This includes a customer behavioral analysis in order to design floor plans and shopping zones that meet the needs of customers.

After the plan and building design are finished, the Company will select a contractor in accordance with the construction procurement policy by comparing the qualifications of contractors based on the main factors which include quality, price, delivery time and reliability so that construction is punctual and in accordance with the plan, and the estimated investment. The construction department will monitor and supervise on a regular basis. It takes approximately 12 to 18 months from finding a location until the project development is complete.

Procurement of Tenants

In the initial planning phase to build an Index Living Mall or community mall, the Company will create a retail space to be in balance with the location, in terms of the area size and tenants’ types of business. The Company will explore the need for retail space from the operators who have rented the retail space in other branches and prospective tenants. The important factors that the Company considers when choosing tenants include, (1) complimentary business with Index Living Mall (2) diverse types of businesses such as restaurants, cafes, tutoring schools, etc. If a community mall has a large retail space such as the Walk or Little Walk, supermarkets will attract people to walk in the community mall (3) stores that have a strong customer base in order to increase the chances of survival of the stores, and (4) businesses that attract people to walk in the mall.

After that, the Company will negotiate the rental fees, terms and conditions in the lease agreement with each

tenant since the project has been designed. In addition, during the rental period, the Company focuses on building good relationships and offers help to every tenant equally.

Retail Space Management

Systematic and efficient retail space management is another important factor that helps to maintain the same tenants and attract new tenants. The Company has arranged a proper retail space zones, selected a variety of stores, and provided complete facilities. This includes parking lots, elevators, escalators and toilets that are sufficient for the number of users. In addition, the Company regularly maintained and improved public utilities and buildings so that they were safe and in good condition with continuous use. The Company had regular discussions and inquired about the satisfaction and advice of tenants. A meeting with tenants is held every year.

Tax Incentives

Person Promoted	Index Interfurn Company Limited
Promotion Approval Date	October 3, 2017
Promotional Certificate Issuance Date	May 23, 2018
Type of Business	Manufacturing of furniture, parts, and mattresses, an improvement in production efficiency for the use of alternative energy.
Essence of Benefits and Conditions	<ul style="list-style-type: none">A corporate income tax exemption on net income derived from the promoted business for a total of no more than 50% of the investment value in order to improve production efficiency. This does not include land and working capital for a period of 3 years from the date of receiving income after receiving the promotional certificate (the said investment is expected to be worth approximately 123.7 million Baht).An exemption of corporate income tax from Dividends that derives from the promoted businessAn exemption on an import duty on machinery as approved by the Board. It must be imported by May 23, 2021.Must have paid-up registered capital of no less than 960.0 million Baht.The size of the business has the following production capacity:<ul style="list-style-type: none">Furniture and parts – approximately 1,950,000 sets per yearMattresses – approximately 60,000 per year (10 hours per day; working time 300 days per year)Establishment of a factory in Samut Sakhon province. It must not be in a restricted area according to the announcement of the province’s provincial town plan. It was permitted by the Ministry of Industry or related government agencies that within 15 years from the date of operation the factory cannot be moved to another location.The quality of manufactured or assembled products must be incompliance with international standards. If standards are announced under laws regarding industrial product standards, the Company must proceed to obtain a license to display the standard symbol from the industrial product standards Committee as well.

Note: IDF started to use the above tax privileges beginning in the first quarter of 2019.

Tax Incentives

Promotion Approval Date	Index Interfurn Company Limited
Promotional Certificate Issuance Date	January 14, 2019
Type of Business	March 15, 2019
Essence of Benefits and Conditions	Production of Furniture, Household Furnishings or Parts with an Automated System or Robots
Promotion Approval Date	<ul style="list-style-type: none">A corporate income tax exemption for net profit derived from the promoted business for a total of no more than 50% of the investment for automation or robots for a period of 3 years from the date of the first earning revenue from business.An exemption on corporate income tax from dividends that were derived from the promoted business.An exemption from import duties on machinery which was approved by the Board of Directors. This must be imported by September 15, 2021The size of business has a production capacity of 500,000 sets of furniture per year (24 hours per day/300 days/per year.Investment size (excluding the cost of land and working capital) is no less than one million Baht.A corporate income tax exemption with a value not exceeding 60 million Baht. This will be adjusted according to the amount of investment for the real automation or robot on the day of operation.Must operate to obtain an ISO 9000 or ISO 14000 certificate of other international standard equivalent within two years from the fully operational start date.Must use automation systems or robots in production or services in accordance with the approved investment plans.Establish a factory in Samut Sakhon province. It must not be in a restricted area according to the announcement of the province’s provincial town plan. It was permitted by the Ministry of Industry or related government agencies that within 15 years from the date of operation the factory cannot be moved to another location.

Environmental Impact

The Company focused on providing quality and diverse products to customers as well as caring for the environment. The Company paid attention to having preventive measures and controlled the effect of the Company’s business operations. Over the past years, the Company always complied with the environmental rules and regulations. The main production waste includes waste water, certain chemicals, wood chips, dust, etc. The Company treated the production waste to meet the required standards before releasing any water from the factory or hired a waste processor, as specified by the rules and regulations.

Projects Backlog or High valued work that takes time to deliver

As of December 31, 2020, the Company had a total backlog of 757.7 million Baht The details are as follows:

Number of Project (Project)	Company	Year of Contract	Contract Term	Value
58	Pruksa Real Estate Public Company Limited	2018-2019	4 months to 3 years	757.7 million Baht
	Supalai Public Company Limited	2019-2020		
	AP Group (Thailand) Public Company Limited	2019-2020		
	CPN Residence Company Limited	2019-2020		
	Serene Property and Development Company Limited	2020		
	Others	2018-2020		

Securities and Shareholder Information

Registered Capital and Paid-Up Capital of the Company

As of January 29, 2021, the Company had registered capital in the amount of 2,525,000,000.00 Baht, divided into 505,000,000 ordinary shares, with a par value of 5 Baht per share. The Company had paid-up capital in the amount of 2,525,000,000.00 Baht. The trade name is “ILM” and there were no shares issued other than ordinary shares.

Shareholders

Fourteen major shareholders (according to the shareholder register as of January 29, 2021)

Number	Shareholder	Amount	Percentage
1.	Krobkrua Thammada Panich Co.,Ltd.	203,310,000	40.259
2.	Mr. Ekaridhi Patamasatayasonthi	35,172,320	6.965
3.	Ms. Kridchanok Patamasatayasonthi	34,509,320	6.834
4.	Miss Pichapim Patamasatayasonthi	34,379,320	6.808
5.	Mr. Ekalak Patamasatayasonthi	34,213,420	6.775
6.	Mrs. Kunthong Udommahuntisuk	21,756,880	4.308
7.	Thai NVDR Co., Ltd.	15,658,433	3.101
8.	Mr. Pisith Patamasatayasonthi	13,400,900	2.654
9.	Mr. Yingyot Udommahuntisuk	7,958,860	1.576
10.	Miss Chonthip Udommahuntisuk	7,003,000	1.387
11.	Miss Chonwadee Udommahuntisuk	7,000,000	1.386
12.	Mr. Ekarat U Udommahuntisuk	7,000,000	1.386
13.	KKP SMALL AND MID CAP EQUITY Fund	3,379,500	0.669
14.	KKP Retirement Mutual Fund	3,287,500	0.651

Distribution of Shares by Nationality

The distribution of shares by nationality for Index Living Mall Public Company Limited, as of the closing date of the book of major shareholder's registration (XO) on January 29, 2021.

Shareholder	Total Shares			Legal Entity			Individual		
	Number (people)	Number (shares)	Percent (%)	Number (people)	Number (shares)	Percent (%)	Number (people)	Number (shares)	Percent (%)
Thai	3,218	503,113,300	99.63	39	235,666,690	47.34	3,179	268,955,110	52.29
Foreign	13	1,886,700	0.37	1	62,700	0.33	12	315,500	0.04
Total	3,231	505,000,000	100.00	40	235,729,390	47.67	3,191	269,270,610	52.33

Issuance of Other Securities

-None-

Dividend Payment Policy

Dividend Payment Policy of the Company

The Company has a policy to pay dividends to shareholders at the rate of no less than 50% of the net profit in accordance with the consolidated financial statements of the Company after corporate income tax and deducting various types of reserves that are required by law and the Company each year. The Board of Directors will consider the payment of dividends by considering various factors that benefit the shareholders. These include economic conditions, operating results, the financial position of the Company, cash flow, reserve funds for future investment, reserves to pay off loans or working capital within the Company. The terms and conditions stipulated in the loan agreement and the payment of dividends do not have a significant impact on the normal operations of the Company and are in accordance with what the Board of Directors deems appropriate or suitable.

2020 Dividend Payment Information

Date of the Shareholders’ Meeting: July 1, 2020

Date of Dividend Payment: July 17, 2020

The payment of dividends to shareholders for the period between April 1, 2019 and December 31, 2019 was at the rate of 0.46 Baht per share.

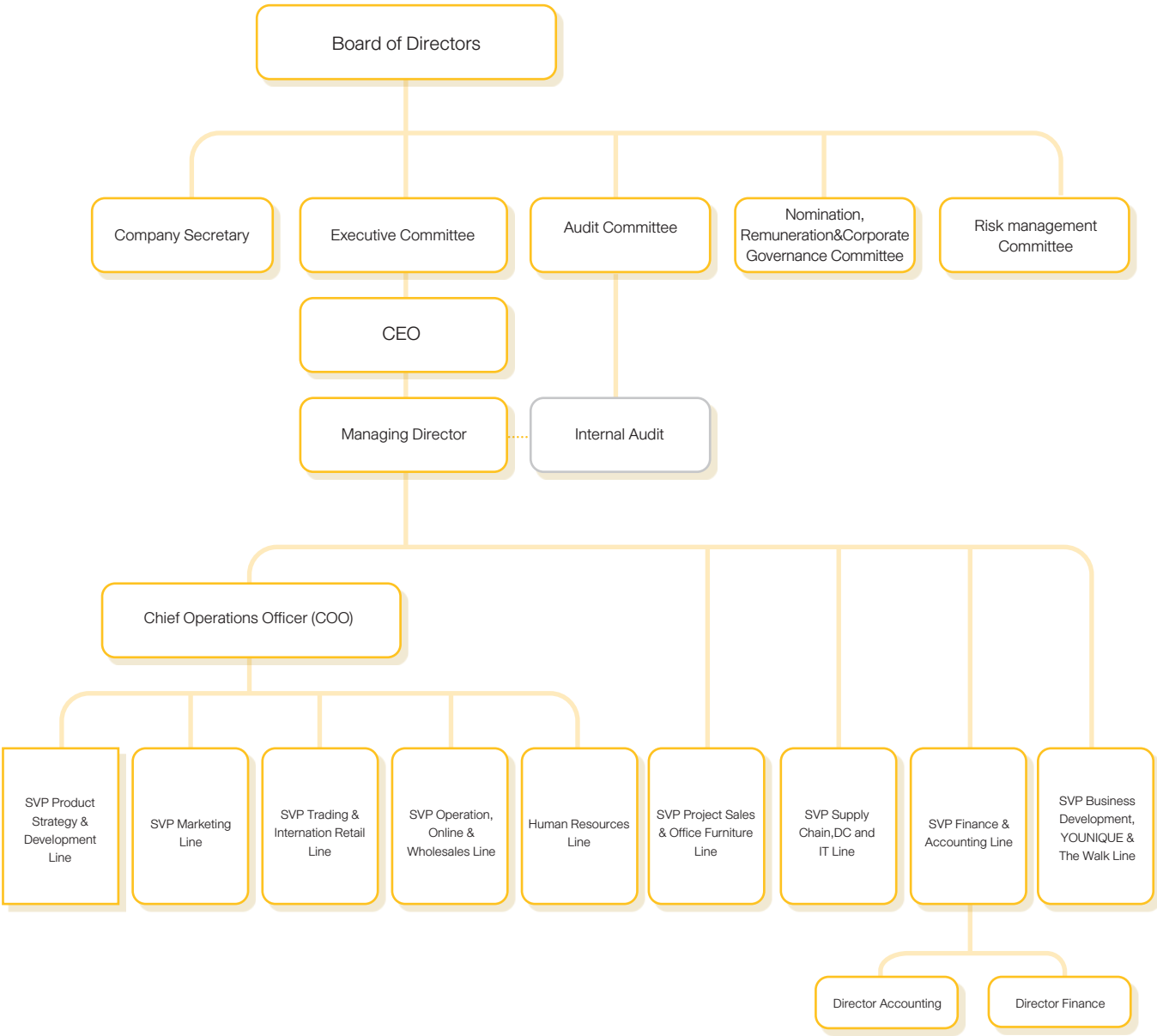
The dividend rate of the net profit of the business that is exempt from corporate income tax (BOI) was at the rate of 0.388 Baht per share. The net profit without corporate income tax was at the rate of 0.072 Baht per share.

The Dividend Payment Policy of Subsidiaries

The subsidiaries have a policy to pay dividends to shareholders at the rate of no less than 50% of the net profit in accordance with the consolidated financial statements of the Company after corporate income tax and deducting various types of reserves that are required by law and the Company each year. The Board of Directors will consider the payment of dividends by considering various factors that benefit the shareholders. These include economic conditions, operating results, the financial position of the Company, cash flow, reserve funds for future investment, reserves to pay off loans or working capital within the Company. The terms and conditions stipulated in the loan agreement and the payment of dividends do not have a significant impact on the normal operations of the Company and are in accordance with what the Board of Directors deems appropriate or suitable.



Organization Chart



Remark: The Company adjusted position and responsibilities of Senior Vice President effective as of July1, 2020

Management Structure

The Company’s management structure consists of 5 committees. These are the Board of Directors, the Audit Committee, the Nomination, Remuneration and Corporate Governance Committee, the Executive Committee and the Risk Management Committee.

1. Type of Committees

The Board of Directors

- As of December 31, 2020, the Board of Directors was comprised of 11 members and consisted of the following components:
- 4 independent directors which accounts for more than one third of the total number of directors. The directors are independent from the Management and any major shareholders.
 - 5 non-executive directors
 - Over the past 2 years, all directors have never been employees, shareholders, or partners of KPMG Phoomchai Audit Company Limited or an external auditor who audited the financial statements of the Company and its subsidiaries.

Names and positions of the Board of Directors

1.	Mrs. Kannikar Chalitaporn	Chairman of the Board
2.	Mr. Pisith Patamasatayasonthi	Director, Chairman of Executive Committee and Chief Executive Officer
3.	Mrs. Kunthong Udommahuntisuk	Director
4.	Miss Kridchanok Patamasatayasonthi	Director, Risk Management Committee, Executive Committee and Managing Director
5.	Miss Pichapim Patamasatayasonthi	Director and Executive Committee
6.	Mr. Ekalak Patamasatayasonthi	Director, Risk Management Committee and Executive Committee
7.	Mr. Ekaridhi Patamasatayasonthi	Director and Executive Committee
8.	Mr. Jirayut Rungsritthong	Independent Director, Chairman of Audit Committee and Nomination, Remuneration & Corporate Governance Committee
9.	Mrs. Pennapha Dhanasarnsilp	Independent Director, Chairman of Nomination, Remuneration & Corporate Governance Committee and Audit Committee
10.	Mr. Adisak Ruckariyaphong	Independent Director, Audit Committee, Chairman of Risk Management Committee and Nomination, Remuneration & Corporate Governance Committee
11.	Mr. Ariya Banomyong	Independent Director
	Mrs. Kanokwanrat Srimaneesiri	Company Secretary

Therefore, information and details of the Board of Directors appear in the Details of Directors, Executives and the Company Secretary.

Directors who have authority to sign on behalf of the Company as specified in the affidavit

The directors who have signatory authority to bind the Company are Mr. Pisith Patamasatayasonthi, Mrs. Kunthong Udommahuntisuk, Miss Kridchanok Patamasatayasonthi, Miss Pichapim Patamasatayasonthi, Mr. Ekalak Patamasatayasonthi, and Mr. Ekaridhi Patamasatayasonthi. Two of these 6 persons shall jointly affix their signatures with the Company seal.

Board Meeting

Number of meetings and number of times each director attended the meeting for the year ended on December 31, 2020 are as follows:

Name – Last Name			Position	Number of Meetings Attended/Number of Meetings
				January 1 – December 31, 2020
1.	Mrs. Kannikar	Chalitaporn	Chairman of the Board	7/7
2.	Mr. Pisith	Patamasatayasonthi	Director	7/7
3.	Mrs. Kunthong	Udommahuntisuk	Director	5/7
4.	Miss Kridchanok	Patamasatayasonthi	Director	7/7
5.	Miss Pichapim	Patamasatayasonthi	Director	7/7
6.	Mr. Ekalak	Patamasatayasonthi	Director	7/7
7.	Mr. Ekaridhi	Patamasatayasonthi	Director	7/7
8.	Mr. Jirayut	Rungsrithong	Independent Director	7/7
9.	Mrs. Pennapha	Dhanasarnsilp	Independent Director	7/7
10.	Mr. Adisak	Ruckariyaphong	Independent Director	6/7
11.	Mr. Ariya	Banomyong	Independent Director	5/7

2. Audit Committee

The Audit Committee is comprised of the following 3 members:

1.

Mr. Jirayut Rungsrithong

Independent Director and Chairman of the Audit Committee
2.

Mrs. Pennapha Dhanasarnsilp

Independent Director and Audit Committee
3.

Mr. Adisak Ruckariyaphong

Independent Director and Audit Committee
4.

Mr. Pisit Opapakorn

Secretary of the Audit Committee

Mr. Jirayut Rungsrithong is an Audit Committee who has knowledge and experience to review the reliability of the Company’s financial statements. (The details regarding the qualifications and experience of the 3 Audit Committee are in Attachment 1. Details regarding the Details of Directors, Executives and Controlling Persons, and the Company Secretary).

Audit Committee Meetings

Number of meetings and number of meetings each Audit Committee attended in 2020 are as follows:

Name – Last Name			Position	Number of Meetings Attended/Number of Meetings
				January 1 – December 31, 2020
1.	Mr. Jirayut	Rungsrithong	Independent Director and Chairman of the Audit Committee	4/4
2.	Mrs. Pennapha	Dhanasarnsilp	Independent Director and Audit Committee	4/4
3.	Mr. Adisak	Ruckariyaphong	Independent Director and Audit Committee	4/4

3. Nomination, Remuneration and Corporate Governance Committee

The Nomination, Remuneration and Corporate Governance Committee is comprised of the following 3 members:

1.

Mrs. Pennapha Dhanasarnsilp

Independent Director and Chairman of the Nomination, Remuneration and Corporate Governance Committee
2.

Mr. Jirayut Rungsrithong

Independent Director and the Nomination, Remuneration and Corporate Governance Committee
3.

Mr. Adisak Ruckariyaphong

Independent Director and the Nomination, Remuneration and Corporate Governance Committee
4.

Mrs. Kanokwanrat Srimaneesiri

Secretary of the Nomination, Remuneration and Corporate Governance Committee

The Nomination, Remuneration and Corporate Governance Committee Meetings

Number of meetings and number of meetings each the Nomination, Remuneration and Corporate Governance Committee attended in 2020 are as follows:

Name – Last Name			Position	Number of Meetingzgs Attended/Number of Meetings
				January 1 – December 31, 2020
1.	Mrs. Pennapha	Dhanasarnsilp	Independent Director and Chairman of Nomination, Remuneration and Corporate Governance Committee	2/2
2.	Mr. Jirayut	Rungsrithong	Independent Director and Nomination, Remuneration and Corporate Governance Committee	2/2
3.	Mr. Adisak	Ruckariyaphong	Independent Director and Nomination, Remuneration and Corporate Governance Committee	2/2

4. Executive Committee

The Executive Committee is comprised of the following 4 members:

1.

Mr. Pisith Patamasatayasonthi

Chairman of the Executive Committee
2.

Ms. Kridchanok Patamasatayasonthi

Executive Committee
3.

Miss Pichapim Patamasatayasonthi

Executive Committee
4.

Mr. Ekalak Patamasatayasonthi

Executive Committee

Executive Committee Meeting

The number of meetings and the number of meetings each executive director attended in 2020 are as follows

Name – Last Name			Position	Number of Meetings Attended/Number of Meetings
				January 1 – December 31, 2020
Mr. Pisith	Patamasatayasonthi		Chief Executive Officer	12/12
Miss Kridchanok	Patamasatayasonthi		Executive Committee/ Managing Director	12/12
Miss Pichapim	ปัทมาศยาสน์		Executive Committee	11/12
Mr. Ekalak	Patamasatayasonthi		Executive Committee	11/12
Mr. Ekaridhi	Patamasatayasonthi		Executive Committee	12/12

5. Risk Management Committee

Risk Management Committee is comprised of the following 3 members:

1.	Mr. Adisak	Ruckariyaphong	Independent Director and Chairman of Risk Management Committee
2.	Miss Kridchanok	Patamasatayasonthi	Director and Risk Management Committee
3.	Mr. Ekaridhi	Patamasatayasonthi	Director and Risk Management Committee
4.	Miss Kanokwanrat	Srimaneesiri	Secretary to Risk Management Committee

Risk Management Committee

The number of meetings and the number of meetings each Risk Management Committee attended in 2020 are as follows

Name – Last Name			Position	Number of Meetings Attended/Number of Meetings
				January 1 – December 31, 2020
1.	Mr. Adisak	Ruckariyaphong	Independent Director and Chairman of Risk Management Committee	2/2
2.	Miss Kridchanok	Patamasatayasonthi	Director and Risk Management Committee	2/2
3.	Mr. Ekaridhi	Patamasatayasonthi	Director and Risk Management Committee	2/2

Executive Management

The executive management is comprised of the following 13 executives:

1.	Mr. Pisith	Patamasatayasonthi	Chief Executive Officer
2.	Miss Kridchanok	Patamasatayasonthi	Managing Director
3.	Mr. Vipol	Vorasowharid	Chief Operating Officer
4.	Mr. Ekalak	Patamasatayasonthi	Senior Vice President — Business Development, YOUNIQUE & The Walk Line
5.	Mr. Nattinai	Yuttapatsak	Senior Vice President of Project Sales and Office Furniture Line
6.	Mr. Kwanchai	Kitkongkajornchai	Senior Vice President — Product Strategy & Development Line
7.	Mr. Somchai	Tosomsakul	Senior Vice President - Operation, Online & Wholesales Line
8.	Mrs. Kanjanawan	Layluxsiri	Senior Vice President - Marketing Line
9.	Mrs. Kanokwanrat	Srimaneesiri	Senior Vice President of Accounting & Finance Line
10.	Mr. Gerard	McGurk	Senior Vice President - Trading & International Retail Line
11.	Ms. Pavaradee	Wichaidit	Senior Vice President of Supply Chain DC and Information Technology Line
12.	Mr. Suchart	Sasivimolvit	Director- Accounting
13.	Mr. Thosak	Kanjananimmnt	Director- Finance

Remark: Title, position and responsibilities of Senior Vice President have been changed effective as of 1 July 2020 onward

Company Secretary

The Board of Directors’ Meeting No. 2018/4, held on March 2018 ,30, appointed Mrs. Kanokwanrat Srimaneesiri to be the Company Secretary in order to comply with the requirements of the Securities and Exchange Act B.E. 2535 (including amendments). 1

The Scope of Duties and Responsibilities for the Company Secretary

- Give preliminary advice to the directors in regards to complying with the laws, regulations, and the Article of Association of the Company. Monitor to ensure compliance and report any significant changes in legal requirements to the directors and executives.
- Monitor and oversee the disclosure information and report related information in accordance with the regulations, notifications and requirements of the Stock Exchange of Thailand, the Office of Securities and Exchange Commission, and the Capital Market Supervisory Board.
- Prepare and keep the following important documents:
 - (น) Director registration
 - (ฎ) Meeting invitation letter for the Board of Directors’ Meeting and the minutes of the Committee Meeting
 - (ฅ) Meeting invitation letter for Shareholders’ Meeting and the minutes of the Shareholders’ Meeting
 - (ง) The Company’s Annual Report
- Keep the directors and executives’ stakeholder’s report and send a copy to the Chairman of the Board and the Chairman of the Audit Committee within 7 business days since the date that the Company received the report.
- Monitor and ensure that the Shareholders’ Meeting and the Board Meetings are in accordance with the laws, Article of Association of the Company and related practices and ensure the compliance with the resolutions of the Shareholders’ Meeting and the resolutions of the Board of Directors’ Meeting.
- Supervise the activities of the Board of Directors and undertake any other matters in order to be in compliance with the law and/or as specified by the Capital Market Supervisory Board and/or as assigned by the Board of Directors

Remuneration for Directors and Executives

The Company determined clear and transparent remuneration for directors which is consistent with the role and responsibilities in overseeing the Company’s operations by considering the suitability and taking into account the maximum benefit of the Company. The remuneration for the directors and executives is as follows:

Monetary Compensation

1) Directors’ Remuneration

The Company has set the remuneration for directors annually. This was approved by the Shareholders’ Meeting. The Annual General Meeting of the Company’s Shareholders for 2020 held on July 1, 2020, approved the remuneration for directors for the year 2020 with the following details:

Position	Monthly Remuneration (Baht/Person/Month)	Meeting Attendance Fee (Baht/Person/Time)
Board of Directors		
Chairman	50,000	30,000
Committee Member	30,000	20,000
Audit Committee		
Chairman	-	30,000
Committee Member	-	20,000
Nomination, Remuneration and Corporate Governance Committee		
Chairman	-	30,000
Committee Member	-	20,000
Risk Management Committee		
Chairman	-	30,000
Committee Member	-	20,000
Executive Committee		
Chairman	-	-
Committee Member	-	-

Comparison of the remuneration of the Company’s directors for the year ended on December 2019 ,31 and ended on December 2020 ,31 are as follows”:

Name – Last Name				Position	End of 2019 (Baht)	End of 2020 (Baht)	Increase/ Decrease
1.	Mrs. Kannikar	Chalitaporn	Chairman of the Board		810,000	790,000	(20,000)
2.	Mr. Pisith	Patamasatayasonthi	Director/Chairman of Executive Committee		500,000	488,000	(12,000)
3.	Mrs. Kunthong	Udommahuntisuk	Director		480,000	448,000	(32,000)
4.	Miss Kridchanok	Patamasatayasonthi	Director/Risk Management Committee & Executive Committee		500,000	508,000	8,000
5.	Miss Pichapim	Patamasatayasonthi	Director & Executive Committee		500,000	488,000	(12,000)
6.	Mr. Ekalak	Patamasatayasonthi	Director & Executive Committee		500,000	488,000	(12,000)
7.	Mr. Ekaridhi	Patamasatayasonthi	Director/ Risk Management Committee & Executive Committee		500,000	508,000	8,000
8.	Mr. Jirayut	Rungsrithong	Independent Director, Chairman of the Audit Committee / Nomination, Remuneration & Corporate Governance Committee		630,000	648,000	18,000
9.	Mrs. Pennapha	Dhanasarnsilp	Independent Director/ Chairman of Nomination, Remuneration & Corporate Governance Committee and Audit Committee		620,000	628,000	8,000
10.	Mr. Adisak	Ruckariyaphong	Independent Director / Audit Committee / Chairman of Risk Management Committee and Nomination, Remuneration & Corporate Governance Committee		600,000	618,000	18,000
11.	Mr. Ariya	Banomyong	Independent Director		320,000	428,000	108,0000

Remark: Directors' remuneration ended Y2020 decreased from Y2019 as a result of number of director attendance and meeting were reduced because of the spread of pandemic (COVID19-) in Thailand. However, some directors obtained an increasing amount of allowance in sub-committee as it was necessary for crisis situation management

2) Remuneration for Chief Executive Officer

Monetary Compensation

CEO received monetary compensation which included salary plus other income, bonus and provident fund

Other compensation

- Vehicle for business purpose
- Others and welfare according to Company’s work rule

3) Remuneration for Executives

For the year 2020, the Company paid monetary compensation which included salary, bonuses and other remuneration to executives in the amount of 86.33 million Baht respectively.

Comparison of the remuneration of the executive management of the Company for the year 20219 ended on December 2019 ,31 and for the year 2020 ended on December 2020 ,31 is as follow:

Category	For 2019		For 2020	
	Number (Person)	Remuneration (millions of Baht)	Number (Person)	Remuneration (millions of Baht)
Salary and Bonuses	11	73.80	14	83.13
Other Remuneration	11	5.52	14	3.20
Total	11	79.32	14	86.33

Note: Other remuneration mainly consists of Social Security Fund, Provident Funds and Fringe Benefit, etc.

Other Compensation

-none-

Personnel

Total Number of Employees

Comparison of the number of employees in each division (excluding Executive Management) as of December 2019 ,31 VS December 2020 ,31 is as follow.

Division Full-Time		Number of Employees (Person) As of December 31, 2019		Number of Employees (Person) As of December 31, 2020	
		Part-Time	Full-Time	Part-Time	Full-Time
1	Office of the Managing Director	5	0		
2	Commerce <i>Name changed to Operation, Online & Wholesales Line on July 1, 2020</i>	2,202	49	1,771	28
3	Furniture Product Management	113	0		
4	Home Décor and Baby Products Management <i>Combined 3+4 and name changed to Product Strategy & Development Line on July 1, 2020</i>	28	0	36	0
5	Business Development and rental space management <i>Name changed to Business Development, Younique & The Walk Line on July 1, 2020</i>	9	0	72	0
6	International Business <i>Name changed to Trading & International Retail Line on July 1, 2020</i>	182	1	151	0
7	Project Sales and Office Furniture	57	2	44	6
8	Accounting & Finance and Human Resources Management	181	0		
	Accounting & Finance			47	1
9	Human Resources Management			49	0
10	Supply Chain and Information Technology <i>Named changed to Supply Chain, DC, and IT Line on July 1, 2020</i>	660	252	511	169
11	Marketing	36	0	31	0
12	Production Line & Production Line Support	1,526	0	369	896
13	Internal Audit	4	0	6	0
Total		5,003	304	3,111	1,100

Remark: Number of employees of Y2020 decreased as a result of the Company’s cost efficiency from the pandemic (COVID-19)

The employee turnover rate of the Company, calculated from the number of employees who resigned to the total number of full-time employees for the year 2020, accounted for %19.03

Employee Remuneration

The Company and its subsidiaries have different types of employee remuneration. The remuneration of employees (Excluding Executive Management) for the year 2019 are as follows:

Remuneration (millions of Baht)	2019	2020
Salary	1,165.87	1,001.92
Bonuses	102.32	98.94
Other Remuneration ¹	352.27	282.50
Total	1,620.46	1,383.36

Note: ¹Other remuneration mainly consists of incentives, Social Security Fund and Provident Funds, etc.

Provident Funds

The Company and its subsidiaries assigned BBL Asset Management Company Limited to be the Provident Fund manager of the Company and its subsidiaries under the name The Sin Sata Porn registered provident fund since October 1, 2013. Recently, the Company’s Provident Fund had been changed to Bangkok Capital Asset Management under BCAP since February 1, 2020 onward.

Human Resource Development Policy of the Company

The Company pays attention to personnel development by establishing policies to train and develop personnel in the organization to be in line with the business needs, strategy and vision of the Company. The Company also plans for continuous improvement, change, and development which includes budgets, resources, time, and personnel for the training and development of personnel in the organization. The Company also stipulated the training plan and the annual training plan. The training program will be divided into skill programs, short courses, on the job training, coaching, mentoring and blended learning.



Internal Training

I On-the-Job Internal Training Courses to Enhance and Develop Skills and Knowledge by Internal Speakers		Target Group (People)							
		Operational Staff (Operations)				Support Staff		Senior Executives	Number of Training Days (1 Day ≥6 Hours)
		Sales Staff	Support Staff	Design Staff	Sales Supervisors/ Support Staff	Headquarters	Factory and Delivery Department		
JOB KNOWLEDGE	Knowledge of Sales and Service Process for Index Living Mall Employees (New Employee Orientation Program)								5
	1. Sales Department Staff Furniture/Mattress/HDI	89		15	1			2	
	2. Maintenance Staff		2						
	3. Stock & Sales Co. / Café / Invoice / Loss Prevention Staff		14		1				
	4. Cashier & Customer Service Staff		26						
	5. Installer & Receiving Staff		10						1
	New Employee Orientation for Head Office Staff					25			
	Basic Knowledge on Furniture Products	88							2
	Distribution Knowledge about Sectional Wardrobe and Sectional Living Room Sets	119		2					2
	Professional Salesperson for Home Decoration Products	22							2
	Professional Modular Salesperson Course								
	Professional Mattress Salesperson Course	66				2			2
	Mattress Product Knowledge for General Sales Staff	103		3	1				2
	Distribution Knowledge about Kitchen Sets				26				3
	Distribution Knowledge about Modular Products	50		7	1				2
	Product Knowledge of YOUNIQUE Brand	13	2	44	2				1
	Product Knowledge of Home Service Sales		86		58				2

Internal Training Courses to Enhance and Promote Skills and Knowledge for the job position by the Company's speaker		Target Group (People)							
		Operational Staff (Operations)				Support Staff		Senior Executives	Number of Training Days (1 Day ≥6 Hours)
		Sales Staff	Support Staff	Design Staff	Sales Supervisors/ Support Staff	Headquarters	Factory and Delivery Department		
JOB KNOWLEDGE	Sales Knowledge about Home Material Products (Made to order)	26		10	46				2
	Group Sales Process ITAL/ SUPREME/EXTREME/SAP FOR DESIGNER			37				4	
	Sales skills and Techniques for Logica Brand for Project Customers	27		3	2			2	
	Introduction to Room Design			9				1	
	Knowledge about Sectional Furniture Products (Extreme/ Supreme)			389				1	
	Knowledge of Bedroom, Living Room and Kitchen Designs			26				22	
	Knowledge of Advanced Designs			26					
	Program Techniques for Designer staff			408				1	
	Regulations and Services DC						33	7	
	Basic Knowledge of Furniture and Usage of TMS DC System						37	7	
	Basic Knowledge of How to Use Installation Tools DC						42	7	
	Professional Assembly of Living Room Sets DC						34	7	
	Professional Assembly of Bedroom Sets DC						30	7	
	Driving Electric Forklift Safety						44	6	
	Professional Shipping Standards						139	6	

On-the-Job Internal Training Courses to Enhance and Develop Skills and Knowledge by Internal Speakers		Target Group (People)							
		Operational Staff (Operations)				Support Staff		Senior Executives	Number of Training Days (1 Day ≥6 Hours)
		Sales Staff	Support Staff	Design Staff	Sales Supervisors/ Support Staff	Headquarters	Factory and Delivery Department		
JOB KNOWLEDGE	Standards for Home Furniture Craftsmen						6		7
	Assembly and Installation of YOUNIQUE Kitchen Products for Branch Technicians						16		
	Assembly and Installation of YOUNIQUE Products for Branch Technicians						10		
	Using PMS System for Installation Technicians						52		
	Ergonomics and Operations						102		
	Reducing Conflicts within the Organization						152		
	Expressions to Build Relationships and Unity within the Organization						133		6
	Safe Driving Consciousness						50		6
	Effective Communication Skills with People of Different Styles						50		6
	Introduction to Microsoft Excel 2010						8		6
	Coordinating to Get a Job						97		6
	Developing Teams for Success						70		6
	MINDSET, Changing Mindset to Increase Potential						60		6
	Operating Process Knowledge of Internal Loss Prevention Staff		31						2
	Knowledge about Control and Maintenance of Various Machines within the Organization		25						2

On-the-Job Internal Training Courses to Enhance and Develop Skills and Knowledge by Internal Speakers		Target Group (People)							
		Operational Staff (Operations)				Support Staff		Senior Executives	Number of Training Days (1 Day ≥6 Hours)
		Sales Staff	Support Staff	Design Staff	Sales Supervisors/ Support Staff	Headquarters	Factory and Delivery Department		
JOB KNOWLEDGE	Kaizen						29		1
	Application, Maintenance and Safety for Machine Workers						23		
	Chemical Safety, Prevention, and Avoidance of Chemical Spills						35		
	QCC (Improving Work Methods)						32		
	Bending Steel Bars before Spray Paint						5		
	Damaged Goods, Broken and Dropped Boxes						55		2
	COVID19- Prevention						112	1	1
	Using Master Plans, WI						1		1
	Drive Forklift Safely						11		2
	Risk Assessment						13	1	2
	Use of Tape Measures, Veneer and WM Quality Control Standards						30		2
	Effective and Efficient Corrective Actions						15		2

On-the-Job Internal Training Courses to Enhance and Develop Skills and Knowledge by Internal Speakers		Target Group (People)							Number of Training Days (1 Day ≥6 Hours)
		Operational Staff (Operations)				Support Staff		Senior Executives	
		Sales Staff	Support Staff	Design Staff	Sales Supervisors/ Support Staff	Headquarters	Factory and Delivery Department		
ENHANCE WORK PERFORMANCE	Develop Support Staff Toward Excellent Service and Communication	4	76	27					2
	Creative Negotiation	43	2	2					
	Develop Salespeople with a Process to Understand Different Customer Styles (Index Super Wow)	184	1	4					
	Communicate to Reduce Conflict with Teams	333	276	90	39	12			
	Communication and Teaching Sills					11			
	Communicate with Different People, Different Styles, by using COVID MODEL					101			2
	Develop Support Staff Toward Excellence in Service and C omunication	4	76	27					
	Creative Negotiation	43	2	2					
	Develop Salespeople with a Process to Understand Different Customer Styles (Index Super Wow)	184	1	4					
	Communicate to Reduce Conflicts within Teams	333	276	90	39	12			
	Communication and Teaching Skills					11			2
	Communicate with Dif-ferent People, Different Styles, by using COVID MODEL					101			1

In addition, the Company also promotes and develops knowledge, capabilities and related skills to support the performance of each employee in order to maximize efficiency by sending employees to train with experts who are knowledgeable in various fields.

On-the Job Training Courses to Enhance and Develop Skills and Knowledge By External Speakers	Support Staff						Senior Executives	Number of Training Days (1 Day ≥6 Hours)
		Support Staff	Design Staff	Sales Supervisors/ Support Staff	Headquarters	Factory and Delivery Department		
Systematic Thinking						27		6
Warehouse and Inventory Management						25		6
Training and Distribution						23		6
Basic Firefighting Training (In-House Training)	12	11			10	5		1
Safety Office in Supervisor Level (Public Training)				1				2
Food Sanitation for Operators (Public Training)				2				1
Food Sanitation for Food Handlers (Public Training)	4							1
Café Amazon Coffee Shop Manager (Public Training)				3				1

External Training

All Committees, Executive Management, and the Company Secretary

The Board of Directors and the Company Secretary will attend seminars related to the duties and business operations of the Company to be in compliance with the regulations of the Office of Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET) and related agencies. These seminars are organized by the SEC, the Thai Institute of Directors Association, the Thai Listed Companies Association in order to use knowledge for development and be a guideline for performing duties. This includes giving advice or suggestions to improve and develop the Company’s operations to be even better.

Employees

The Company gives employees opportunities to participate in various training sessions which are standardized and internationally recognized curriculum to develop their potential and expertise to keep up with the technology that is rapidly developing and changing in order to be able to better respond to customer service needs better. When sending staff for external training, the Company will consider morality, the effectiveness of the organization providing the training and the importance of the benefits because the Company conducts a serviced business that provides services, satisfaction and confidence to customers, which will also determine the Company’s future. Because of this, the Company is able to expand the business and continue to grow until now.

On-the Job Training Courses to Enhance and Develop Skills and Knowledge By External Speakers	Support Staff					Senior Executives	Number of Training Days (1 Day ≥6 Hours)
	Support Staff	Design Staff	Sales Supervisors/ Support Staff	Headquarters	Factory and Delivery Department		
Discussion Topic “Make Taxes Easy with e-Withholding Tax”				2			1
Signboard Tax for 2020–2021 and a Summary of Land and Building Tax				1			1
Land and Building Tax in 2020				3			1
Business Combination and Advanced Consolidate Financial Reporting Workshop for Members and Individuals, Class 2/63						1	2
Overall Update TFRS 9 and TFRS 16 Class 2/63						1	1
Keep up with Disclosure Form and Transfer Fee Criteria						1	1
Main Issues of Financial Reporting Standards for SMEs/NPAEs/ PAEs Accounts compared with Tax Rules						1	1

On-the Job Training Courses to Enhance and Develop Skills and Knowledge By External Speakers	Support Staff					Senior Executives	Number of Training Days (1 Day ≥6 Hours)
	Support Staff	Design Staff	Sales Supervisors/ Support Staff	Headquarters	Factory and Delivery Department		
Management Accounting for Planning and Decision Making, Class 1/63						1	1

Type of Training	Summary of Employee Training				
	Number of Courses	Number of Times	Number of Hours	Number of People	Amount of Money (Baht)
Internal Training by Internal Speakers	69	134	3,672	5,111	416,598.31
Internal Training by External Speakers	9	5	408	123	327,984 .00
External Training by External Speakers	8	8	72	11	4,280.00
Summary	86	147	4,152	5,245	748,862.31

Item	Summary of Employee Training Hours			
	2560	2561	2562	2563
Total Training Hours Each Year	3567	3798	4189	4152
Number of Training Hours at Management Level/Person/Year	0.193	0.245	0.522	10.524
Number of Training Hours at Supervisor Level/Person/Year	0.451	0.486	8.127	8.125
Number of Training Hours at Operational Level/Person/Year	0.615	1.065	0.468	0.558

In 2020, the Company sent employees to attend training/test knowledge in various fields for a total of 86 courses (69 internal training courses by internal speakers, 9 internal courses by external speakers, and 8 external courses by external speakers). This equaled 147 courses for a total of 748,862.31 Baht and accounted for 4,152 hours per year. The total number of employees that attended the courses were 5,245 (repeated head count). The average cost of training per person per year was 137.05 Baht.



Corporate Governance

Corporate Governance Policy

The Company is aware of the importance of good corporate governance which is a key factor that helps promote the operations of the Company and its subsidiaries so that they are efficient and have sustainable growth which will lead to the best interest of stakeholders. This includes employees, investors, shareholders and other stakeholders. Therefore, the Board of Directors deemed it appropriate to establish a better corporate governance policy that covers the main principles which begins with the structure, roles, duties and responsibilities of the Board of Directors as well as the transparent, clear, verifiable management principles for the executives in order to be a guideline for the organization's management. This ensures that the Company's operations are fair and take the best interest of all shareholders and stakeholders into account.

The Company disseminated good corporate governance policies and the Code of Business Conduct via the Company's website to create an understanding and to be used for good practice guidelines for employees at all levels, as well as information for shareholders, stakeholders, investors and anyone who is interested. This was done to define and disclose the compliance promotion guidelines.

Successes in 2020

- In 2020, the Company was evaluated in the Corporate Governance Survey of Listed Companies for the first time because the Company recently became a listed company on the Stock Exchange of Thailand on July 26, 2019.
- The Company received a “very good” score (4 stars), an average score in 5 categories, from the Corporate Governance Survey of Thai Listed Companies in 2020.
- The Company received a full score of 100 points from the evaluation of the quality of an Annual General Meeting of Shareholders For the year 2020 by the Thai Investors Association

Corporate Governance Policies

The Company organized good corporate governance policy by adhering to the good corporate governance principles for listed companies in 2020 which was stipulated by the Securities and Exchange Commission to be used as the Company's corporate governance guidelines. The Board of Directors gives importance to the compliance of 8 corporate governance principles.

On November 5, 2020, the Nomination and Remuneration Committee, the Corporate Governance Committee, and the Board of Directors considered and revised the corporate government policies on February 22, 2021 in order to be aligned with the corporate governance principles to increase sustainability and efficiency.

The compliance report of corporate governance policies in the past year

Principle 1: Establish Clear Leadership Roles and Responsibilities for the Board.

- 1 The Board of Directors must have leadership skills, vision and a determination to drive the Index Living Mall Corporation to be a leading furniture and home furnishing retailer that is recognized by all sectors. The Board of Directors shall establish the vision and mission of the Company, then pass it on to the Management Team to stipulate strategies and long-term goals. This includes an annual review and progress monitoring. The Board of Directors monitors the implementation of the strategies by holding the Board of Directors' meeting every quarter. Therefore, the Board of Directors followed up on the performance of the Management Team by requiring the performance report and the Company's operating results, especially in the areas of financial goals and plans to be in accordance with the established strategies
- 2 The Board of Directors shall supervise and lead the Company to good governance outcomes, at least being able to compete and have good operating results by taking into account the long-term impacts,

adhering to business ethics, respecting rights, being responsible for shareholders, stakeholders, being beneficial to society, developing or reducing negative impact on the environment and adjusting to change factors.

The Company took into account the competitiveness and long-term operating results by laying a foundation for sustainable development through the development of management systems in order to increase efficiency. The Company has a Risk Management Committee that monitors, evaluates and provides risk management policies in various areas so that the Management Team can apply these policies as operating guidelines to increase efficiency, reduce any impacts or damages that may arise from the changing business factors. In particular, the Board of Directors placed a great emphasis on costs and expense reduction in every process of the Company, beginning with design, production, transportation to sales to ensure the sustainability of the business. This also included the ability to compete for a good performance of the Company in the long term.

Principle 1.3

- 3 The Board of Directors shall ensure that all directors and executives perform their duties with care and loyalty to the organization and ensure that operations are in accordance with the laws, regulations and resolutions of the Shareholders' Meeting as well as the policies and guidelines that have been established. This includes the approval process for important operations such as investments, transactions that significantly affect the Company, connected transactions, acquisitions/ disposition of assets and dividend payments, etc.

Principle 1.4

- 4 The Board of Directors shall establish a charter for the Board of Directors, and a charter for every sub-committee as proposed, considered and approved by the sub-committee.
- 5 The Board of Directors shall understand the scope of duties and responsibilities of the Board of Directors, and clearly determine the scope of assignments, duties and responsibilities for the Chief Executive Officer and the Management Team as well as monitor the performance of the duties assigned to the Chief Executive Officer and the Management Team.

Principle 2: Define Objectives that Promote Sustainable Value Creation.

- 1 The Company set an objective to be “the retail leader in furniture and home furnishing” as well as being a comprehensive center that meets the needs of home decorating ideas for all consumer groups”. The Company strongly emphasizes sustainable development and growth. The Company's main goal to achieve in three years period is maintaining a growth of sales and profits from the furniture and home furnishing retail business through omnichannel, aiming to be an organization that extends development to the highest efficiency of cost management from design, production, delivery, integral marketing, and sales by focusing on society, communities and the environment as well as creating shared values with all stakeholders. The Company encouraged people at all levels to participate in giving recommendations and making decisions to establish work guidelines that promote the achievement of the Company's objectives and goals. This creates organizational innovation so that everyone is aware of using creativity in the workplace
- 2 The Board of Director stipulated the main objectives and goals, and supervised the Company to be sustainable as well as created value for the Company, customers, stakeholders, and society as a whole. The Board of Directors received recommendations through meetings with departments that were involved with the sustainable development department of the Stock Exchange of Thailand in order to formulate sustainable strategies guidelines.
- 3 The Board of Directors is aware of safety and the appropriate use of innovation and technology in order to achieve the main objectives and business goals. For example, the Company continually sought ways to increase efficiency and reduce costs in furniture production. The Company had a policy to operate a smart factory and purchased new, automated machines over the past year to produce customized furniture while moving toward Green Production in the future. In addition to this, the Company's products focus on environmental design with minimal waste management and greenhouse gas emissions.

Principle 3: Strengthening the Board’s Effectiveness

Principle 3.1

- 1
- The Board of Directors is composed of individuals that have a diversity of experience, education, gender, race, nationality, and place of birth. Currently, there are a good number of directors serving on the Board of Directors who are knowledgeable, competent and well- experienced to perform their duties effectively. Four of the eleven directors are independent directors. (Independent directors must be no less than one-third of the total number of directors but no less than 3 independent directors). Six directors are executive directors. On top of that, 5 of the 11 directors are female.
- 2
- The Board of Directors has 4 independent directors. One of the directors is Mr. Ariya Panomyong who is proficient in the digital technology field and OMNI Channel which is related to the Company’s retail business whether in-store or online channels. In addition to this, another independent director is Dr. Pennapa Thanasarnsilp who has knowledge and expertise in management, marketing and retail marketing management. The independent directors are independent from the Management and the major shareholders of the Company.

Principle 3.2

- 3
- The Board of Directors selected a suitable person to be the Chairman of the Board, Mrs. Kannika Chalitaporn, who is highly qualified, well- experienced, and specialized in retail and banking. The Board of Directors also ensures that the composition and the operations of the Board is conducive to independent decision-making.
- 4
- In regards to principles that should be complied, the majority of the Board of Directors should be non-executive directors who are able to freely give recommendations to the Management Team. According to the current structure of the Board of Directors, there are 11 directors which consist of 4 independent non-executive directors, 6 executive directors and the Chairman of the Board who is the Company’s advisor. Therefore, the Chairman of the Board is not considered an independent director.
- 5
- The Board of Directors established a policy for the Audit Committee and Independent Directors to hold the position for no more than 9 years from the date

- of first appointment in accordance with the Board’s structure.
- 6
- The Board of Directors ensures that the roles and duties of the Board and sub-committees are disclosed in the Annual Report which include the number of meetings and the number of times that each director attended the meeting in the past year and the performance report of all sub-committees.
- 7
- In consideration of the approval, certification or giving of opinions regarding Meeting agendas, the Board of Directors established a quorum requirement policy before voting on a resolution that there must be at least two-thirds of the total number of directors in attendance at the Meeting.
- 8
- The Company has a policy to determine the composition of the Board of Directors by using tools, and the Board Competency Matrix. These are divided into 3 main categories which include knowledge of the industry, experience related to the Company’s business operations, skills, experience, and knowledge in various fields such as accounting, finance, marketing, etc. This also includes behavioral abilities such as team work, coordination, etc. When the Board Competency Matrix is taken into account, the composition of the directors covers every aspect. The Nomination and Remuneration Committee will consider whether the composition of the committee is appropriate and encompasses sufficient knowledge, experience, abilities and skill. This is beneficial and brings effective action to the Company.
- 9
- The Company disclosed information of directors. This included the age, gender, educational background, experience, shareholding percentage, length of service as director in other listed companies. This information is disclosed in the Annual Report and on the Company’s website.
- Principle 3.3
10.
- The Board of Directors is responsible to oversee all directors that they perform their duties and allocate sufficient time.
- In regards to duties of the Company’s director, the Company has set criteria for being a director in other companies based on performance of directors who hold positions in many companies to ensure that directors can devote sufficient time to perform their duties for the Company. The Company’s

- directors must not hold a position of director in a listed company exceeding 5 listed companies. However, the Company will consider benefits from the performance of duties and giving useful advice to conduct business in accordance with the good corporate governance principles of the Company.
- Principle 3.4
- 11
- The Board of Directors is responsible for providing an appropriate framework and mechanisms to oversee the policies and operations of each subsidiary and other business ventures that the Company has significantly invested in. The subsidiaries and other business ventures shall have a mutual understanding as follows
- (1)
- The Board of Directors has authority to appoint directors, executives, or controlling persons in a subsidiary, unless such a company is a small company which is the operating arm of the Company. The Board of the Company may assign the Chief Executive Officer to consider the appointment to a position.
- (2)
- Determine the scope of duties and responsibilities of the person representing the Company according to clause (1) and the representative of the Company shall oversee the work to be in compliance with the policy of the subsidiary. In case the subsidiary has other joint-investors The Board of Directors will determine the policy for the representative to do the best for the benefit of the subsidiary and in accordance with the parent company’s policy.
- (3)
- Determine that the internal control system of the subsidiary is appropriate, sufficiently concise and transactions are in compliance with the law and related criteria.
- (4)
- The financial status and operating results were disclosed. This included making a transaction with a connected person, acquisition or disposition of assets, other important transactions, capital increase, capital decrease, dissolution of subsidiaries, etc.
- If it is a significant investment in other businesses, such as having 20% voting rights but not more than 50% of the voting rights, or the amount of investment/additional investment is significant to the Company. If necessary, the Board of Directors will oversee a Shareholders’

- Agreement or other agreements to provide clarity on management authority, participate in making decisions on important matters, follow up with the business operation results in order to be used as information to prepare the Company’s financial report to meet standards and deadlines
- Principle 3.5
- 12
- The Board of Directors shall arrange the performance evaluation of the entire Board of Directors in order to review their performance, problems and obstacles every year so that the evaluation results can be used to develop and improve operations in various aspects.
- Individual directors will be evaluated based on the following aspects -The readiness of Directors
-
- The formulation of strategies and business planning
-
- Risk management and internal control
-
- Preventing conflicts of interest
-
- Following up of financial and operational reports
-
- Board Meetings
- The Performance Evaluation Process of the Board of Directors
- 1)
- The Board of Directors reviews the evaluation form so that it is accurate and complete and in accordance with the criteria of the regulatory agency.
- 2)
- The Company Secretary submits the evaluation form to the Board of Directors for evaluation.
- 3)
- The Company Secretary compiles evaluation forms, prepares a summary report of the assessment results and reports to the Board of Directors
- 4)
- The Board of Directors uses the evaluation results to determine the operational guidelines.
- Principle 3.6
13.
- The Board of Directors shall supervise the Board and each director to have an understanding of their roles, duties, the nature of business, and the laws related to business operations, as well as encouraging all directors to regularly enhance their skills and knowledge for their duties.

14. The Company encourages directors to participate in training courses related to the duties of the directors which are organized by the Thai Institute of Directors Association (IOD). In the case of a new director, the Company will encourage new directors to finish the training and receive a certificate as soon as possible after the date of appointment.

Principle 3.7

15. The Board of Directors shall ensure that the operations of the Board are complete and the necessary information is accessible. The Board shall have a Company Secretary who has the necessary knowledge and experience to support the Board’s operations.
16. The Board of Directors arranged an annual meeting schedule and notified meeting agendas in advance so that directors would be able to organize their schedule to attend the meeting. Documents for consideration and inquiries were also prepared in advance.

The Company scheduled the Board of Directors meeting for 2020 in advance. This schedule is subject to change. The meeting was scheduled to support an accounting period and the additional meeting dates were as follow:

Number	Audit Committee Meeting	Board of Directors Meeting
1.	February 24, 2020	February 24, 2020
2.	May 14, 2020	March 27, 2020
3.	August 6, 2020	May 14, 2020
4.	November 5, 2020	July 1, 2020
5.	-	August 6, 2020
6.	-	September 10, 2020
7.	-	November 5, 2020

The meetings must be held no less than 4 times a year. In 2020, the Board of Directors held 7 meetings due to the obligations and responsibilities of the Board of Directors which is in line with the goals and growth business policies.

17. The Board has a policy for non-executive directors to meet and discuss issues as deemed necessary without the Management Team in attendance. The meeting resolutions were suggested to be reported to the managing director for acknowledgement.

- In 2020, the Company held this meeting once on August 6, 2020.
18. The Board of Directors established a policy that the meeting documents must be delivered to directors at least seven days in advance, except in urgent cases in order to protect the rights or benefits of the Company. The meeting notifications can be sent by different methods and the meeting date can be moved up if needed.
19. The Board of Directors appointed a company secretary who is qualified to perform the duties of providing legal advice and regulations for the Board. The Company disclosed the qualifications and experience of the Company Secretary in the Annual Report and on the Company’s website. The Board of Directors support the company secretary to attend training and develop knowledge continually which will be beneficial to the Company Secretary’s performance.

Principle 4 Ensure an Effective CEO and People Management

Principle 4.1

1. The Board of Directors ensures that the Chief Executive Officer and senior executives are recruited and developed to have the knowledge, skills, experience and characteristics to drive the organization towards its goals. The Board assigned the Nomination Remuneration and Corporate Governance Committee to be responsible for considering the criteria and methods to recruit qualified personnel for the positions of Chief Executive Officer and Senior Executive. The knowledge, skills, experience related to the Company’s core business, management experience, dedication, characteristics, image, vision to drive the organization towards its goals, interpersonal skills with people or organizations, morals and ethics are also considered in the recruitment.
2. The Board of Directors has a policy to promote and support the Chief Executive Officer and Senior Executives to receive training and development in order to increase their knowledge and experience which is beneficial to the Company’s operations. The Board foresees that in order for the Company to have the greatest benefit, the Chief Executive Officer and Senior Executives must be able to devote their

- time to performing their duties efficiently. Therefore, the Company established a policy that the Chief Executive Officer is prohibited from serving as a managing director in any other Listed Company, except to temporarily hold the position of Chief Executive Officer in a subsidiary or associated company.
3. In order to ensure the continuity of the business operations, the Board of Directors established a Succession Plan for the position of Chief Executive Officer and Senior Executives. The details of the Succession Plan are defined as follows:
- Identify required qualifications for the position of Chief Executive Officer and Senior Executive.
 - Identify potential and abilities of the successor.
 - Consider training plans to develop knowledge, competence, skills and competencies that are necessary and appropriate for the successor.
 - Establishing recruitment guidelines and selecting the most suitable successor in terms of knowledge, ability, skills, competence and experience to add the Company’s value.

Principle 4.2

4. The Board of Directors shall understand the structure and the relationship of shareholders that may affect the management and operations of the Company.
- The Board of Directors must understand the structure and relationship of shareholders which could be in the form of an agreement within family affairs, whether in writing or not, shareholder agreement or the policies of the parent company corporation which will affect the authority to control the management of the Company.
 - The Board of Directors ensures that the agreement in clause 5 will not be an obstacle for the Board of Directors to perform their duties such as the recruitment of a suitable successor.
 - The Board of Directors ensures that information is disclosed according to the agreements that affect the Company’s control.
5. The Board of Directors shall monitor the management and development of personnel so that they have appropriate knowledge, skills, experience and motivation.
- The Board of Directors ensures that human resource management is in line with the

- direction and strategies of the organization. Employees at all levels must have appropriate knowledge, abilities, motivation, and be treated fairly in order to retain capable personnel of the organization.
- A remuneration structure was set to motivate the Chief Executive Officer, Senior Executives, and other personnel at all levels to perform their duties in accordance with the main objectives and goals of the organization as well as the long-term interests of the Company. The Board of Directors established criteria and the scope of duties and responsibilities of the Nomination Remuneration and Corporate Governance Committee. The details are disclosed in clause 9.2.1.3 under the topic “Scope of Duties and Responsibilities of the Nomination, Remuneration, and Corporate Governance Committee”.
- Every year, directors who are not the stakeholders of the Chief Executive Officer organized an annual evaluation of the Chief Executive Officer with the following important criteria:
1. Consider the goals and achievement
 2. Performance Evaluation consisting of:
 - 2.1 Leadership Skills
 - 2.2 Strategy formulation
 - 2.3 Strategy implementation
 - 2.4 Planning and Financial Performance
 - 2.5 Relationship with the Board
 - 2.6 External relations
 - 2.7 Management and employee relations
 - 2.8 Succession
 - 2.9 Knowledge of products and services
 - 2.10 Personal Characteristics
- The evaluation results of the Chief Executive Officer is a part of the consideration of the Chief Executive Officer’s annual remuneration.

The Board of Directors established a remuneration policy so that the Chief Executive Officer receives an appropriate remuneration under clear and transparent criteria. The Nomination Remuneration and Corporate Governance Committee is responsible for considering the remuneration for the Chief Executive Officer and proposing it to the Board of Directors for approval. The details are as follows:

Short-Term Remuneration: Remuneration is paid in terms of salary and bonuses based on performance results.

Long-Term Remuneration: Remuneration guidelines in the form of ordinary shares.

- The Board of Directors supervises the establishment of a provident fund or other mechanism to ensure that employees have sufficient savings for retirement as well as supporting employees to have knowledge and understanding of money management, choosing investment plans that are suitable to the age range and risk level. The Company and its subsidiaries changed the provident fund for the maximum benefit of employees. Previously, the Company used Bualuang Asset Management Company Limited as the provident fund manager for the Company and its subsidiaries under the name Sinsathaporn Provident Fund beginning on October 1, 2013. Presently, the Company changed the fund management company to Bangkok Capital Company Limited under the name of BCAP Fund since February 2020.

Principle 5: Nurture Innovation and Responsible Business Promotion

Principle 5.1

1. The Board of Directors attaches importance to and supports operations that create business value while creating benefits for customers and related parties as well as being responsible to society and the environment.
 - The Board of Directors has a policy to encourage new business development ideas such as product designs and development. The Company's designer was the winner of the world-class design platform for designing the "INVISIBLE BED" from the "German Design Award 2020" on February 7, 2020 in Germany. The design emphasizes the use of materials, components, and various fittings that are environmentally friendly and modified the manufacturing process to make the most of the materials and reduce wasteful production in accordance with the actual needs of users.

- In regards to the manufacturing process, the factory uses new innovative machine from Germany that use fully automated technology to create a library of furniture designs for all customized products to meet the needs of the customers of YOUNIQUE brand, a brand that offers customized furniture and emphasizes a quick, convenient and up to date services. This fully automated machine is able to control the manufacturing, cutting and drilling process, and support large quantities of orders. It has also been used to increase the work efficiency in various areas.
- In regards to the transportation and installation service, the Company developed an application that is able to connect factories and the stores in order to deliver products with accuracy and minimize errors as much as possible. After completing installation at the customer's home, the customer will rate their level of satisfaction and give recommendations on the tablet that the evaluation system has been installed. The evaluation results will be used to further develop and improve services. This reduces the use of paper in the Company and leads to the Green Management.

Principle 5.2

2. The Board of Directors shall monitor and supervise management to conduct business with responsibility to society and the environment and it should be reflected in the operating policy in order to ensure that every department of the organization implements them in accordance with the objectives, main goals, and strategies of the Company.

Shareholders

The Company established the policies and guidelines as follows:

- 1) Aware of the importance of the equitable treatment of shareholders and the basic rights of shareholders. This includes the right to purchase or sell or transfer shares, the right to receive profit share of the Company, the right to receive and access Company information that is complete, adequate, and in a timely manner, the right to attend meetings in order to cast votes, appoint or remove directors,

auditors, and vote on matters that may affect the Company such as increasing or decreasing capital, dividend allocation, amendments to Articles of Association, objectives or memorandum of association, etc.

- 2) Promote and facilitate the exercise of shareholders' rights:

- Deliver an invitation letter to shareholders at least 14 days prior to the meeting date with the date, time, venue, agenda items, meeting rules, and voting procedures, as well as information that must be used to make decisions. The meeting invitation letter will be disseminated on the Company's website at least 30 days in advance in order to allow shareholders to study the information for the meeting in advance.
 - Report important information that affects or may affect the rights of shareholders, whether the information is reported in accordance with the accounting period, by events, laws or related notifications. The Company must not take any actions that limit the rights of shareholders to access the information of the Company.
 - Give opportunities for minor shareholders to propose meeting agenda items and/or nominate persons for election of the Company's directors at the Annual General Meeting of Shareholders between December 1 and January 14 of the following year annually.
 - Shareholders are given an opportunity to submit questions related to the meeting in advance of the Shareholders' Meeting.
 - Shareholders who are unable to attend the meeting by themselves can authorize other shareholders to attend and vote on their behalf.
- 3) Establish guidelines for the agenda of the Annual General Meeting of Shareholders to meet the criteria of good corporate governance and provide opportunities for shareholders to inquire on important issues in accordance with the details of each agenda item.
 - 4) When the Shareholders' Meeting is finished, the Company will disseminate the voting results for each agenda item in the Ordinary and

Extraordinary General Meeting of Shareholders within the date of meeting and prepare the meeting's minutes with correct and complete information on the Company's website within 14 days of the date of meeting so that shareholders can review it.

- 5) The Company adopted technology in Shareholders' Meetings for the registration, vote counting for each agenda item and the announcement of voting results so that the meeting can be carried out with speed and accuracy.
- 6) Since the 2020 Annual General Meeting of Shareholders of the Company was held while the COVID-19 was spreading across the country, the Company broadcasted a live stream of the Annual General Meeting of Shareholders for the convenience of shareholders who could not attend the meeting in person but authorized independent directors to be able to view from any location.
- 7) The Company paid dividends to its shareholders appropriately and regularly. The dividend payment rate was in accordance with the dividend payment policy as specified by the Company.

Customers

The Company set policies and guidelines as follows:

- 1) Conduct business by manufacturing and selling quality products that meet the standard by focusing on the use of quality raw materials and standardized production so that customers can use quality products and have the highest satisfaction.
- 2) Continuously develop and invent new products that meet the needs of customers which allows customers to use products that have variety, quality, and also meet standards and needs. Moreover, there is also a wide range of products that cater to different customer groups.
- 3) Adhere to fair marketing. The Company has a policy to provide information about the products of the Company and its subsidiaries that is correct, does not distort, is not ambiguous, and does not exaggerate in advertising so that customers have correct and sufficient information to make decisions.
- 4) Take customer safety into account, commit to provide customers with quality and safe products

in accordance with international safety standards and regulations as required by laws. The designs, creativity and product must be developed on a regular basis in order to give customers confidence in the quality, standards and safety of the Company's products.

- 5) Set up a customer relations system to communicate with customers and provide an effective way to receive feedback about product quality in order to respond to the needs of customers quickly.
- 6) The Company has a Joy Card Member system or a membership card to accumulate points. Points can be exchanged for discounts or receive premium items. The membership card is used for sales promotions and boost sales.
- 7) The Company keeps customer information confidential and will not misuse such information.

Trade Partners and Trade Payables

The Company set the policies and guidelines as follows:

- 1) Treats trade partners with equality, fairness, and responsibility. The Company takes into account the interests of both parties.
- 2) Adhere to the criteria for selecting trade partners who do business legally, follow production standards, safety standards, and are environmentally friendly
- 3) Keep information or trade information of business partners confidential. Information must not be used for its own benefit or wrongdoing.
- 4) Build good relationships and mutual understanding, exchange knowledge, and work together to develop and add value to raw materials and products that the Company orders continually.
- 5) The purchase of goods and services from partners is subject to the commercial terms. Strictly comply with the joint contract in order to build a long-term relationship for the benefit of both parties.
- 6) Adhere to the trade agreement. In the event that the contract cannot be honored, the Company will notify trade partners in advance in order to jointly find a solution to prevent damage.

- 7) Do not request, receive or agree to receive any property or benefit outside of the trade agreement. The persons involved in procurement activities must not receive any direct or indirect benefit from trade partners, remain neutral and must not have a close relationship that may affect decision making.

Trade Competitors

The Company set policies and guidelines as follows:

- 1) Treat trade competitors with fairness and responsibility. Adhere to fair trade practices. Compete fairly, operate the business with transparency, avoid dishonest methods that destroy competitors.
- 2) The Company must not damage the reputation of the competitors by slander.
- 3) The Company must not violate any intellectual properties or copyrights.
- 4) The Company must not seek trade secret information from competitors by improper means.

Credit Institutions

The Company set the policies and guidelines as follows:

- 1) The Company strictly complies with conditions for loan agreement of the credit institutions.
- 2) The Company treats all credit institutions equally, fairly and responsibly.
- 3) The Company discloses the operating results and financial status accurately in a timely manner.

Employees

The Company recognizes that “employees” are an important resource that drives the business to sustainable growth. Therefore, the Company manages human resources by adhering to the principles of treating everyone equally and respecting human dignity by allowing all employees to have career growth through the following guidelines:

- 1) Provide remuneration and welfare to employees in the form of salary, fair bonuses in accordance with the employees’ potential, create opportunities for fair career advancement, and also provide the required welfare benefits such as social security as well as benefits that go beyond the

requirements of the law. This includes health and accident insurance for employees. This also includes various types of grants, such as grants to aid the cremation ceremony, etc.

- 2) Organize training to increase the employees’ knowledge and potential through training programs, seminars and study visits, as well as training in order to achieve effective employee development.
In addition to this, the Company established clear roles and responsibilities for employees, determined appropriate remuneration, developed evaluation systems, and increased the employees’ performance.
- 3) Prepare a Succession Plan for Management to retain valuable personnel and develop them to be able to adjust to changes and perform duties after taking over the position.
- 4) Provide a safe working environment and good hygiene by focusing on the prevention of any possible accidents that may occur when operating at full capacity and creating awareness about safety among employees. This includes providing knowledge through training and encouraging employees to have good hygiene while not doing anything that is harmful to the health of customers or service receivers.
- 5) Provide space and equipment for recreational activities in order to allow employees to relax and exercise. This includes things such as pool tables, exercise machines and an activity area as well as organizing parties for different occasions
- 6) Provide channels for employees to make complaints or recommendations regarding their work via the website, Human Resources, or satisfaction evaluation forms, etc. This includes not disclosing the complainant’s information in accordance with the Whistleblowing Policy.
- 7) Respect human’s rights, dignity and basic employment rights as well as keeping employee information confidential without sharing it with outsiders or irrelevant people.
- 8) Promote employment equity without discrimination against gender, nationality, religion, age, physical disability or any status that does not directly affect the operation.

The Community, Society and the Environment

The Company set the policies and guidelines as follows:

- 1) The Company must not operate business that negatively affects society or violates personal rights of the people in the community and society.
- 2) The Company gives importance to and is responsible for the community and nearby society. This includes supporting activities that benefit the community as well as developing the environment of the community and society in order to have a better life.
- 3) The Company cooperates with various agencies to develop surrounding communities and society to be a better place or have a better quality of life.
- 4) The Company conducts business in accordance with the environmental law and regulations by taking into account the impact on natural resources and the environment.
- 5) The Company promotes environmental management, beginning from using resources economically, having measures to treat, restore, replace, monitor, and sustainably prevent damages to natural resources and the environment.
- 6) The Company cultivates awareness, promotes education and trains employees at all levels regarding environmental protection.
- 7) The Company promotes the environmentally friendly technology, machinery and raw materials in the production process.
- 8) The Company has never received any complaints or disputes with communities near the factories, headquarters, branches and the Walk (rental space) regarding environmental issues from the production and transportation processes in any form.

Principle 5.3

- 3. The Board will monitor management to allocate and manage resources efficiently and effectively in order to be able to achieve the main objectives and goals sustainably.

Practice Guideline

- The Board of Directors recognizes the necessity of the required resources to operate the business

which consists of finance, production, wisdom, personnel, society, and the environment. The Board of Directors understands the different impacts on resources when the Company and its subsidiaries operate business. In regards to choosing a business model, the Company takes into account the value and impact on the resources on a basis of ethical conduct, responsibility and sustainable value creation for the business. The Company also takes into account the changes of both internal and external factors which occur regularly.

Principle 5.4

4. The Board will provide a framework for the supervision and management of information technology at the enterprise level which is in accordance with the needs of the Company. This includes supervising the use of information technology to increase business opportunities and improve operations and risk management so that the Company is able to achieve the objectives and main goals of the Company.

Practice Guideline

The Board of Directors set a framework to monitor and manage technology by establishing policies and measures regarding the security of information systems. The main topics were as follows:

- Rules for using the File Server. Rules for using every computer in every department and division.
- Rules for using the Internet and the Intranet.
- Rules for using printers and copiers.
- Personal Data Protection Act (PDPA) 2019.
- IT Security and Cyber Security with technologies, processes and practices designed to protect networks, devices, programs and data from being attacked, damaged or unauthorized third-party access.
- Imposing penalties for failure to comply with the established rules.

In addition, the Company also gave importance to the allocation and management of information technology so that it was sufficient for business operations. Guidelines were established in case resources are not sufficient as specified. In addition, the Risk Management Committee regularly took IT

management issues and risk management to IT as a topic to consider in meetings.

Principle 6: Strengthen Effective Risk Management and Internal Control

Principle 6.1

1. The Board of Directors shall supervise to ensure that the Company has a risk management system and internal controls that shall effectively achieve the objectives and comply with relevant laws and standards.

Practice Guideline

The Company established a Risk Management Committee to supervise, and formulate risk management policies and plans in accordance with the details of the scope, authorities, duties and responsibilities of the Risk Management Committee.

Principle 6.2

2. The Board of Directors shall establish an Audit Committee that can perform duties efficiently and independently.

Practice Guidelines

The Board of Directors appointed an Audit Committee consisting of at least 3 independent directors with the qualifications and duties in accordance with the rules set by the Securities and Exchange Commission and the Stock Exchange of Thailand. The details of the scope, authority, duties and responsibilities of the Audit Committee are stated in Clause 9.3.2.

The Board of Directors has a policy for the Company to provide a mechanism or tool to enable the Audit Committee to access necessary information for the assigned duties by allowing the Audit Committee to summon relevant persons to provide information, have discussions with auditors, or seek independent opinions from other professional advisors to be considered by the Audit Committee.

The effectiveness of the internal control system has been developed and reviewed by the Audit Committee. The Audit Committee report is disclosed in the Annual Report, which includes opinions on the sufficiency of the internal control system.

Principle 6.3

3. The Board of Directors shall monitor, supervise and manage conflicts of interest that may occur

between the Company and management, the Board of Directors or shareholders. This includes the prevention of the improper use of the Company's assets, information and opportunities as well as transaction enactments with those who have an unreasonable relationship with the Company.

Practice Guidelines

The Company assigned directors and executives, as well as their spouses and underage children, to report their securities holdings and changes to their holdings to the SEC and to submit copies of the said documents to the company secretary to be reported in the Board of Directors' Meeting. In addition, the Company has a policy that Directors and Executives must report any personal stakes and connected persons to Company Directors and executives in accordance with the rules guidelines and forms, along with definitions and as stated by the regulatory authority regarding. The company secretary is responsible for keeping records and compiling stakeholding reports on a regular basis, at least once a year.

In addition, the Company prepared connected transactions for the Audit Committee to consider and approve in order to be proposed to the Board of Directors for further acknowledgment.

Principle 6.4

4. The Board shall oversee the establishment of clear anti-corruption policies and practices and communicate them to all levels of the organization and outsiders in order to achieve practical implementation. This includes supporting activities that encourage and instill all employees to comply with the law and related regulations.

The Company is in the process of studying the declaration of intent policy. The Company joined the Thai Private Sector Collective Action against Corruption (CAC) project and will carry it forward to the future.

Principle 6.5

5. The Board of Directors shall supervise to ensure that the Company has a mechanism to receive complaints and proceed in the case of whistleblowing.

A written whistleblowing policy was established and a whistle blowing channel was provided through the Company's website or email at ethics_hotline@

indexlivingmall.com so that both internal and external stakeholders can safely blow the whistle, give information and report complaints or clues regarding corruption to the Company

Principle 7: Ensure Disclosure and Financial Integrity.

Principle 7.1

1. The Board of Directors is responsible for ensuring that the financial reporting system and the disclosure of important information is accurate, adequate, timely, and in accordance with the rules, standards and related practices

Practice Guideline

The Company has a policy to support personnel involved in the preparation and disclosure of financial reporting and the disclosure of important information of the Company so that they have appropriate knowledge, skills and experience to fulfill their duties and responsibilities. The number of such personnel must be enough which consist of accounting and finance directors, accountants, internal auditors, the company secretary, and investor relations. Each year, personnel in this line of work will receive training organized by the Stock Exchange of Thailand, the SEC, the Federation of Accounting Professions, the Association of Internal Auditors of Thailand, Thai Listed Companies Association, and Thai Institute of Directors Association (IOD) in order to raise the working standard of relevant fields so that the personnel have more knowledge, skills and better working standards.

In regards to the approval of the disclosure of information, the Board of Directors took relevant factors into account. The financial report will cover the following various factors

The opinion of the Auditor on the Financial Report and the observations of the auditor regarding the internal control system.

- The evaluation regarding the adequacy of the internal control system.
- The opinion of the Audit Committee.
- The consistency of the Company's objectives, main goals, strategies, and policies.
- Consideration of the actual performance with the target.
- Consideration of risk factors that could happen.

The Board of Directors is responsible for the disclosure of information. This includes financial

statements, the Annual Report, and the annual registration statement (Form 56-1) that adequately reflects the financial status and operating results. The Management Discussion and Analysis (MD&A) was prepared to disclose the financial statements every quarter. The objective is to provide investors with better information and understanding of changes that occur to the financial status and the operating results. In addition, the Company also submitted the quarterly and annual financial statement through the system of the Stock Exchange of Thailand. Newsletters were prepared to clarify details about the Company’s operating results and distributed through mass media, 4 times a year as well.

Principle 7.2

2. The Board of Directors shall monitor the adequacy of financial liquidity and solvency. The Board of Directors places great emphasis on overseeing the sufficiency of financial liquidity, and solvency. In every Meeting of the Executive Committee and the Board of Directors, the accounting and finance department must present the Company’s operating results as well as the liquidity ratio, the debt-to-equity ratio, the debt-service coverage ratio, etc. For the approval of any transaction or proposing opinions to the Shareholders’ Meeting for approval, the Board of Directors will carefully consider the details of the agenda items in order to ensure that entering into the said transaction will not cause any impact on the continuity of the business operations or on the Company’s debt servicing ability.

Principle 7.3

3. In the condition that the Company experiences financial problems or is likely to experience problems, the Board of Directors shall supervise to ensure that the Company has a plan to solve the problem or have other mechanisms that can solve financial problems by taking into account the shareholders’ rights.

Practice Guidelines

The Board of Directors sets financial problem indicators. The details are as follows:

1. Experiencing an operating loss continually.

2. Low cash flow.

3. An increase in liabilities significantly exceeded the assets or exceeded the terms and

conditions set by the financial institutions or the extent of the rights and duties of debenture issuers and debenture holders as well as loan agreement.

4. Continuing to have long term inventory problems and debt collection.

5. The Company’s auditor found audit issues such as the important financial information or accounting records are incomplete.

In the event that the Board of Directors encounters any of the above indicators, the Board of Directors will follow up to ensure that the Management Team carefully conducts business and complies with the disclosure requirements, rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. In addition, the Board of Directors will oversee the formulation of financial solving plans by taking into account fairness to stakeholders such as credit institutions, shareholders, etc. The Board of Directors will request the Management team to regularly report the situation. To solve the financial problems, the Board of Directors must ensure that the Company made the most reasonable decisions.

Principle 7.4

4. The Board of Directors shall consider preparing a sustainability report as deemed appropriate.

The Company sent representatives to participate in the training courses P01: PRELIMINARY TO CORPORATE SUSTAINABILITY and S01, S02, and S03: CORPORATE SUSTAINABILITY STRATEGY from the Sustainable Market Development of The Stock Exchange of Thailand in order to contribute to the preparation of the sustainability report.

Principle 7.5

5. The Board of Directors shall supervise management to have a department or person responsible for investor relations who serve to communicate with shareholders and other stakeholders such as investors and analysts in an appropriate, equitable and timely manner.

Practice Guideline

The Company attaches great importance to investor relations by organizing the Investor Relations Unit,

since the Company was listed on the Stock Exchange of Thailand in order to facilitate shareholders, investors, analysts, journalists and other interested parties to have a convenient and equal access to the information under the regulations of regulatory agencies such as the SEC and the Stock Exchange of Thailand etc. The Company’s senior executives also support and regularly participate in various activities of investor relations, such as the SET Opportunity Day, analyst meetings, company visits, conference calls and road shows as well as preparing reports on the operating results of the Company. This included Management Discussion and Analysis, presentation, earnings release as well as giving opportunities for the media to meet and interview, etc. The Company’s contact channels for investor relations include Tel: +662 898 6420-5 ext. 6129 and email: ir@indexlivingmall.com and information is disseminated through the Company website at <https://www.indexlivingmall.com>.

The Company conducted investor relations activities between January 1- December 31, 2020 as follows:

Investor Relations Activities	Number of Time
SET Opportunity Days	3
Analyst Meetings	4
Company Visits	7
VDO Conference	2
Conference Calls	2
Domestic Road Shows	5

Investor Relations Ethics

The Company gives importance to the disclosure of information that is accurate and equitable, reports the operating results information and general information, and establishes an investor relations unit to equally create communication channels between shareholders and the Company’s investors. For more information contact Tel: +662 898 6420-5 ext. 6129 and email: ir@indexlivingmall.com. In order for the Company’s investor relations to perform their duties accurately, completely, transparently, equally and fairly, the Company established a Code of Conduct for investor relations as a practical guideline. It is as follows;

• Disclose significant and necessary information

accurately, adequately, and in a timely manner by complying with the regulations of government agencies such as the Office of Securities and Exchange Commission and the Stock Exchange of Thailand.

- Disclose information equally and fairly by providing opportunities for stakeholders to have equal access to the information, and not causing any party to lose or lose investment opportunities.

• Treat all investors equally whether large or small investors.

• Organize analyst meetings to invite and provide opportunities for analysts from all securities companies to participate equally.

• Provide information and opportunities for the media to be informed as appropriate.

• Cooperate in providing information to government agencies as requested.

• Provide information to stakeholders on an equal level, except in the event of the necessity when conducting business with financial institutions, credit rating agencies, consultants, etc. The Company will proceed with caution and request those who have received insider information to sign a confidentiality agreement.

• Perform duties with honesty, without seeking any personal benefits from relationships and information obtained by performing the duties in the investor relations of the Company.

• Schedule a quiet period, suspend appointments or give information to analysts and investors for 14 days prior to the date of the announcement of the financial statements.

• Specify the Blackout Period, including the investor relations team, one month prior to the date of the announcement of the financial statements and one day after the date of the announcement of the financial statements.

The Board of Directors will promote the use of information technology in the dissemination of information.

Principle 8
Ensure Engagement and Communication with Shareholders

Principle 8.1

1. The Board of Directors shall ensure that shareholders are involved in making decisions on important matters of the Company.

• The Company facilitates convenience to all shareholders, whether they are major or

minor shareholders, institutional investors, or foreign shareholders in order to receive basic rights and practices, equitable treatment of shareholders' rights, and ignore any actions which limit opportunities to attend meetings for all types of shareholders. This includes trading rights or transferring shares, the right to receive accurate and clear information, the right to attend the Meeting, make resolutions, approve important transactions, the right to appoint or remove directors of the Company, the right to set the Board of Directors' remuneration, the right to appoint or remove auditor and set audit fees, the right to receive a profit share, etc.

Principle 8.2

2. The Board of Directors shall supervise the proceedings of the Shareholders' Meeting so that it is complete, transparent, efficient, and allows shareholders to exercise their rights.
- The Company sent the Meeting invitation letter and the supporting documents to shareholders at least 7 days in advance (or any other period stipulated by the law). The meeting invitation letter included the details of the Meeting's agenda, supporting documents for agenda items along with the opinions of the Board of Directors, the proxy form as specified by the Ministry of Commerce, the list of independent directors so that shareholders could choose to appoint a proxy to attend the Meeting on their behalf, a map showing the Meeting's venue and details of the documents that shareholders must present at the Meeting in order to maintain the rights to attend the meeting and cast votes. This is in accordance with the Company's Articles of Association concerning the Shareholders' Meeting. In this regard, the shareholders could also access various information regarding the meeting agendas of each Meeting on the Company's website at <http://investor.indexlivingmall.com/th/downloads/shareholders-meeting>

• Disseminate information about the exercise of rights in various matters through the news system of the Stock Exchange of Thailand and the Company's website considering the equitable acknowledgement of information, exercise periods, and the convenience of such rights without limiting the right to access

the Company's information or blocking the communication between shareholders.

- In the event that shareholders could not attend the Meeting by themselves, the Company allowed shareholders to assign independent directors or any other person to attend the Meeting on the shareholders' behalf.

• At each Shareholders' Meeting, the Chairman of the Meeting or the assigned person will clarify the rules in the Meeting. This includes voting procedures and allocating sufficient time for the Meeting.

Principle 8.3

3. The Board of Directors shall supervise the disclosure of the Meeting's resolutions and prepare the minutes of the Shareholders' Meeting accurately and completely.
- When the Meeting is complete, the Company will prepare the correct and complete Meeting minutes within 14 days of the Meeting and deliver the minutes of the Shareholders' Meeting to the relevant departments within the specified time. The minutes of the Meeting are published on the website of the Company so that any shareholders and related persons can review them.

In 2020, the Company was not able to comply with the following good corporate governance principles. The reasons are as follows:



Good Corporate Governance Principles	Reasons for not Being Able to Accomplish
Chairman of the Board should be an Independent Director	The current Chairman of the Board of Directors is highly qualified and has crucial experience that is beneficial to the Company. Therefore, the Company requested the Chairman of the Board to be the Company consultant. This caused the concept of being an independent director to disappear. The Company is very aware of this issue, and has carefully considered all aspects.
The Audit Committee should have at least 1 director who has graduated or has expertise in accounting, such as a Certified Public Accountant (CPA), Continuing Professional Development (CPD), etc.	There is 1 independent director who specialized in accounting and finance and very well experienced as an Audit Committee member in many businesses. In addition, one of the directors received training in the Advanced Audit Committee Program (AACP) from the Thai Institute of Directors Association (IOD).
A committee should consist of independent directors that equal more than 50% of the directors.	The Company is in the process of considering the committee restructuring guidelines.

Sub-Committees

The Company's sub-committees consist of 4 committees which included the Audit Committee, the Nomination, Remuneration and Corporate Governance Committee , Rick Management Committee as well as the Executive Committee. The details are as follows:

Scope of Authority

The Scope of Duties and Responsibilities for the Board of Directors

The scope of duties and responsibilities of the Board of Directors as follows:

1. Perform duties in accordance with the laws, objectives, the Articles of Association of the Company and the resolutions of the Board of Directors Meeting and Shareholders' Meeting with full responsibility, caution, and honesty.
2. Consider and approve the details, vision, mission, goals, business objectives, business strategy, business plan, and the annual budget plan of the Company and its subsidiaries which are prepared and proposed by the Executive Committee and the Management team.
3. Supervise the management and performance of the Executive Committee, the Chief Executive Officer and the Management team or any person assigned to perform the said duties in order to be in accordance with the vision, mission, goal, business objectives, business strategies, business plan, and the annual budget set by the Board of Directors.
4. Monitor the performance of the Company and its subsidiaries continually so that they are in line with the business plan and budget of the Company.

5. Arrange the Company and its subsidiaries to have an appropriate and efficient accounting system. Organize a sufficient and effective internal control system and establish an assessment process for suitable internal control of the Company and its subsidiaries regularly.
6. Arrange to have a balance sheet and income statement at the Company's fiscal year-end and affix signatures to certify the financial reporting that is to be proposed to the Annual General Meeting of Shareholders for approval.
7. Consider and approve the selection and appointment of the auditor and consider the appropriate remuneration proposed by the Audit Committee before being proposed to the Annual General Meeting of Shareholders for approval.
8. Establish corporate governance policy in writing with an effective implementation in order to ensure that the Company takes responsibility to any related parties with fairness.
9. Consider and approve the appointment of qualified personnel who do not have any prohibited characteristics as specified in the Public Limited Companies Act B.E. 2535 (including amendments), the Securities and Exchange Act B.E. 2535 (including additional amendments) as well as the notifications, rules, and/or relevant regulations. In the case that the position of director becomes vacant due to reasons other than retirement by rotation (unless there is less than two months remaining in the director's term), the remuneration of directors is determined to propose to the Shareholders' Meeting for approval.

10. Appoint sub-committees which include the Audit Committee, the Nomination, Remuneration and Corporate Governance Committee, the Executive Committee and other sub-committees. Determine the authority and duties of the sub-committees to assist the Board's duties. Consider the remuneration of the sub-committees according to the budget proposed by the Management team (not exceeding the total amount approved by the shareholders).
11. Consider the appointment of the Chief Executive Officer, evaluate the performance and determine the remuneration for the Chief Executive Officer (as recommended by the Nomination, Remuneration and Corporate Governance Committee).
12. Consider and approve the investments expenditure for various operations, loans and credits from financial institutions as well as a guarantor for normal business operations of the Company and subsidiaries under the Articles of Association of the Company, and relevant regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board.
13. Consider and approve the connected transactions between the Company, subsidiaries and connected persons as stipulated in the Securities and Exchange Act B.E. 2535 (including additional amendments), relevant regulations of the Stock Exchange of Thailand, and the Capital Market Supervisory Board. Approve the trade agreement principles with general trade terms for transaction engagements between the Company, subsidiaries and directors, executives, or related parties in order to specify a framework for the Management team to have the authority to engage in the transactions within the law and regulations framework and related criteria.
14. Provide appropriate communication channels for each shareholders' group and oversee the disclosure of information to ensure that it is accurate, clear, transparent, reliable and has the highest standards.
15. Appoint people to be committee members or an executive of a subsidiary, joint venture (in the case that it can be operated under a joint venture agreement), or an associated company at least in a proportion to the shareholding of the subsidiary, joint venture (in the case that it can be operated under a joint venture agreement), or an associated company. Establish clear duties and responsibilities for the appointed directors and executives. This includes setting the authority framework to exercise the clear discretion in voting at the Board's Meetings of the subsidiaries, Joint venture company (in the case that it can be operated under a joint venture agreement), or associated

company, concerning important matters that must first be approved by the Board of Directors in order to have management control in accordance with the Company's policy and engage in transactions legally. The Company's financial position, performance, connected transactions, and acquisition or disposition of significant assets shall be disclosed completely and accurately.

16. Consider and approve the interim dividend payment.
17. Seek professional opinions from external organizations if it is necessary in order to make appropriate decisions.
18. Supervise the operations of the Company so that they are effective and protect any benefits related to all stakeholders.
19. Organize an Annual General Meeting of Shareholders within 4 months from the end of the Company's fiscal year.
20. Organize the Board of Director's meeting at least every three months.
21. Prepare the annual report of the Board of Directors, responsible for the preparation and disclosure of the financial statements of the Company and its subsidiaries to reveal the financial position and performance of the Company and its subsidiaries in the previous year, and then propose it to the Shareholders' Meeting for consideration and approval.
22. Evaluate the performance of the Board to review the performance, problems and obstacles each year and use the evaluation results to develop and improve operations in various fields.
23. Oversee and supervise the management and operations of the Company and its subsidiaries to be in accordance with the Company's policies, securities laws, as well as notifications, regulations, and relevant rules of the Capital Market Supervisory Board, Securities and Exchange Commission, and the Stock Exchange of Thailand such as connected transactions, and the acquisition or disposition of significant assets that it is not contrary to other laws. Establish an adequate and appropriate internal control and internal audit system.
The Board of Directors has the authority of delegate and/or assign others to perform specific tasks on their behalf to appoint attorneys and sub-attorneys within the scope of the Delegation of Authority under the provided authority of attorney and/or in accordance with the rules, regulations or orders prescribed by the Board of Directors and/or the Company. Therefore, the delegation of duties and responsibilities of the Board

of Directors does not authorize the appointed attorney or sub-attorney to be able to approve transactions that may have conflicts of interest (according to the definition of the Notification of Securities and Exchange Commission and/or the Notification of Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or the specified related agencies), or be a stakeholder or receive any benefits that may have conflicts of interest with the Company or its subsidiaries unless it is an approval of normal business transactions according to the policy and criteria of Shareholders' Meeting, or the Board of Directors already approved and the approval of transaction was in accordance with normal business condition which were in accordance with the notifications of the Securities and Exchange Commission and/or the notifications of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or any related agencies.

24. Review the Board of Directors charter at least once a year. The Board of Directors approved the review of the Board of Directors Charter at The Board of Directors' Meeting No.7/2020 held on November 5, 2020. The Charter remains unchanged after review closes.

The Scope of Duties and Responsibilities of the Audit Committee

The scope of authority, duties, and responsibilities of the Audit Committee as follows:

- 1) Review the financial reporting of the Company so that it is accurate and sufficient in accordance with financial reporting standards by coordinating with external auditors and the executives who are responsible for preparing quarterly and annual financial reports. The Audit Committee may suggest that the auditor review or examine any significant and necessary transactions during the Company's audit.
- 2) Review internal control and the internal audit system of the Company so that they are appropriate, sufficient and effective.
- 3) Consider the independence of the internal audit department and approve the appointment, relocation, and dismissal of the head of the internal audit department or any other department responsible for internal auditing.
- 4) Have the authority to access the Company's

information at all levels, invite executives, the management team, supervisors, employees, or related parties to attend the Meeting in order to clarify the information, deliver and provide relevant information under the scope of duties assigned by the Board of Directors.

- 5) Consider and approve the annual budget, manpower and resources needed to perform the internal auditing. Approve the annual audit plan and review the significant changes in the audit plan. Supervise the operations of the internal audit department so that they are in accordance with the approved annual audit plan and practice the internal audit profession international standards. Evaluate the quality of the internal auditing annually and attend meetings with the chief audit executive to discuss important issues at least once a year.
- 6) Review the regulatory compliance of the Company regarding securities and stock exchange laws, regulations of the Stock Exchange of Thailand, and the Capital Market Supervisory Board, or any laws related to the business of the Company.
- 7) Consider, select and nominate independent individuals for the position of the Company's auditors and propose the remuneration of said persons by taking into account the reliability and sufficiency of resources, the workload of the audit office and the experience of the personnel assigned to audit the Company's accounts. The Audit Committee shall have a meeting with the auditor without the Management Team being in attendance at least once a year.
- 8) Consider connected transactions or conflict of interest transactions, the list of acquisition or disposition of assets must be accurate and complete so that it is in accordance with the laws and relevant regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board in order to ensure that the transaction engagement is reasonable and for the best interest of the Company and shareholders.
- 9) Prepare a corporate governance report of the Audit Committee and disclose it in the

Company's annual report. The report shall be affixed with the signature of the Chairman of the Audit Committee and contain at least the following information.

- 1) Opinion on the accuracy, completeness, and credibility of the Company's financial report.
- 2) Opinion on the adequacy of the internal control system of the Company.
- 3) Opinion on the compliance with the securities and exchange laws, regulations of the Stock Exchange of Thailand, or laws related to the Company's business.
- 4) Opinion on the suitability of the auditor.
- 5) Opinion on conflicts of interest transactions.
- 6) The number of the Audit Committee meetings and the meeting attendance of each member of the Audit Committee.
- 7) Overall opinion or observation that the Audit Committee received from performing its duties under the Charter, and
- 8) Other matters that the general shareholders and investors should acknowledge under the scope of duties and responsibilities assigned by the Board of Directors.
- 9) Review and follow up with the risk management results from the Management team and/or related departments.
- 10) Review and propose amendments to the Audit Committee Charter as deemed appropriate at least once a year.
- 11) Review the performance of the previous years by preparing and proposing a performance report to the Board of Directors at least once a year.
- 12) Provide independent opinions of other professional advisors, to seek opinions or recommendations under the scope of responsibility as deemed appropriate and necessary at the Company's expense.
- 13) Perform other duties assigned by the Board of Directors with the approval of the Audit Committee.

In the performance of the above duties, the Audit Committee was directly responsible to the Board of

Directors and the Board of Directors remains responsible for the operations of the Company to third parties.

The Board of Directors has the authority to make amendments to the definition and qualifications of independent directors as well as the Audit Committee Charter so that it is consistent with the responsibilities of the Audit Committee, the rules of the Securities and Exchange Commission, the Stock Exchange of Thailand, the Capital Market Supervisory Board and/or other relevant laws.

The Scope of Duties and Responsibilities of the Nomination, Remuneration, and Corporate Governance Committee

The Scope of Duties and Responsibilities regarding the Recruitment and Selection of Directors

- 1) Consider and propose the structure, composition and qualifications of the Board of Directors and sub-committees.
- 2) Consider and set the criteria and procedures for the recruitment, selection and nomination of suitable candidates for the position of new directors or the Chief Executive Officer to fill vacancies in term ending or vacant positions or any positions as assigned by the Board of Directors with rules and transparency in order to propose them to the Meeting of the Board of Directors and/or the Meeting of Shareholders (as the case may be) to approve the appointment.
- 3) Consider and nominate candidates for directors or any qualified candidates to be sub-committees to the Board of directors to consider the appointment as appropriate.
- 4) Determine the criteria for evaluating the performance of the Chief Executive Officer and propose it to the Board of Directors for approval.
- 5) Evaluate the performance of the Chief Executive Officer in order to review the problems and obstacles each year. The evaluation results are used to develop and improve various areas and be proposed to the Board of Directors for consideration.

The Scope of Duties and Responsibilities of Remuneration
Consider monetary and non-monetary remuneration

guidelines for the Board of Directors, the Chief Executive Officer, and sub-committees as well as other benefits that are suitable, fair and reasonable for a fixed rate of remuneration (such as regular remuneration and meeting attendance fee) and remuneration based on the Company's performance (such as bonuses and rewards). This shall be consistent with the value that the Company created for shareholders but not at a level that it is too high that results in an emphasis on short-term results. The remuneration shall be proposed to the Board of Directors' Meeting for consideration and proposed to the Shareholders' Meeting for further approval.

The Scope of Duties and Responsibilities of Corporate Governance

- 1) Establish a corporate governance policy for the business operations of the Company and propose it to the Meeting of the Board of directors and/or the Meeting of Shareholders for approval.
- 2) Propose and give recommendations on good corporate governance guidelines to the Board of Directors.
- 3) Promote an ethical corporate culture, oversee the implementation of policies and good corporate governance practices of the Company's personnel in order to be in accordance with the good corporate governance principles and the Company Code of Conduct.
- 4) Review and improve the good corporate governance policy to be appropriate to be submitted to the Board of Directors.
- 5) Report the performance of the Nomination, Remuneration and Corporate Governance Committee to the Board of Directors for acknowledgement and prepare the Nomination, Remuneration and Corporate Governance Committee report to be disclosed in the Company's annual report and affix the signature of the Chairman of the Nomination, Remuneration and Corporate Governance Committee
- 6) Perform other duties as assigned by the Board of Directors.

The Scope of Duties and Responsibilities of the Executive Committee

The Board of Directors Meeting No. 3/2018 which was held on February 15, 2018 specified the scope of duties and responsibilities of the Executive Committee as follows:

1. Consider and scrutinize the vision, mission, target, business objectives, business strategy, business plan and annual budget plan of the Company and subsidiaries as jointly proposed by the Chief Executive Officer and the Managing Director by appropriately considering the business factors to propose and request for approval from the Board of Directors. In the event of a change to the situation. the Executive Committee shall review the approved budget to suit the situation.
2. Supervise, oversee and monitor the Company's business operations so that they are in accordance with the vision, mission, goal, business objectives, business strategy, business plan and the Company's annual budget plan which were approved by the Board of Directors to be efficient and effective for business conditions as well as providing advice and recommendations for the senior executives.
3. Study the feasibility of new project investments, has authority to consider and approve the Company to invest or jointly invest with individuals, juristic persons, or other business organizations as the Executive Committee deems appropriate to carry out the business in accordance with the approved investment budget framework by the Board of Directors and the delegation of authority. Consider and approve investment expenditures, transaction engagements, and/or any operations related to the said matters until it is completed within the specified credit limit and/or the relevant laws and regulations and/or the Article Association of the Company.
4. Follow up the performance and progress of investment projects of each business and report the results, including problems or obstacles that occur as well as the improvement guidelines to the Board of Directors.
5. Give advice regarding the dividend payment of the Company to the Board of Directors.
6. Consider and give suggestions or opinions to the Board of Directors regarding the project. proposals or transaction engagements related with the

business operations of the Company. Consider fund raising options when necessary and/or required by the relevant laws and regulations or the Article of Association of the Company. Assign the Meeting of Shareholders and/or the Board of Directors to consider the approval.

7. Consider and approve transaction engagements with financial institutions for opening accounts, requesting loans, credit, mortgages and other guarantees which includes purchasing and registering land ownership in accordance with the objectives and the benefit of the business of the Company. This included legal enactments with the government sector in order to obtain the rights of the Company and/or any operations related to the said matter until it is completed within the specified credit limit and/or the relevant laws and regulations or the Article of Association of the Company.
8. Consider and approve regulations, management policy guidelines, and business operations of the Company or any activities that are binding on the Company.
9. Appoint and/or assign executive directors or any individual or persons to act within the scope of the Executive Committee, within the period limit as the Executive Board deemed appropriate. The Executive Committee may cancel, revoke or change the said authority.
10. Encourage executives or employees to attend the Executive Committee meeting or prepare and provide information relating to the meeting agenda of the Executive Committee meeting.
11. Has authority, duties and responsibilities as assigned or according to the policy assigned from the Board of Directors from time to time.
12. Procure consultants or individuals with independent opinions to give opinions or recommendations as necessary.
13. Report the performed duties within the scope of authority and the duties of the Executive Committee to the Board of Directors on a regular basis as well as any other necessary and appropriate matters that shall be submitted to the Board of Directors for acknowledgment.
14. Consider and approve an operational manual and the scope of responsibility of the Management Team in order to proceed according to systematic

procedures.

15. Consider and approve the normal business operations of the Company according to the investment budget or the budget approved by the Board of Directors, the credit limit for each transaction as specified in the authority table which has been approved by the Board of Directors. This shall not exceed the annual budget approved by the Board of Directors including any agreement enactment related to the said matter.
16. Evaluate the performance of the Board of the Executive Committee, the members of the Executive Committee individually in order to review the performance, problems and obstacles each year in order to use the evaluation results to develop and improve operations in various fields.

Risk Management Committee

At the Board of Directors Meeting No. 1/2020, held on February 24, 2020, the scope of duties and responsibilities of the Risk Management Committee are as follows:

- 1) Defines and reviews risk management framework, Risk Management Committee Charter, risk management policies and process including suitably and effectively suggest the guidelines to risk management relating to the Company's business to correspond with business strategies, business plans, and volatile circumstances.
- 2) Continuously and effectively promote and develops risk management and risk management tools in all levels across the organization.
- 3) Supervises, monitors, and reviews key risk management plan and report including give necessary advice to ensure effective risk management at an acceptable level corresponding with risk management policy
- 4) Report significant risk management performance to the Board of Directions; in case there are factors or events that might have significant impact on the Company, the Committee shall notify the Board of Directors in a timely manner.
- 5) Responsibilities for other tasks assigned by the Board of Directors.

The Scope of Duties and Responsibilities of the Chief Executive Officer

- 1) Cooperate with the Managing Director to determine the vision, mission, goals, business objectives, business strategy, business plan, and the annual budget plan of the Company and subsidiaries which included the structure and management authority to be proposed to the Executive Committee and/or:
- 2) Communicate vision, mission, goal, business objectives, business strategy, business plans and the annual budget plan that was approved by the Board of Directors to the Company's senior executives to be used as a framework for creating business plans and management of each department.
- 3) Oversee the overall picture of the Company's operations so that they are in accordance with business strategy, business plan, and the set annual budget plan. Comply with the laws, rules and regulations of relevant agencies as well as the regulations, the Articles of Association of the Company, resolutions of the Shareholders' Meeting and/or resolutions of the Meeting of the Board of Directors and/or the Meeting of Executive Committee to achieve the set goals, financial goals and non-financial goals.
- 4) Approve expenses which includes remuneration under budgets, plans or the operational framework that is approved by the Executive Committee and/or the Board of Directors and assigned authority.
- 5) Consider and approve the appointment of executives under the Chief Executive Officer as it appears in the management structure of the Company. The definition of "executive" shall be in accordance with the definition prescribed by the Securities and Exchange Commission, or Capital Market Supervisory Board. Consider and determine the remuneration of the executives.
- 6) Consider new business opportunities and investments related to the main business of the Company and subsidiaries in order to generate revenue for the Company.
- 7) Be the Company's representative in public relations to promote the organization to the public, especially in the area of networking and for the good image of the organization at the national and international

level.

- 8) Encourage the Board of Directors in providing appropriate communication channels with the shareholders regularly, disclose information with transparency and in accordance with the standards.
- 9) Has the authority to delegate authority to and/or assign others to perform certain tasks on their behalf by delegating authority and/or the assignment under the scope of authorization, under the authority of attorney, and/or in accordance with the rules, regulations, or orders that the Board of Directors and/or the Executive Committee and/or various sub-committees and/or the Company. In this regard, the assignment of authorities and duties of the Chief Executive Officer or a delegate from that Chief Executive Officer shall not have the nature of authorization or a delegation of authority that allows the Chief Executive Officer or a delegate of the Chief Executive Officer to approve transactions that he or someone may have a conflict with (according to the definition announced by the Securities and Exchange Commission, and/or the announcement of the Capital Market Supervisory Board, and/or the Stock Exchange of Thailand, and/or related agencies specified) who may have an interest or may receive benefits in any manner or may have a conflict of interest with the Company or subsidiary of the Company, except for approving transactions that are in accordance with the policies and criteria approved by the Meeting of the Shareholders or the Board of Directors and is an approval for transactions that are in accordance with normal business and normal trading conditions. This is in accordance with the announcement of the Securities and Exchange Commission, and/or the notifications of the Capital Market Supervisory Board, and/or the Stock Exchange of Thailand and/or any related departments.
- 10) Perform other tasks as assigned by the Board of Directors and/or the Executive Board and/or the sub-committees under the rules and the Articles of Association of the Company, securities laws, as well as the notifications, regulations, and relevant rules of the Capital Market Supervisory Board, the Office of Securities and Exchange Commission and the Stock Exchange of Thailand

Delegation of Authority and Procedure

The credit limit for investment projects, expenses, and the main procurement of the Company are as follows:

Type of Transaction			Approval Authority				
			BOD ^{/1}	EC ^{/1}	CEO ^{/1}	MD ^{/1}	COO ^{/2}
1.	Budgeting						
1.1	Approve the Company's annual budget (including revenue budget, expense budget, investment budget, cost budget) and changes in interim budget.		✓				
1.2	Approve investment projects that the investment budget has been approved according to clause 1.1	>200 million Baht per project	<200 million Baht per project	-	-	-	
1.3	Non-ordinary project investments or outside the budget	>50 million Baht per project	<50 million Baht per project	-	-	-	
1.4	Approve the administrative expense budget and sales expenses that have been approved according to clause 1.1	>50 million Baht per transaction	<50 million Baht per transaction	-	<20 million Baht per transaction	-	
2.	Procurement						
2.1	Open PO (per transaction) and the procurement request has been approved according to clause 1.1						
2.1.1	Construction work			> 100 million Baht per transaction ^{/2}	<100 million Baht per transaction		
2.1.2	Marketing work			> 30 million Baht per transaction ^{/2}	<30 million Baht per transaction	<500,000 Baht per transaction	
2.1.3	Open PO by the purchasing of main office			> 15 million Baht per transaction ^{/2}	<15 million Baht per transaction		
2.1.4	Purchase product for sales by the Supply Chain			>100 million Baht transaction ^{/2}	<100 million Baht per transaction		
2.1.5	Purchase product for sales by other departments			>100 million Baht per transaction ^{/2}	<100 million Baht per transaction	<20 million Baht per transaction	

Note: ^{/1} BOD - Board of Directors, EC - Executive Committee, CEO - Chief Executive Officer, MD - Managing Director COO-Chief Operating Officer
^{/2} The authority to approve the transaction is the CEO (Chief Executive Officer) and MD (Managing Director), jointly affix signature.

In this regard, if any transactions are in the category of connected transactions or the acquisition or disposition of assets of the Company, the Company has a duty to comply with relevant laws, relevant regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

The Nomination and Appointment of Directors, Sub-Committees and the Chief Executive Officer

The Criteria for Nomination and Appointment of Directors

The Nomination, Remuneration and Corporate Governance Committee shall select candidates who have qualifications and do not have prohibited characteristics as prescribed, be proposed to the Meeting of the Board of directors for the Board of Directors to propose to the Shareholders’ Meeting (as the case may be) in order to consider the appointment of the selected persons to hold a position on the Board of Directors. This is done in the best interest of the Company and adheres to good corporate governance guidelines

Composition of the Board of Directors

- 1) The Board of Directors consists of at least 5 directors and no less than half of the total number of directors must reside in Thailand.
- 2) The Board of Directors must consist of at least one-third of the total number of independent directors but must be no less than 3 people.
- 3) In the case that the Chairman is not an independent director, the Board of Directors shall appoint one independent director to participate in determining the meeting agenda in order to be in accordance with the principles of Good Corporate Governance for Listed Companies 2017

Definition of “Independent Director”

Independent Director means a director who has qualifications in accordance with the regulations of the Office of Securities and Exchange Commission and the regulations of the Stock Exchange of Thailand as follows:

- 1) Does not hold more than one percent of the total voting shares of the Company, parent company, subsidiary, associated company or juristic person that may have a conflict of interest. This includes the shares held by the related parties of that independent director (including related parties under

Section 258 of the Securities and Exchange Act).

- 2) Is not or has been a director who is involved in management, staff, employees, consultants who receive a regular salary or is a controlling person of the Company, parent company, subsidiary, associated Company, same level subsidiary and the controlling person or juristic person that may have conflicts of interest with the Company unless they have passed the aforementioned nature for no less than 2 years prior to being appointed as a director.
- 3) Is not related by blood or registration in the form of a father, mother, spouse, sibling and children with executives, major shareholder, controlling person, or person who shall be nominated as an executive, controlling person or person to be nominated as an executive or controlling person of the Company or subsidiary.
- 4) Does not have or have had a business relationship with the Company, parent company, subsidiary, associated company, major shareholder, the Company's controlling person or a juristic person that may have conflicts in a manner that may obstruct their independent judgment. Is not or have been a significant shareholder or controlling person of the person that has a business relationship with the Company, parent company, subsidiary, associated company, major shareholder or juristic persons that may have a conflict unless having passed the aforementioned nature for no less than 2 years prior to being appointed to be a director.
- 5) Is not a director who is appointed to be a representative of the Board of Directors, major shareholder or shareholder that is a related party to the major shareholder of the Company.
- 6) Is not or have been an auditor of Company, parent company, subsidiary, associated company, major shareholder or the controlling person of the Company. Is not a significant shareholder, controlling person, or partner of the audit firm that is the auditor of the Company, parent company, subsidiary, associated company, major shareholder unless having passed the aforementioned position for at least 2 years prior to being appointed as a director.
- 7) Is not or have been a professional service provider of any field which includes providing legal advisory services or a financial advisor that receives service fees for more than 2 million Baht per year from the

Company, parent company, subsidiary, associated company, major shareholder, or the controlling person of the Company. Is not a significant shareholder, controlling person, or partner of that professional service provider unless having passed the aforementioned nature for no less than 2 years prior to being appointed as a director.

- 8) Does not operate a business of the same nature that significantly competes with the business of the Company or subsidiary nor is not a partner in partnership nor a director that participate in the management, employees, consultants that receive a regular salary nor holds more than 1% of the total voting shares of other companies which operates in the same business and is in significant competition with the business of the Company or subsidiary.
- 9) Does not have any characteristics that hinder the capability to express independent opinions to the Company's business operations.

Qualifications of Directors

- 1) Has the qualifications and does not have any prohibited characteristics as prescribed by the Public Limited Companies Act 1992 (including amendments), the Securities and Exchange Act B.E. 2535 (including amendments) or according to the rules as specified by the Board of Directors, the Securities and Exchange Commission. Does not have any inappropriate characteristics to be entrusted with the management of a public-owned business as specified by the Securities and Exchange Commission.
- 2) Has knowledge, abilities and experience that are beneficial to business operations and is committed and ethical in conducting business.
- 3) Is able to use discretion honestly and independently from the Management Team and other benefit groups.
- 4) Is able to devote sufficient time to the Company in which they are a director and pay attention in performing duties according to their responsibilities.
- 5) If the director is an independent director, the said director shall have the qualifications as specified in the Notification of Capital Market Supervisory Board Tor Chor. 39/2016 regarding the request and permission to offer newly issued shares dated September 30, 2016 (including amendments) and the notification of additional amendments that may

be in the future.

- 6) Directors are not able to hold the position of director in other companies, however, being a director of such a company shall not be an obstacle to the performance of the Company's directors and shall be in accordance with the guidelines of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.
- 7) Directors are not able to operate in a business of the same nature and in competition with the business of the Company and subsidiaries or become a partner or director in other juristic persons that have the same conditions and are in competition with the business of the Company and its subsidiaries, whether it is for their own benefit or for the benefit of others unless it the Shareholders' Meeting was notified prior to having a resolution.
- 8) Directors shall notify the Company or subsidiary without delay if the director is a stakeholder in the contract that the Company or subsidiary enacted, whether directly or indirectly.

The Term of Office and Termination of Office of Directors

At each annual general meeting, one-third of the directors shall step down from their position. If the number of directors is not divisible by three, the number of directors closest to one-third shall step down from their position. Directors retired by rotation may be re-elected by the shareholders. Besides retiring by rotation, the director can be removed from the position as follows

- 1) Death
- 2) Resignation (effective from the date the Company Received a resignation letter)
- 3) Lacking qualifications or having prohibited characteristics as prescribed by the laws, regulations and Notifications issued under the laws or the Article of Association of the Company
- 4) The resolution of the shareholders' meeting
- 5) Court issued an order

Criteria for Recruitment and Appointment of the Audit Committee

The Board of Directors appoints the Audit Committee, which is considered an important mechanism of good corporate governance in order to assist the Board of Directors in carrying out their responsibilities in overseeing the quality and reliability of the accounting system, audit system, internal control system as well as the Company's financial reporting process.

Composition of the Audit Committee

The Audit Committee must be comprised of at least 3 members. Each committee member must be an independent director who can exercise his or her discretion independently and is able to read and understand the basics of financial statements which is the responsibility of the Audit Committee. At least one member of the Audit Committee must have sufficient knowledge and experience to review the credibility of the financial statements. The Audit Committee can communicate directly with the external auditor, the internal auditor, and the Management of the corporation. The Audit Committee or the Board of Directors appointed a member of the Audit Committee to be the Chairman of the Audit Committee.

Qualifications of the Audit Committee

- 1) Has the qualifications required by relevant laws, especially the laws regarding public limited companies and securities and stock exchange laws.
- 2) Be a director and independent director of the Company.
- 3) Hold no more than one percent of the total shares with voting rights of the Company, subsidiary, associated company, major shareholder, or be a person with controlling power of the Company. This includes the shareholding of any related person of that director.
- 4) Not being or never been a director that participates with management, staff, employees, or is an advisor who receives a regular salary or is a controlling person of the Company, parent company, associated company, same level subsidiary, major shareholder or controlling person of the Company, unless the aforementioned characteristics have passed for no less than two years before the date of submission of the application of the Securities and Exchange Commission (for independent directors appointed before the date of filing an application for the approval of the Office of the Securities and Exchange Commission) or the date appointed as an independent director (for independent directors appointed after the submission of the request of the Office of the Securities and Exchange Commission, as the case may be). Such prohibited characteristics do not include the case that an independent director used to be a civil servant or an advisor to a government organization that is a major shareholder or controlling person of the Company.

- 5) Is not a person who has a blood relationship or legal registration in the form of a parent, spouse, sibling, or child. This includes the spouse of any children of any other directors, executives, major shareholders, regulators, or the person who will be proposed to be a director, executive or controlling person of the Company or subsidiary.
- 6) Is not nor has never had a business relationship with the Company, parent company, subsidiary, associated company, major shareholder, or the controlling person of the Company in a manner that may obstruct his independent judgment. This includes not being nor ever been a significant shareholder or the controlling person of the person who has a business relationship with the Company, parent company, subsidiary, associated company, major shareholder or the controlling person of the Company unless the aforementioned characteristics have passed for no less than two years before the date of submission of the application to the Office of the Securities and Exchange Commission (for independent directors appointed before the date of filing an application for approval with the Office of the Securities and Exchange Commission) or the date of being appointed as an independent director (for independent directors appointed after the submission of the request to the Office of the Securities and Exchange Commission) as the case may be. Such business relations include normal business transactions for business operations, the renting or rental of real estate, transactions related to assets or services, granting or receiving financial assistance by accepting or granting loans, and guaranteeing assets as collateral for liabilities. This includes other similar circumstances that resulted in the Company or the contracting party to have an obligation to pay the other party from three percent of the Company's net tangible assets or twenty million baht or more. In this regard, the calculation of the said debt burden shall be in accordance with the calculation method for the value of connected transactions under the Notifications of the Capital Market Supervisory Board on rules for related transactions, mutatis mutandis. The said debt shall include debt burdens incurred between one day before the date of business relationship with the same person.
- 7) Is not nor never been an auditor of the Company, parent company, subsidiary, associated company, major shareholder, or the controlling person of the Company

and is not a significant shareholder, regulator, or partner of the audit firm which are the auditors of the Company, parent company, subsidiary, associated company, major shareholder, or the controlling person of the Company, unless the aforementioned characteristics have passed for no less than two years before the date of submission of the application to the Office of the Securities and Exchange Commission (for independent directors appointed before the date of filing an application for approval with the Office of the Securities and Exchange Commission) or the date of being appointed as an independent director (for independent directors appointed after the submission of the request to the Office of the Securities and Exchange Commission), as the case may be.

- 8) Has not nor previously been a professional service provider. This includes providing legal or financial advisory services that receives a service fee of more than two million Baht per year from the Company, parent company, subsidiary, associated company, major shareholder, or the controlling person of the Company, and is not a significant shareholder, regulator, or partner of that professional service provider unless the aforementioned characteristics have passed for no less than two years before the date of submission of the application to the Office of the Securities and Exchange Commission (for independent directors appointed before the date of filing an application for approval with the Office of the Securities and Exchange Commission) or the date of appointment as an independent director (for independent directors appointed after the submission of the request to the Office of the Securities and Exchange Commission) as the case may be.
- 9) Not being a director who is appointed to be a representative for any director, major shareholder, or shareholder of the Company who is related to a major shareholder.
- 10) Is not operating a business that has the same nature or in significant competition with the business of the Company or subsidiary. Is not a significant partner in a partnership or a director who participates in the management of employees, staff, or consultants who receive a regular salary or hold shares that exceed one percent of the total voting shares of other companies that operate in the same business and are in significant competition with the business of the Company or subsidiary.
- 11) Does not have any characteristics which make them incapable of expressing independent opinions with regard to the Company's business operations.

- 12) Is not a director assigned by the Board to decide on the business operations of the Company, parent company, subsidiary, associated company, same-level subsidiary company, major shareholder, or is the controlling person of the Company, and
- 13) Is not a director of the parent company, subsidiary, or same level subsidiary which is a listed company.

In addition, at least one independent director who is a member of the Audit Committee must be a person with sufficient knowledge and experience to review the credibility of the financial statements. In addition, the Company will consider other qualifications, for example, business experience, expertise in business, ethics, etc.

The Term of Office and Termination of the Audit Committee

The Audit Committee has a term of 3 years from the date of appointment or in accordance with the term of office of the Company. The Audit Committee members who have completed their term may be re-appointed as the Board of Directors or the Shareholders' Meeting deems appropriate. In the case that the position of the Audit Committee becomes vacant due to reasons other than retirement, the Board of Directors or the Shareholders' Meeting shall appoint a person who has all the qualifications to be a member of the Audit Committee so that the Audit Committee has the complete number as specified by the relevant laws or regulations. This will be done within 3 months from the date the Audit Committee number was incomplete. The person that is appointed to the Audit Committee can hold office for the remainder of the term for the Audit Committee member that was replaced.

The Audit Committee may vacate the office for the following reasons:

- (A) ceasing to be a director of the Company
- (B) completion of the term
- (C) death
- (D) resignation
- (E) was withdrawn

In the event that the Audit Committee resigns before the end of the term, the Audit Committee must notify the Company at least one month in advance with the reason for resignation so that the Board of Directors or the Shareholders' Meeting can consider the appointment

of other directors that are fully qualified to replace the person who resigned.

Criteria for the Recruitment and Appointment of the Nomination, Remuneration and Corporate Governance Committee

The Board of Directors shall appoint the Nomination, Remuneration and Corporate Governance Committee.

Terms of Office and the Termination of the Nomination, Remuneration and Corporate Governance Committee

- 1) The term for members of the Nomination, Remuneration and Corporate Governance Committee is for three (3) years. Members of the Nomination, Remuneration and Corporate Governance Committee, who retire by rotation may be re-elected.
- 2) In the case that the position of the Nomination, Remuneration and Corporate Governance Committee is available for other reasons, other than retirement according to clause 5.1 include: death, termination of office, resignation or removal. The Board of Directors shall appoint a person who has the complete qualifications as a member of the Nomination, Remuneration and Corporate Governance Committee. The Nomination, Remuneration and Corporate Governance Committee has the number of members specified by the Board of Directors specified. The person who is appointed as a member of the Nomination, Remuneration and Corporate Governance Committee will only hold the office for the remainder of the term of the Nomination, Remuneration and Corporate Governance Committee which they replaced.
- 3) In the case that the Nomination, Remuneration and Corporate Governance Committee resigned before the expiration of the term, the Nomination, Remuneration and Corporate Governance Committee must notify the Company in advance so that the Board of Directors can consider the appointment of another director who is fully qualified to replace the person who resigned within ninety (90) days so that the Nomination, Remuneration and Corporate Governance Committee has the complete number of members specified by the Board of Directors.

Criteria for the Recruitment and Appointment of Executive Committee

The Board of Directors shall appoint the Executive Committee.

The Composition of the Executive Committee

- 1) The Executive Committee is comprised of no less than 5 directors.
- 2) The Chairman of the Executive Committee must be appointed by the Board of Directors

Qualifications of the Executive Committee

- 1) The Executive Committee must be comprised of persons that are qualified and have experience as specified by the Board of Directors.
- 2) The Executive Committee must have knowledge, ability and experience that are beneficial to business operations, be determined and ethical when conducting business.
- 3) The Executive Committee is able to use honest discretion and be independent from the management and other benefit groups.
- 4) The Executive Committee is able to devote sufficient time to the Company and pay attention to their duties in accordance with their responsibilities.

Term of Office and Termination of Office of Executive Committee

Members of the Executive Committee hold a 3-year term and then members of the Executive Committee retire by rotation. Executive Committee members may be re-elected.

Members of the Executive Committee may vacate office for the following reasons:

- (A) completion of the term
- (B) death
- (C) resignation
- (D) the board resolved to terminate

In this case that members of the Executive Committee resign before the end of their term of office, a member of the said Executive Committee must inform the Chairman of the Executive Board. The Board of Directors must consider the appointment of a new member to the Executive Committee to replace the member who resigned from the Executive Committee within 90 days in order for the Executive Committee to have the total number of members specified by the Board of Directors.

Criteria for the Recruitment and Appointment of the Risk Management Committee

The Term of Office and Termination of Office of the Risk Management Committee

The Board of Directors shall appoint a Risk Management Committee through the selection of the Nomination, Remuneration and Corporate Governance Committee. The term of office for the risk management committee shall be in accordance with the position of the Company's directors.

In the case that members of the Risk Management Committee completes the term or there are any reasons that members are unable to complete the term, causing a position on the Risk Management Committee to be vacant, the Board of Directors must appoint a new member to the Risk Management Committee within 90 days from the date that the number of directors was incomplete so that the Risk Management Committee is able to continue to perform their duties.

Criteria for Recruitment and Appointment the Chief Executive Officer

In selecting directors, the Chief Executive Officer, the Nomination, Remuneration and Corporate Governance Committee is responsible for determining the recruitment and screening policies for suitable persons to be nominated as directors and the Chief Executive Officer before proceeding with the recommendation to the Board of Directors in order to appoint the said person further in accordance with the relevant charter, Company regulations, the requirements of relevant laws, and the good corporate governance policy of the Company.

Supervision of the Operations of the Subsidiaries, Joint Ventures, and Associated Companies

Investment Policy in Subsidiaries, Joint Ventures, and Associated Companies

The Company has a policy to invest in companies that are in line with the goals, corporate vision and strategy for growth which will cause the Company to increase earnings or profits or invest in synergy for the Company to increase the Company's competitiveness and for the Company to achieve the target of being a leading operator in the main business of the Company. The Company, subsidiaries and/or joint ventures and/or associated companies may consider investing in other businesses if it is a business that has the potential to grow, can expand the business, or is beneficial to the business of the company group which can create a good

return on investment by considering the investment of the Company, subsidiaries, and/or joint ventures and/or associated companies. The Company will analyze the feasibility of the investments and consider the potential and any risk factors from the investment with the appropriate investment analysis procedures. These must be agreed upon and/or have approval from the Board of Directors' Meeting or the Shareholders' Meeting of the Company (as the case may be). When requesting approval for investments in subsidiaries and/or joint ventures and/or the said associated company, it must comply with the announcement of the Capital Market and the

Supervisory Board and the notifications of the Stock Exchange of Thailand.

Supervision Policy of Subsidiaries, Joint Ventures and Associated Companies

The Company set policies for the supervision and management of subsidiaries, joint ventures and associated companies with the objective to define both direct and indirect measures and mechanisms for the Company and be able to supervise and manage the business of the subsidiaries and associated companies. This includes monitoring the subsidiary and joint ventures (as far as possible under the joint venture agreement) and the associated companies to comply with the specified measures and mechanisms as if they were their own departments and in accordance with Company policy. This includes public company law, civil and commercial code, securities law, and any relevant laws, as well as the announcements, regulations and relevant rules of the Capital Market Supervisory Board, the Securities and Exchange Commission, and the Stock Exchange of Thailand in order to protect the interests of the investments of the Company in subsidiaries, joint ventures, and the said associated company. The details as follows:

1) The Company will send a representative of the Company to be a director in each subsidiary and/or joint venture (as far as possible under the joint venture agreement) and/or the associated company in accordance with the proportion of shareholding in each company in order to make sure the subsidiaries and/or joint ventures and/or associated companies act in accordance with the law and good corporate governance policy which also includes other policies of the Company. However, when a representative of the Company is sent to be a director in each subsidiary and/or joint venture and/or associated company, it must be considered and approved by

the Board of Directors' Meeting by considering the suitability of each company.

- 2) The Company will send a representative of the Company to be an executive (for example, the Chief Executive Officer or the Chief Financial Officer) in each subsidiary and/or joint venture (as far as possible under the joint venture agreement) and/or associated company as appropriate by considering the shareholding proportion in each company.
- 3) If entering into a transaction or any operation of a subsidiary that is in the scope of or is an acquisition or disposal of assets in accordance with the announcement or disposal of assets or connected transactions which are in accordance with the announcement of the related connected transactions which will result in the Company having the duty to ask for approval at the Meeting of the Board of Directors of the Company and/or from the Shareholders' Meeting of the Company or request approval from the relevant department according to the law before entering into the transaction, the subsidiary will be able to enter into the transaction or proceed only after receiving approval from the Board of Directors of the Company and/or the Shareholders' Meeting of the Company and/or any related departments (depending on the case) is completed. In addition, if entering into a transaction or the occurrence of certain events of a subsidiary makes the Company have to disclose information to the Stock Exchange of Thailand in accordance with the rules specified in related announcements, the Stock Exchange of Thailand Board and the representative directors of the said subsidiary have the duty to notify the management of the Company as soon as it is known that the subsidiary plans to enter into a transaction or the said event occurred.
- 4) The Board of Directors and executives of subsidiaries and/or joint ventures (as far as possible under the joint venture agreement) and/or each associated company will have a significant scope of duties and responsibilities in accordance with the relevant laws. This includes disclosing financial and operating performance information to the Company by using relevant notifications of the Capital Market Supervisory Board and the announcement of the Stock Exchange of Thailand, mutatis mutandis, as well as disclosing and sending information of one's own interests and those of any related parties to the Board of Directors about the relationship and transactions with companies, subsidiaries and/or joint ventures and/or associated companies in ways that may cause conflicts of interest and avoid

transactions that may cause conflicts of interest.

- 5) Operate the significant subsidiaries with the same auditing office or the auditing office which is in the same network as the Company's auditors.
- 6) Subsidiaries and/or joint ventures and/or associates are responsible for submitting financial statements and the financial statements that have been reviewed/audited by an auditor as well as information to prepare the said financial statements for the Company in order to prepare the consolidated financial statements or the results of the Company.
- 7) The Company will specify the plans and take the necessary actions to ensure that subsidiaries and/or joint ventures (as far as possible under the joint venture agreement) and/or the associated companies have disclosed information about the operating results and the financial status. The Company will take the necessary actions and monitor the subsidiaries and/or joint ventures (as far as possible under the joint venture agreement) and/or the associated companies have sufficient and appropriate information disclosure systems and internal control systems for business operations. In addition, the Company will closely monitor the subsidiaries' operating results and operations and/or joint ventures and/or the said associated company and present the analysis results, which includes any comments or recommendations to the Board of Directors and the board of subsidiary and/or joint venture and/or associated company in order to be used to determine policy or improve the business of the subsidiary and/or joint venture and/or associated company with continuous development and growth.

In addition, the Company will closely monitor the subsidiaries' operating results and operations and/or joint ventures and/or the said associated company and present the analysis results, which includes any comments or recommendations to the Board of Directors and the board of subsidiary and/or joint venture and/or associated company in order to be used to determine policy or improve the business of the subsidiary and/or joint venture and/or associated company with continuous development and growth.

Supervision of the Use of Insider Information

The Company has a policy and method to prevent directors, executives, and employees from using the insider information of the Company which has not been disclosed to the public in order to seek personal benefits. This includes the following securities trading:

- 1) The Company will provide knowledge to the directors and executives regarding the duties to prepare and submit a report regarding the securities holding of one's spouse or partner, underaged children which includes legal entities in which the directors or executives' spouse or partner and the minor children of the said directors and executives are shareholders of more than 30 percent of the total voting rights of the said juristic person to the Office of the Securities and Exchange Commission under Section 59 and the penalties under Section 275 of the Securities and Exchange Act B.E. 2535 (including amended) ("Securities and Exchange Act"). This includes the report of acquisition or disposition of Company securities according to Section 246 and penalties under Section 298 of the Securities and Exchange Act.
- 2) The Company requires the directors and executives of the company to prepare and submit a report of securities holding of one's spouse or partner, underage children which includes legal entities in which the directors and executives' spouse or partner and minor children of the said directors and executives are shareholders who hold more than 30 percent of the total voting rights of the said juristic persons in accordance with the securities holding report form prescribed to the Company Secretary before being submitted to the Office of the Securities and Exchange Commission every time. This must be prepared and delivered within 30 days from the date of being appointed to be a director and/or executive and every time there is a change or report changes in securities holdings in accordance with the changes in securities holdings specified within 3 working days from the date that the securities are bought, sold, transferred or accepted and requires the Company Secretary to summarize the report of securities holding and changes of securities holding to the Board of Directors' Meeting for acknowledgment every 6 months.
- 3) The Company requires that directors and executives which includes management positions in accounting or finance who are department level managers or higher or equivalent to and related workers. This includes people who are assumed to know or possess insider information according to the Securities and Exchange Act to receive important insider information which affects the price or value changes of securities. They must suspend trading, offering to buy or sell, or persuading other people to trade, offering to buy or sell

Company securities, whether directly or indirectly. In the period before the disclosure of financial statements or information about the financial status and the status of the Company until the Company has disclosed the information to the public, throughout the "Embargo Period" period, which means the period of one month before the date of the Company's quarterly and annual financial performance is announced. The Company will notify directors and executives to not trade the Company's securities in writing for at least 1 month before the public disclosure and they should wait at least 24 hours after revealing the information to the public. This includes prohibiting the disclosure of such significant information to other parties.

- 4) The Company prohibits directors, executives and employees of the Company and its subsidiaries, which includes people who are assumed to know or possess information within the Act Securities and Stock Exchange, to use the insider information of the Company and its subsidiaries that have or may have an effect on the price change of the Company's securities which have not been made public which was known and used to buy, sell, offer to buy, sell or persuade people other: to buy or sell the Company's securities, whether directly or indirectly and whether such actions are done for the benefit of oneself or others, or revealing such facts for others to do so, whether or not they receive benefits or not.
- 5) The Company requires directors, executives and employees of the Company and its subsidiaries as well as former directors, executives, and employees who have resigned to be responsible for maintaining confidentiality and/or the insider information of the Company and its subsidiaries as well as confidential information of business partners of the Company and its subsidiaries where they have been informed of the duties and prohibit the confidentiality and/or insider information of the Company and its subsidiaries as well as confidential information of business partners of the Company and its subsidiaries to use for other companies and let the third parties know even if disclosing the information does not cause any damage to the Company, subsidiaries or business partners.
- 6) The Company requires directors, executives and employees of the Company and its subsidiaries to not reveal the insider information of the Company and its subsidiaries. They will not use their position in the Company and/or subsidiary or take insider information or significant information that has been recognized or

acknowledged while working in the Company and/or subsidiary which has not been made public in order to seek benefit in the wrong way or disclose information to outsiders or other people for their own benefit, whether directly or indirectly, regardless of whether or not the benefits are received or not.

- 7) The Company requires directors, executives and employees of the Company and its subsidiaries to be responsible for complying with the insider information guidelines of the Securities and Stock Exchange Act, as well as other relevant rules.
- 8) The Company established disciplinary punishment for executives and relevant workers who violate the use of insider information for personal benefits. This begins with a written warning to cut wages, temporary suspension without paying or terminating work. The punishment will be based on the intent of the action and the seriousness of the offense.

Remuneration of Auditors

The Audit Fee

For the fiscal year that ended on December 31, 2019, the Company and its subsidiaries (including ILM Malaysia) paid audit fees to KPMG Phoomchai Audit Limited and

KPMG PLT, the auditor of ILM Malaysia in the total amount of 3.67 million Baht. This consisted of quarterly financial statement review fees, annual audit fees, information system inspection fees, the observation of product destruction, overtime pay, travel expenses and other expenses that are actually drawn out-of-pocket expenses related to the quarterly financial statement reviews and audit fees.

Other Non-Audit Fees

The Company and its subsidiaries did not pay any non-audit fees in 2019 to KPMG Phoomchai Audit Ltd. and KPMG PLT.

Compliance with Other Good Corporate Governance Principles

Since the Company was listed on the Stock Exchange of Thailand in 2019, 2020 was considered the first year that the Company was evaluated by the Thai Institute of Directors in regards to the Corporate Governance Survey for 2020. The Company is committed to strictly complying with good corporate governance principles for listed companies set by the Stock Exchange of Thailand and consistently implemented social responsibility.



Securities Holdings of the Company’s Directors and Executives

Details Regarding the Changes in the Shareholding of the Company’s Directors in 2020

No	Name–Last Name	Position	Number of Shares Held January 31, 2020	Change to the Number of Shares	Number of Shares Held January 29, 2021	Shareholding Proportion (%)
1.	Mrs. Kannika Chalitaporn Spouse and children who have not yet become sui juris	Director and Chairman of the Board	455,000	(221,000)	234,000	0.046
2.	Mr. Pisith Patamasatayasonthi Spouse and children who have not yet become sui juris	Director, Chairman of the Executive Committee, Chief Executive Officer	13,400,900	-	13,400,900	2.654
3.	Mrs. Kunthong Udommahuntisuk Spouse and children who have not yet become sui juris	Director	21,004,880	752,000	21,756,880	4.308
4.	Miss Kridchanok Patamasatayasonthi Spouse and children who have not yet become sui juris	Director, Executive Committee Risk Management Committee Managing Director	33,989,320	520,000	34,509,320	6.834
5.	Miss Pichapim Patamasatayasonthi Spouse and children who have not yet become sui juris	Director and Executive Committee	33,639,320	740,000	34,379,320	6.808
6.	Mr. Ekalak Patamasatayasonthi Spouse and children who have not yet become sui juris	Director and Executive Committee	33,639,320	574,100	34,213,420	6.775
7.	Mr. Ekaridhi Patamasatayasonthi Spouse and children who have not yet become sui juris	Director Risk Management Committee Executive Committee	34,289,320	883,000	35,172,320	6.965
8.	Mr. Jirayut Rungsritthong Spouse and children who have not yet become sui juris	Independent Director, Chairman of Audit Committee and Nomination, Remuneration and Corporate Governance Committee	150,000	-	150,000	0.029
9.	Mrs. Pennapha Dhanasarnsilp Spouse and children who have not yet become sui juris	Independent Director, Chairman of Nomination, Remuneration and Corporate Governance Committee and Audit Committee	200,000	-	200,000	0.039
10.	Mr. Adisak Ruckariyaphong Spouse and children who have not yet become sui juris	Independent Director, Audit Committee Nomination, Remuneration and Corporate Governance Committee and Chairman of Risk Management Committee	319,600	(19,600)	300,000	0.059
11.	Mr. Ariya Banomyong Spouse and children who have not yet become sui juris	Independent Director	-	-	-	-

Details Regarding the Change in the Shareholding of Executives in 2020

No	Name–Last Name	Position	Number of Shares Held January 31, 2020	Change to the Number of Shares	Number of Shares Held January 29, 2021	Shareholding Proportion (%)
1.	Mr. Vipon Vorasowharid Spouse and children who have not yet become sui juris	Chief Operating Officer	22,000		22,000	0.004
2.	Mr. Nattinai Yuttapatsak Spouse and children who have not yet become sui juris	Senior Vice President - Project Sales and Office Furniture Line	2,079,560	-	2,079,560	0.411
3.	Mrs. Kanokwanrat Srimaneesiri Spouse and children who have not yet become sui juris	Senior Vice President of Accounting - Finance Line, and Company Secretary	70,000	-	70,000	0.013
4.	Mr. Kwanchai Kitkongkajornchai Spouse and children who have not yet become sui juris	Senior Vice President - Product Strategy & Development Line	20,000	-	20,000	0.003
5.	Mr. Somchai Tosomsakul Spouse and children who have not yet become sui juris	Senior Vice President - Operation, Online & Wholesales Line	-	1,000	1,000	0.0001
6.	Mrs. Kanjanawan Layluxsiri Spouse and children who have not yet become sui juris	Senior Vice President - Marketing Line	8,000	(7,000)	1,000	0.0001
7.	Ms. Pavaravadee Wichaidit Spouse and children who have not yet become sui juris	Senior Vice President - Supply Chain, DC and Information Technology Line	20,000	-	20,000	0.003
8.	Mr. Gerard Mcgurk Spouse and children who have not yet become sui juris	Senior Vice President - Trading & International Retail Line	10,000	-	10,000	0.001
9.	Mr. Suchart Sasivimolvit Spouse and children who have not yet become sui juris	Accounting Director	40,000	-	40,000	0.007
10.	Mr. Thosak Kanjananimnont Spouse and children who have not yet become sui juris	Financial Director	80,000	-	80,000	0.015

Details Regarding Executives Management and Controlling Persons of the Company and its Subsidiaries

รายชื่อ		ILM	IDF	TW	ILM Inter
1.	Mrs. Kannikar Chalitaporn	X			
2.	Mr. Jirayut Rungsrithong	//, Ax			
3.	Mrs. Pennapha Dhanasarnsilp	//, A			
4.	Mr. Adisak Ruckariyaphong	//, A			
5.	Mr. Ariya Banomyong	//			
6.	Mr. Pisith Patamasatayasonthi	/,0	/	/	/
7.	Mrs. Kunthong Udommahuntisuk	/	/	/	/
8.	Miss Kridchanok Patamasatayasonthi	/,0	/	/	/
9.	Miss Pichapim Patamasatayasonthi	/	/	/	/
10.	Mr. Ekalak Patamasatayasonthi	/,0	/	/	/
11.	Mr. Ekaridhi Patamasatayasonthi	/	/	/	/
12.	Mr. Vipon Vorasowharid	0			
13.	Mrs. Kanokwanrat Srimaneesiri	0			
14.	Mr. Somchai Tosomsakul	0			
15.	Mr. Kwanchai Kitkongkajornchai	0			
16.	Mr. Nattinai Yuttapatsak	0			
17.	Ms. Pavaravadee Wichaidit	0			
18.	Mrs. Kanjanawan Layluxsiri	0			
19.	Mr. Gerard Mcgurk	0			
20.	Mr. Suchart Sasivimolvit	0			
21.	Mr. Thosak Kanjananimmnont	0			

Notes:
x = Chairman of the Board / = Director Ax = Chairman of the Audit Committee
// = Independent Director 0 = Executive A =Audit Committee

Corporate Social Responsibility

Overall Policy

The Company realizes the importance of conducting a sustainable business under Corporate Social Responsibilities (CSR) by conducting business with care for stakeholders in regards to economic, social or environmental aspects. This is done in a good corporate governance framework that is transparent and verifiable. The Company is committed to producing quality products and services that are safe for consumers as well as creating balance in economy, society and environment.

The Company and its subsidiaries are aware of the social and environmental responsibility. Thus, the following relevant policies have been established

1. Fair Business Operations

Corporate Governance

The Company and its subsidiaries are committed to conducting business with accuracy, honesty, fairness and transparency, as well as disclosing important and verifiable information. The Company and its subsidiaries consider the benefits and the impact on shareholders, customers, employees, trade partners and all stakeholders. This includes the appropriate and fair sharing of benefits.

Social Responsibility

The Company and its subsidiaries have a policy to conduct business with Corporate Social Responsibility (CSR) under the fundamental principles of ethics in order to ensure fairness for all stakeholders and implement good corporate governance principles as guidelines to maintain a balance of operations in terms of the economy, community, society and the environment which will lead to sustainable business development.

The Supervision of Compliance with Laws, Rules and Regulations

The Company and its subsidiaries give precedence to regulatory compliance regarding the environment, occupational health and safety at the local, national and regional levels. This includes complying with the International Code of Business Ethics. Directors, executives and employees are all required to comply with the framework of laws, rules and regulations. They shall take no part in helping or violating any related laws and regulations.

The Supervision of Compliance with Intellectual Property Laws

The Company and its subsidiaries do not support any operations that violate intellectual property. Directors, executives and employees are required to comply within the framework of laws, rules, and regulations. They shall not be involved in helping or taking part in any actions that violate any laws and regulations related to intellectual property.

The Promotion of the Effective Use of ResourceThe Company and its subsidiaries encourage directors, executives and employees at all levels of the organization to use resources efficiently, appropriately and adequately to maximize benefits. This includes communicating, educating, supporting and creating awareness among employees and all related parties in order to manage the use of existing resources for the maximum benefit of the organization.



2. Anti- Corruption
Anti-Corruption Policy

The Company set an Anti-Corruption Policy to be used as a clearer guideline for the Company and its subsidiaries in order to prevent and fight against corruption by creating a corporate culture in which employees are aware of the dangers of corruption, creating correct values and increasing confidence among stakeholders to effectively fight against corruption. The details are as follows:

- he Board, executives and employees of the Company and its subsidiaries shall not directly or indirectly take part in or accept corruption in any form even with the intention to receive or maintain business services.
- Prohibit the payment of bribes to government officials, political parties, any form of state enterprises or any business that is owned by the government or any other person who partners with the Company and its subsidiaries, whether this is direct or indirect, or via a third party. This includes the Company's employees, government joint ventures or semi-government joint ventures.
- Regularly review the operations earnestly. Review the operational guidelines and requirements in order to comply with the changes in business, laws and regulations.
- Supervisors at all levels are required to communicate and help employees to understand anti-corruption in order to perform their duties and responsibilities and supervise operations effectively based on these operational guidelines. In addition to this, the Anti-Corruption Policy shall be communicated to all levels of the Company through various channels such as employee training, the Company's internal communications system in order to allow relevant parties to acknowledge the policy and put into practice.
- Set principles for giving or receiving gifts or entertainment in the Company's Code of Business Conduct. Employees shall not offer, claim, accept or consent to receive any money, goods, catering, entertainment, or any other benefit that may result in a suspicion of bribery and corrupt behavior. Gifts should be received with a suitable reason which is not related to business commitments and it shall not be cash or a cash equivalent. There should be an awareness that any action or lack of action should be transparent and be able to be validated.
- Determine whistleblowing channels and promote a wide variety of communication channels so that employees and any relevant parties are able to blow



the whistle. There shall be protection measures for whistleblowers and the identities of whistleblowers shall be strictly protected to prevent any retaliation or forced relocation. A person shall be appointed to validate and closely monitor all allegations that have been made.

- Employees shall not ignore or be neglectful when witnessing corruption related to the Company and its subsidiaries. Employees shall inform their supervisor or the person in charge and cooperate with the investigation.
- The Company provides protection and fairness to employees who refuse to inform or do report corruption related to the Company and its subsidiaries. The Company shall not retaliate, demote or cause any negative impact on the directors, executives or employees who refuse to engage in corruption, even if such a refusal will cause the Company to lose business opportunities.
- The person who commits corruption violates the Company's Code of Business Conduct. Therefore, penalties shall be made in accordance with the Articles of Association of the Company and its subsidiaries. If an action is proved to be illegal, the person who committed the action shall be charged and be subject to punishment.
- In the case that an employee is in a situation where the employee or the employee's family is threatened with bodily harm if a payment is not made, this is considered to be a critical threat to the health and safety of the employee and/or their family. Therefore, it is important to have a "Payment for Safety", where such payments shall be considered in special cases. Employees are required to report such matters to their supervisor and/or the person in charge of administration and human resources as soon as possible.

Complaints and Whistleblowing Measures

The Company has mechanisms to receive complaints and take action against corruption. The Company established a Whistleblowing Policy in writing and provided a whistleblowing channel through the Company's website or via the email ethics_hotline@indexlivingmall.com so that all stakeholders, whether they are an insider or outsider, can safely report complaints, information or any clues of corruption to the Company.

The Company established an anonymous reporting method for whistleblowing so that employees who witness, have concerns about corruption or misconduct within the Company, or wish to propose ideas to the Company are able to blow the whistle conveniently.

The Scope of Complaints or Whistleblowing

Situations that may lead to the use of this mechanism may encompass a wide range of misconducts. which may include, but is not limited to, the following events:

- Committing a criminal offense or inciting an offense.
- Any risky actions including corruption, bribery, and extortion.
- Failure to perform legal or regulatory duties or practices.
- Actions or failures to act in regard to accounting, reports, records and guidelines, and/or suspicious or non-suspicious financial reporting, or internal controls in accordance with the standards or general practice guidelines.
- Incidents that are hazardous to the health or safety of any person.
- Events that cause environmental damage.
- Or any other event that implies impropriety, fraud or non-transparency.

Investigation Period

In cases where an investigation is required, investigations will begin as quickly as possible by taking into account the seriousness of the allegations/complaints. Investigations will be handled carefully so that the quality and the details of the investigation will not be affected. A preliminary investigation will find the conclusion of the inquiry and will be processed within 2 weeks.

Investigation Procedures

Investigations of misconduct and corruption must be carried out fairly and without any prejudice in order to obtain facts or to prove whether the accusation against the

alleged offender is true, as well as defending the interest and reputation of the alleged offender. The Company will appoint a team of investigators to summarize the results of the investigation and penalties (if any) in accordance with the Company's Article of Association. If legal proceedings are required, an investigation team will notify the Legal Department to gather evidence, witnesses and proceed with prosecution.

Reporting False Information and Penalties

Whoever intentionally disregards or neglects to comply with this policy, as well as bullying, threatening of disciplinary action, or showing partiality because the whistleblower, complainant, or any person involved reported clues. Such action is considered a disciplinary offence and is responsible to compensate damages to the Company or anyone who was the victim of such actions and may be subjected to legal liability.

In the event that the employee discloses information in bad faith (such as disclosure of information about a personal grievance or with the intent to cause division within the Company), or is based on unfounded information (such as rumors), or for personal gain, such actions will be considered a disciplinary offence and may be considered a serious offense that requires investigation or penalties in accordance with the Company's Article of Association.

Confidentiality and Protection of Complainants or Whistleblowers' Rights

To ensure that complainants or whistleblowers feel confident that their complaints will be taken seriously and they will not suffer as a result of whistleblowing or making complaints in good faith, there will be no changes to job position, nature of work, transfers, suspensions or any bullying. However, the complainant or whistleblower should gather information carefully and take into account the accuracy of the disclosed information.

The complainant or whistleblower can provide information anonymously. The Company will not disclose the identity of the whistleblower and will keep the whistleblower's identity confidential throughout the investigation period. In addition, the person who received the complaint or any relevant information must keep it confidential without sharing it with other people by taking into account the safety and damages that may affect the whistleblower, the information sources, or any related persons unless it is required by the operating procedures of the Company's



Code of Conduct or by law. If there are any intentions to violate the disclosure of information, the Company will take disciplinary actions and/or legal action against the violators, as the case may be.

In addition, the Company will not tolerate any acts of retaliation to employees who have made a complaint or blew the whistle. The disciplinary action will be taken against anyone who retaliated. In the case that the whistleblower believes that they may be endangered or unsafe, the whistleblower can request that the Company issue appropriate protective measures. The Company will take appropriate procedures to protect the working environment and/or working relationships of any employees who blew the whistle for the overall benefit of the Company.

3. Responsibility to Customers and Consumers

The Company is committed to offering the highest quality products and service to customers in order to create the highest customer satisfaction. This is done as follows

- Consider the importance of product quality and standards by using quality raw materials and standardized production to allow customers to use quality products and receive maximum satisfaction.
- (2) Continually invent and develop new products in order to meet the needs of customers so that customers are able to use various products that have quality, are standardized and meet requirements.
- (3) Adhere to fair marketing practices. The Company has a policy that allows customers to receive accurate information about the Company's products and its subsidiaries. This information is not distorted, obscured, or exaggerated so that customers are provided with accurate and adequate information for making decisions.

- Take customer safety into account and commit to providing safe quality products that meet international safety standards and requirements of the law. The Company constantly designs, creates and develops products to assure customers of standardized quality and the safety of the Company's products.
- Provide a customer relations system to communicate with customers. This includes effectively receiving complaints about product quality in order to be able to meet the needs of customers quickly.
- (6) Keep customer information confidential and refrain from the misuse of confidential information.

3.1 Customer Relationship Management

The Company pays attention to customer relationship management in order to create maximum satisfaction for customers through every sales channel. The Company engages with customers to improve customer relationships beginning with the product development process to product delivery for a quality and safe service that meets the diverse needs of customer lifestyles.

Product Warranty

The Company has a warranty policy for product defects and manufacturing defects with a warranty period. The terms and conditions for each type of product are clear. The Company communicated about product warranty to customers through a warranty card which is attached to the product and an easily accessible information on the Company's website.

Customers and Consumers Issues

In regards to the responsibilities to customer and consumer policy, the Company pays attention and handles complaints that may arise from the Company's products and services. The Company disseminated information of products and services to customers by using labels, product descriptions, whether in catalogs or online media, and the information from salespersons in every channel so that customers have accurate and clear information to make decisions.

Handling the Complaint Process

The Company gives importance to customer feedback in order to improve the Company's products and services with safety, quality and satisfaction for customers in a timely manner. The Company provides channels for customers to make complaints regarding sales, product quality, delivery, and after-sales service, whether by telephone, email, or the website. The Company

has a system that records customer complaints and determines a time to resolve the problem. This includes a monitoring and problem-solving system that investigates causes and solves problems. The Company responds to customer complaints within a set time and clearly determines the roles and responsibilities of the responsible department. This ensures that every customer complaint is resolved within the set time. Complaints have been collected to be analyzed and prepared for work improvement guidelines.

Direct Line Customer Service

The Company provides a channel for customers to give feedback, and make complaints about products and services. The direct line to Customer Relations is 1379. The email is customerservice_online@indexlivingmall.com.

Implement Information Technology Systems to Improve Customer Services

The Company continues to invest in technology infrastructure to help improve work efficiency in order to be able to serve customers quickly and accurately, deliver a good customer service experience to customers, and be ready to support changes in the digital age. This includes the development of a comprehensive online ordering system through the website: www.indexlivingmall.com and Chat to SHOP at LINE@Indexlivingmall. Connecting with social media and other MarketPlace platforms allows customers to shop quickly and have the same standard level. Virtual stores were created to simulate in-store shopping while shopping online.

The Company developed a digital membership system called Joy Card on the Line Application to facilitate convenience for customers without having to carry cards and using the data to analyze and launch promotions and promotional activities to meet the needs of customers. The Company also developed a Transportation Management System (TMS) to deliver products accurately and minimize errors. Customers rated satisfaction on delivery and installation service by using a tablet. This reduced the use of paper and gave the Company information to further develop and improve services.

Developing Innovative Products and Services

The Company places importance on bringing new innovations to develop products that meet standards and safety, providing services that are up to date, convenient and meet the needs of customers.

The Company uses new innovative machinery from Germany that has Fully Automation

Technology to increase the efficiency of production capacity in order to continually develop quality products. The Company ordered and installed machines with technology innovations software for woodworking machinery and a furniture design and manufacturing software system from Germany which is used in the furniture production process in the Company's factory. The Company installed robots to manage production plans by linking commands from the Fully Automation software to increase work efficiency.

Furinbox, a ready-to assemble furniture

The Company developed a new innovative product called Furinbox, a ready-to assemble furniture that meets the needs of the next generation of customers under new concepts "innovative". The highlight of this product is that it is easy to assemble, mobile and has a minimal design. The multi-functional format responds to a wide variety of uses that match every housing style, even a limited space. Most importantly, the price is affordable.

3.3 Brand Reliability

- Winner of GERMAN DESIGN AWARD 2020 for INVISIBLE BED products, designed by Apirat Boonruangthavorn, Thailand's leading designer and furniture designer in February 2020.
- The Company received a global award "Asia Pacific Entrepreneurship Awards 2019" in the Outstanding Category for the retail business for Mr. Pisith Patamasatayasonthi, the Chief Executive Officer and Miss Kridchanok Patamasatayasonthi, Managing Director received an award in the category "The Corporate Excellence". This indicates that the Company is the real furniture retailer leader that dominates the country's market.
- The Company received the No.1 Brand Thailand award for the most popular prefabricated furniture brand among consumers for four consecutive years, between 2015 and 2018 from the survey results of Marketeer magazine.
- Thailand's Most Admired Brand Award for the furniture and home furnishing brand that consistently wins the hearts of consumers and received the highest reliability between 2015 and 2017 from Brand Age, etc.
- The Company is the number 1 online sales brand in the Home & Living category from MarketPlace both on Lazada and Shopee.

4. Fair Treatment of Labor

The Company is aware of the importance of employees who are a key factor to sustainable business growth. Therefore, the Company has a policy to encourage all employees to work together under a happy working environment, accept one another, treat employees at all levels equally and give opportunities to all employees to grow and advance in their line of business through the following policies and guidelines:

4.1 Respect for Human Rights

The Company operates its business with respect for human rights and also monitors the Company’s business so that it is not directly or indirectly involved with the violation of human rights. This includes not supporting forced labor and child labor. The Company treats all personnel in the organization equally without discrimination based on ethnicity, gender, age, skin color, or any other status that is not directly related to operations. The Company respects equality in human beings as well as in workforce diversity. The Company also provides work opportunities for people who have disabilities and senior citizens as follows:

Promote the Employment of the senior citizens

The Company cooperated with the Ministry of Labour to employ senior citizens to be in accordance with the government policy that promote and support senior citizens to have careers. Senior citizens are employed to work in Index Living Mall stores.



Promote the employment of the senior citizens.

Provide Work Opportunities for People with Disabilities

The Company sees the value of equality in society by employing people with disabilities as stated in section 33, Labour Protection Act and supporting people with disabilities to have a career in section 35, Labour Protection Act. In 2020, the Company received an award “Organization that Supports People with Disabilities at a Good Level for 2020” from the Minister of Social Development and Human Security.



Awarded for organizations that support people who have disabilities at a good level for 2020.



Employment of people with disabilities..



Promote careers for people with disabilities such as relaxation massage in the work place as a way to provide additional welfare for employees.



4.2 Fair Treatment of Labor

- Provide remuneration and welfare to employees in the form of salary, fair bonuses in accordance with the employees’ potential, create opportunities for fair career advancement, and also provide the required welfare benefits such as social security as well as benefits that go beyond the requirements of the law. This includes health and accident insurance for employees. This also includes various types of grants, such as grants to aid the cremation ceremony, etc.
- Organize training to increase the employees’ knowledge and potential through training programs, seminars and study visits, as well as training in order to achieve effective employee development.
- In addition to this, the Company established clear roles and responsibilities for employees, determined appropriate remuneration, developed evaluation systems, and increased the employees’ performance.
- Provide a safe working environment and good hygiene by focusing on the prevention of any possible accidents that may occur when operating at full capacity and creating awareness about safety among the employees. This includes providing knowledge through training and encouraging employees to have good hygiene while not doing anything that is harmful to the health of customers or service receivers.
- Provide space and equipment for recreational activities in order to allow employees to relax and exercise. This includes things such as sport center, exercise machines and an activity area, etc.
- Provide channels for employees to make complaints or recommendations regarding their work via the website, Human Resources, or satisfactory evaluation forms, etc. This includes not disclosing the complainant’s information in accordance with the Whistleblowing Policy.

4.3 Employee Recruitment

The Company placed great emphasis on its employees, who are an integral part of driving the Company to be aligned

with the strategies and goals through the recruitment of knowledgeable and competent personnel that are suitable to the Company’s culture without discriminating against race or individuals. The Company provides opportunities, promotes equality and diversity among employees without discriminating against race, religion, gender, age, class, residence, education, or academic major, and does not limit people who have disabilities in order to recruit personnel to work in different duties and responsibilities and be able to support a variety of business, exchange knowledge, perspectives, and experiences that are beneficial to the organization.

The Company has been cooperating with the Ministry of Labour, whether it is in hiring senior citizens in accordance with the government policies. This was done to promote and support senior citizens to have careers as well as hiring new graduates. In 2020, the Company participated with the Co-Payment program (hiring new graduates) called “Government Helps, Private Supports”. The Company set up a booth at the 2020 Job Expo at BITEC Bangna in order to hire new graduates.

0In addition, the Company organized a “Friends Get Friends Project”, which allowed employees to introduce their friends to work with the Company.



4.4 Performance Evaluations

The Company evaluated performance and provided fair remuneration for its employees. Remuneration was based on the work performance, attitudes, and potential of individual employees, as well as the performance goals that the Company sets annually. The Company surveyed and reviewed the remuneration and benefits of other retail businesses in the same category in order to give remuneration and benefits that are at a competitive level and retain employees.

4.5 Establishing a Bond with Employees in the Organization

The Company placed great importance on caring and creating bonds with its employees in order to give appropriate welfare and be able to compete with the general labor market through organizing in-house activities such as:

Motivating projects

The Company organized activities that motivate and allow employees to show their potential and foster creativity in their work by organizing a “Save Cost and New Business Model” Project that allows employees to submit their work that reduces costs or creates new business models that are practical. The winners will be awarded if their projects are proven to be effective as proposed.



The Company promoted and offered opportunities to increase the capabilities of the Company's designers by encouraging designers to submit furniture designs in the design contests, whether in Thailand or abroad. The Company participated in the Design Excellence Award (Denmark). This award guarantees designs and innovations of Thai products that have been recognized both domestically and internationally. The Company also won the 2020 German Design Award, a world-class design competition stage for the design and furniture development of the “INVISIBLE BED” from the Company's designer.



- Fulfilling Happiness Activities which included fund raising activities for the Blind, Redundant Disabled Home, Ban Nonthaphum, Pakkred in Nonthaburi, etc.

Annual Health Checks

The Company organized an annual health check for all employees which includes basic health check-ups, and medical check-ups for employees who face health risks at work in order to monitor and follow up on health examinations that have a propensity to illnesses or occupational diseases. The Company's aim is for employees to be healthy.

Labor Relations and Welfare

- Health Consultations** The Company arranges doctors to be at the head quarter and the distribution centers once a month in order to provide initial treatment and give advice on health and hygiene for employees. There are professional nurses at headquarters, distribution centers, and the factory during opening hours
- Workout Station** The Company provided a workout station and sports equipment for employees at headquarters. All employees are encouraged to express their opinions and choose the type of sports they are interested in.



- A Pantry of Sharing:** sharing happiness during the spread of the COVID-19 by setting up cabinets to share consumer goods at the headquarters and the distribution center.



- **Happy Project** The Company organized activities to build relationships between employees and the community near every branch of Index Living Mall with the purpose of creating good relationships among employees and building good relationships with the community where the branch is located.

4.6 Labor Relations and Welfare Awards

The Company received an award for an Outstanding Workplace in Labor Relations and Welfare 2020 for the Chiang Mai branch by the Department of Labor Protection and Welfare, Ministry of Labor on September 21, 2020.

4.7 Human Resource Development



The Company paid attention to human resource development by establishing training and developing personnel policies to be in line with the business demands, strategies and vision of the Company as well as having continuity improvement plans, changing plans, and development plans. This included supporting the training and developing personnel of the Company with budget, resources, and time as well as organizing a training program for personnel inside and outside the Company.

In 2020, the Company assigned employees to be trained/and tested in various fields for a total of 86

courses (internal training courses by internal speakers 69 courses, internal training courses by external speakers 9 courses, and training courses outside the organization 8 courses). This was accounted for 147 times, equivalent to 4,152 hours per year, with a total of 5,245 employees attending (repeated head counts).

Summary of training hours of employees at each level in 2018–2020

Detail	Summary of Employee Training Hours		
	2018	2019	2020
Total Training Hours Each Year	3,798	4,189	4,152
Number of Training Hours at Management Level/Person/Year	0.245	0.522	0.524
Number of Training Hours at Supervisor Level/Person/Year	0.486	8.127	8.125
Number of Training Hours at Operational Level/Person/Year	1.065	0.468	0.558

Remarks: The Company used the Zoom Application for training in 2020 so that employees did not have to travel to the headquarters.

4.8 Safety, Occupational Health and Working Environment

The Company placed great emphasis on safety, occupational health and work environment by establishing policies and procedures in regards to safety, occupational health and work environment (SHE) so that employees and relevant persons strictly adhere to the guidelines and comply with laws regarding safety, occupational health, work environment, as well as other relevant laws.

The Company organized safety training and emergency drills to raise awareness for personnel to acknowledge their roles and responsibilities in responding to emergency situations. The Company established an Occupational Safety, Health and Environment Committee at the headquarters, branches, distribution centers and factories in order to assist in evaluation, give suggestions for prevention and correction in the case that activities in the work environment may be harmful or affect the health of employees, customers or other stakeholders.

Work Environment Control

The Company evaluated the work environment by using professional staff specializing in work safety to assess and analyze the risk factors of the work environment such as heat, noise, and light as well as the measurement of the fine particles, or particulate matter 2.5 (PM 2.5), etc. The Company also measured Legionella bacteria and every kind of bacteria in the cooling tower in order to ensure that all employees worked in a good and safe environment.

The COVID-19 Pandemic

The outbreak of COVID-19 caused the Company to change and adapt abruptly. In this regard, the Company immediately set up a COVID-19 Committee beginning in January 2020 in order to set measures to continually prevent, mitigate and monitor the COVID-19 situation. This was done by establishing control and preventive measures for the COVID-19 pandemic in accordance with the standards of the Department of Disease Control and the Ministry of Public Health. For example, the Company requested that everyone have their temperature checked before entering the building, provided hand sanitizer gel, reported names of people who traveled abroad or across provinces as well as having an epidemic investigation, etc. The Company also distributed cloth masks to employees, and encouraged employees to work from home (WFH), used technology such as Zoom in meetings and communications to limit traveling during the period that the number of infected people increased rapidly. This was done for the safety and hygiene of



employees and to take part in the prevention of the spread of the disease.

Awards and Standards

Quality Standards for Truck Transportation Service (Q Mark)

The Company participated in the Quality Standard for Truck Transportation Service (Q Mark), a project that focuses on enhancing the quality of truck transportation services in order to create an impression on customers and increase confidence in using the services. This contributed to safety in product delivery. The Company was selected as 1 of 15 companies that passed the requirements and received a plaque with a certified quality standard for truck transportation service, in the area of operators who transport with personal trucks from the Department of Land Transport on January 13, 2020.

The Q Mark standard's requirements cover 5 areas of operations, including 1) organization 2) transportation 3) staffing 4) vehicles and 5) customers and external partners The Company set up a policy framework in regards to quality, safety and the prevention of drug problems during the transportation service to demonstrate its intention and commitment. The standards were set and implemented in accordance with the policies and standards of Q Mark. This included establishing measures to prepare employees and trucks before leaving for duty, enforcing trip controls, setting rest areas, controlling the speed of the trucks, and accommodating staff to rest in the case that they travel more than 500 kilometers, etc.



5. Community or Social Development

The Company has a policy to operate business to benefit the economy and society. The Company also determines to develop, promote and enhance the quality of life in the society and community where the Company is located so that the people have a better quality of life while the Company is growing. The Company supports community activities and projects by taking into account the appropriateness and the benefit that the community and society will receive in order to have sustainable community development. This includes sending the Company's employees to regularly participate in community activities and support community activities as well.

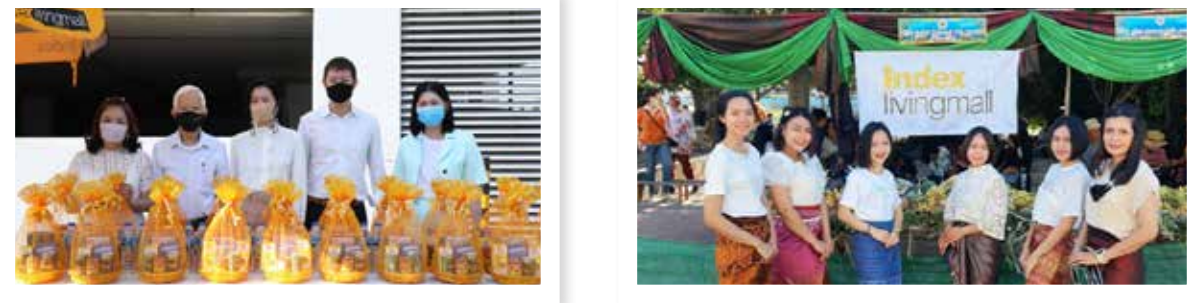
Educational Support

The Company collaborated with universities and educational institutions in regards to vocational certificates and High Vocational Certificates, to enter in the Memorandum of Understanding (MOU) between the Company and educational institutions in order to support education, provide knowledge and offer the exchange of academic experiences through the activities and curriculum of the academy.



Religious and Cultural Support

The Company participated in religious ceremonies, traditions and merit-making activities of the local temples as well as donating necessary items.



Alms giving: To continue supporting the tradition "goodbye to the old year and welcome the new year" at the headquarters in Bangkok.

Participated in the Elephant Round Up Festival in Surin



Lent Candle Offering and cleaning at Pho Puttan Temple in Bangkok.

Participated in the merit making activity in Nakhon Ratchasima Province.



Participated in merit making and made donations to Tha Mayom Temple in Nakhon Ratchasima.

Renovated Nuon Thong Temple in Ratchaburi.

Executives and employees made donations to build bathrooms at Sala Temple, Nan.

Building relationships with the communities through Public Benefit Activities

Blood Donations

The Company associated with the National Blood Center Thai Red Cross Society to receive blood donations from employees and people in the communities surrounding the headquarters of Index Living Mall Public Company Limited, and upcountry branches, such as:



Donated blood 4 times at the headquarters in Bangkok.

Donated blood at Nakhon Ratchasima branch.

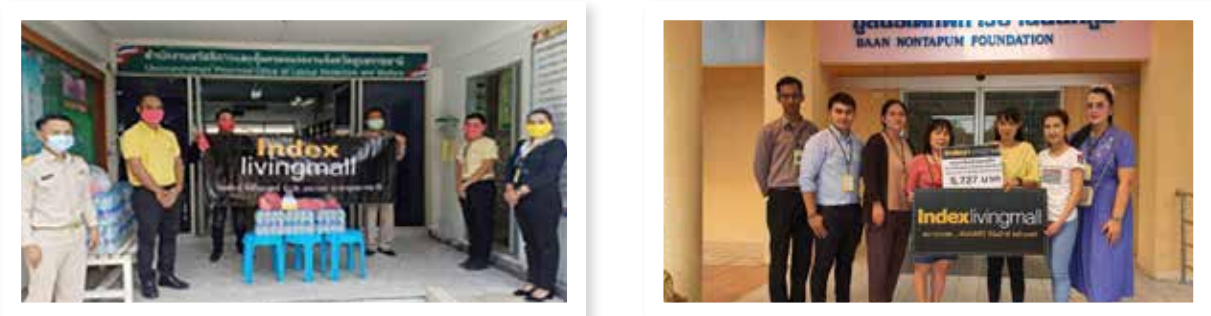
Donated blood with the mobile blood donation center of Red Cross at Ubon Ratchathani

Made financial donations and donations of necessary supplies.



Donated goods and provided lunch for children at Baan Nokkamin Foundation, Bangkok.

Donated essential goods to the Camillian Children's Home for Disabled Children, Bangkok



Donated cloth masks and drinking water on National Labor Day at the Labor Protection and Welfare Office, Ubon Ratchathani.

Made a financial donation and necessary items at the Foundation for Disabled Persons at Baan Nonthaphum, Nonthaburi



Made a financial donation to support the Thammarak Foundation for infected patients and AIDS patients at Phrabat Namphu Temple, Lopburi.

Donated picnic beds, pillows, and blankets to be used as field beds in order to support the treatment of COVID-19 patients at Samut Sakhon Hospital.

Donated pillows, blankets, cleaning supplies, and essential goods to help flood victims in Nakhon Si Thammarat.

Activities to Build Relationships with Communities



Participated with the community of Wat Kamphaeng Village to organize Children’s Day activities at Wat Kamphaeng School, Bangkok.



Cleaning activities at Lao Temple, Bangkok



Collaborated in a walking activity to resolve the forest fires and dust pollution (PM2.5) problem at Nong Pa Rae Municipality, Chiang Mai.



Contributed gifts for the National Children’s Day activities, Samo Khae Subdistrict, Phitsanulok Province.



Collaborated with the community at Wat Nong Tabaek School to organize Children’s Day activities in Rayong.



Collaborated with the community at Plubpla and non-formal Education Kitchakut to organize Children’s Day activities in Chanthaburi.



Provided lunch for a Blind Education School, Khon Kaen.



Collaborated with Sappasitthiprasong Hospital to organize happiness sharing activities in the distribution of food and beverages at Ubon Ratchathani.

6. Environmental Care

The Company gives importance to social responsibility in regards to environmental protection by controlling the operations of manufacturing to have good energy, natural resources and waste management which includes complying strictly with any environmental protection laws under the concept of environmental care and protection. The Company focused on overseeing and developing manufacturing operations and relevant work processes so that they are environmentally friendly.

6.1 Compliance with Environmental Laws

The Company continually monitored and adhered to environmental laws and strict guidelines in order to be a part of environmental care by monitoring the wastewater treatment system and building effluent in order to monitor the quality of effluent before being released into the environment or public water sources. The Company also complied with laws to continually promote energy conservation and related measures.



6.2 Environmental Activities Campaigns

The Company realized the importance of environmental protection and made the best use of natural resources and energy, and also organized activities to promote employees to take part in environmental protection.

Say No to Plastic Bags

The Company cooperated with the Ministry of Natural Resources and Environment by joining in a campaign to refrain from the use of plastic bags at Index Living Mall stores nationwide since January 1, 2020. The Company actually started a pilot program to stop using plastic bags in 2019 and continued to carry out the program in order to reduce and eliminate single-use plastics that create pollution, global warming problems, as well as a broader impact on the environment.

“Shared Bags” Project

The Company encouraged employees to reduce the use of plastic packaging with the “Shared Bags” Project. Employees are encouraged to share cloth bags or paper bags in order to reduce the use of plastic bags and the amount of waste. The Company also asked restaurants and beverage shops near the headquarters to grant discounts for employees who brought their own lunch boxes or glasses to put food and beverages.

6.3 Electrical Power Management

The Company gave importance to electric power management and set guidelines for energy operations. The Company has a policy that employees at all levels must cooperate and pay attention to save energy in order to use energy effectively for the maximum benefit. The Company has been implementing the energy saving measures every year as follows;



Solar Rooftop Project

The Company invested in the installation of solar rooftops to generate solar power on the roof beginning in 2018 at the factories of Index Inter Fern Company Limited as well as other branches to save energy in the long term. This is a clean form of energy that helps reduce global warming. At the end of 2020, 15 solar rooftops were installed. These included the Mahachai factory in Samut Sakhon, and 14 branches of Index Living Mall. This has reduced electricity consumption by 15-20%. The Company sees potential to reduce electricity consumption at its branches. Therefore, the Company plans to continue to expand the installation of solar rooftops in the future.

Year	Number of Solar Rooftop Installed (Locations)	Accumulative number of installed solar systems (Locations)	Electricity Generating (MWh/year)
2017	5	5	4,561
2018	6	11	6,625
2019	4	15	7,940

2017: 5 locations; Bangna, Praram 2, Pattaya The Walk, Ratchaphruk, Mahachai Factory
2018: 6 locations; Udonthani, Khonkaen, Chiang Mai, Hat Yai, Suratthani, Chaiyaphruek
2019: 4 locations: Chonburi, Huahin, Phitsanulok, Korat

Energy Saving Label No.5 Project

The Company signed an agreement with the Electricity Generating Authority of Thailand and the Ministry of Energy to campaign and promote the use of energy saving label No.5 products by being one of the companies that sells energy saving label No.5 products and gives discount coupons to customers who purchase electrical devices in the Company’s branches.

6.4 Fuel Management

The Company promoted the use of products containing palm oil and ethanol mixtures produced from agricultural crops instead of diesel and gasohol types to reduce air pollution from combustion and helped increase the consumption of palm oil and ethanol in the country by using diesel B10 or diesel that contains 10% biodiesel (it is now called diesel) with all freight cars and pickup trucks that support this type of gas. The Company also uses E20 gasohol instead of gasohol 95 or gasohol 91

with all company cars to support this type of gas. This began from May 1, 2020 onwards.

6.5 Garbage and Waste Management

The Company has waste management measures and control. Garbage and unused materials from the manufacturing process have been managed appropriately and in accordance with the law in order to ensure storage safety, transportation, and waste disposal. This is done to prevent waste, unused materials, or hazardous waste from affecting the environment and the surrounding communities.

The Company implemented a clear separation of garbage and waste, especially at Index Inter Fern Company Limited. This is the main furniture factory in the Corporation. Waste from production and other activities have been managed appropriately in accordance with the law. There is a waste transfer station. The type of waste is labeled on the storage containers, which includes hazardous waste labels, or general waste labels, etc. The waste is weighed, recorded and taken to the waste separation area before being disposed of. Garbage and unused materials are separated, especially hazardous waste generated from the factory. For The Walk Shopping Center and Index Living Mall, there are waste holding areas before being disposed of in accordance with the type of waste. The Company classifies garbage and waste into the following 5 categories:

- 1. General waste: municipal agencies in the area collect it for disposal or further use in accordance with sanitation principles.
- 2. Recycled waste: The Company sells it to trade partners for reuse.
- 3. Wet waste: Most wet waste comes from shops in The Walk Shopping Center. The Company set up a wet waste room with air-conditioners to control the temperature to slow down the growth of bacteria and control odors to prevent disturbances from the odors in surrounding areas or neighboring communities. There are municipalities in the area that collect wet waste every day to be disposed of or further use.
- 4. Hazardous waste: Most hazardous waste comes from the factory during the production process. The hazardous waste is transferred to companies that have been approved by the Department of Factories and disposed of in accordance with its hazardous

type. For example, fuel blending, landfills, safe burial, biological and chemical wastewater treatment and incineration in a specific incinerator, etc.

Waste Management	Proportion
Fuel blending	85.47%
Landfills	11.14%
Biological and Chemical Wastewater Treatment	3.38%
Incineration	0.01%

- 5. Infectious waste: This includes bandages or cotton swabs to clean wounds from the hospital room. The Company has contracts with waste sorting companies or local municipal authorities to dispose of these items properly through incineration in specific incinerators.

6.6 Apply Innovation and Technology for the improvement of Socially Responsible Operations

The Company adopted the ideas for social responsibility and created business innovations that are beneficial and give the ability to compete for both business and society. This is done by evaluating the operational processes of the current business to see how, whether or not they cause any risk, or whether they have any negative impact on society or the environment. The Company does studies to find solutions to reduce these kinds of impact by thoroughly considering and analyzing operational processes in all aspects in order to create opportunities that lead to the discovery of business innovations, create opportunities to invent new products for business growth as well as generate sustainable business profit. For example,

- Document Management System (DMS) Project: The Company adjusted work processes to reduce the use of paper by replacing a slow work process from submitting paper documents for approval with the Document Management System instead. This reduces paper consumption in the office. It also increases work efficiency to be more accurate and faster, especially the work processes involving customers or consumers.
- The Company uses the RPA (Robotic Process Automation) to enhance the effectiveness of a time-consuming process. This does not only improve the organizational effectiveness. It also decreases the use of paper in offices.
- Uses tablets to receive orders at branches to increase efficiency in sales service to be quick and accurate for customers and reduce paper consumption.
- Transportation and Installation Improvement Project (Transportation Management System). The Company developed an application to be able to deliver products accurately and reduce errors. There is an evaluation system in which customers give satisfaction ratings and feedback on tablets. This reduces paper consumption and data are collected accurately.

Risk Factors



The Company gave precedence to risk management by establishing a Risk Management Committee to supervise the corporate risk management of the Company, set up a prevention plan, control risk to be at an acceptable level and resolve situations in a timely manner if risk does occur.

The Company's risk factors and the risk prevention guidelines can be summarized as follows:

1.Strategic Risk

1.1 Economic Slowdown Risk Caused by the COVID-19 Pandemic

In 2020, the economic slowdown continued to weigh heavily on the Thai economy due to the outbreak of COVID-19 pandemic, especially closure measures and entry restrictions for travel into the country. This caused Thailand's main income to decline significantly, especially in the tourism sector and the export sector. This resulted in economic stagnation and a severe contraction of private sector and household consumption. Despite the easing of the stringent COVID-19 measures, the reopening of the country, and the

government's economic stimulus packages, the purchasing power of customers and the private sector could not be restored back to normal. Consumers have been cautious in their spending because of concerns regarding the economy and the spread of COVID-19 pandemic. The Bank of Thailand predicted that the Thai economy would contract by 6.6% in 2020.

The Company closely monitored the economic situation, adjusted strategies and business operations to be able to cope with a sudden crisis. The Company focused on online sales channels more during the government's lockdown measures, especially home office products, as well as kitchenware and home decoration products which had a higher demand. The Company continually promoted marketing activities which included free delivery during this period in order to facilitate convenience and attract customers to purchase products online. This caused the online sales channel to have exponential growth. After the COVID-19 pandemic unfolded, the Company organized marketing promotion, both online and in stores, to continue encouraging customer spending.

Under the economic slowdown, the Company reduced risk in business expansion and investments as well as opening new stores. The Company focused on expanding businesses by cooperating with strategic partners that can drive the furniture and home furnishing business to penetrate other customer groups. For example, the Company partnered with NocNoc.com to expand its online market. The Company also partnered with leading companies such as SCG, Boonthavorn and Landy Home to provide Younique Customized Furniture service to their customers.

To reduce the lack of liquidity risk in business operations, the Company managed expenses and improved the Company's internal work by conducting Lean Operations which focuses on lowering reducible costs during the lockdown period to eventually become a permanent reduction. This included restructuring the organization to work efficiently, reducing employee costs, using technology to reduce work processes, and installing a solar cell system to save energy such as electricity, etc. This was done in order to control costs so they were at an appropriate level and increased liquidity through inventory management.

1.2 Competitive Risk in the Furniture and Home Furnishing Market, Rental Business, Retail Space Business and the Change of Consumer Behavior in the Era of the New Normal

In 2020, competition in the furniture and home furnishing market increased intensively in regards to price competition, and sales promotions to boost sales and reduce inventories during the easing of the COVID-19 control measures. This was done to maintain the existing customer base and market share. In addition, the outbreak prompted a shift in consumer behavior because going outside the home was limited and everyone had to be careful in their daily living. This caused a rapid growth in online sales channels which had a direct impact on the furniture and home furnishing stores.

However, during the lockdown in which people had to stay home and work from home, people spent more time at home. There was a need to improve homes and there was an increased demand for furniture, home furnishing and home decoration. The Company improved the efficiency of online sales channels to support the increase in orders via Line and Facebook Messenger in

order to facilitate convenience to all customer groups. A virtual store was set up to show a store model that displayed the products so that customers could shop as if they were walking in a real store. On top of that, the Company cooperated with marketplaces such as Lazada and Shopee for sales promotions, especially the 9-9, 10-10, and 11-11 campaigns which were popular among online customers. This enabled the Company to be the No.1 best-selling brand of furniture and home furnishing on all platforms.

The Company was also concerned about the safety of consumers, business partners, employees and all stakeholders. Therefore, the Company immediately issued safety measures after acknowledging that all department stores, certain stores and businesses must be closed in order to control the spread of COVID-19. Every branch of the Index Living Mall and The Walk had screening stations, limited the number of people that entered stores, had a ThaiChana check-in station, and complied with the government restrictions for each province. This was done to keep branches safe and build confidence among customers and entrepreneurs who came to the stores. The Company increased its measures to stop the spread of COVID-19 by being attentive to customer safety, beginning from manufacturing to delivery and installation service in order to be certain that customers received safe products. The installation technicians and delivery staff had to clean their hands with alcohol gel, wear surgical masks at all times while installing and delivering products to customers' homes as well as cleaning tools before and after service. In addition to this, the Company renovated stores by focusing on the rearrangement of new products zones by organizing and displaying new products in order to make the store look more beautiful, fresh and pleasant to walk in. This included adjusting products for sale, and launching sales promotions in each branch or region to suit the customer groups of each branch. This helped attract more customers to walk in and shop.

The Company managed competitive risk by adjusting product development strategies and searching for new products at affordable prices to align with the purchasing power of consumers who were more careful in their spending. Product assortment was also adjusted to be in line with the needs of customers and the market even more. This was done to increase the proportion of

the best-selling products. Moreover, the Company placed importance on developing innovative products that were different from competitors, had functions and designs to meet customer lifestyles in order to avoid intense competition.

In addition, the Company managed manufacturing costs by improving the efficiency of its affiliated factories, sought furniture and home furnishing products with unique designs that were different from other operators both domestically and internationally in order to meet the needs of customers at a low cost and remain competitive in the industry.

1.3 Exporting and International Business Expansion Risk

The Company plans to expand the international market by exporting furniture and home furnishing products overseas through franchise stores, distributors as well as being an original equipment manufacturer (OEM) and project works in foreign countries in order to increase opportunities for long-term growth.

The global economic slowdown in 2020 affected the operating results of franchise stores, distributors and business expansion in foreign countries (which accounts for approximately 2.5% of the Company's total sales revenue) which may not meet targets, especially the business expansion plans for the CLMV countries such as Vietnam, Myanmar, Laos, etc. The economy of these countries was also impacted from the COVID-19.

However, the trade war between the United States and China increased the Company's sales growth in OEM products in 2020. This was an opportunity to penetrate the market of such customers.

In addition, the Company took action to reduce the business expansion risk by partnering with capable and experienced partners who conduct business in foreign countries in order to jointly develop business and strengthen one another. The Company regularly monitored the sales performance of furniture and home furnishing in foreign countries every month. If it is found that the performance does not meet expectations, or it experiences losses, or the franchisee or distributor does not comply with significant requirements, the Company has a plan to manage this risk and will provide guidance to solve any problems that may arise in a timely manner.

The Company did not stand still in regards to increasing the work efficiency and production so that the Company was able to compete in both quality and price with other

operators. This promoted smooth and sustainable business operations in foreign countries.

2. Operational Risk

2.1 Inventory Management Risk

The Company made continuous efforts to lower inventory levels by adjusting policies and orders planning processes. The Company worked closely with main vendors to negotiate and manage orders with greater flexibility and efficiency, especially subsidiaries' manufacturing in order to place proper orders, prevent product shortages or lose opportunities to sell. As of December 31, 2020, 2019 and 2018, the Company's net inventories were 1,757 million Baht, 2,258 million Baht and 2,379 million Baht, respectively. The value of inventories decreased accordingly.

In the meantime, the Company regularly monitored and evaluated the inventory movement plans in order to support product movement and continually reduce obsolete and deteriorated products through promotions, discounts, or annual clearance sales, etc. This allowed the Company to effectively control inventory level. In 2020, the Company successfully reduced inventory by approximately 502 million Baht from 2019. This increased the Company's liquidity and adjusted the Company's inventory to a satisfactory level. The Company has been aware of the importance of inventory management and will continue to use inventory reduction policies.

2.2 Adaptation Risk to Support Changes in Technology

To support the sales growth from online channels that have expanded exponentially, the Company took adaptation risk in regards to the rapid change of technology into account. This included responding to customer behavior that wants convenience, speed, easy access and receiving service at any time. The aforementioned changing factors may affect the Company's business operations and cause a loss of business opportunities if the Company is unable to meet the needs of an online customer group or is unable to service customers in a timely manner.

The Company realized the importance of technology development. As a result, the Company plans to develop a system to support online sales channels that promptly link to other sales channels in order to adjust the sales processes, customer communication, and link services whether online or offline. In addition, the Company had to adapt by applying technology to increase competitiveness

with direct and indirect competitors to seize new opportunities through new technologies (such as Transport Management Systems, Virtual Reality, Big Data Analysis, AI Technology, etc.) in order to develop service tools and operations to better meet the needs of customers and partners. Employees must be trained to develop knowledge and skills in order to be prepared for constant changes.

2.3 Disruption Risk from Various Crises

The Company is aware of various crises that may disrupt the production, sales and service of the factories, distribution center, and branches whether from fires or machine downtime outside the specific planned times, employee strikes, government measures, as well as natural disasters such as floods and storms, etc. These negatively impact the financial status, reputation, performance and business opportunities of the Company.

The Company managed continuity risk in regards to furniture production by emphasizing the production planning process in order to continually control and improve the efficiency of the furniture production of the Company. There is a quality control process in which quality is strictly observed. This ensures that the furniture meets the standards and specifications of the Company. The Company's machinery is regularly maintained as scheduled. As a result, the Company has been able to produce furniture continuously over the past 3 years. The Company also procures furniture and home furnishing products from other sources in order to reduce the dependency on the subsidiary's factories. There is a backup plan in case the Company is unable to import goods from abroad and helps to manage the Company's costs as well.

The Company developed a business continuity plan (BCP) for the operating procedures of the distribution center and headquarter in order to cope with any emergencies that may arise, implementing drills, and improving them annually by using information technology (IT) to support the work so that it is agile, quick and helps employees to work from anywhere in case the Company has to impose a Work from Home measure to stop the spread of COVID-19. The Company also has insurance to cover damage to the Company's property which includes the inventory in the Company's factories, distribution centers, and branches as well.

2.4 IT Security Risk and Cyber Security Risk

The Company may be at risk if the information technology for the sales program becomes vulnerable or leaks information, or data is destroyed. There is also risk of

identity theft, stealing or modifying information, or sending phishing emails, etc. These may affect the security of customer data and data of any related parties. It also negatively impacts the reputation and image of the Company.

Therefore, the Company paid attention to information technology management in order to provide accurate, reliable, and up-to-date information in the decisions making process and keep the information secure. The Company established a privacy and information security policy. The Company established preventative measures and managed cyber security risk as follows:

- Assigned access authority to the operating system in accordance with the necessities, roles and responsibilities.
- Set up monitoring cycles for the systems and IT infrastructure by having IT system staff monitor the system and solve problems that may arise at any time. Hardware and software had to be continually developed in order to be up to date to prevent new kinds of cybercrime and unauthorized access to information.
- Installed systems and devices to prevent threats (firewalls) and security devices such as IPS, antiviruses (malware), etc. This included monitoring any threatening behavior at the headquarter and branches as well as reporting any attacks and remedial results to be used as information for preventive measures.
- Communicated and raised cybersecurity awareness related to threats, employee protection and any relevant IT legislation to the employees regularly.
- Set up a backup site to support backup data for works through all information systems as specified by the Company.
- Established an emergency plan in case the system stops working (Disaster Recovery Plan: DRP). Implemented annual drills to be able to deal with situations in a timely manner, reduce damages to the Company's information system and support the continuity of the Company's business.

3. Financial Risk

3.1 The Company's Liquidity Risk

The closure of branches resulted from the government's lockdown measures due to the outbreak of COVID-19 caused the Company to have liquidity risk in regards to business operations and debt repayment from interest-bearing debt which are short-term and long-term loans

from financial institutions, long-term debentures, and finance lease liabilities. Money is denominated in Baht and totaled 5,869.7 million Baht.

However, the Company was able to manage liquidity well by continually improving the work process to be efficient and reducing inventory. The decreased number of employees significantly reduced the operating expenses which enabled the Company to repay the long-term loans before the due date.

Since the beginning of 2020, the Company paid long-term loans equaling 1,502.3 million Baht. This is more than the regular repayment of 998 million Baht.

3.2 Fluctuations in Exchange Rate Risk

The Company's revenue from overseas sales and royalty fees is mainly in US Dollars. The same applies to the costs of imported raw materials which are paid in US Dollars and Euros which is a significant amount. If the exchange rate changes or fluctuates in a negative direction, it may have a significant negative impact on the financial position, performance, and the cash flow of the Company.

However, the Company has implemented a natural hedge to prevent currency risk from sales transactions and the purchase of raw materials. The relevant sales department reviews price setting and imported expenses to cover the risk of exchange rate fluctuations, the setting of sales prices and import costs to cover the risk of exchange rate fluctuations. In addition, the Company has a policy to manage the risk of exchange rate fluctuations by entering into forward exchange contracts to reduce the risk of

exchange rate fluctuations that may occur sometimes. Besides this, the Company follows the news and direction of the foreign currency exchange rate closely from news sources and information from banks in order to evaluate the situation and prevent any risk that may occur. However, as of December 31, 2020, the Company does not have an outstanding balance from forward exchange contracts with a financial institution.

4. Compliance Risk

4.1 Risk from operating the business under the enforcement of new laws and statutes.

The Company is committed to complying with all relevant laws and regulations in order to ensure that the operations of the Company and its subsidiaries are in accordance with the good corporate governance principles, and are reliable, transparent and fair to all parties. The Company has risk management that may arise. By preparing to study law and related regulations to prepare for the adaptation for the group of companies to be able to execute the business plan and comply with applicable laws and regulations

In addition, the company has taken measures to prevent cyber security risks. In accordance with the Cybersecurity Act, B.E. 2562. The Company has customer information security management, a backup system, firewall protection systems and devices, as well as follow up and alert to ensure that important information will not be lost or leaked and the system can operate continuously. And provide accurate, reliable and up-to-date information for decision making



Internal Control and Risk Management

The Opinion of the Board of Directors on the Internal Control System

The Board of Directors recognize the importance of having a good internal control system and regard it is an important duty to ensure that the Company has an appropriate and sufficient internal control system so that the business operations are carried out effectively and in accordance with the goals, objectives, laws and related requirements, and protect assets from fraud and damage. The accounting and financial reporting was prepared accurately and reliably and the disclosure of information was complete, adequate and timely.

At the Board of Directors' Meeting No. 1/2021 held on February 22, 2021, in which the Audit Committee participated, the Board of directors considered and evaluated the sufficiency of the Company's internal control system by using the sufficiency of the internal control system assessment form of the Office of Securities and Exchange Commission and inquiring of the Company's management. The Board of Directors considered the Company's internal control system in 5 categories which are in accordance with the guidelines of the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). They consist of:

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring Activities

The Board of Directors is of the opinion that the Company's internal control system was sufficient and suitable for this size of the business and the current situation of the Company and approved the sufficiency of the internal control system assessment form for the Company's internal control system evaluation. This can be summarized as follows:

1. Control Environment

The Company adheres to the values of honesty and ethics by establishing a policy regarding good corporate governance, a Code of Conduct and an anti-corruption

policy so that the directors, executives and employees adhere and perform their duties with honesty and uphold the Code of Conduct transparently, straightforwardly, and in compliance with the law for stakeholders which include shareholders, trade partners, and customers. In this regard, the executives and employees communicated through email and the Company's intranet, and the third parties were communicated to through the Company's website. In addition, the Company set the Code of Conduct as part of the competency assessment criteria for executives and employees on a yearly basis and disciplinary action was imposed if there were any acts that violate the Company's policy.

The Company set a clear organizational structure, chain of command, and roles, duties and responsibilities to help the operations achieve the Company's goals and have effective internal control. This was done by establishing an independent internal audit department to have responsibility over operational inspections. This included establishing a written delegation of authority to determine authority and the transaction approval process for important business transactions. The Board of Directors was also responsible for overseeing executive management and being independent from executive management. The Board of Directors consisted of 4 independent directors, which is more than one third of all directors, who have knowledge, ability and experience in various fields.

The Company set a strategic plan for short-term and long-term goals as well as key performance indicators (KPIs) to assess the performance of various segments. The Board of Directors appointed sub-committees to help and support the performance of these duties, namely, the Executive Committee, the Nomination, Remuneration and Corporate Governance Committee, and the Audit Committee. The roles and responsibilities of each committee were clearly established in the Committee Charter.

In addition, the Company is committed to motivating, developing and retaining knowledgeable and capable personnel. As a result, an annual training plan for employees was arranged which focuses on departments that have urgent needs. The Company sent personnel to attend seminars and various academic trainings in relevant

fields to develop the knowledge and ability of personnel as needed. Succession plans, identifying successors, and guidelines for the development of successors for important positions were established.

2. Risk Assessment

The Company was aware of the importance of risk management due to changes that could affect the achievement of business objectives or goals. The Company established a written risk management policy to deal with uncertain situations that may occur. This was approved by the resolution of the Board of Directors to specify the framework for the risk management guidelines. The risk management policies were communicated to all departments within the Company and its subsidiaries for their acknowledgment and implementation. In addition, a risk management working group is responsible for overseeing and monitoring the risk management process. The risk assessment results will be compiled and submitted to the Risk Management Committee and the results will be reported to the Executive Committee, the Audit Committee, and the Board of Directors on a regular basis in order to support and drive the Company's risk management process systematically.

The Company's risk management process included the consideration and assessment of business risk from both internal and external factors. This was done by taking into account the likelihood or risk and its possible impact and it covered various types of risk, such as business strategy, operations, reporting, compliance, and information technology, etc. This also included the possibility of fraud in various forms and assessing changes that affect patterns and the Company's operational risk.

In this regard, the Company established guidelines and measures to manage risk at an acceptable level in order to prevent or reduce damages that may occur. This was done by considering various approaches such as accepting risk, reducing risk, avoiding risk, etc., as well as monitoring risk management results in the organization consistently and continually.

3. Control Activities

The Company established organizational control measures and operational control measures for the Company and its subsidiaries through policies and operational procedures by separating responsibilities in important tasks. This included separating the responsibilities of the approval authorities,

the person responsible for bookkeeping and information, and the person in charge of keeping assets apart in order to have an efficient and effective internal control. The Delegation of Authority (DOA) was also established which was approved by the resolutions of the Board of Directors.

In addition, the Company set policies for conflicts of interest by prohibiting directors, executives and employees from seeking benefits for themselves or others whether the transaction caused damage to the Company or not. The connected transaction policy is used as a guideline in the event that the Company has transactions with a person who may have a conflict of interest or connected persons. There must be trade conditions with fair prices and conditions that do not cause a transfer of benefits. The best interest of shareholders must be taken into account as well as the investment policies and the operations of subsidiaries, joint ventures and associated companies in order to supervise the operations in order to make sure that they follow the direction and goals set forth regarding both strategy and operations.

The Internal Audit Department is responsible for verifying that the operations of the Company and its subsidiaries are carried out in accordance with the policies and operational procedures defined by the Company, and by determining the annual audit plan to cover important operational processes as accepted and approved by the Audit Committee. In the case that defects are found, the Internal Audit Department will report the detected issues and give recommendations to any relevant departments in order to find a solution.

4. Information and Communication Systems

The Company gives importance to information and communication systems and have internal and external communication channels. Internal and External information is used to analyze decisions made regarding the operations of the Company and its subsidiaries. Each department is responsible for controlling documents and keeping important documents organized so that the decisions made by the shareholders, stakeholders, directors and management of the Company are based on information that is accurate, sufficient, reliable and timely.

In regards to the Meeting of the Board of Directors, a meeting invitation letter, the meeting's agenda and the meeting documents that contain important and sufficient information will be sent 7 days prior to the Meeting. This is in line with the minimum time period required by the

law. This enables the Board of Directors to have sufficient information to make decisions and have sufficient time to study this important information. The Company Secretary is the coordinator for each Meeting, preparing the meeting's minutes along with the meeting's agenda which is to be considered as well as any questions, comments or remarks from the directors. This also includes the approval/consideration of agenda items and keeping the meeting's minutes organized for future reference.

The Company established communication channels for employees to acknowledge any information and news among the organization through the notice board of the Company and to email certain employees or certain groups through the Company's intranet. The Company will use different channels for communication depending on the information and the group of employees in order to ensure that the information is fully communicated to the target staff.

In addition, the Company determined that investor relations are responsible for communicating the Company's information to outsiders. The Company created a website which consists of important content such as Company information, corporate governance, and complaints, as well as establishing a written whistleblowing policy and whistle blowing channel through the Company's website or via email at ethics_hotline@indexlivingmall.com so that both internal and external stakeholders can safely blow the whistle to the Company.

5. Monitoring Activities

The Company established an independent Internal Audit Department that reports directly to the Audit Committee in order to verify that the internal control system of the Company and its subsidiaries. This is in accordance with the policies and procedures that the Company established. The Company also established an annual internal audit plan by considering the risk and nature of business of the Company and its subsidiaries which was approved by the Audit Committee. In addition, the Internal Audit Department will review the internal audit plan to ensure that it is consistent and suitable with the nature of business of the Company and its subsidiaries. Changes may be made during the year or when necessary.

The Internal Audit Department will report any defects that were found or suggest any improvements that should be made to the internal control system of the Company and its subsidiaries to the relevant executives. The Internal Audit

Department will report the results of the internal audit which includes the updated results after the improvement has been suggested in order to solve any significant flaws of the Company and its subsidiaries to the Audit Committee at least once per quarter. When corruption, something unusual, or any significant defects occur that may affect the reputation, image, financial status and business operation of the Company, facts must be gathered, investigated and reported to the executive management, the Internal Audit Department, the Audit Committee, and the Board of Directors immediately.

Auditor's Observations

Audit Observations and Internal Control Accounting System

KPMG Phoomchai Audit Company Limited ("KPMG"), the Company's auditor, did not find any significant defects in the internal control system and did not issue any report on observations or recommendations for accounting and the internal control accounting system for the Company's executive management for the year that ended on December 31, 2020.

Observations on Information Technology (IT) System

KPMG Phoomchai Audit Company Limited ("KPMG"), the Company's auditor, did not find any significant defects in the internal control system and did not issue any report on observations or recommendations regarding the information technology (IT) system for the Company's executive management for the year that ended on December 31, 2020.

Head of Internal Audit of the Company

The Company organized an internal audit department which reports directly to the Audit Committee of the Company to support the supervision and the operations of the internal audit to be independent, effective, and efficient. The Audit Committee Meeting No. 1/2018 (Limited Company) held on March 29, 2018 approved the appointment of Mr. Pisit Oprapakorn as Head of the internal audit of the Company due to his qualifications, educational background, and sufficient training and experience that is suitable to be the controller of the said operations. The details regarding the position of the Head of the internal audit appear in Attachment 3.

In this regard, consideration and approval, removal, and transfer of the Head of internal audit of the company must be approved by the Audit Committee.

The highest-ranking accounting and financing officers and controllers

According to the regulations of the Securities and Exchange Commission regarding the qualifications of the highest-ranking accounting and financing officers (CFO) and controllers, the Company would like to disclose the following biography:

The highest-ranking accounting and financing officer
Mrs. Kanokwanrat Srimaneesiri (54 years)

- Senior Vice President – Accounting and Finance Line
- Company Secretary

Education

- Bachelor of Business Administration in Accounting, Assumption University
- Master of Business Administration, Assumption University

Training

2018	Certificate from the Capital Market Knowledge Development Center, the Stock Exchange of Thailand, CFO’s Orientation Course for New IPOs 2018
2018	Company Secretary Program (CSP), Thai Institute of Directors Association (IOD)
2019	TLCA CFO Professional Development Program, Thai Listed Companies Association
2020	TLCA CFO Professional Development Program, Thai Listed Companies Association

Controller

Mr. Suchart Sasivimolvit (54 years)

- Accounting Director

Education

- Bachelor of Business Administration, Accounting, Ramkhamhaeng University
- Master of Business Administration, Chulalongkorn University

Accountant Registration

- Mr. Suchart Sasivimolvit was registered as accountant according to the Notification of the Department of Business Development on September 19, 2001.

Training

- Continuing Professional Development and Accounting Development according to the criteria specified in the Notification of the Department of Business Development for a total of 26 hours in 2017, a total of 20 hours in 2018, a total of 24 hours in 2019, and a total of 25 hours in 2020.

Head of Internal Audit

Head of Internal Audit

Mr. Pisit Oprapakorn

Relationship between directors and executives

- None

Education

- Master of Business Administration in Finance (MBA Finance), National Institute of Development Administration (NIDA)
- Bachelor of Business Administration, Major in Accounting (BBA Accounting), First Class Honor, Gold Medal with Assumption University (ABAC)
- Tax Auditor

Training

A training course on internal auditing from the Federation of Accounting Professions as follows:

- 80 corruption issues that the organization must be aware of
- Annual Audit Management Planning
- Audit Process: How to Plan an Audit Work System
- Training Program for Internal Audit Certification (IACP)

Work Experience

2020-Present	Senior Department Head (Head of Internal Audit), Index Living Mall PLC
2014 — Present:	nternal Audit Department Manager (Head of Internal Audit), Index Living Mall PLC
2013 — 2014	Senior Officer (Tax Auditor), Pricewaterhouse Coopers Company Limited, Tax and Legal Consultant
2010 — 2012	Senior Officer (Risk and Internal Control) KPMG Phoomchai Company Limited, Business Consultant

Responsibilities of the Head of Internal Audit

- Organize the structure, delegate responsibilities and the general management within the Internal Audit Department.
- Prepare manuals and operational standards for internal auditor. Review the compliance of the internal auditor with the manual and the internal audit standards.
- Prepare the annual internal audit plan of the Company by setting goals and scope of the audit and propose it to the Audit Committee for consideration and approval.
- Prepare the annual budget of the internal audit department and manage/control the expenses to be within the specified budget.
- Review the administration and internal controls be in accordance with the objectives, goals and scope of the

internal audit in order to have an adequate, appropriate and effective internal control system.

- Review and approve the audit program which includes risk and sufficiency assessment of internal control, both the operational and the information audit.
- Review and give suggestions regarding the work of subordinates in order to carry out the audit guidelines. This includes controlling and checking to be in accordance with the plan, goals, objectives, work plans and regulations of the Company and relevant laws.
- Review the audit report and follow up on the operations and solutions that had been summarized with the auditee.

Management Discussion and Analysis

1. 2020 Highlights

Operating Highlights (Unit: THB million)	2019	2020	% Change YoY
Revenue from sale of goods	9,236.1	7,657.1	-17.1%
Revenue from rental and rendering of services	561.9	462.4	-17.7%
Operating revenue	9,798.0	8,119.5	-17.1%
Gross profit ^{1/}	4,285.3	3,712.9	-13.4%
EBITDA	1,566.8	1,651.9	+5.4%
Net profit (loss)	596.1	421.2	-29.3%
Gross profit margin (%) ^{1/}	43.7%	45.7%	+2.0%
EBITDA margin (%)	15.8%	20.2%	+4.3%
Net profit margin (%)	6.0%	5.1%	-0.9%
One-time expenses (reversal) ^{2/}	21.0	-	-100.0%
Impact of TFRS 16 ^{3/}	-	(25.2)	-
Net profit excluding one-time expenses and TFRS 16	617.1	446.5	-27.6%

1/ Figures were after reclassification. In 2019, Gross profit before reclassification was Bath 4,262.1 million, and Gross profit margin before reclassification was 43.5%.
2/ One-time expenses in 2019 were resulted from the employee retirement benefit (net after tax) in Q1/2019.
3/ Impact of the adoption of Thai Financial Reporting Standards 16 Leases (TFRS 16) since 1 January 2020 caused higher depreciation and interest expenses (net after tax)

- Net profit in 2020 was Baht 421.2 million, reduced by 29.3% YoY, mainly due to the decrease in operating revenue by 17.1% YoY, as a result of most store closure nationwide between 22 March and 16 May 2020 due to the first epidemic of COVID-19 in late Q1/2020 and some store closure due to the newly merging of COVID-19 in late Q4/2020, as well as consumers’ cautious spending resulted from concerns about the economy and the COVID-19 pandemic situation.
- Although operating revenue decreased, gross profit margin managed to improve by 2.4% YoY and stood at 46.0%, while SG&A reduced. These have resulted from lower production costs, higher production efficiency, and reduced operating costs in every aspect continuously.
- Online sales grew remarkably by 153.7% YoY, OEM sales rose by 121.4% YoY, and domestic home project sales increased by 12.4%YoY.
- The Company has well managed liquidity satisfactorily and repaid long-term loans continuously. In 2020, the Company repaid long-term loans totaling Baht 1,502.3 million, including the prepayment of Baht 1,156.3 million.
- The Company’s adoption of TFRS 16 since 1 January 2020 resulted in a lower net profit in 2020 by Baht 25.2 million from the recognition of higher depreciation and interest expenses.

2. Significant Events in 2020

- Launch of Innovative Ready-to-Sleep Mattress “Bed in Box”**
The Company has invented “Bed in Box”, an innovative ready-to-sleep mattress in a box focusing on special features and technology that helps spread cooling, ventilate, and balance body temperature. It is also distinguished by the box-packing mattress design making it convenient to move, responding to today’s New Normal consumer lifestyle.
- Launch of New Furniture Brand “Furinbox”**
The Company has launched a new furniture brand “Furinbox” (Fur-in-Box), a new concept of furniture in the box, designed and created specifically to meet the lifestyle of consumers both in terms of design and functions at an affordable price. Furinbox is also easy and quick to assemble, meeting the needs of the New Normal consumer lifestyle, which will help further increase the online customer base into the mass market.
- Partnership Expansion**
 - ILM x NocNoc.com**
The Company started its collaboration with NocNoc.com, a leading online market platform for construction materials and home decoration products category to reinforce the Company’s potential on the online platform under the home living group as well as strengthening the Company’s online sales further growth.
 - Younique x SCG**
The Company expanded its partnership with SCG, the leader of Innovative House, by opening a Younique Customized Furniture showroom at SCG Experience Building to create opportunities for Younique’s customer base expansion.
 - Younique x Boonthavorn**
The Company expanded its cooperation with Boonthavorn Ceramic Co., Ltd., a leading business center for decorative materials, tiles, sanitary ware, bathroom, kitchen room, and home decoration, by opening a Younique Customized Furniture showroom at Boonthavorn Kaset-Nawamin to create opportunities for Younique’s customer base expansion.
 - Younique x Landy Home**
The Company expanded its collaboration with Landy Home (Thailand) Co., Ltd., the number 1 home builder in Thailand to create opportunities to directly reach customers who are building a new house.
- Opened the 5th Index Living Mall Franchise Store in Myanmar**
After receiving impressive feedback from all of the 4 Index Living Mall franchise stores in Myanmar, the Company has decided to open the 5th franchise store in Myanmar in June 2020.
- Opened the 3rd Index Living Mall Franchise Store in Vietnam**
After the successful opening of the first 2 franchise stores in Vietnam in 2019 and the gradual recovery of the COVID-19 situation in Vietnam, the Company has opened the third franchise store in Vietnam in December 2020. Furthermore, additional stores in Vietnam as well as in some other countries are in the Company’s pipeline after the COVID-19 situation is getting improved in the future. At the end of 2020, the Company had a total of 21 overseas franchise stores in 8 countries.
- Solar Rooftop Installation at Another 4 Index Living Mall Stores**
After the Company installed solar rooftop at the factory and 4 Index Living Mall stores in 2018 as well as 6 Index Living Mall stores in 2019, electricity costs have been decreasing significantly. In 2020, the Company has installed solar rooftop at another 4 Index Living Mall stores, which will also reduce more electricity costs continuously. The Company also plans to continue installing solar rooftop at more Index Living Mall stores in 2021 to further reduce electricity costs and support the Company’s operation sustainably.

Closure of Index Furniture Center – Tha Phra Branch

Due to the expiration of the lease agreement of Index Furniture Center – Tha Phra branch, the Company has thoroughly evaluated the worth of the investment and then decided not to renew the lease and terminate the store operation in January 2020. Yet, the Company will consider investing in a new branch in the future.

Closure of Index Furniture Center – Don Mueng International Airport Branch

Due to the government measures to lock down the country to prevent the spread of COVID-19, travelling means has been disrupted, especially air travel, which expects to take longer to recover back to normal. Also, sales from Index Furniture Center – Don Mueng International Airport did not have a significant contribution to the Company's total sales, we then decided to close the branch in June 2020 to reduce expenses and for optimal management.

Closure of BoConcept Store at Index Living Mall Pattaya

Since the epidemic situation of COVID-19 in Thailand has started in late Q1/2020, sales of BoConcept store at Index Living Mall Pattaya was impacted significantly, as Pattaya was one of the cities whose major income came from tourism especially from foreign tourists. Thus, the city's economy was severely affected. While purchasing power has not yet returned to normal, the Company decided to cease the operation of this BoConcept store in October 2020 in order to reduce the burden of expenses and for optimal management.

Discontinued Production and Sale of Serta Mattress

After the termination of the Franchisee contract with Serta in December 2020, the Company has decided to cease the production and sales operation of Serta mattress. On the other hand, the Company has decided to change a policy to focus on selling mattresses of partner' brands, expecting to generate more sales and profits in the mattress category.

3. Operating Results

Overall Operating Results (Unit: THB million)	2019	2020	% Change YoY
Revenue from sale of goods	9,236.1	7,657.1	-17.1%
Revenue from rental and rendering of services	561.9	462.4	-17.7%
Operating revenue	9,798.0	8,119.5	-17.1%
Cost of sale of goods	5,208.2	4,132.2	-20.7%
Cost of rental and rendering of services ^{1/}	304.5	274.4	-9.9%
Cost of sales and services	5,512.7	4,406.6	-20.1%
Gross profit ^{1/}	4,285.3	3,712.9	-13.4%
Other income	104.7	78.2	-25.3%
Selling and distribution expenses	2,347.2	1,980.5	-15.6%
Administrative expenses	1,219.1	1,032.6	-15.3%
Finance costs	184.0	295.9	+60.8%
Profit before income tax expenses	639.7	482.1	-24.6%
Tax expenses	43.9	60.9	+38.5%
Net profit (loss)	596.1	421.2	-29.3%

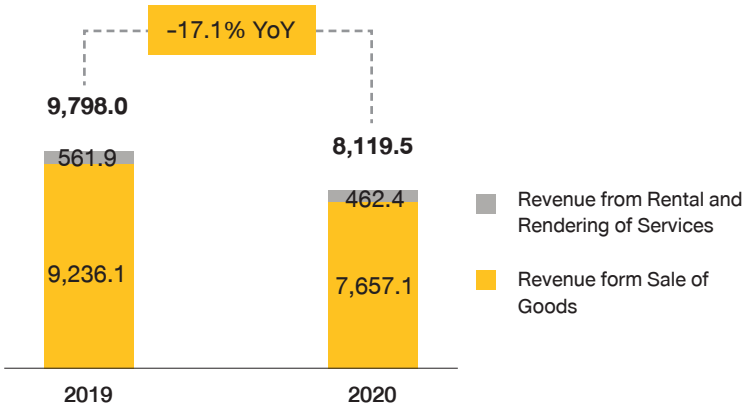
^{1/} Figures were after reclassification. In 2019, Cost of rental and rendering of services before reclassification was Bath 327.7 million, and Gross profit before reclassification was Baht 4,262.1 million.

Revenue Structure

Revenue (Unit: THB million)	2019	2020	% Change YoY
A. Revenue from sale of goods			
Domestic sales			
1. Retail stores	7,472.7	5,976.0	-20.0%
2. Projects	1,189.3	839.0	-29.5%
3. Dealers	123.6	83.4	-32.5%
4. Online	216.4	548.9	+153.7%
Total domestic sales	9,001.9	7,447.3	-17.3%
Overseas sales	234.2	209.7	-10.5%
Total revenue from sale of goods	9,236.1	7,657.1	-17.1%
B. Revenue from rental and rendering of services	561.9	462.4	-17.7%
Operating revenue	9,798.0	8,119.5	-17.1%
Other income	104.7	78.2	-25.3%
Total revenue	9,902.7	8,197.7	-17.2%

Operating Revenue

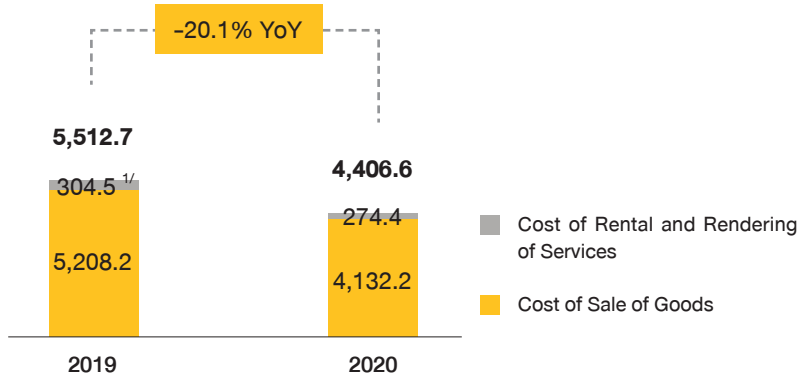
(Unit: THB million, %)



- In 2020, the Company recorded total operating revenue of Baht 8,119.5 million, decreased by Baht 1,678.5 million or 17.1% QoQ. The decrease was mainly due to the following reasons:
 - Revenue from sale of goods** was Baht 7,657.1 million, decreased by Baht 1,579.1 million or 17.1% YoY as a result of most store closure nationwide between 22 March and 16 May 2020 due to the first epidemic of COVID-19 in late Q1/2020 and some store closure due to the newly merging of COVID-19 in late Q4/2020 as well as consumers' cautious spending resulted from concerns about the economy and the COVID-19 pandemic situation. However, online sales continued to grow remarkably by 153.7% YoY; domestic home project sales increased by 12.4% YoY; and OEM sales rose by 121.4% YoY mainly supported by the trade war between the U.S. and China, leading to more orders from U.S. importers and retailers.
 - Revenue from rental and rendering of services** was Baht 462.4 million, decreased by Baht 99.4 million or 17.7% YoY, mainly due to the closure of The Walk, Little Walk, and Index Mall between 22 March and 16 May 2020, plus the rental discounts given for a certain period to help reduce the burden and alleviate the impact of COVID-19 for tenants. Also, the Company collected less land and building tax from tenants to submit to government agencies following the government's announcement to decrease land and buildings taxation by 90% in 2020. However, revenue from space rental services has returned to the same level as before the COVID-19 situation.

Cost of Sales and Services

(Unit: THB million, %)

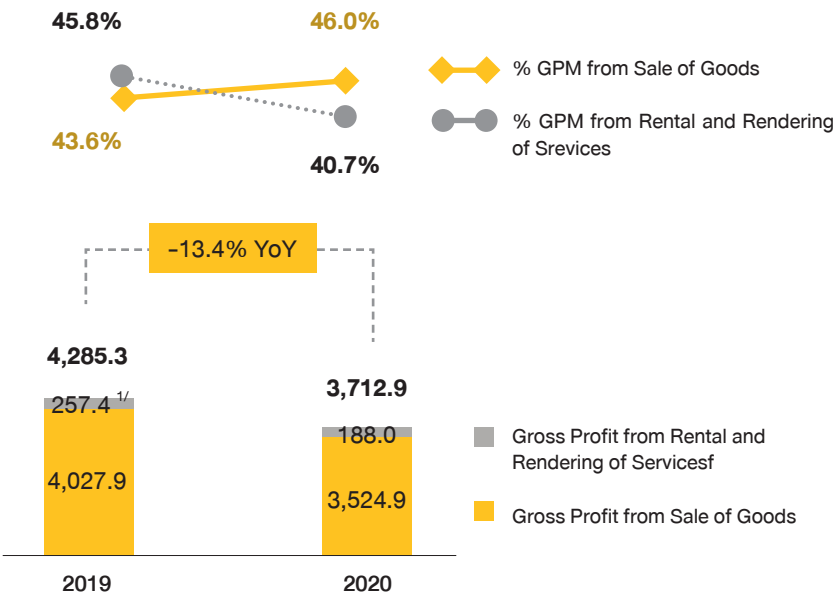


^{1/} Figure was after reclassification. Cost of rental and rendering of services before reclassification in 2019 was Baht 327.7 million.

- In 2020, the Company recorded cost of sales and services of Baht 4,406.6 million, decreased by Baht 1,106.1 million or 20.1% YoY. The decrease was mainly due to the following reasons:
 - Cost of sale of goods** was Baht 4,132.2 million, decreased by Baht 1,076.0 million or 20.7% YoY, following the reduced sales. The decrease was also supported by the lower cost of goods and production costs but higher production efficiency, which was resulted from the organization restructuring and the continuous work process improvement, including a reduced number of headcounts, using robots as a replacement of human labor, and using more common parts, e.g., consolidating the particle board thickness, reducing the variety of surface materials, using the standard fitting, such as hinge, drawer rail, slide rail, screw, nut, etc..
 - Cost of rental and rendering of services** was Baht 274.4 million, decreased by Baht 30.0 million or 9.9% YoY, following lower revenue from rental and rendering of services caused by the closure of The Walk, Little Walk, and Index Mall between 22 March and 16 May 2020, which resulted in lower expenses, e.g., employee expenses and utilities expenses. The Company's adoption of TFRS 16 since 1 January 2020 also lowered the cost of rental and rendering of services in 2020 by Baht 15.4 million. Plus, the Company recorded less land and buildings tax expense following the government's announcement to decrease land and buildings taxation by 90% in 2020. 3

Gross Profit

(Unit: THB million, %)

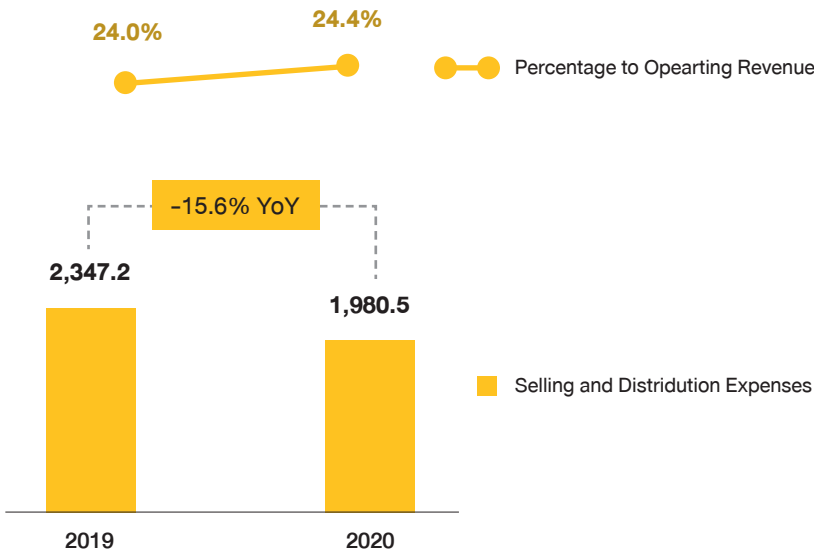


^{1/} Figure was after reclassification Gross profit from rental and rendering of services before reclassification in 2019 was Baht 234.1 million.

- In 2020, the Company recorded gross profit of Baht 3,712.9 million, decreased by Baht 572.4 million or 13.4% YoY. The decrease was mainly due to the following reasons:
 - Gross profit from sale of goods** was Baht 3,524.9 million, decreased by Baht 503.3 million or 12.5% YoY, following the lower sales as a result of most store closure nationwide between 22 March and 16 May 2020 due to the first epidemic of COVID-19 in late Q1/2020 and some store closure due to the newly merging of COVID-19 in late Q4/2020. However, gross profit margin from sale managed to improve YoY despite the lower sales mainly due to lower cost of goods and production costs but higher production efficiency. Improved product mix with a higher proportion of sales from higher profit margin products as well efficient sales campaigns also helped drive the gross profit margin.
 - Gross profit from rental and rendering of services** was Baht 188.0 million, decreased by Baht 69.4 million or 27.0% YoY, following the lower revenue from rental and rendering of services as a result of the closure of The Walk, Little Walk, and Index Mall between 22 March and 16 May 2020. The Company also provided rental discounts for a certain period to help reduce the burden and alleviate the impact of the COVID-19 situation for tenants. However, revenue from space rental services has returned to the same level as before the COVID-19 situation.

Selling and Distribution Expenses

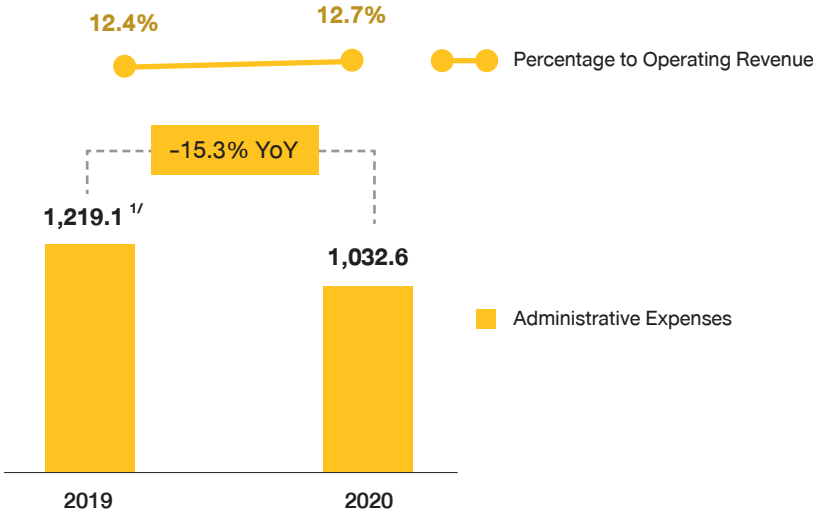
(Unit: THB million, %)



- In 2020, the Company recorded selling and distribution distribution of Baht 1,980.5 million, decreased by Baht 366.6 million or 15.6% YoY. The decrease was mainly due to lower sales and lower store-related expenses following most store closure nationwide between 22 March and 16 May 2020 as well as improved cost management such as employee expenses, utilities expenses, and promotional expenses. The Company's adoption of TFRS 16 since 1 January 2020 also lowered the 2020 selling and distribution expenses by Baht 106.7 million.
- The percentage of selling and distribution expenses to operating revenue increased YoY, mainly due to the lower operating revenue, despite improved cost management.

Administrative Expenses

(Unit: THB million, %)

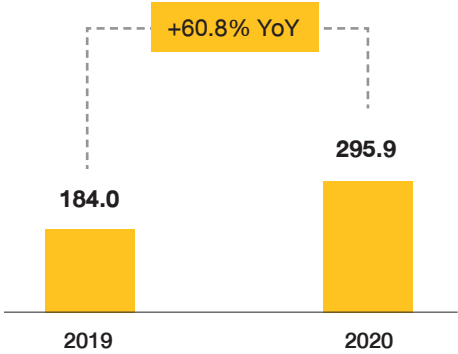


^{1/} Figure was after reclassification. Administrative expenses before reclassification in 2019 was Baht 1,195.8 million.

- In 2020, The Company recorded administrative expenses of Baht 1,032.6 million, decreased by Baht 186.5 million or 15.3% YoY. The decrease was mainly due to improved cost management including employee expenses, utilities expenses, and other expenses. The Company’s adoption of TFRS 16 since 1 January 2020 also lowered the 2020 administrative expenses by Baht 21.9 million.
- The percentage of administrative expenses to operating revenue increased YoY mainly due to lower operating revenue despite improved cost management.

Finance Costs

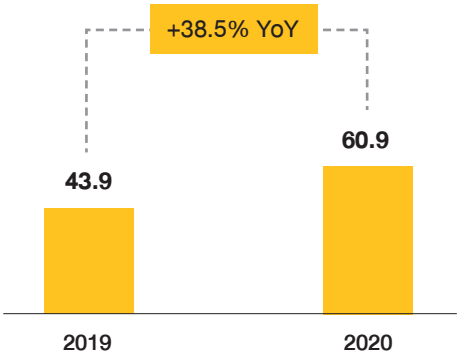
(Unit: THB million, %)



- In 2020, the Company recorded finance costs of Baht 295.9 million, increased by Baht 111.9 million or 60.8% YoY. The increase was mainly due to the adoption of TFRS 16 since 1 January 2020, which resulted in higher interest expenses by Baht 175.5 million. If excluding the impact of TFRS 16, the 2020 finance costs would be Baht 120.4 million, decreased by Baht 63.7 million or 34.6% YoY mainly due to the continuous repayment of loans from financial institutions as well as reduced loan interest rates during the year, following the reduced policy interest rate by the Central Bank of Thailand.
- In 2020, the Company has repaid long-term loans totaling Baht 1,502.3 million, including the prepayment of Baht 1,156.3 million. This was supported by the Company’s well-managed liquidity, while major investments have been postponed. Also, the Company has significantly reduced inventories, leading to lower storage costs and handling costs, and well-improved liquidity accordingly.

Tax Expenses

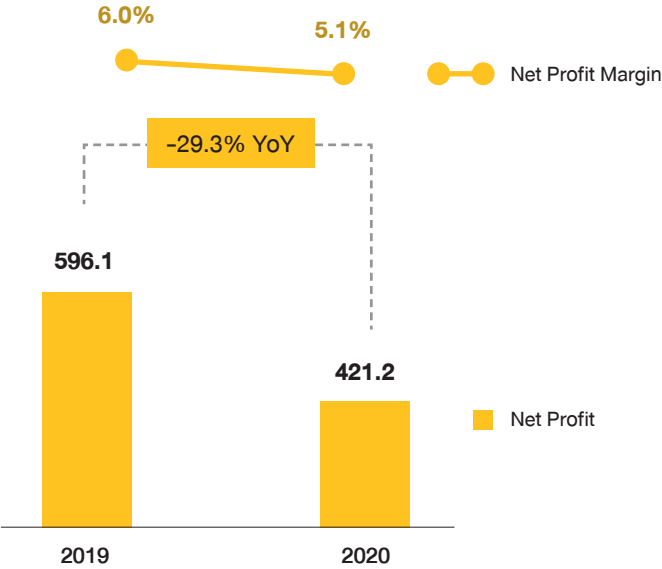
(Unit: THB million, %)



- In 2020, The Company recorded tax expenses of Baht 60.9 million, increased by Baht 16.9 million or 38.5% YoY despite lower earnings before tax. The increase was mainly due to the tax incentives of Baht 70.0 million from The Office of the Board of Investment (BOI) the Company received in 2019 from solar rooftop investment.

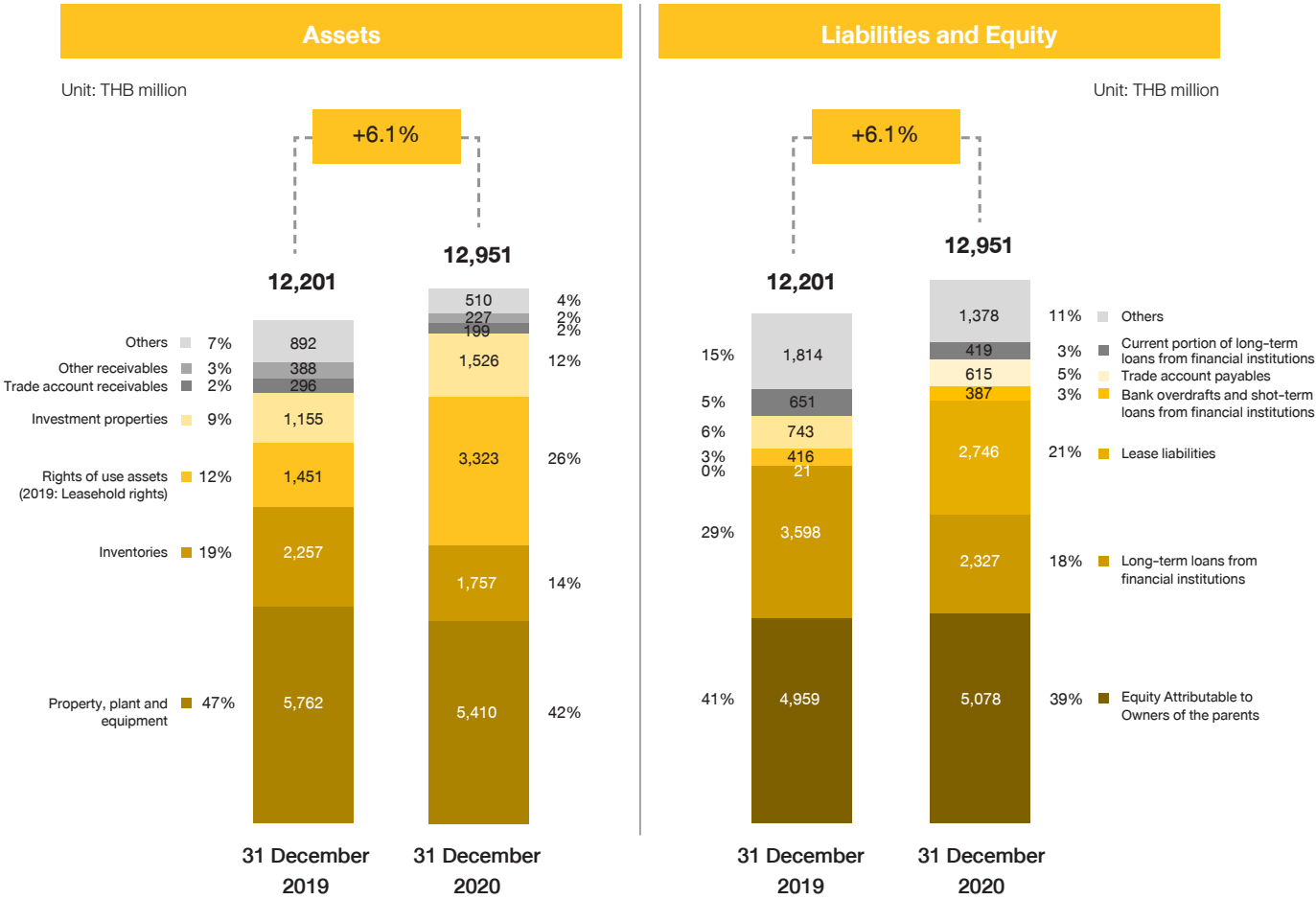
Net profit

(Unit: THB million, %)



- In 2020, the Company recorded a net profit of Baht 421.2 million, decreased by Baht 174.9 million or 29.3% YoY. The decrease was mainly due to the following reasons:
 - Decreased operating revenue as a result of most store closure nationwide between 22 March and 16 May 2020 and some store closure due to the newly emerging of COVID-19 at the end of the year as well as consumers’ cautious spending resulted from concerns about the economy.
 - The adoption of TFRS 16 since 1 January 2020 caused the lower net profit by Baht 25.2 million from the recognition of higher depreciation and interest expenses.
 - The Company recognized a tax benefit of Baht 70.0 million in 2019.
 - The Company has not yet utilized another tax benefit of approximately Baht 64.3 million from the investment in new machinery, which can be utilized for 3 years from the start.

Statement of Financial Position



Assets

- As at 31 December 2020 , the Company had total assets of Baht 12,951.0 million, increased by Baht 749.6 million, or 6.1% from Baht 12,201.4 million as at 31 December 2019. The increase in assets was mainly due to the adoption of TFRS 16 since 1 January 2020, which resulted in the increased assets by Baht 2,436.4 million, comprising of the higher rights of use assets by Baht 3,514.3 million and higher investment properties by Baht 400.7 million, but lower leasehold rights by Baht 1,451.3 million and lower property, plant and equipment by Baht 27.3 million.
- As at 31 December 2020, the Company had inventories of Baht 1,757.0 million, decreased by Baht 500.4 million or 22.2% from Baht 2,257.3 million as at 31 December 2019. The decreased inventories was mainly due to the improved supply chain management.

Liabilities

- As at 31 December 2020, the Company had total liabilities of Baht 7,871.4 million, increased by Baht 630.0 million, or 8.7% from Baht 7,241.4 million as at 31 December 2019. The increase in liabilities was mainly due to the adoption of TFRS 16 since 1 January 2020, which resulted in the increased liabilities by Baht 2,436.4 million, comprising of higher lease liabilities by Baht 2,738.3 million but decreased other payables by Baht 301.9 million. However, borrowings from financial institutions at the end of Q4/2020 were Baht 3,133.4 million, decreased by Baht 1,531.3 million, or 32.8% from Baht 4,664.7 million at the end of 2019.

Equity

- As at 31 December 2020, the Company had equity attributable to owners of the parent of Baht 5,078.3 million, decreased by Baht 119.6 million or 2.4% from Baht 4,958.7 million as at 31 December 2019. The increase in equity mainly came from the Company’s operating profit in 2020 of Baht 421.2 million, while the Company has paid dividend to shareholders at Baht 0.46 per share for the 2019 operating performance, totaling Baht 232.3 million, plus an interim dividend of Baht 0.15 per share for the first half of 2020 operating performance, totaling Baht 75.8 million.

Statement of Cash Flows

(Unit: THB million)	2019	2020	% Change YoY
Net cash from operating activities before changes in operating assets and liabilities	1,618	1,694	+4.7%
Net cash from changes in operating assets and liabilities	(41)	392	+1046.4%
Net cash from operating activities	1,576	2,085	+32.3%
Acquisition of property, plant and equipment	(546)	(289)	+47.0%
Acquisition of investment property	(35)	(37)	-6.0%
Acquisition of rights-of-use (2019 : leasehold rights)	(37)	(0)	+99.5%
Acquisition of intangible assets	(28)	(19)	+34.2%
Net cash from other operating activities	83	12	-85.5%
Net cash used in from investing activities	(563)	(333)	+40.9%
Proceeds from issuance of shares	2,310	0	-100.0%
Proceeds from short-term loans from financial institutions	7,732	5,572	-27.9%
Repayment of short-term loans from financial institutions	(8,316)	(5,601)	+32.6%
Proceeds from long term loans from financial institutions	2,550	0	-100.0%
Repayment of long term loans from financial institutions	(1,076)	(1,502)	-39.7%
Repayment of debenture	(1,300)	0	+100.0%
Dividends paid to owners of the Company	(2,450)	(308)	+87.4%
Interest paid	(197)	(295)	-49.8%
Net cash used in other financing activities	(69)	(37)	+46.1%
Net cash used in financing activities	(815)	(2,171)	-166.4%
Effect of exchange rate changes on cash and cash equivalents	(0.013)	0.010	+177.1%
Net increase (decrease) in cash and cash equivalents	199	(419)	-310.8%
Cash and cash equivalents at 1 January	326	525	+60.8%
Cash and cash equivalents at 31 December	525	106	-79.7%

At the end of 2020, the Company recorded ending cash and cash equivalents of Baht 106 million, a decrease of Baht 419 million from Baht 525 million at the end of 2019, with details as follows:

- Net cash received from operating activities of Baht 2,085 million, consisting of (1) cash inflows from operating activities before changes in operating assets and liabilities of Baht 1,694 million; and (2) cash inflows from net change in working capital of Baht 392 million, mainly due to the decrease in inventories, trade receivables, and other receivables.
- Net cash used in investing activities of Baht 333 million, comprising of (1) cash outflows for acquisition of property, plant and equipment of Baht 289 million; (2) cash outflows from acquisition of investment property of Baht 37 million; (3) cash outflows from intangible assets of Baht 19 million; and (4) cash inflows from other investing activities of Baht 12 million.
- Net cash used in financing activities of Baht 2,171 million, consisting of (1) cash inflows from proceeds from bank overdraft and short-term loans from financial institutions of Baht 5,572 million; (2) cash outflows for repayment of short-term loans to financial institutions of Baht 5,601 million; (3) cash outflows for repayment of long-term loans of Baht 1,502 million; (4) dividends paid to owners of the Company of Baht 308 million; (5) cash outflows for interest paid of Baht 295 million; and (6) net cash paid for other financing activities of Baht 37 million.

4. Future Projects

In the current situation where the domestic economy is still slowing down, the Company will be spending capital expenditures with caution for business expansion to ensure that the Company will be able to generate growth for the business steadily. In 2021, the Company plans to achieve sales growth through cooperation with various business partners. The Company is also determined to maintain a high gross profit margin, efficiently control expenses in every aspect, and manage the inventory at a low level optimally, which will help support the Company’s operating performance to return to the close level as before the COVID-19 situation in 2019 with details as follows:

- Younique Customized Furniture Showroom Expansion through Partnership Collaboration**
The Company plans to further expand showrooms of Younique Customized Furniture through partnership collaboration including SCG, Boonthavorn, and Lady Home. The Company also plans to work together with contractors to increase the opportunity to reach more customers who are building, renovating, or decorating their homes.
- Maintaining High Gross Profit Margin**
The Company has been increasing gross profit margin from sale continuously, and it is determined to maintain it at a high level in the future after reaching at 46.0% in 2020, an increase from 43.6% in 2019 and 44.2% in 2018. The Company has been reducing production costs and increase production efficiency continuously. The Company also has been putting an effort to uplift the selling price and gross profit margin of new collection products, increase sales proportion of high-profit margin products as well as managing sales campaigns efficiently.
- Continuously Reducing Operating Expenses**
The Company has continuously improved the work process for efficiency enhancement, together with the decrease in the number of headcounts, resulting in a significant reduction in operating costs. Consequently, for 2020, The Company reduced the SG&A by Baht 553.1 million or 15.5% compared to 2019. The Company is determined to continue to control costs consistently, thus improving profitability in the future, especially when the economy returns to the pre-COVID-19 pandemic level.
- Decreasing Inventories for Reduced Handling Costs and Generating More Income**
The Company has been reducing inventories continuously. Currently, the Company has been able to reduce some stocking areas from the current warehouses at 3 distribution centers. The Company then has brought the free space to rent out to a business partner. The lease contract will be effective approximately in Q1/2021.

The Company has cautiously planned and executed the inventory reduction process to avoid the stock shortage or loss of sales opportunities. Consequently, inventories have been decreasing from Baht 2,378.9 million at the end of 2018 to Baht 2,257.3 million at the end of 2019, and Baht 1,757.0 million at the end of 2020. The Company has the policy to continue reducing and controlling the inventory at a low level optimally in the future to decrease storage costs, operating costs as well as increasing liquidity of the business.

Connected Transaction

Connected transactions between the Company and/or Subsidiaries and Individuals or Juristic Persons that may have Conflicts of Interest for the Year that Ended on December 31, 2020 can be summarized as follows:

Product Sales List

Person, Company/Type of Relationship	Transaction Characteristics	Value of Transaction (millions of Baht)	Necessity and Reasonableness of the Transaction
1. Directors, Executives, and Employees which includes their families	<ul style="list-style-type: none">Sales RevenueOther Revenue	1.63 0.02	Directors, executives, and employees, which includes their families whether parents, spouse, brothers or sisters have purchased goods and gift vouchers as well as used the Company’s installation services in which the said person purchased a product from the Company with a discount according to the policy regarding employee’s discount or the price which the store offers to general customers. This transaction has the same general commercial conditions similarly to any transaction done with the third party.
2. Bangkok Master Wood Company Limited (“BMW”) <ul style="list-style-type: none">The affiliated directors are Mr. Pisith, Mrs. Kunthong, Miss Kridchanok, Miss Pichapim, Mr. Eakalak, and Mr. Ekaridh.The affiliated shareholders are Mr. Pisith, Mrs. Kunthong, Miss Kridchanok, Miss Pichapim, Mr. Eakalak and Mr. Ekaridh, altogether holding 100.0% of the shares.	<ul style="list-style-type: none">Sales RevenueService RevenueAccounts Receivable	0.95 0.00 0.27	<p>The Company ordered products from BMW. The Company needed the manufactured products to be in accordance with the quality, shape and color as the Company required. However, the raw materials that BMW used did not meet the needs of the Company. Thus, the Company sold the raw materials which included fabric to BMW so that BMW could use the raw materials to produce a sofa for the Company by setting the sales price in the form of cost plus as stated in the connected transaction policy. This profit margin was higher than the Company’s profit margin that sell raw materials to other manufacturers. In addition to the gross profit margin, after the Company purchased the said product back and sold it in the Company’s storefront, it was found that the gross profit margin of the said product would be in the range of the gross profit of the normal product sale of the Company and this transaction had general commercial conditions.</p> <p>In addition, BMW normally include shipping costs in the product, however in some cases, BMW is unable to procure a vehicle to deliver the products to the Company, as has been agreed upon, BMW will then ask the Company to bring a vehicle to pick up the product by ourselves and allow the Company to charge a transportation costs with BMW. In this case, if the Company wants to have flexibility, the Company will use the Company vehicle to get the products and charge transportation costs with cost plus pricing which can be compared with other external service providers and this transaction has general commercial conditions.</p>
	<ul style="list-style-type: none">Sales RevenueService RevenueAccounts Receivable	5.74 1.67 1.49	IDF is engaged in the production of furniture parts such as doors, cabinet legs, table legs, etc., and IDF provides services such as sewing leather seats and surface finishing for BMW and BMW uses those parts as part of BMW’s furniture production by setting the sales price in the form of cost plus pricing in accordance with the connected transaction policy. The cost-plus pricing can be compared with the profit margin for OEM non-trademarked products and the transaction has general commercial conditions.

Person, Company/Type of Relationship	Transaction Characteristics	Value of Transaction (millions of Baht)	Necessity and Reasonableness of the Transaction
3. Bangkok Sanyo Spring Company Limited ("BS") • The affiliated directors are Mr. Pisith, and Miss Kridchanok. • The affiliated shareholders are Mr. Pisith, Mrs. Kunthong, Miss Kridchanok, Miss Pichapim, Mr. Eakalak and Mr. Ekaridh, altogether holding 45% of the shares	• Service Revenue	0.95	DF entered into a contract to provide various services to BS which included cleaning the factory of BS, providing utilities, procuring and training staff and employees of BS, etc. The service charge for the aforementioned service is 200% higher than the cost of service.Therefore, IDF received a benefit from providing the service and the transaction has general commercial conditions that are in accordance with normal service conditions.
4. East Coast Furnitech Public Company Limited ("ECF") • Mr. Arak is the executive director and a major shareholder in this company, holding 15.4% of the shares.	• Sales Revenue • Other Revenue • Accounts Receivable	0.25 0.01 0.05	ECF purchased products from the Company at a discount in accordance with the store price that was available to general customers and with general commercial conditions which were the same as third parties.
5. Pens Marketing and Distribution Company Limited • Mrs. Pennapha Dhanasarnsilp, a Company director is also a director and major shareholder of the said company, holding 20.0% of the shares.	• Sales Revenue • Accounts Receivable	0.04 0.04	Pens Marketing and Distribution purchased products from the Company at the store price and with general commercial conditions which were the same as third parties.
6. JV Resto Company Limited • Mr. Eakalak, an executive director and major shareholder of the Company is a director and major shareholder of the Company, holding 25.0% of the shares. • Mrs. Wisarat, spouse of Mr. Eakalak is a major shareholder in the Company, holding 25.0% of the shares.	• Sales Revenue	0.26	JV Resto purchased products from the Company with the store promotional price that was available to general customers and with general commercial conditions which were the same as third parties.
7. Pa Tham Ma Company Limited (" Pa Tham Ma") • The affiliated directors are Mr. Pisith, Mrs. Kunthong, Miss Kridchanok, Miss Pichapim, Mr. Eakalak and Mr. Ekaridh, • The affiliated shareholders are Miss Kridchanok, Miss Pichapim, Mr. Laksi, and Mr. Ekaridh, by holding 45% of the shares.	• Sales Revenue • Service Revenue • Revenue from sale of office supplies	0.50 0.01 0.75	Pa Tham Ma purchased products from the Company with the store promotional prices and with general commercial conditions which were the same as third parties. The Company sold a set of unused makha wood table furniture to Pa Tham Ma at a price that was not lower than the cost. Therefore, the transaction is reasonable.
8. Eastern Water Resources Development and Management Public Company Limited ("EW") • Mr. Jirayut Rungsrithong is a director ad executive of the Company.	• Sales Revenue	0.05	EW Resto purchased products from the Company with the store promotional prices and with general commercial conditions which were the same as third parties.

Purchase List

Person, Company/Type of Relationship	Transaction Characteristics	Value of Transaction (millions of Baht)	Necessity and Reasonableness of the Transaction
1. Bangkok Master Wood Company Limited ("BMW") • The affiliated directors are Mr. Pisith, Mrs. Kunthong, Miss Kridchanok, Miss Pichapim, Mr. Eakalak, and Mr. Ekaridh. • The affiliated shareholders are Mr. Pisith, Mrs. Kunthong, Miss Kridchanok, Miss Pichapim, Mr. Eakalak and Mr. Ekaridh , altogether holding 100.0% of the shares.	• Expenses from Purchasing Products • Trade Accounts Payable • Down Payment	151.20 16.23 1.69	The Company purchased furniture made from rubber wood from BMW. Since the Company group does not have the production machinery and requires production techniques that the Company group is unable to produce in order to be sold in Index Living Mall stores. When the Company paid the principal for the purchase of the said product and added the profit margin as required, the product still had a competitive price with similar products in the market. The gross profit margin of the product was in the range of the gross profit of normal product sales of the Company. Therefore, the said transaction was necessary, reasonable and will continue in the future.
	• Expenses from Purchasing Products • Trade Accounts Payable • Sales and Service Expenses	10.93 2.48 0.06	IDF hired BMW to produce furniture from rubber wood because the IDF does not have the production machinery and requires production techniques that IDF is unable to produce. IDF compared prices and trade terms between BMW and other vendors. The price of BMW was cheaper than other vendors. The terms and conditions were in normal business. IDF chose BMW to manufacture the product. Therefore, this transaction was necessary, reasonable and will continue in the future.
2. Bangkok Ai-Toa Company Limited ("BI") • The affiliated director is Mr. Pisith. • The affiliated shareholder is Mr. Pisith, holding 6.0% of the shares.	• Expenses from Purchasing Products • Trade Accounts Payable	1.57 0.19	The Company purchased products made from wire and stainless steel such as hangers in kitchen sets in order to be distributed in Index Living Mall stores. When the Company added the cost of goods purchased with the required profit margin to the costs of products, the products still had a competitive price with similar products in the market. The gross profit margin of the products is in the same range of normal products that the Company sells. For products that can be purchased from third parties such as dish racks, the Company compared the price and payment terms of the product and found that BI's price was lower than other vendors. This transaction had general commercial conditions. Thus, the Company chose to purchase the products from BI.
3. East Coast Furnitech Public Company Limited ("ECF") • Mr. Arak is an executive director and a major shareholder in this company, holding 15.4% of the shares.	• Expenses from Purchasing Products • Trade Accounts Payable	9.01 2.79	The Company purchased furniture from ECF because ECF was able to produce the furniture at a cheaper price than the Company could itself. When the Company added the cost of goods purchased with the required profit margin, the product still had a competitive price with similar products in the market. The gross profit margin of the product was in the range of the gross profit margin for the sale of the Company's normal products.
	• Expenses from Purchasing Products • Trade Accounts Payable	7.10 -	IIDF purchased ECF seal paper to use in the production of the Company's furniture. IDF compared the price and terms of the seal paper from ECF and other vendors. The seal papers price of ECF was lower than other vendors and with normal trade terms. Thus, IDF decided to purchase seal paper from ECF.

List of Land Lease Agreements

Person, Company/Type of Relationship	Transaction Characteristics	Value of Transaction (millions of Baht)	Necessity and Reasonableness of the Transaction
1. Mr. Pisith Patamasatayasonthi ("Mr. Pisith") • Director, executive and shareholder of the Company, holding 3.0% of the paid-up capital. • The spouse of Mrs. Kunthong Udommahuntisuk ("Mrs. Kunthong"). • The father of Miss Kridchanok ("Miss Kridchanok") Patamasatayasonthi, Miss Pichapim Patamasatayasonthi ("Miss Pichapim"), Mr. Eakalak Patamasatayasonthi ("Mr. Eakalak") and Mr. Ekaridh Patamasatayasonthi ("Mr. Ekaridh")	• Land Rental Expenses • Other Payables	0.25 0.19	IDF rented land that was 3 rai and 1.2 square wah. This was part of the Mahachai factory from Mr. Pisith beginning on January 1, 2017 for a period of 3 years. Mr. Pisith allowed the IDF to rent the space without any charges. As of March 15, 2019, IDF and Mr. Pisith agreed to amend the said contract. The new contract's lease period is from April 1, 2019 until March 31, 2049 which is a period of 30 years. The rental rate is 18,018 Baht per year between 2019 and 2022. The rental price will increase by 10% every three years. IDF hired an appraiser approved by the SEC to assess the rental rate of the said land. The appraiser was Prospec Appraisal Company Limited and they referenced the rental rate of the said appraisal in the rental price with general payment terms.
2. The Company Group Mai Thammada Panich ("MTD") • The affiliated directors are Mr. Pisith, Mrs. Kunthong, Miss Kridchanok, Miss Pichapim, Mr. Eakalak, and Mr. Ekaridh. • The affiliated shareholders are Miss Kridchanok, Miss Pichapim, Mr. Eakalak and Mr. Ekaridh, altogether holding 100.0% of the shares.	• Land Rental Expenses • Other Payables – Outstanding • Property Tax • Land Tax • Right of Use Assets • Interest Expenses from Exercising Rights • Amortization • Creditors's rights to Use Assets • Deferred Interest • Leasehold Rights – Beginning of the Period • Deferred Lease • Leasehold Rights – End of the Period	26.99 21.61 0.13 0.67 1,310.95 99.67 53.62 3,576.80 2,104.74 448.22 28.87 419.35	The Company Group entered into long-term land rental agreements which range in length from 9-20 years from the MTD group in order to use it as a location for Index Living Mall, community mall, The Walk and Little Walk, the head office and the factories of the Company Group. There are a total of 18 locations. They are: 1) Index Living Mall Rama 2 Branch 2) Little Walk Bangna 3) Index Living Mall Chiang Mai Branch 4) Index Living Mall Bangna Branch 5) Index Living Mall Ratchapruek Branch 6) Index Living Mall Khon Kaen Branch 7) Index Living Mall Udon Thani Branch 8) Index Living Mall Phitsanulok Branch 9) Index Living Mall ChonBuri Branch 10) Index Living Mall Nakhon Si Thammarat Branch 11) Index Living Mall Pattaya Branch 12) Index Living Mall Rayong Branch 13) Index Living Mall Surat Thani Branch 14) Index Living Mall HatYai Branch 15) Index Living Mall Kaset Nawamin Branch 16) Index Living Mall Chanthaburi 17) Headquarters at Rama 2 and 18) The Company Group's factory at Ekachai. The Company hired appraisers that were approved by the Office of the SEC. which were Prospec Appraisal Company Limited, Agency for Real Estate Advisors Company Limited, and Bangkok Appraisal Company Limited. These appraisers assessed the leasehold value and the rental rate for these 17 locations. The Company used the said leasehold rights and rental rates as a standard for calculating rental rates. There was a condition to increase the rental rate by 10% every three years (except land where the community mall, The Walk at Kaset Nawamin and Index Living Mall Pattaya Branch, which will increase every 5-6 years respectively). The said transaction had general commercial conditions under the rental business. If the said land lease agreement expired and the Company wished to renew the land lease again, the Company must notify the MTD group in advance which is in accordance with the period specified in the contract. The negotiation will be made on the terms, conditions and rental rates again.

List of Rental Spaces

Person, Company/Type of Relationship	Transaction Characteristics	Value of Transaction (millions of Baht)	Necessity and Reasonableness of the Transaction
1. Misss. Wisarat Choonhawat ("Miss. Wisarat") • The spouse of Eakalak.	• Revenue from Retail Space • Other Revenue • Deposits for Rentals • Accounts Receivable	0.18 0.00 0.06 0.00	Ms. Wisarat leased space in the community mall Little Walk Banga Branch with TW for three years from June 2, 2017 until June 1, 2020 to operate "Little Nail" nail salon. The space is 45.25 square meters. The service fee was 220.99 Baht per square meter per month. There was no rental charge which was a special rate compared to other stores in the Little Walk Community Mall, Banga Branch because Ms. Wisarat was the first tenant of Little Walk Community Mall Bangna Branch and. This was so that Little Walk Community Mall could open along with the opening of Little Walk Community Mall, Ms. Wisarat gave special rental and service rates. The said rental rate and service rates were the same as the special rental and service rates that the Company Group gave to third parties who rented space in the community mall of the Company Group during the Grand Opening period. If the current lease agreement is canceled, TW will consider adjusting the rental and service rates of Ms. Wisarat so that they are comparable to the rental and service rate offered to other stores in the community mall at that time. In addition, Ms. Wisarat also leased a signage area in front of Little Walk Community Mall Banga Branch in order to install a "Little Nail" sign in the amount of 2.25 square meters at a rental rate of 444.44 Baht per square meter per month. This is a rate that was comparable to the rate other stores paid for the signage area
2. Nithasiri Company Limited ("Nithasiri") • Mrs. Pennapha Dhanasarnsilp, a Company director is also a director and major shareholder of the said company, holding 10.0% of the shares.	• Revenue from Retail Space • Other Revenue • Deposits for Rentals • Accounts Receivable	1.57 0.02 0.42 -	In 2017, Nithasiri rented space with TW at The Walk Ratchaphruek Branch for three years beginning on February 23, 2018 until February 22, 2021. This was to operate the Banana Leaf Restaurant in the amount of 146.00 Baht per square meter. The rental and service fees were 920.00 Baht per square meter per month. This rental rate was comparable to stores in the same area and had general commercial conditions.
3. JV Resto Company Limited ("JV Resto") • Mr. Eakalak, an executive, director and major shareholder of the Company is a director and major shareholder of the said company, holding 25.0% of the shares. • Ms. Wisarat, the spouse of Mr. Eakalak is a major shareholder of the said company holding 25.0% of the shares.	• Revenue from Retail Space • Other Revenue • Deposits for Rentals • Accounts Receivable	3.66 0.01 0.31 0.34	JV Resto rented space in the Little Walk Community Mall Bangna Branch with TW for 3 years between February 1, 2017 until January 31, 2020 in order to operate the "Shoyuu" restaurant business in the amount of 287.75 Baht per square meter with a rental and service fee at a rate of 5.0% of sales per month. This was a special rate compared to other stores in the Little Walk Community Mall Bangna Branch because JV Resto was the first tenant of the Little Walk Community Mall Bangna Branch and also for the Little Walk Community Mall to have shops open in time for the opening of Little Walk Community Mall. Thus, JV Resto was given special rental and service rates in which the said rental and service rates were the same special rental and service rate that the Company Group used for third parties that rented space in the community mall of the Company Group during the period of the Grand Opening if the current lease is ended, However, since JV Resto intended to rent more space at Little Walk Community Mall, JV Resto and TW entered into a new lease and service agreement in which TW adjusted the rental and service fees in the new contract which were equal to 8.0% of the sales per month. This rental rate is comparable to stores in the same area and had general commercial conditions. The new contract will be effective from March 1, 2019 until February 28, 2022. In addition, JV Resto leased the signage area in front of Little Walk Community Mall Bangna Branch for a "Shoyuu" sign which totaled 4.50 square meters with a rental rate of 444.44 Baht per square meter per month. This rate was comparable to the rate other stores rented the said signage.

Person, Company/Type of Relationship	Transaction Characteristics	Value of Transaction (millions of Baht)	Necessity and Reasonableness of the Transaction
4. Pens Marketing and Distribution Company Limited ("Pens Marketing") • Mrs. Pennapha Thanasarnsilp, a Company director is also a director and major shareholder of the Company, holding 20.0% of the shares.	• Revenue from Retail Space	0.02	Pens Marketing rented a promotional space at TW-RP for 9 days at a general rental price and has the same commercial conditions as third parties.

Measures or Procedures for Approving Connected Transactions

In regards to connected transactions or related transactions of the Company, the Company will comply with the rules and regulations of the Securities and Exchange Act B.E. 2535 (including additional amendments) and the relevant regulations of the Capital Market Supervisory Board and/or the Office of Securities and Exchange Commission, and the Stock Exchange of Thailand, and will also comply with the requirements regarding the disclosure of connected transactions in the notes of the financial statements which were audited by the auditor of the Company and the annual registration statement (56-1). In doing such transactions, the Company will investigate and oversee any transactions that occur without any stakeholders involved with the benefits and make a decision regarding the connected transactions.

The Board of directors established a process to approve connected transactions or related transactions under the framework of good ethics. This was screened by the Audit Committee with due regard for the benefit of the Company and the major shareholders by requiring that the Board of Directors and supervisors ensure compliance with the regulations of the Capital Market Supervisory Board, the Office of Securities and Exchange Commission, and the Stock Exchange of Thailand, as well as considering the disclosure of connected transactions or related transactions to the public to be accurate and complete.

In the case of normal business transactions or transactions support the normal business of the Company or transactions that may continue in the future, the Company has a policy to specify the framework of the transaction in which there must be a trade agreement in the same way that an ordinary person would do to the general parties in the same situation by the bargaining power without any influence in the status of director, executive or related person and does not cause a transfer of benefits and/or is able to show that the transaction has a reasonable or fair price or condition. If the Board of Directors approved the above transaction framework as a general principle, the executive management of the Company will be able to immediately proceed with the said transaction as stated in the specified framework without having to propose such items for the approval of the Board of Directors again. The Company will prepare a summary report of connected transaction or related transactions to report to the Audit Committee of the Company and the Meeting of the Board of Directors each quarter in order to comply with securities and the stock exchange laws, the regulations, notifications, orders, or requirements of the Office of Securities and Exchange Commission, the Capital Market Supervisory Board and the Stock Exchange of Thailand.

If there are any connected transactions or other related transactions, the Company must propose them to the Audit Committee so that they can comment on the appropriateness of the price as well as the reasonability of such transactions. In the event that the Audit Committee has no expertise to consider connected transactions, the Company will provide people who have knowledge and special expertise such as an independent auditor or an appraiser to provide an opinion on the connected transaction for the Board of Directors or shareholders to consider, as the case may be. Those who may have a conflict of interest or have an interest in the transaction will not have a right to vote to approve the connected transaction in order to be confident that entering into the said transaction would not move or transfer the interests of

the Company but take into account the best interests of the Company and all shareholders. The Company will disclose the connected transactions in the notes to the financial statements which were audited by the auditor of the Company, the annual report, and the annual registration statement of the Company (Form 56-1).

Policy regarding Future Connected Transactions or Related Transactions

In the event that there is a connected transaction or a related transaction in the future, the Company will comply with the Securities and Exchange Act B.E. 2535 (including amendments), regulations, notifications, orders, or requirements of the Capital Market Supervisory Board, the Securities and Exchange Commission, and the Stock Exchange of Thailand. However, the transaction will not move or transfer the Company's benefits and will be taken into account for the best interest of the Company and its shareholders.



Report of the Board of Directors'

Responsibilities for the Financial Statements

To shareholders

The Board of Directors is responsible for the consolidated financial statements of Index Living Mall Public Company Limited and its subsidiaries, which was prepared in accordance with financial reporting standards. The accounting policies are appropriately considered and consistently implemented, by using careful discretion and reasonable estimation principles in the preparation of the financial statements. In addition, the important information is sufficiently and transparently disclosed in the notes to financial statements for the benefit of shareholders and general investors.

The Board of Directors established good corporate governance, maintained risk management and internal control systems in order to ensure that accounting information are recorded correctly and completely and display information that is material, significant, timely and sufficient to maintain the property as well as to prevent fraud or significant unusual operations.

The Board of Directors appointed an audit committee consisting of independent directors to oversee and review the reliability and accuracy of financial reports including evaluating the internal control and internal audit systems to be efficient. The opinion of the Audit Committee regarding this matter appears in the Report of the Audit Committee in this annual report.

The Board of Directors is of the opinion that the internal control system and the internal audit of the Company can assurance that the consolidated financial statements of Index Living Mall Public Company Limited and its subsidiaries For the fiscal year ended 31 December 2020, show financial position, operating performance and cash flow in all material respects and in accordance with financial reporting standards. The auditor has examined and commented on the auditor's report which has been shown in this annual report.



Mrs. Kannikar Chalitaporn
Chairman



Ms. Kridchanok Patamasatayasonthi
Managing Director

Independent Auditor's Report

Independent Auditor's Report

To the Shareholders of Index Living Mall Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Index Living Mall Public Company Limited and its Subsidiaries (the “Group”) and of Index Living Mall Public Company Limited (the “Company”), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2020, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2020 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of inventories	
Refer to Notes 4 (g), and 9 of the consolidated and separate financial statements.	
The key audit matter	How the matter was addressed in the audit
The Group/Company’s inventories are material to the financial statements where are measured at the lower of cost and net realizable value. High market competition affects to the determination of the Group/Company’s selling price. Moreover, some of the group/company’s inventories are rapid change of popularity of products. Therefore, there is a risk that inventories may be presented at cost higher than net realizable value including the occurrence of the inventory obsolescence. The Group/Company considers the allowance for decline in value and obsolescence by the management estimates and judgment. Consequently, I consider that this is a significant matter.	<p>My audit procedures included the following:</p> <ul style="list-style-type: none">• Understanding the policies and procedures that the Group/Company’s management applied for setting up allowance for decline in value of inventories;• Testing on a sample basis items in the stock aging report and corroborated on whether these items were classified in the appropriate aging bracket;• Performing test on a sample basis of net realisable value of inventories by investigating with the sales documents after period end whether there were any sales at price lower than cost to assess management’s estimates and decision whether the allowance for decline in value of inventories was appropriate and adequate;.• Considering the historical accuracy of the allowance for decline in value of inventories for evaluating the appropriateness of the assumptions made in the current year and assessing the reasonableness of assumptions made by management on the extent of long-outstanding inventories and sales at price lower than cost to consider the appropriateness of the decline in value of inventories;• Considering of the adequacy of the Group/ Company’s disclosures in accordance with the related Thai Financial Reporting Standards.

First time adoption of TFRS 16 Leases	
Refer to Notes 4 (k), and 13 of the consolidated and separate financial statements.	
The key audit matter	How the matter was addressed in the audit
<p>The Group/Company leases several vehicles, offices, warehouses and land. The first-time adoption of TFRS 16 required management to identify all contracts that contain a lease. Management had to collect a high amount of data to identify all leases and determine their contractual terms such as lease period, discount rate, renewal options, non-lease components, etc.</p> <p>The Group/Company elected to use the modified retrospective transition approach as at 1 January 2020 recognising the right-of-use assets and lease liabilities at that date and adjusting the cumulative effect of the adoption of TFRS 16 in retained earnings.</p> <p>As at 31 December 2020, the Group/Company recognised right-of-use assets amounting to Baht 3,697 million and Baht 4,007 million and lease liabilities amounting to Baht 2,746 million and Baht 3,091 million in consolidated and separate statement of financial position, respectively.</p> <p>Due to the complexity of thr process, the high degree of judgement and the material impact to the Group/Company’s financial statements, I considered this to be a key audit matter.</p>	<p>My audit procedures included the following:</p> <ul style="list-style-type: none">• Understanding of the Group/Company’s policy, data collection process, and process for, and controls over, identification of all leases and the determination of their contractual terms.• Obtaining the Group/Company’s quantification of right-of-use assets and the lease liabilities. For a sample of leases, I corroborated the values recognised with the data collected and assessed the appropriateness of the determination of the lease terms and the calculation of the right-of-use assets and lease liabilities;• Testing the reconciliation to the Group/ Company’s operating lease commitments as reported in the prior year financial statements; and verified the key service contracts to assess whether they contained a lease under TFRS 16;• Assessing the methodology, and significant assumptions adopted by management in determining discount rate;• Testing the calculation of the adjustment on first-time adoption of TFRS 16;• Considering the adequacy of the Group/ Company’s disclosures in accordance with Thai Financial Reporting Standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor’s report thereon. The annual report is expected to be made available to me after the date of this auditor’s report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(Thanit Osathalert)
Certified Public Accountant
Registration No. 5155

KPMG Phoomchai Audit Ltd.
Bangkok
22 February 2021

Statement of Financial Position

Index Living Mall Public Company Limited and its Subsidiaries

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2020	2019	2020	2019
(in Baht)					
Current assets					
Cash and cash equivalents	7	106,441,943	524,963,046	74,871,212	500,923,646
Trade accounts receivable	25	199,341,606	296,092,063	232,358,081	305,841,707
Other receivables	8	226,640,576	387,817,006	197,016,909	366,885,077
Short-term loans to and interest receivable-related party	6	-	-	-	21,060,362
Dividend receivable	6	-	-	-	167,999,930
Inventories	9	1,756,987,214	2,257,339,813	1,771,720,844	2,282,892,514
Other current assets		12,502,797	16,085,342	11,649,840	15,177,694
Total current assets		2,301,914,136	3,482,297,270	2,287,616,886	3,660,780,930
Non-current assets					
Other non-current financial assets (2019: Other long-term investments)	25	13,704,321	5,000,000	-	-
Investments in subsidiaries	10	-	-	980,398,400	980,398,400
Investment properties	3, 11	1,525,774,063	1,154,854,328	1,268,761,721	939,177,655
Property, plant and equipment	3, 12	5,410,030,455	5,762,386,838	4,602,275,051	4,875,947,150
Right-of-use assets (2019: Leasehold rights)	3, 13	3,322,754,012	1,451,263,331	3,668,167,902	1,402,067,936
Intangible assets		58,548,485	72,443,996	36,174,746	43,652,979
Deferred tax assets	22	196,738,679	177,761,688	138,399,287	120,318,313
Other non-current assets		121,583,627	95,393,290	116,188,710	92,236,353
Total non-current assets		10,649,133,642	8,719,103,471	10,810,365,817	8,453,798,786
Total assets		12,951,047,778	12,201,400,741	13,097,982,703	12,114,579,716

Statement of Financial Position

Index Living Mall Public Company Limited and its Subsidiaries

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2020	2019	2020	2019
(in Baht)					
Current liabilities					
Bank overdrafts and short-term borrowings					
from financial institutions	14	387,000,642	416,000,000	362,000,000	416,000,000
Trade accounts payables		615,453,255	743,096,947	876,560,513	782,246,369
Other current payables	15	710,126,606	1,168,865,382	654,282,656	1,085,461,084
Current portion of long-term borrowings	14	418,962,555	650,670,101	418,962,555	650,670,101
Current portion of lease liabilities (2019: Current portion of finance lease liabilities)	3, 14	57,099,946	8,880,228	96,316,710	7,674,924
Short-term borrowings from and interest payable-related parties	6, 14	-	-	190,028,195	337,604,073
Current income tax payable		39,667,487	15,501,923	-	-
Other current liabilities		38,232,273	55,333,475	33,381,732	41,776,345
Total current liabilities		2,266,542,764	3,058,348,056	2,631,532,361	3,321,432,896
Non-current liabilities					
Long-term borrowings	14	2,327,454,522	3,598,060,977	2,327,454,522	3,598,060,977
Lease liabilities (2019: Finance lease liabilities)	3, 14	2,688,688,446	12,297,726	2,994,411,765	12,297,726
Non-current provisions for employee benefits	16	234,806,324	224,924,908	165,405,138	156,092,056
Other non-current liabilities		353,919,118	347,744,479	223,694,428	224,814,575
Total non-current liabilities		5,604,868,410	4,183,028,090	5,710,965,853	3,991,265,334
Total liabilities		7,871,411,174	7,241,376,146	8,342,498,214	7,312,698,230
Equity					
Share capital:	17				
Authorised share capital		2,525,000,000	2,525,000,000	2,525,000,000	2,525,000,000
Issued and paid-up share capital		2,525,000,000	2,525,000,000	2,525,000,000	2,525,000,000
Share premium on ordinary shares	17	1,741,109,855	1,741,109,855	1,741,109,855	1,741,109,855
Retained earnings					
Appropriated legal reserve	18	227,100,000	214,000,000	227,100,000	214,000,000
Unappropriated		587,232,183	480,720,844	262,274,634	321,771,631
Other components of equity		(2,094,382)	(2,094,382)	-	-
Equity attributable to owners of the parent		5,078,347,656	4,958,736,317	4,755,484,489	4,801,881,486
Non-controlling interests		1,288,948	1,288,278	-	-
Total equity		5,079,636,604	4,960,024,595	4,755,484,489	4,801,881,486
Total liabilities and equity		12,951,047,778	12,201,400,741	13,097,982,703	12,114,579,716

Statement of Comprehensive Income

Index Living Mall Public Company Limited and its Subsidiaries

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
		2020	2019	2020	2019
(in Baht)					
Revenue	19				
Revenue from sale of goods		7,657,056,094	9,236,149,013	7,651,199,041	9,205,090,976
Revenue from rental and rendering of services		462,439,900	561,863,736	304,225,565	373,489,790
Dividend income	6, 10	412,857	373,571	167,660,963	659,420,045
Interest income		3,806,238	1,877,036	3,752,939	1,900,629
Other income		68,861,031	95,703,418	96,840,006	110,931,357
Net foreign exchange gain		5,116,399	6,714,730	4,853,872	4,687,615
Total revenue		8,197,692,519	9,902,681,504	8,228,532,386	10,355,520,412
Expenses	19, 21				
Costs of sales of goods	9	4,132,155,139	5,208,200,961	4,594,887,833	5,746,712,281
Costs of rental and rendering of services	30	274,434,422	304,124,232	177,313,515	199,351,061
Selling and distribution expenses		1,980,504,492	2,347,152,496	2,020,476,314	2,380,079,906
Administrative expenses	30	1,032,639,557	1,219,463,970	870,330,462	1,054,011,603
Total expenses		7,419,733,610	9,078,941,659	7,663,008,124	9,380,154,851
Profit from operating activities		777,958,909	823,739,845	565,524,262	975,365,561
Finance costs		295,871,508	184,018,552	313,447,477	187,014,823
Profit before income tax expense		482,087,401	639,721,293	252,076,785	788,350,738
Tax (expense) income	22	(60,851,429)	(43,930,066)	9,576,218	(4,211,857)
Profit for the year		421,235,972	595,791,227	261,653,003	784,138,881

Statement of Comprehensive Income

Index Living Mall Public Company Limited and its Subsidiaries

		Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2020	2019	2020	2019
		(in Baht)			
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Exchange differences on translating financial statements		-	(241,776)	-	-
Loss on measurement of financial assets		-	(1,733,361)	-	-
Income tax relating to items that will be reclassified	22	-	346,672	-	-
Total items that will be reclassified subsequently to profit or loss					
		-	(1,628,465)	-	-
Items that will not be reclassified to profit or loss					
Losses on remeasurements of defined benefit plans	16	-	(28,256,223)	-	(17,861,641)
Income tax relating to items that will not be reclassified	22	-	5,651,245	-	3,572,328
Total items that will not be reclassified to profit or loss					
		-	(22,604,978)	-	(14,289,313)
Other comprehensive income for the year, net of tax					
		-	(24,233,443)	-	(14,289,313)
Total comprehensive income for the year					
		421,235,972	571,557,784	261,653,003	769,849,568
Profit (loss) attributable to:					
Owners of the parent		421,234,235	596,092,775	261,653,003	784,138,881
Non-controlling interests		1,737	(301,548)	-	-
		421,235,972	595,791,227	261,653,003	784,138,881
Total comprehensive income attributable to:					
Owners of the parent		421,234,235	571,994,234	261,653,003	769,849,568
Non-controlling interests		1,737	(436,450)	-	-
		421,235,972	571,557,784	261,653,003	769,849,568
Basic earnings per share	23	0.83	1.33	0.52	1.75

Statement of Changes in Equity

Index Living Mall Public Company Limited and its Subsidiaries

Consolidated financial statements												
		Retained earnings			Other components of equity							
		Surplus on the business combination under common control transactions	Share premium on ordinary shares	Legal reserve	Unappropriated	Translation reserve	Fair value reserve	Total other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total equity	
(in Baht)												
Year ended 31 December 2019												
Balance at 1 January 2019												
		2,000,000,000	286,434,523	-	134,000,000	2,150,798,505	(1,987,489)	1,386,689	(600,800)	4,570,632,228	1,726,880	4,572,359,108
Transactions with owners, recorded directly in equity												
Contribution by and distributions to owners of the parent												
	17	525,000,000	-	1,741,109,855	-	-	-	-	-	2,266,109,855	-	2,266,109,855
	18	-	(286,434,523)	-	-	286,434,523	-	-	-	-	-	-
	24	-	-	-	-	(2,450,000,000)	-	-	-	(2,450,000,000)	-	(2,450,000,000)
		-	-	-	-	-	-	-	-	-	(2,152)	(2,152)
Total transactions with owners, recorded directly in equity												
		525,000,000	(286,434,523)	1,741,109,855	-	(2,163,565,477)	-	-	-	(183,890,145)	(2,152)	(183,892,297)
Comprehensive income for the year												
		-	-	-	-	596,092,775	-	-	-	596,092,775	(301,548)	595,791,227
		-	-	-	-	(22,604,959)	(106,893)	(1,386,689)	(1,493,582)	(24,098,541)	(134,902)	(24,233,443)
Total comprehensive income for the year												
		-	-	-	-	573,487,816	(106,893)	(1,386,689)	(1,493,582)	571,994,234	(436,450)	571,557,784
Transfer to legal reserve												
	18	-	-	-	80,000,000	(80,000,000)	-	-	-	-	-	-
Balance at 31 December 2019												
		2,525,000,000	-	1,741,109,855	214,000,000	480,720,844	(2,094,382)	-	(2,094,382)	4,958,736,317	1,288,278	4,960,024,595

Statement of Changes in Equity

Index Living Mall Public Company Limited and its Subsidiaries

Consolidated financial statements										
Note	Retained earnings			Other components of equity						
	Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Unappropriated	Translation reserve (in Baht)	Total other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total equity	
Year ended 31 December 2020										
	Balance at 1 January 2020 - as reported	2,525,000,000	1,741,109,855	214,000,000	480,720,844	(2,094,382)	(2,094,382)	4,958,736,317	1,288,278	4,960,024,595
3	Impact of changes in accounting policies	-	-	-	6,427,104	-	-	6,427,104	-	6,427,104
	Balance at 1 January 2020 - restated	2,525,000,000	1,741,109,855	214,000,000	487,147,948	(2,094,382)	(2,094,382)	4,965,163,421	1,288,278	4,966,451,699
Transactions with owners, recorded directly in equity										
Distributions to owners of the parent										
24	Dividends to owners of the Company	-	-	-	(308,050,000)	-	-	(308,050,000)	-	(308,050,000)
	Dividends of subsidiaries to non-controlling interests	-	-	-	-	-	-	-	(1,067)	(1,067)
Total transactions with owners, recorded directly in equity										
		-	-	-	(308,050,000)	-	-	(308,050,000)	(1,067)	(308,051,067)
Comprehensive income for the year										
	Profit or (loss)	-	-	-	421,234,235	-	-	421,234,235	1,737	421,235,972
	Other comprehensive income	-	-	-	-	-	-	-	-	-
	Total comprehensive income for the year	-	-	-	421,234,235	-	-	421,234,235	1,737	421,235,972
Transfer to legal reserve										
18		-	-	13,100,000	(13,100,000)	-	-	-	-	-
	Balance at 31 December 2020	2,525,000,000	1,741,109,855	227,100,000	587,232,183	(2,094,382)	(2,094,382)	5,078,347,656	1,288,948	5,079,636,604

Statement of Changes in Equity

Index Living Mall Public Company Limited and its Subsidiaries

	Separate financial statements			
	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings	
			Legal reserve	Total equity
			(in Baht)	
Year ended 31 December 2019				
Balance at 1 January 2019	2,000,000,000	-	134,000,000	2,081,922,063
Transactions with owners, recorded directly in equity				
Contribution by and distributions to owners				
Issue of ordinary shares	525,000,000	1,741,109,855	-	2,266,109,855
Dividends to owners of the Company	-	-	-	(2,450,000,000)
Total transactions with owners, recorded directly in equity	525,000,000	1,741,109,855	-	(183,890,145)
Comprehensive income for the year				
Profit or (loss)	-	-	-	784,138,881
Other comprehensive income	-	-	-	(14,289,313)
Total comprehensive income for the year	-	-	-	769,849,568
Transfer to legal reserve	-	-	80,000,000	-
Balance at 31 December 2019	2,525,000,000	1,741,109,855	214,000,000	4,801,881,486

Statement of Changes in Equity

Index Living Mall Public Company Limited and its Subsidiaries

	Separate financial statements			
	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings	
			Legal reserve	Total equity
			(in Baht)	
Year ended 31 December 2020				
Balance at 1 January 2020	2,525,000,000	1,741,109,855	214,000,000	4,801,881,486
Transactions with owners, recorded directly in equity				
Distributions to owners				
Dividends to owners of the Company	-	-	-	(308,050,000)
Total transactions with owners, recorded directly in equity	-	-	-	(308,050,000)
Comprehensive income for the year				
Profit or (loss)	-	-	-	261,653,003
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	-	261,653,003
Transfer to legal reserve	-	-	13,100,000	-
Balance at 31 December 2020	2,525,000,000	1,741,109,855	227,100,000	4,755,484,489

Statement of Cash Flows

Index Living Mall Public Company Limited and its Subsidiaries

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
		2020	2019	2020	2019
<i>(in Baht)</i>					
Cash flows from operating activities					
Profit for the year		421,235,972	595,791,227	261,653,003	784,138,881
<i>Adjustments to reconcile profit to cash receipts (payments)</i>					
Tax (income) expense	22	60,851,429	43,930,066	(9,576,218)	4,211,857
Finance costs		295,871,508	184,018,552	313,447,477	187,014,823
Depreciation and amortization		883,437,685	752,725,476	773,735,262	627,764,991
Differences from rent concession as a result of					
the COVID-19 Outbreak	5	2,485,832	-	2,465,753	-
Provision for employee benefit	16	20,182,933	53,558,025	13,306,849	35,893,409
Provision for customer royalty program		16,703,356	146,563	16,703,356	146,563
Unrealised (gains) losses on exchange rate		(53,456)	(240,842)	(81,816)	8,231
Gains on available-for-sale		-	(2,304,834)	-	-
Bad and doubtful debts expenses	8, 25	1,412,524	4,030,645	746,359	3,713,552
Loss on inventories devaluation	9	15,080,246	1,920,226	13,185,393	4,929,461
Gain on disposal of property, plant and equipment		(3,937,685)	(4,113,407)	(3,921,425)	(2,008,392)
Loss on disposal of investment properties		-	242,109	-	242,109
Gain on lease modification		(5,563,402)	-	(5,563,402)	-
Loss on disposal of intangible assets		269,499	-	269,499	-
Amortization leasehold rights income		(9,533,333)	(9,700,000)	(9,533,333)	(9,700,000)
Interest income		(3,806,238)	(1,877,036)	(3,752,939)	(1,900,629)
Dividend income	6, 10	(412,857)	(373,571)	(167,660,963)	(659,420,045)
(Gain) losses on fair value adjustment		(506,298)	-	164,142	-
		1,693,717,715	1,617,753,199	1,195,586,997	975,034,811
Changes in operating assets and liabilities					
Trade accounts receivable		95,567,627	(5,553,965)	79,250,388	(1,263,398)
Other receivables		170,885,737	(60,896,421)	178,078,563	(63,654,427)
Inventories		485,272,352	119,602,640	497,986,278	118,625,574
Other current assets		3,582,546	6,046,037	3,527,855	4,699,491
Other non-current assets		(26,190,336)	(7,945,141)	(23,952,357)	(5,908,210)
Trade accounts payable		(127,772,152)	27,782,823	94,249,321	(426,684)
Other current payables		(132,220,938)	(46,689,247)	(141,559,782)	(39,987,276)
Other current liabilities		(17,101,202)	4,131,552	(8,394,613)	2,380,054
Provision for employee benefits	16	(10,301,517)	(4,390,833)	(3,993,767)	(2,790,953)
Other non-current liabilities		15,985,897	19,219,342	8,691,111	(3,184,846)
Net cash generated from operating activities		2,151,425,729	1,669,059,986	1,879,469,994	983,524,136
Taxes paid		(66,044,541)	(92,690,585)	(15,780,754)	(23,271,958)
Net cash from operating activities		2,085,381,188	1,576,369,401	1,863,689,240	960,252,178
Cash flows from investing activities					
Proceeds from sale of available-for-sale		-	67,950,886	-	-
Acquisition of property, plant and equipment		(289,168,923)	(545,561,736)	(243,023,023)	(417,736,336)
Proceeds from sale of property, plant and equipment		8,776,903	12,656,827	8,359,934	9,266,914
Acquisition of investment properties		(36,715,728)	(34,621,488)	(19,601,831)	-
Proceeds from sale of investment properties		-	6,000	-	6,000
Acquisition of rights-of-use (2019 : leasehold rights)		(169,407)	(37,208,395)	(169,407)	(37,208,395)

Statement of Cash Flows

Index Living Mall Public Company Limited and its Subsidiaries

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
		2020	2019	2020	2019
<i>(in Baht)</i>					
Cash flows from investing activities (Con't)					
Acquisition of intangible assets		(18,541,915)	(28,188,916)	(18,188,915)	(21,942,291)
Proceeds from sale of intangible assets		22,430	70,957	22,430	-
Proceeds from repayment of loans to related parties	6	-	-	292,000,000	338,710,502
Loans to related parties	6	-	-	(271,000,000)	(346,710,502)
Interest received		2,813,862	1,877,036	2,820,925	1,846,066
Dividends received		412,857	373,571	335,660,893	491,420,115
Net cash (used in) from investing activities		(332,569,921)	(562,645,258)	86,881,006	17,652,073
Cash flows from financing activities					
Proceeds from issue of shares	17	-	2,310,000,000	-	2,310,000,000
Transaction costs from issue of shares	17	-	(54,862,682)	-	(54,862,682)
Bank overdraft	14	642	(100,487,197)	-	(100,486,209)
Proceeds from short-term borrowings-financial institutions	14	5,571,500,000	7,832,500,000	4,578,500,000	6,463,500,000
Repayment of short-term borrowings-financial institutions	14	(5,600,500,000)	(8,315,500,000)	(4,632,500,000)	(6,816,500,001)
Proceeds from borrowings-related parties	6, 14	-	-	515,000,000	3,692,000,000
Repayment of borrowings-related parties	6, 14	-	-	(662,000,000)	(3,728,000,000)
Proceeds from long term borrowings-financial institutions	14	-	2,550,000,000	-	2,550,000,000
Repayment of long term borrowings-financial institutions	14	(1,502,314,001)	(1,075,637,542)	(1,502,314,001)	(1,052,244,924)
Repayment of debenture	14	-	(1,300,000,000)	-	(1,300,000,000)
Payment of lease liabilities (2019: Payment by a lessee for reduction of the outstanding liability relating to a finance lease)	14	(37,353,573)	(14,467,743)	(56,386,448)	(13,945,782)
Dividends paid to owners of the Company	24	(308,023,255)	(2,450,000,000)	(308,023,255)	(2,450,000,000)
Dividends paid to non-controlling interests		(1,067)	(2,082)	-	-
Interest paid		(294,651,316)	(196,724,369)	(308,909,176)	(199,761,273)
Net cash used in financing activities		(2,171,342,570)	(815,181,615)	(2,376,632,880)	(700,300,871)
Net (decrease) increase in cash and cash equivalents,					
before effect of exchange rates		(418,531,303)	198,542,528	(426,062,634)	277,603,380
Effect of exchange rate changes on cash and cash equivalents		10,200	(13,233)	10,200	(13,341)
Net (decrease) increase in cash and cash equivalents		(418,521,103)	198,529,295	(426,052,434)	277,590,039
Cash and cash equivalents at 1 January		524,963,046	326,433,751	500,923,646	223,333,607
Cash and cash equivalents at 31 December	7	106,441,943	524,963,046	74,871,212	500,923,646
Supplementary disclosure of cash flows information :					
Non-cash transactions					
Acquisition of investment property, property, plant and equipment and intangible assets for which payment has not yet been made		40,013,735	67,434,396	31,632,043	51,134,841
Dividend receivable		-	-	-	168,000,000
Initail recognition of right-of-use assets		2,738,252,595	-	3,099,327,803	-
Reclassifies from current portion of long-term loans to long-term loans		101,916,000	-	101,916,000	-
Reclassifies from property, plant and equipment to investment property		23,521,537	56,339,983	23,521,537	56,339,983

Note to The Financial Statements

Index Living Mall Public Company Limited and its Subsidiaries
For the year ended 31 December 2020

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Note to The Financial Statements

Index Living Mall Public Company Limited and its Subsidiaries
For the year ended 31 December 2020

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 22 February 2021.

1 General information

Index Living Mall Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand on 26 July 2019. The Company’s registered office at 147 Rama 2 Soi 50, Rama 2 road, Samaedam, Bangkhunthien, Bangkok, Thailand.

The Company’s major shareholders during the financial year were Tummada Panich Family Co., Ltd. (40.26% shareholding) and Patamasatayasonthi Family (29.04% shareholding).

The principal activities of the Company and subsidiaries are retail and wholesale furniture, electronic and home decorative product, rental and services area. The Company’s subsidiaries are manufacturing, import and export and distributor furniture, home appliance, rental area, warehouse rental and franchise. Details of the Company’s subsidiaries as at 31 December 2020 and 2019 are given in note 10.

2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards “TFRS”, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2020. The initial application of these new and revised TFRS has resulted in changes in certain of the Group’s accounting policies.

The Group has initially applied TFRS - Financial instruments standards which comprise TFRS 9 *Financial Instruments* and relevant standards and interpretations and TFRS 16 *Leases* and disclosed impact from changes to significant accounting policies in note 3.

In addition, the Group has not early adopted a number of new and revised TFRS which are not yet effective for the current period in preparing these financial statements. Those new and revised TFRS that are relevant to the Group’s operations are disclosed in note 29.

(b) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company’s functional currency.

Note to The Financial Statements

Index Living Mall Public Company Limited and its Subsidiaries
For the year ended 31 December 2020

(c) Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

4 (k) and 13	Leases: <ul style="list-style-type: none">- whether an arrangement contains a lease;- whether the Group is reasonably certain to exercise extension options;- whether the Group exercise termination options;- whether the Group has transferred substantially all the risks and rewards incidental to the ownership of the assets to lessees.
4 (q)	Revenue recognition: <ul style="list-style-type: none">- whether performance obligations in a bundled sale of products and services are capable of being distinct;- whether revenue from sales of products is recognised over time or at a point in time;- commission revenue: whether the Group acts as an agent in the transaction rather than as a principal;
5	Impact of COVID-19 Outbreak

(ii) Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties at 31 December 2020 that have a significant risk of resulting in a material adjustments to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

4 (k)	Determining the incremental borrowing rate to measure lease liabilities;
5	Impact of COVID-19 Outbreak
4 (q)	Revenue recognition: estimate of expected returns;
9	Valuation of inventories: key assumption underlying allowance for decline in value of inventories;
16	Measurement of defined benefit obligations: key actuarial assumptions;
22	Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences can be utilised.

Note to The Financial Statements

Index Living Mall Public Company Limited and its Subsidiaries
For the year ended 31 December 2020

3 Changes in accounting policies

From 1 January 2020, the Group has initially applied TFRS - Financial instruments standards and TFRS 16.

Impact on changes in accounting policy	Note	Consolidated financial statements		Separate financial statements	
		Retained earnings	Other components of equity (in thousand Baht)	Retained earnings	Other components of equity
At 31 December 2019 - as reported		480,721	(2,094)	321,772	-
Increase (decrease) due to:					
Adoption of TFRS - Financial instruments standards					
Classification of financial instruments	(a.1)	8,034	-	-	-
Related tax		(1,607)	-	-	-
Adoption of TFRS 16 - net of tax	(b)	-	-	-	-
At 1 January 2020 - restated		487,148	(2,094)	321,772	-

(a) TFRS - Financial instruments standards

The Group has adopted TFRS - Financial instruments standards by adjusting the cumulative effects to retained earnings and other components of equity on 1 January 2020. Therefore, the Group did not adjust the information presented for 2019. The disclosure requirements of TFRS for financial instruments have not generally been applied to comparative information.

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives. The details of accounting policies are disclosed in note 4 (d) and 4 (m). The impact from adoption of TFRS – Financial instruments standards are as follows:

(a.1) Classification and measurement of financial assets and financial liabilities

TFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The classification is based on the cash flow characteristics of the financial asset and the business model in which they are managed. However, the Group may, at initial recognition, irrevocably designate a financial asset as measured at FVTPL. TFRS 9 eliminates the previous classification of held-to-maturity debt securities, available-for-sale securities, trading securities and general investment as specified by TAS 105.

Under TFRS 9, interest income and interest expenses recognised from all financial assets and financial liabilities measured at amortised cost shall be calculated using effective interest rate method. Previously, the Group recognised interest income and interest expenses at the rate specified in the contract.

Note to The Financial Statements

Index Living Mall Public Company Limited and its Subsidiaries
For the year ended 31 December 2020

The following table shows classification and measurement categories under TAS 105 and TFRS 9.

Consolidated financial statements					
Classification under TAS 105 at 31 December 2019		Classification under TFRS 9 at 1 January 2020			
	Carrying amounts	FVTPL	FVOCI	Amortised cost - net	Total
(in thousand Baht)					
Financial assets					
Other long-term investment					
Other non-marketable equity securities					
	5,000	13,034	-	-	13,034
	5,000	13,034	-	-	13,034

The Group intends to hold other non-marketable equity securities amounted of Baht 13 million, for the long-term strategic purposes. The Group has designated them as measured at FVTPL.

(a.2) Impairment – Financial assets

TFRS 9 introduces the ‘expected credit loss’ (ECL) model whereas previously the Group estimated the allowance for doubtful account by analysing payment histories and future expectation of customer payment. TFRS 9 requires considerable judgement about how changes in economic factors affect ECLs, which are determined on a probability-weighted basis. The new impairment model applies to financial assets measured at amortised cost, except for investments in equity instruments.

The Group has determined that the application of TFRS 9’s impairment requirements at 1 January 2020 has no material impact.

(a.3) Derivatives

Under TFRS 9, all derivatives are measured at fair value in the statement of financial position.

The Group has no derivatives in 2019.

(b) TFRS 16 Leases

From 1 January 2020, the Group has initially adopted TFRS 16 on contracts previously identified as leases according to TAS 17 *Leases* and TFRIC 4 *Determining whether an arrangement contains a lease* using the modified retrospective approach.

Previously, the Group, as a lessee, recognised payments made under operating leases in profit or loss on a straight-line basis over the term of the lease. Under TFRS 16, the Group assesses whether a contract is, or contains, a lease. If a contract contains lease and non-lease components, the Group has elected to allocate the consideration in the contract based on stand-alone selling price (transaction price). As at 1 January 2020, the Group recognised right-of-use assets and lease liabilities, as a result, the nature of expenses related to those leases was changed because the Group recognised depreciation of right-of-use assets and interest expense on lease liabilities.

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On transition, the Group also elected to use the following practical expedients:

- do not recognise right-of-use assets and lease liabilities for leases with less than 12 months of lease term;
- use hindsight when determining the lease term;
- apply a single discount rate to a portfolio of leases with similar characteristics;
- rely on previous assessments whether leases are onerous as an alternative to performing an impairment review; and
- exclude initial direct costs from measuring the right-of-use asset.

<i>Impact from the adoption of TFRS 16</i>	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
<i>At 1 January 2020</i>		
Increase in investment properties	400,685	358,858
Decrease in property, plant and equipment	(27,348)	(26,313)
Decrease in leasehold rights	(1,451,263)	(1,402,068)
Increase in right-of-use assets	3,514,297	3,895,490
Decrease in other current payables	(301,881)	(273,361)
Increase in lease liabilities	2,738,252	3,099,328
<i>Measurement of lease liability</i>		
Operating lease commitment as disclosed at 31 December 2019	4,069,915	3,801,716
Recognition exemption for short-term leases	(49,583)	(29,398)
Recognition exemption for leases of low-value assets	(1,063)	-
Extension options reasonably certain to be exercised	2,019,868	2,750,154
	6,039,137	6,522,472
Present value of remaining lease payments, discounted using the incremental borrowing rate at 1 January 2020	2,738,252	3,099,328
Finance lease liabilities recognised as at 31 December 2019	21,178	19,973
Lease liabilities recognised at 1 January 2020	2,759,430	3,119,301
Weighted-average incremental borrowing rate (% per annum)	6.47	6.34

Right-of-use assets and lease liabilities shown above were presented as part of retail of furniture, manufacturing of furniture and rental area segments, respectively.

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 3.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”).

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Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group, as describe in subsidiaries section, other than those with entities under common control.

The acquisition date is the date on which control is transferred to the acquirer.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration.

Any contingent consideration is measured at fair value at the date of acquisition, and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

Step acquisition

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

Acquisitions from entities under common control

Business combination under common control are accounted for using a method similar to the pooling of interest method. Under that method the acquirer recognizes assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the moment of the transaction. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognized as surplus or discount from business combinations under common control in shareholder's equity. The surplus or discount will be transferred to retained earnings upon divestment of the businesses acquired.

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The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated.

(b) Investments in subsidiaries

Investments in subsidiaries in the separate financial statements of the Company are measured at cost less allowance for impairment losses.

(c) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

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Foreign currency differences are generally recognized in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated to Thai Baht at the exchange rates at the reporting date.

The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve until disposal of the investment, except to extent that the translation difference is allocated to non-controlling interest.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity until disposal of the investment.

(d) Financial instruments

Accounting policies applicable from 1 January 2020

(d.1) Recognition and initial measurement

Trade receivables, debt securities issued and trade payables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset and financial liability (unless it is a trade receivable without a significant financing component or measured at FVTPL) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. A financial asset and a financial liability measured at FVTPL are initially recognised at fair value.

(d.2) Classification and subsequent measurement

Financial assets - classification

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value to other comprehensive income (FVOCI); or fair value to profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

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A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cashflows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – business model assessment

The Group makes an assessment of the objective of a business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

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Financial assets – assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features; and
- terms that limit the Group’s claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets – subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. However, see note 4 (d.5) for derivatives.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(d.3) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(d.4) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d.5) Derivatives

Derivative are recognised at fair value. At the end of each reporting period the fair value is measured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

Accounting policies applicable before 1 January 2020

Investments in other equity securities

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as available-for-sale is determined as the quoted bid price at the reporting date.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

Derivatives

Derivatives were recognised when they were exercised.

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(e) Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances and call deposits. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

(f) Trade and other accounts receivable

A receivable is recognised when the Group has an unconditional right to receive consideration.

A receivable is measured at transaction price less allowance for expected credit loss (*2019: allowance for doubtful accounts*) which is determined based on an analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost and is calculated using standard cost adjusted to approximate average cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

A right to recover returned products is recognised when the products are expected to be returned by customers and measured by reference to the former carrying amount of the sold inventories less any expected costs to recover those products.

(h) Investment properties

Investment properties include properties that are held as right-of-use assets, as well as properties that are owned by the Group. Investment properties are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Any gains and losses on disposal of investment properties are determined by comparing the proceeds from disposal with the carrying amount of investment property, and are recognised in profit or loss.

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Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property. The estimated useful lives are as follows:

Building and improvement	20 - 30	years
Utility system	5 - 15	years
Right-of-use assets	15 - 30	years

No depreciation is provided on freehold land and assets under construction and installation.

(i) Property, plant and equipment

Recognition and measurement

Owned assets

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of building and equipment. The estimated useful lives are as follows:

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Building and improvement	5 - 35	years
Tools and equipment	5 - 10	years
Furniture, fixtures and office equipment	5 - 10	years
Vehicles	5	years
Utility system	5 - 20	years

No depreciation is provided on freehold land and assets under construction and installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(j) Intangible assets

Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows:

Computer program	3 - 10	years
Franchise license	3 - 5	years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(k) Leases

Accounting policies applicable from 1 January 2020

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in TFRS 16.

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As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. The lease payments included fixed payments less any lease incentive receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under a residual value guarantee. The lease payments also include amount under purchase, extension or termination option if the Group is reasonably certain to exercise option. Variable lease payments that do not depend on index or a rate are reconised as expenses in the accounting period in which they are incurred.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in lease term, change in lease payments, change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of purchase, extension or termination options. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in right-of-use assets and lease liabilities in ‘long-term loan’ in the statement of financial position.

As a lessor

At inception or on modification of a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each component on the basis of their relative standalone prices.

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When the Group acts as a lessor, it determines at lease inception whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

The Group recognises lease payments received under operating leases as rental income on a straight-line basis over the lease term as part of rental income. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as rental income in the accounting period in which they are earned.

Accounting policies applicable before 1 January 2020

As a lessee, leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Assets held under other leases were classified as operating leases and lease payments are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

As a lessor, rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

(I) Impairment of financial assets

Accounting policies applicable from 1 January 2020

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost (including cash and cash equivalents, trade receivables and other receivables, and loans to related parties) and loan commitments issued which are not measured at FVTPL.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; or
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of a financial instrument.

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Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both current and forecast general economic conditions at the reporting date.

Loss allowances for all other financial instruments, the Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in financial instruments' credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Increased in loss allowance is recognised as an impairment loss in profit or loss. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes significant financial difficulty, a breach of contract such as more than 90 days past due, probable the debtor will enter bankruptcy.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

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Accounting policies applicable before 1 January 2020

The carrying amounts of the Group’s assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets’ recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of held-to-maturity securities carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate.

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

Reversal of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For financial assets carried at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

(m) Impairment of non-financial assets

The carrying amounts of the Group’s assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets’ recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset’s value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

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Reversal of impairment

Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Group’s net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

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(o) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

(p) Measurement of fair values

‘Fair value’ is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group’s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as ‘active’ if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

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Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1* : quoted prices in active markets for identical assets or liabilities.
- *Level 2* : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- *Level 3* : inputs for the asset or liability that are based on unobservable input.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(q) Revenue

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Sale of goods and rendering of services

Revenue from sales of goods is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore the amount of revenue recognised is adjusted for estimated returns, which are estimated based on the historical data.

Revenue for rendering of services is recognised over time based on stage of completion. The stage of completion is assessed based on surveys of work performed. The related costs are recognized in profit or loss when they are incurred.

Loyalty programmes

The consideration received are allocated based on the relative stand-alone selling price of the products and the loyalty points. The amount allocated to the loyalty points is recognised as contract liabilities and revenue is recognised when loyalty points are redeemed or the likelihood of the customer redeeming the loyalty points becomes remote. The stand-alone selling prices of the points is estimated based on discount provided to customers and the likelihood that the customers will redeem the points, and the estimate shall be reviewed at the end of the reporting period.

Advances received from customers

Advances received from customers is recognised as revenue when the Group transferred control over the goods to the customers.

Note to The Financial Statements

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(r) Other income

Other income comprises dividend, interest income and others. Dividend income is recognised in profit or loss on the date on which the Group’s right to receive payment is established.

(s) Interest

Accounting policies applicable from 1 January 2020

Effective Interest Rate (EIR)

Interest income or expense is recognised using the effective interest method. The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Accounting policies applicable before 1 January 2020

Interest income is recognised in profit or loss at the rate specified in the contract.

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial periods of time to be prepared for its intended use or sale.

(t) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

Note to The Financial Statements

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The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(u) Basic earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

(v) Related parties

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

(w) Segment reporting

Segment results that are reported to the Group’s CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly head office expenses.

Note to The Financial Statements

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5 Impact of COVID-19 Outbreak

In March 2020, in an effort to contain the impact of COVID-19, Provincial governments decided to temporarily closure of some branches or reduce operating hours of the Group’s service facilities and operating offices since 22 March 2020. The management is closely monitoring the situation to ensure the safety of the Group’s staff and to manage the negative impact on the business as much as possible.

At 31 December 2020, the situation of COVID-19 outbreak is still ongoing, resulting in estimation uncertainty on the potential impact, therefore, the Group elected to apply accounting guidance on temporary accounting relief measures for additional accounting options in response to impact from the situation of COVID-19 outbreak on the following:

(a) Impairment of assets

The Group considered impairment of trade accounts receivables under provision matrix using historical loss rate and did not take forward-looking information into account.

The Group elected to exclude the COVID-19 situation as impairment indicator for property, plant and equipment, investment properties and intangible assets.

(b) Lease modifications

The Group was granted a rent concession starting from the end of March 2020 to September 2020 as a result of the COVID-19 situation. The Group has monthly deducted lease liabilities in proportion to the reduced rental, reversed depreciation of ROU assets and interest on lease liabilities in proportion to the reduced rental. The Group and the Company were granted a rent concession for the year ended 31 December 2020, amounting to Baht 12.82 million, in the consolidated financial statements, and Baht 12.55 million in the separate financial statements.

(c) Deferred tax assets

The Group elected to exclude the factor of COVID-19 situation in considering sufficiency of future taxable profits to review the amount of deferred tax assets at 31 December 2020.

6 Related parties

Relationships with subsidiaries are described in notes 10. Other related parties that the Group had significant transactions with during the year were as follows:

Name of entities	Country of incorporation	Nature of relationships
Bangkok Master Woods Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich C.H. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich H.Y. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich K.K. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich N.R. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich P.L. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich P.Y. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich R.Y. Co., Ltd.	Thailand	Common major shareholders and directors

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Name of entities	Country of incorporation	Nature of relationships
Maitummada Panich S.N. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich U.D. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich B.N. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich C.M. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich R.P. Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich K.N Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich C.P Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich H.Q Co., Ltd.	Thailand	Common major shareholders and directors
Maitummada Panich Ekachai Co., Ltd	Thailand	Common major shareholders and directors

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Purchase/sale of goods	Prices agreed between the parties
Rental and service income/expense	Contractually agreed prices
Interest income/expense	Rate as mutually agreed with reference interest rate quoted by financial institutions
Management fee income	Contractually agreed prices
Other income	Contractually agreed price/prices agreed between the parties
Other selling and administrative expense	Contractually agreed price/prices agreed between the parties
Purchase/sale of assets	Prices agreed between the parties
Key management personnel	Criteria defined by Nomination and Remuneration Committee and Company’s policies

Significant transactions for the years ended 31 December with related parties were as follows:

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
(in thousand Baht)				
Subsidiaries				
Sale of goods	-	-	4,823	8,509
Rental and service income	-	-	206,229	224,201
Interest income	-	-	875	695
Management fee income	-	-	42,000	42,000
Other income	-	-	1,600	1,635
Purchase of goods	-	-	1,699,532	2,187,157
Rental and service expense	-	-	70,292	148,139
Other selling and administrative expense	-	-	26,273	34,588
Interest expense	-	-	32,499	5,447
Purchase of assets	-	-	19,605	14,753
Key management personnel				
Key management personnel compensation				
Short-term employee benefit	134,236	160,652	90,143	104,376
Post-employment benefits	4,015	3,152	3,886	3,028
Total key management personnel compensation	138,251	163,804	94,029	107,404

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Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Other related parties				
Sale of goods	7,714	19,184	1,973	1,296
Rental and service income	3,671	10,906	13	4,340
Dividend income	413	374	-	-
Other income	2,633	12,511	8	2,057
Purchase of goods	185,259	221,562	161,608	176,002
Rental and service expense	130	119,795	-	95,275
Others selling and administrative expenses	1,040	160	848	-
Interest expense	111,305	195	99,657	-
Purchase of assets	-	1,660	-	-

Balances as at 31 December with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Trade accounts receivable				
Subsidiaries	-	-	54,175	27,616
Other related parties	2,160	1,796	371	183
Total	2,160	1,796	54,496	27,799
Other receivables				
Subsidiaries	-	-	760	3,624
Other related parties	1,722	4,653	1,691	4,653
Total	1,722	4,653	2,451	8,277

Short-term loans to and interest receivable	Separate financial statements	
	2020	2019
	(in thousand Baht)	
Subsidiaries		
Short-term loans to	-	21,000
Interest receivable	-	60
Total	-	21,060

Loans to	Interest rate	Separate financial statements			
	At 31 December (% per annum)	At 1 January	Increase	(Decrease)	At 31 December
			(in thousand Baht)		
2020					
Subsidiaries	-	21,000	271,000	(292,000)	-
2019					
Subsidiaries	1.65	13,000	346,711	(338,711)	21,000

Note to The Financial Statements

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	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Dividend receivables				
Subsidiaries	-	-	-	168,000
Total	-	-	-	168,000
Trade accounts payable				
Subsidiaries*	-	-	506,053	291,272
Other related parties	26,446	27,310	19,208	17,452
Total	26,446	27,310	525,261	308,724

* On 1 January 2020, subsidiaries had changed credit term for the Company from 55 days to 60 days.

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Other current payables				
Subsidiaries	-	-	17,228	10,681
Other related parties	-	131,129	-	115,716
Total	-	131,129	17,228	126,397
Lease liabilities				
Subsidiaries	-	-	582,159	-
Other related parties	1,686,040	-	1,472,019	-
Total	1,686,040	-	2,054,178	-
Other current liabilities				
Other related parties	1,595	2,255	-	-
Total	1,595	2,255	-	-

Short-term loans from and interest payable	Separate financial statements	
	2020	2019
	(in thousand Baht)	
Subsidiaries		
Short-term loans from	190,000	337,000
Interest payable	28	604
Total	190,028	337,604

Loans from	Interest rate	Separate financial statements			
	At 31 December (% per annum)	At 1 January	Increase	(Decrease)	At 31 December
			(in thousand Baht)		
2020					
Subsidiaries	0.29 - 0.60	337,000	515,000	(662,000)	190,000
2019					
Subsidiaries	0.88 - 0.98	373,000	3,692,000	(3,728,000)	337,000

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	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Other non-current liabilities				
Other related parties	338	346	26	30
Total	338	346	26	30

Commitments with related parties

	Separate financial statements	
	2020	2019
	(in thousand Baht)	
Other commitments		
Bank guarantees	1,664,962	1,610,087
Total	1,664,962	1,610,087

Significant agreements with related parties

Land and retail space lease contracts

The Company entered into land and retail space lease contracts with several related parties. The Company has to pay monthly rental fee in total amount of Baht 6.36 million. Moreover, the Company paid advance leasehold rights in amount of Baht 514 million and will be amortized by Baht 2 million per month. The period of contracts are available for 3 - 20 years 6 months and will be expired in 2033 - 2039. The contract can be renewable by written notice at least 6 months in advance.

Office building and warehouse service contracts

The Company entered into office building and warehouse service contracts with Index Interfurn Co.,Ltd. (subsidiary). The Company has to pay monthly service fee in total amount of Baht 4.25 million. Moreover, the Company paid advance for leasehold right in amount of Baht 16.4 million. The period of contracts are 1 year and 3 months to 3 years and will be expired in 2019 - 2020. The contract can be renewable by written notice at least 30 days in advance.

Warehouse rental contracts

The Company entered into warehouse rental contracts with Bangkok Casa Co.,Ltd. (subsidiary). The Company has to pay monthly rental fee in total amount of Baht 3.70 million. The period of contracts are 2 years and 4 months and will be expired in September of 2021. The contracts can be renewable for a period of 3 years by written notice at least 30 days in advance.

Land lease contracts

Index Interfurn Co., Ltd. (subsidiary) entered into land lease contracts with several related parties. The subsidiary has to pay monthly rental fee in amount of Baht 1.15 million. Moreover, the Company paid advance leasehold rights in amount of Baht 55 million and will be amortized by Baht 0.23 million per month. The period of contract is 20 - 30 years and contract will be expired in 2035 - 2049.

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Building and equipment rental contracts

During January 2018, the Company entered into the building and equipment rental contract with The Walk Co., Ltd. (subsidiary). The Company received the rental income per month of Baht 14.09 million. The contracts have the period of 3 years and will be expired in 2021. The contract can be renewable by written notice at least 30 days in advance.

Building service area contracts

During January 2018, the Company entered into the building service area contract with The Walk Co., Ltd. (subsidiary). The Company has to pay monthly service fee in amount of Baht 3.8 million. The contracts have the period of 3 years and will be expired in 2020. The contract can be renewable by written notice at least 30 days in advance.

Supporting service contract

On 21 June 2018, the Company entered into a supporting service contract with The Walk Co., Ltd. (subsidiary). The Company will provide the supporting service of the Company's operations. The Company received the supporting service income per month of Baht 2.71 million. The period of this agreement is 3 years, from 1 January 2018 to 31 December 2020. On 2 January 2019, the Company changed service income per month to Baht 3.5 million.

Franchise Contract

During June 2018, the Company entered into franchise contract with Index Living Mall Inter Co., Ltd. (subsidiary). The contract will be charged in amounting of Baht 1.6 million. The period of contract is available for 5 years and has extension option for 5 years. The Contract will expire in 2028. In addition, Index Living Mall Inter Co., Ltd. will pay the license fee of baht 0.96 million per year.

Bank Guarantees

The Company has guarantees credit facilities of Index Interfurn Co., Ltd. (subsidiary) with several financial institutions. The purposed is liquidity for operation.

7 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Cash on hand	13,306	15,085	8,882	10,562
Cash at banks - current accounts	1,108	3,355	902	1,687
Cash at banks - savings accounts	92,028	506,523	65,087	488,675
Cash and cash equivalents in the statement of financial position	106,442	524,963	74,871	500,924

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8 Other receivables

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Accrued income	114,615	132,714	110,723	130,270
Prepayment of goods	34,007	159,089	20,703	150,080
Prepaid expenses	32,465	54,413	29,315	52,708
Tax refund	30,219	21,447	26,864	19,588
Undue value added tax	6,273	8,409	3,379	5,708
Others	17,070	19,695	9,360	11,800
Total	234,649	395,767	200,344	370,154
Less allowance for impairment loss (2019: allowance for doubtful accounts)	(8,008)	(7,950)	(3,327)	(3,269)
Net	226,641	387,817	197,017	366,885
Impairment loss (2019: Bad and doubtful debts expense) for the year	58	322	58	402

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9 Inventories

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Finished goods	1,658,123	2,081,006	1,809,399	2,276,563
Work in progress	29,943	47,432	-	-
Raw materials	99,915	110,386	-	-
Factory supplies	4,235	4,804	-	-
Goods in transit	37,842	71,703	32,779	63,601
	1,830,058	2,315,331	1,842,178	2,340,164
Less allowance for losses on decline in value of inventories	(73,071)	(57,991)	(70,457)	(57,271)
Total	1,756,987	2,257,340	1,771,721	2,282,893
Inventories recognised in 'cost of sales of goods':				
- Cost	4,117,075	5,206,281	4,581,702	5,741,783
- Write-down to net realisable value	15,080	1,920	13,186	4,929
Net	4,132,155	5,208,201	4,594,888	5,746,712

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None of the Company's subsidiaries are publicly listed and consequently do not have published price quotations.

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	Separated financial statements					
	Own properties				Right-of-use assets	Total
	Land	Building and improvement	Utility system <i>(in thousand Baht)</i>	Assets under construction and installation		
Cost						
At 1 January 2019	262,313	692,722	203,280	42	-	1,158,357
Additions	-	7,425	4,592	-	-	12,017
Transfer	-	25	-	(25)	-	-
Transfers from property, plant and equipment	-	44,145	12,194	-	-	56,339
Disposals	-	-	(434)	-	-	(434)
At 31 December 2019 and 1 January 2020	262,313	744,317	219,632	17	-	1,226,279
Recognition of right-of-use asset on initial application of TFRS 16	-	-	-	-	386,350	386,350
At 1 January 2020 - as adjusted	262,313	744,317	219,632	17	386,350	1,612,629
Additions	-	-	4,157	3,428	558	8,143
Transfer	-	-	17	(17)	-	-
Transfers from property, plant and equipment	-	-	57,459	-	-	57,459
Disposals/termination	-	-	-	(3,428)	(3,597)	(7,025)
At 31 December 2020	262,313	744,317	281,265	-	383,311	1,671,206
Depreciation						
At 1 January 2019	-	167,516	81,567	-	-	249,083
Depreciation charge for the year	-	26,529	11,676	-	-	38,205
Disposals	-	-	(187)	-	-	(187)
At 31 December 2019 and 1 January 2020	-	194,045	93,056	-	-	287,101
Recognition of depreciation of right-of-use asset on initial application of TFRS 16	-	-	-	-	27,492	27,492
At 1 January 2020 - as adjusted	-	194,045	93,056	-	27,492	314,593
Depreciation charge for the year	-	22,169	15,229	-	16,745	54,143
Transfers from property, plant and equipment	-	-	33,938	-	-	33,938
Termination	-	-	-	-	(230)	(230)
At 31 December 2020	-	216,214	142,223	-	44,007	402,444
Net book value						
At 31 December 2019	262,313	550,272	126,576	17	-	939,178
At 31 December 2020	262,313	528,103	139,042	-	339,304	1,268,762

Note to The Financial Statements

Index Living Mall Public Company Limited and its Subsidiaries
For the year ended 31 December 2020

Information relating to leases are disclosed in note 13.

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			

Amounts recognised in profit or loss				
Revenue from rental and rendering of services	462,440	561,864	304,226	373,490

As at 31 December 2020, the net book value of several land held for future projects of the Company are amounting to Baht 244 million (2019: Baht 244 million) which was appraised by an independent valuer base on the market approach was Baht 508 million (2019: Baht 508 million).

As at 31 December 2020, the net book value of other investment properties of the Group and the Company are amounting to Baht 1,282 million and 1,025 million, respectively (2019: Baht 910 million and Baht 695 million, respectively) which were appraised by an independent valuer base on the income approach and the cost approach was Baht 3,514 million and 3,265 million, respectively (2019: Baht 2,108 million and Baht 2,044 million, respectively).

The fair value measurement for investment property has been categorised as a Level 3 fair value.

Security

At 31 December 2020, the Group and Company has pledged a portion of their investment properties, that has net book value of Baht 223 million and Baht 223 million, respectively (2019: Baht 199 million and Baht 199 million, respectively), as collateral for securities for long-term borrowing from financial institution (see note 14).

Note to The Financial Statements

Index Living Mall Public Company Limited and its Subsidiaries
For the year ended 31 December 2020

12 Property, plant and equipment

	Consolidated financial statements					
	Land	Building and improvement	Tools and equipment	Furniture, fixtures and office equipment <i>(in thousand Baht)</i>	Vehicles	Utility system
					Assets under construction and installation	Total
Cost						
At 1 January 2019	174,671	5,756,045	1,389,254	3,052,863	255,510	1,895,016
Additions	-	94,224	40,598	181,779	9,005	73,552
Transfers	-	93,669	142,052	41,578	-	32,352
Transfers to investment properties	-	-	-	-	-	-
Transfers to intangible assets	-	-	-	-	-	-
Disposals/write off	-	(2,684)	(133,193)	(43,312)	(29,028)	(24,912)
At 31 December 2019 and 1 January 2020	174,671	5,941,254	1,438,711	3,232,908	235,487	1,976,008
Reclassification to right-of-use assets on initial application of TFRS 16	-	-	-	-	(51,882)	-
At 1 January 2020 - as adjusted	174,671	5,941,254	1,438,711	3,232,908	183,605	1,976,008
Additions	-	2,019	19,388	75,956	951	130,704
Transfer from right-of-use assets	-	-	-	-	26,194	-
Transfers	-	230	25,830	68	-	128
Transfers to investment properties	-	-	-	-	-	(57,459)
Disposals/write off	-	(730)	(49,517)	(31,833)	(20,205)	(4,283)
At 31 December 2020	174,671	5,942,773	1,434,412	3,277,099	190,545	2,045,098
					25,420	13,090,018
					18,479	12,965,636
					36,368	265,386
					-	26,194
					(26,256)	-
					-	(57,459)
					(3,171)	(109,739)

Note to The Financial Statements

Index Living Mall Public Company Limited and its Subsidiaries
For the year ended 31 December 2020

	Consolidated financial statements					
	Land	Building and improvement	Tools and equipment	Furniture, fixtures and office equipment <i>(in thousand Baht)</i>	Vehicles	Utility system
					Assets under construction and installation	Total
Depreciation						
At 1 January 2019	-	2,409,903	1,239,425	2,151,440	186,969	896,784
Depreciation charge for the year	-	217,856	73,158	184,669	26,891	97,075
Disposals/write off	-	(1,485)	(132,532)	(41,801)	(28,665)	(24,556)
At 31 December 2019 and 1 January 2020	-	2,626,274	1,180,051	2,294,308	185,195	969,303
Reclassification of depreciation to right-of-use assets on initial application of TFRS 16	-	-	-	-	(24,534)	-
At 1 January 2020 - as adjusted	-	2,626,274	1,180,051	2,294,308	160,661	969,303
Depreciation charge for the year	-	191,292	70,362	187,867	16,018	101,401
Transfer from right-of-use assets	-	-	-	-	18,399	-
Transfer to investment properties	-	-	-	-	-	(33,938)
Disposals/write off	-	(506)	(49,374)	(28,496)	(19,688)	(3,946)
At 31 December 2020	-	2,817,060	1,201,039	2,453,679	175,390	1,032,820
					-	7,679,988
					-	7,255,131
					-	6,884,521
					-	599,649
					-	(229,039)
					-	(24,534)
					-	7,230,597
					-	566,940
					-	18,399
					-	(33,938)
					-	(102,010)

Note to The Financial Statements

Index Living Mall Public Company Limited and its Subsidiaries
For the year ended 31 December 2020

	Consolidated financial statements				
	Land	Building and improvement	Tools and equipment	Furniture, fixtures and office equipment (in thousand Baht)	Assets under construction and installation
Net book value					
At 31 December 2019					
Owned assets	174,671	3,314,980	258,660	938,600	22,944
Assets under finance leases	-	-	-	-	-
	<u>174,671</u>	<u>3,314,980</u>	<u>258,660</u>	<u>938,600</u>	<u>22,944</u>
					<u>27,348</u>
					<u>1,006,705</u>
					<u>18,479</u>
					<u>5,762,387</u>
At 31 December 2020					
	<u>174,671</u>	<u>3,125,713</u>	<u>233,373</u>	<u>823,420</u>	<u>15,155</u>
					<u>1,012,278</u>
					<u>25,420</u>
					<u>5,410,030</u>

At 1 January 2020, the Group transferred vehicles of Bath 27.35 million under finance lease agreements to right-of-use assets related to initially applied TFRS16 *Leases*.

The gross amount of the Group’s fully depreciated property, plant and equipment that was still in use as at 31 December 2020 amounted to Baht 3,234 million (2019: *Baht 3,122 million*).

Security

At 31 December 2020 the Group has pledged a portion of their land, building and improvement of building, that has net book value of Baht 1,446 million (2019: *Baht 1,831 million*), as collateral for long-term borrowing from financial institution (see note 14).

Note to The Financial Statements

Index Living Mall Public Company Limited and its Subsidiaries
For the year ended 31 December 2020

	Separate financial statements				
	Building and improvement	Tools and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation
Cost					
At 1 January 2019	4,325,632	482,122	3,002,049	207,611	214,214
Additions	93,486	21,567	150,678	9,003	358
Transfers	92,719	-	30,226	-	(150,567)
Transfers to investment properties	-	-	-	-	(56,339)
Disposals/write off	(98)	(8,553)	(40,758)	(28,979)	(4,456)
At 31 December 2019 and 1 January 2020	4,511,739	495,136	3,142,195	187,635	3,210
Reclassification of right-of-use assets on initial application of TFRS 16	-	-	-	(48,226)	-
At 1 January 2020 - as adjusted	4,511,739	495,136	3,142,195	139,409	3,210
Additions	976	8,424	64,829	951	22,829
Transfers from right-of-use assets	-	-	-	22,537	-
Transfers	-	-	68	-	14
Transfers to investment properties	-	-	-	-	(57,459)
Disposals/write off	(278)	(11,666)	(29,983)	(20,205)	(3,171)
At 31 December 2020	4,512,437	491,894	3,177,109	142,692	22,786
					<u>10,099,449</u>
					<u>10,024,771</u>
					<u>9,976,545</u>
					<u>223,739</u>
					<u>22,537</u>
					<u>-</u>
					<u>(57,459)</u>
					<u>(65,913)</u>

Note to The Financial Statements

Index Living Mall Public Company Limited and its Subsidiaries
For the year ended 31 December 2020

	Separate financial statements				
	Building and improvement	Tools and equipment	Furniture, fixtures and office equipment (in thousand Baht)	Assets under construction and installation	Total
Depreciation					
At 1 January 2019	1,399,875	378,218	2,114,116	-	4,748,530
Depreciation charge for the year	156,864	44,783	178,977	-	486,651
Disposals/write off	(17)	(8,007)	(39,300)	-	(86,357)
At 31 December 2019 and 1 January 2020	1,556,722	414,994	2,253,793	-	5,148,824
Reclassification of depreciation of right-of-use assets on initial application of TFRS 16	-	-	-	-	(21,913)
At 1 January 2020 - as adjusted	1,556,722	414,994	2,253,793	-	5,126,911
Depreciation charge for the year	131,982	35,471	179,626	-	447,008
Transfers from right-of-use assets	-	-	-	-	15,777
Transfers to investment properties	-	-	-	-	(33,938)
Disposals/write off	(255)	(11,643)	(26,725)	-	(58,584)
At 31 December 2020	1,688,449	438,822	2,406,694	-	5,497,174

Note to The Financial Statements

Index Living Mall Public Company Limited and its Subsidiaries
For the year ended 31 December 2020

	Separate financial statements				
	Building and improvement	Tools and equipment	Furniture, fixtures and office equipment (in thousand Baht)	Assets under construction and installation	Total
Net book value					
At 31 December 2019					
Owned assets	2,955,017	80,142	888,402	3,210	4,849,634
Assets under finance leases	-	-	-	-	26,313
	2,955,017	80,142	888,402	3,210	4,875,947
At 31 December 2020	2,823,988	53,072	770,415	22,786	4,602,275

At 1 January 2020, the Company transferred vehicles of Bath 26.31 million under finance lease agreements to right-of-use assets related to initially applied TFRS 16 *Lease*.

The gross amount of the Company’s fully depreciated property, plant and equipment that was still in use as at 31 December 2020 amounted to Baht 2,075 million (2019: *Baht 1,934 million*).

Security

At 31 December 2020 the Company has pledged a portion of their building and improvement of building, that has net book value of Baht 1,446 million (2019: *Baht 1,831 million*), as collateral for long-term borrowing from financial institution (see note 14).

Note to The Financial Statements

Index Living Mall Public Company Limited and its Subsidiaries
For the year ended 31 December 2020

13 Leases

As a lessee

<i>Rights-of-use assets</i>	<i>Notes</i>	Consolidated financial statements			
		Land	Buildings	Vehicles	Total
			<i>(in thousand Baht)</i>		
At 1 January 2020	3(b)	3,181,432	222,401	110,464	3,514,297
Additions		10,357	37,896	4,009	52,262
Less depreciation		(158,851)	(29,211)	(32,386)	(220,448)
Less termination		(12,602)	(2,960)	-	(15,562)
Less transfer to property, plant and equipment		-	-	(7,795)	(7,795)
At 31 December 2020		3,020,336	228,126	74,292	3,322,754

		Separate financial statements			
<i>Rights-of-use assets</i>		Land	Buildings	Vehicles	Total
	<i>Notes</i>	<i>(in thousand Baht)</i>			
At 1 January 2020	<i>3(b)</i>	3,564,176	222,401	108,913	3,895,490
Additions		10,357	37,896	4,009	52,262
Less depreciation		(195,859)	(29,211)	(32,192)	(257,262)
Less termination		(12,602)	(2,960)	-	(15,562)
Less transfer to property, plant and equipment		-	-	(6,760)	(6,760)
At 31 December 2020		3,366,072	228,126	73,970	3,668,168

The Group leases several vehicles, land and building for 2 - 30 years, with extension options at the end of lease term. The rental is payable monthly as specified in the contract

Extension options

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<i>(in thousand Baht)</i>				
Amounts recognised in profit or loss				
Interest on lease liabilities	170,867	-	189,629	-
Expenses relating to short-term leases and leases of low-value assets	8,570	-	5,728	-
Lease expense	-	271,604	-	285,798

Note to The Financial Statements

Index Living Mall Public Company Limited and its Subsidiaries
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In 2020, total cash outflow for leases of the Group and the Company were Baht 228 million and Baht 273 million, respectively.

Interest on lease liabilities were included in finance costs on the Statement of financial position.

As a lessor

The leases of investment properties comprise several lands, building and improvement and utility system that are leased to third parties under operating leases. Each of the leases contains an initial non-cancellable period of 1 - 12 years. Subsequent renewals are negotiated with the lessee. For all investment property leases, the rental income is fixed under the contracts, but some leases require the lessee to reimburse the insurance costs of the Group. When this is the case, the amounts of insurance costs are determined annually.

Maturity of operating lease receivables	Consolidated financial statements	Separate financial statements
<i>(in thousand Baht)</i>		
At 31 December 2020		
1 st year	204,536	4,402
2 nd year	105,142	2,320
3 rd year	27,976	540
4 th year	608	540
5 th year	600	540
After 5 th year	1,120	540
Total	339,982	8,882

Minimum lease payments under non-cancellable operating lease are receivable	Consolidated financial statements	Separate financial statements
<i>(in thousand Baht)</i>		
At 31 December 2019		
Within 1 year	98,150	4,663
1 - 5 years	82,824	7,505
After 5 years	1,739	1,739
Total	182,713	13,907

Note to The Financial Statements

Index Living Mall Public Company Limited and its Subsidiaries

For the year ended 31 December 2020

14 Interest-bearing liabilities

	Consolidated financial statements					
	Secured	2020 Unsecured	Total (in thousand Baht)	Secured	2019 Unsecured	Total
Bank overdrafts and short-term borrowing from financial institutions	-	387,001	387,001	-	416,000	416,000
Long-term borrowing from financial institutions	2,746,417	-	2,746,417	4,248,731	-	4,248,731
Lease liabilities (2019: Finance lease liabilities)	-	2,745,789	2,745,789	-	21,178	21,178
Total interest-bearing liabilities	2,746,417	3,132,790	5,879,207	4,248,731	437,178	4,685,909

	Separate financial statements					
	Secured	2020 Unsecured	Total (in thousand Baht)	Secured	2019 Unsecured	Total
Short-term borrowing from financial institutions	-	362,000	362,000	-	416,000	416,000
Long-term borrowing from financial institutions	2,746,417	-	2,746,417	4,248,731	-	4,248,731
Lease liabilities (2019: Finance lease liabilities)	-	3,090,728	3,090,728	-	19,973	19,973
Short-term loans from related parties	-	190,000	190,000	-	337,000	337,000
Total interest-bearing liabilities	2,746,417	3,642,728	6,389,145	4,248,731	772,973	5,021,704

Assets pledged as security for liabilities as at 31 December	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		(in thousand Baht)			
Investment properties	11	222,674	198,866	222,674	198,866
Building and building improvement	12	1,446,065	1,830,969	1,446,065	1,830,969
Right-of-use assets (2019: Leasehold right)	13	172,926	279,910	172,926	279,910
Total		1,841,665	2,309,745	1,841,665	2,309,745

Note to The Financial Statements

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Unutilised credit facilities

As at 31 December 2020 the Group and the Company had unutilised credit facilities totalling Baht 2,087 million and Baht 1,003 million, respectively (2019: Baht 1,909 million and Baht 1,049 million, respectively)

	Consolidated financial statements			Separate financial statements		
	Minimum lease payments	Interest	Present value of minimum lease payments (in thousand Baht)	Minimum lease payments	Interest	Present value of minimum lease payments
Finance lease liabilities						

At 31 December 2019

Within 1 year	9,578	(698)	8,880	8,293	(618)	7,675
1 - 5 years	12,813	(515)	12,298	12,813	(515)	12,298
Total	22,391	(1,213)	21,178	21,106	(1,133)	19,973

Changes in liabilities arising from financing activities

	Consolidated financial statements				
	Bank overdraft and short-term borrowing from financial institutions	Long-term borrowing from financial institutions	Debt	Lease liabilities (2019: Finance lease liabilities)	Total
	(in thousand Baht)				

2020

At 1 January	416,000	4,248,731	-	21,178	4,685,909
Changes from financing cash flows	(28,999)	(1,502,314)	-	(37,353)	(1,568,666)
Other changes:					
- Recognition of lease liabilities on initial application of TFRS 16	-	-	-	2,738,252	2,738,252
- Increase in lease liabilities	-	-	-	23,712	23,712
At 31 December	387,001	2,746,417	-	2,745,789	5,879,207

2019

At 1 January	999,487	2,774,368	1,300,000	28,398	5,102,253
Changes from financing cash flows	(583,487)	1,474,362	(1,300,000)	(7,220)	(416,344)
At 31 December	416,000	4,248,731	-	21,178	4,685,909

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Index Living Mall Public Company Limited and its Subsidiaries
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	Separate financial statements					
	Bank overdraft and short-term borrowing from financial institutions	Short-term loans from related parties	Long-term borrowing from financial institutions (in thousand Baht)	Debtenture	Lease liabilities (2019: Finance lease liabilities)	Total
2020						
At 1 January	416,000	337,000	4,248,731	-	19,973	5,021,704
Changes from financing cash flows	(54,000)	(147,000)	(1,502,314)	-	(56,386)	(1,759,700)
Other changes:						
- Recognition of lease liabilities on initial application of TFRS 16	-	-	-	-	3,099,328	3,099,328
- Increase in lease liabilities	-	-	-	-	27,813	27,813
At 31 December	362,000	190,000	2,746,417	-	3,090,728	6,389,145
2019						
At 1 January	869,486	373,000	2,750,976	1,300,000	26,670	5,320,132
Changes from financing cash flows	(453,486)	(36,000)	1,497,755	(1,300,000)	(6,697)	(298,428)
At 31 December	416,000	337,000	4,248,731	-	19,973	5,021,704

Bank overdraft and short-term borrowing from financial institutions

As at 31 December 2020, the Group and the Company have bank overdrafts of which bore interest at rates of MOR (2019: MOR). Moreover, the Group and the Company have short-term promissory notes from financial institutions which bore interest at the fixed interest rate as stipulated in the agreements. (2019: fixed interest rate as stipulated in the agreements).

Long-term borrowing from financial institutions

In April 2020, the Company received letter of consent from several financial institutions to grant principal payment holiday for 6 to 12 months starting from April 2020. As at 31 December 2020, the balance of principal payment holiday with a carrying amount of Baht 22.75 million were presented as long-term borrowing.

In July 2020, the Company received letter of consent from a financial institution to grant principal payment holiday for 9 months starting from July 2020. As at 31 December 2020, the balance of principal payment holiday with a carrying amount of Baht 56.67 million were presented as long-term borrowing.

During 2020, the Company made early repayment in amounted to Baht 1,156 million without prepayment fee. Under the agreements, the Company can make voluntary prepayment without prepayment fee by giving advanced written notice to the financial institutions.

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Index Living Mall Public Company Limited and its Subsidiaries
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During July 2019, The Company entered into two secured long term loan agreements with local financial institutions in total amount of Baht 2,550 million. These loans were secured by buildings and land lease hold right. The loans bear interest at the floating rate per annum which bore interest at MLR deducted by fixed interest rate as stipulated in the agreements and are repayable in monthly for 96 installments commencing from July 2019 to July 2027. The Company must comply with the conditions and requirements as stipulated in the loan agreement i.e. maintain the interest-bearing debt to the equity and maintain Debt Coverage ratio (“DSCR”).

Debtenture

During July 2019, the Company repay matured debtenture amount of Baht 1,300 million.

15 Other current payables

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Goods deposit	376,259	408,277	376,259	408,277
Revenue department payable	36,904	42,631	34,851	38,781
Payable for purchase asset	33,934	67,102	19,503	50,803
Accrued utilities expenses	21,795	22,872	16,261	17,117
Accrued advertising expenses	21,646	25,526	21,523	25,077
Accrued promotion expenses	20,912	25,519	20,889	25,206
Accrued bonus expenses	20,194	75,147	20,194	73,714
Accrued export expenses	19,600	9,809	18,631	9,809
Accrued lawsuit expenses	12,000	-	12,000	-
Accrued securities expenses	11,751	15,017	8,879	11,347
Accrued rental expenses	5,147	312,511	5,147	293,930
Accrued local and property tax	4,004	25,260	3,763	21,306
Accrued interest expenses	382	1,901	380	1,901
Others	125,599	137,293	96,003	108,193
Total	710,127	1,168,865	654,283	1,085,461

In 2020, the Expressway Authority of Thailand has filed a lawsuit against the Company who had breached the lease agreement with EXAT. Currently, the case is under mediate in court. However, the Company has accrued lawsuit expenses amounting to Baht 12 million in the statement of income.

16 Non-current provisions for employee benefits

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(in thousand Baht)			
Defined benefit plan	234,806	224,925	165,405	156,092

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Defined benefit plan

The Group and the Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

<i>Present value of the defined benefit obligations</i>	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
At 1 January	224,925	147,501	156,092	105,128
Include in profit or loss:				
Current service cost	23,788	16,841	17,893	11,922
Past service cost for employee benefits from amendment of the Labor Protection Act	-	33,780	-	21,923
Interest on obligation	3,281	2,937	2,300	2,048
Curtailment gain	(6,886)	-	(6,886)	-
	<u>20,183</u>	<u>53,558</u>	<u>13,307</u>	<u>35,893</u>
Included in other comprehensive income				
Actuarial loss				
- Financial assumptions	-	15,908	-	11,528
- Experience adjustment	-	12,349	-	6,334
	<u>-</u>	<u>28,257</u>	<u>-</u>	<u>17,862</u>
Benefit paid	(10,302)	(4,391)	(3,994)	(2,791)
At 31 December	<u>234,806</u>	<u>224,925</u>	<u>165,405</u>	<u>156,092</u>

On 5 April 2019, the Labor Protection Act was amended to include a requirement that an employee, who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Group has therefore amended its retirement plan in accordance with the changes in the Labor Protection Act in 2019. As a result of this change, the provision for retirement benefits as well as past service cost recognised increased.

<i>Principal actuarial assumptions</i>	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(%)</i>			
Discount rate	1.63	1.63	1.63	1.63
Future salary growth	3.00 - 5.00	3.00 - 5.00	3.50 - 4.50	3.50 - 4.50
Employee turnover	0.00 - 50.00	0.00 - 50.00	0.00 - 50.00	0.00 - 50.00

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2020, the weighted-average duration of the defined benefit obligation was 9.9 years (2019: 9.9 years).

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Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

<i>Effect to the defined benefit obligation At 31 December</i>	Consolidated financial statements			
	Increase in assumption		Decrease in assumption	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Discount rate (1%)	(15,486)	(16,042)	17,463	18,137
Future salary growth (1%)	19,076	17,552	(17,185)	(15,868)
Employee turnover (20%)	(21,019)	(18,772)	26,984	23,913

<i>Effect to the defined benefit obligation At 31 December</i>	Separate financial statements			
	Increase in assumption		Decrease in assumption	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Discount rate (1%)	(11,181)	(11,361)	12,694	12,927
Future salary growth (1%)	13,725	12,489	(12,281)	(11,222)
Employee turnover (20%)	(15,830)	(13,941)	20,517	17,923

17 Share capital

	Par value per share (in Baht)	2020		2019	
		Number	Baht	Number	Baht
		<i>(thousand shares/thousand Baht)</i>			
Authorised shares at 31 December	5	<u>505,000</u>	<u>2,525,000</u>	<u>505,000</u>	<u>2,525,000</u>
Issued and paid up					
At 1 January					
- Ordinary shares	5	505,000	2,525,000	400,000	2,000,000
Increase of new shares	5	-	-	105,000	525,000
At 31 December					
Ordinary shares	5	<u>505,000</u>	<u>2,525,000</u>	<u>505,000</u>	<u>2,525,000</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the company.

Issue of ordinary shares

On 22 July 2019, the Company completed its Initial Public Offering ("IPO") by issuing 105 million new ordinary shares with an offering price of Baht 22 per share in amounting to Baht 2,310 million, which has share premium in amount of Baht 1,741 million and direct expenses related to the offering of shares in amount of Baht 44 million after tax benefit, which is shown as a deduction from shares premium received from the offering of new shares. The Company was listed in the Stock Exchange of Thailand on 26 July 2019.

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Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

18 Reserve and surplus

Reserve and surplus comprise

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

During 2020, the Company's allocate legal reserve amounting of Baht 13.1 million (2019: Baht 80 million).

Other components of equity

Translation reserve

The translation reserves comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Fair value reserve of 2019

The fair value changes in available-for-sale investments comprises the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

Surplus on the business combination under common control transactions

During 2015, Index Interturn Co.,Ltd. had acquired Bangkok Casa Co.,Ltd. by purchase shares in amount of Baht 218.12 million. At the acquisition date, the difference between the carrying amount of the acquired net assets was over than the consideration paid in amount of Baht 74.28 million and its interest in retained earnings before business restructuring was Baht 74.28 million.

During 2015, Index Living Mall Co.,Ltd. had acquired Index Interturn Co.,Ltd. by purchase shares in amount of Baht 960 million. At the acquisition date, the difference between the carrying amount of the acquired net assets was over than the consideration paid in amount of Baht 212.15 million and its interest in retained earnings before business restructuring was Baht 212.15 million.

Total difference between the carrying amount of the acquired net assets and the consideration paid from business restructuring under common control in amounted of Baht 286.43 million was recognized as surplus from business combinations under common control in shareholder's equity.

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As at 25 June 2019, the executive committee approved the appropriation dividend from retain earning and profit from the Company's operation up to 31 March 2019 of Baht 3.125 per share, in total amount of Baht 1,250 million. This retained earning came from the dividends received from Bangkok Casa Co., Ltd. and Index Interfurn Co., Ltd. in amount of Baht 286.43 million which was paid from retained earnings before the acquisition date. After the said amount of dividends are paid to the former shareholder who hold their shares before the acquisition date. It will be deducted from Surplus on the business combination under common control.

19 Segment information and disaggregation of revenue

Management determined that the Group has four reportable segments, as described below, which are the Group's strategic divisions for different products and services, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group's reportable segments.

- Segment 1 Retail of furniture
- Segment 2 Manufacturing of furniture
- Segment 3 Rental area and service
- Segment 4 Others

Each segment's performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

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For the year ended 31 December	Consolidated financial statements							
	Retail of furniture		Manufacturing of furniture		Rental area and service		Others	
	2020	2019	2020	2019	2020	2019	2020	2019
(in thousand Baht)								
Information about reportable segments								
External revenue	7,650,900	9,217,677	6,156	18,472	458,963	556,449	3,477	5,415
Inter-segment revenue	4,823	8,509	1,728,075	2,213,343	253,552	274,758	44,762	45,446
Total segment revenue	7,655,723	9,226,186	1,734,231	2,231,815	712,515	831,207	48,239	50,861
Major products/ service lines								
Furniture and bedding	5,636,394	6,492,627	1,728,075	2,213,343	-	-	-	-
Home decorative product	1,457,020	1,686,394	-	-	-	-	-	-
Electric appliances	557,786	1,026,070	-	-	-	-	-	-
Rental and service area income	-	-	-	-	712,515	831,207	48,239	50,861
Others	4,523	21,095	6,156	18,472	-	-	-	-
Total revenue	7,655,723	9,226,186	1,734,231	2,231,815	712,515	831,207	48,239	50,861
Timing of revenue recognition								
At a point in time	7,655,723	9,226,186	1,734,231	2,231,815	-	-	-	-
Over time	-	-	-	-	712,515	831,207	48,239	50,861
Total revenue	7,655,723	9,226,186	1,734,231	2,231,815	712,515	831,207	48,239	50,861
Elimination								
							2020	2019
							(2,031,212)	(2,542,056)
							(2,031,212)	(2,542,056)
Total								
							8,119,496	9,798,013
							8,119,496	9,798,013
Timing of revenue recognition								
At a point in time	7,655,723	9,226,186	1,734,231	2,231,815	(1,732,898)	(2,221,852)	7,657,056	9,236,149
Over time	-	-	-	-	(298,314)	(320,204)	462,440	561,864
Total revenue	7,655,723	9,226,186	1,734,231	2,231,815	(2,031,212)	(2,542,056)	8,119,496	9,798,013
							8,119,496	9,798,013

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For the year ended 31 December	Consolidated financial statements											
	Retail of furniture		Manufacturing of furniture		Rental area and service		Others		Elimination		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019		
	(in thousand Baht)											
Cost	(4,600,348)	(5,763,566)	(1,285,174)	(1,657,366)	(522,660)	(571,410)	(22,320)	(24,551)	2,002,875	2,480,952	(4,427,627)	(5,535,941)
Segment profit before income tax	3,055,375	3,462,620	449,057	574,449	189,855	259,797	25,919	26,310	(28,337)	(61,104)	3,691,869	4,262,072
Unallocated revenues											78,197	104,668
Unallocated expenses											(2,316,147)	(2,963,421)
Depreciation and amortization											(675,960)	(579,579)
Finance costs											(295,872)	(184,019)
Tax expense											(60,851)	(43,930)
Profit for the year											421,236	595,791
Segment assets	11,662,527	10,823,884	2,004,957	1,871,829	1,790,384	1,593,163	329,632	307,816	(2,836,452)	(2,395,291)	12,951,048	12,201,401
Segment liabilities	7,956,278	6,814,806	692,941	669,843	765,489	728,363	28,111	15,518	(1,471,408)	(987,154)	7,871,411	7,241,376

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For the year ended 31 December	Separate financial statements					
	Retail of furniture		Rental area and service		Total	
	2020	2019	2020	2019	2020	2019
(in thousand Baht)						
Major products/ service lines						
Furniture and bedding	5,636,393	6,492,627	-	-	5,636,393	6,492,627
Home decorative product	1,457,020	1,686,394	-	-	1,457,020	1,686,394
Electric appliances	557,786	1,026,070	-	-	557,786	1,026,070
Rental and service area income	-	-	304,226	373,490	304,226	373,490
Total revenue	7,651,199	9,205,091	304,226	373,490	7,955,425	9,578,581
Timing of revenue recognition						
At a point in time	7,651,199	9,205,091	-	-	7,651,199	9,205,091
Over time	-	-	304,226	373,490	304,226	373,490
Total revenue	7,651,199	9,205,091	304,226	373,490	7,955,425	9,578,581

Promotional privileges

The Group has been granted promotional certificates by the Office of the Board of Investment relating to manufacture furniture, spare part and bedding. The Group has been granted several privileges including exemption and/or reduction from payment of income tax on the net profit derived from promoted operations with certain terms and conditions prescribed in the promotional certificates. However, Promotion privileges have not been granted to the Group from 1 January 2020.

	Consolidated financial statements		
	2019		
	Promoted businesses	Non-promoted businesses	Total
(in thousand Baht)			
Export sales	-	224,880	224,880
Local sales	310,137	10,922,984	11,233,121
Eliminations	-	(2,221,852)	(2,221,852)
Total revenue	310,137	8,926,012	9,236,149

Note to The Financial Statements

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20 Employee benefit expenses

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		(in thousand Baht)			
Wages and salaries		1,199,416	1,431,695	867,642	1,029,419
Commission		91,468	95,045	91,383	94,689
Provident and compensation fund		28,627	42,423	20,440	30,233
Bonus		27,383	134,977	10,115	87,526
Defined benefit plans	16	20,183	53,558	13,307	35,893
Defined contribution plans		4,186	13,960	4,121	13,745
Termination benefits		26,255	26	23,695	26
Others		83,018	74,706	68,994	59,694
Total		1,480,536	1,846,390	1,099,697	1,351,225

Defined contribution plans

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 2% to 3% of their basic salaries and by the Group at rates ranging from 2% to 3% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

21 Expenses by nature

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		(in thousand Baht)			
Changes in inventories of finished goods and work in progress		(509,580)	(125,753)	(497,986)	(118,626)
Purchase finished goods and raw materials		4,281,523	4,890,539	5,092,874	5,865,338
Employee benefit expenses	20	1,480,536	1,846,390	1,099,697	1,351,225
Depreciations and amortization expenses		876,496	752,725	773,735	627,765
Utilities expenses		285,122	344,357	209,847	253,397
Wage and other service expenses		212,055	210,953	193,190	191,510
Transportation expense		160,471	155,241	160,381	155,125
Promotion expenses		121,300	178,614	117,406	167,302
Lease-related expenses (2019: Building and warehouse rental and service expenses)		80,181	300,046	150,473	421,301
Bank fee		78,858	116,413	78,524	115,892
Vehicle expenses		43,523	73,432	38,133	65,377
Others		309,249	335,984	246,734	284,549
Total cost of sales of goods, selling and distribution expense and administrative expenses		7,419,734	9,078,941	7,663,008	9,380,155

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22 Income tax

<i>Income tax recognised in profit or loss</i>	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Current tax expense				
Current year	81,435	53,957	8,505	12,673
(Over) Under provided in prior years	-	(118)	-	-
	81,435	53,839	8,505	12,673
Deferred tax expense				
Movements in temporary differences	(20,584)	(9,909)	(18,081)	(8,461)
Total income tax expense	60,851	43,930	(9,576)	4,212

<i>Income tax</i>	Consolidated financial statements					
	Before tax	2020 Tax benefit	Net of tax	Before tax	2019 Tax benefit	Net of tax
	<i>(in thousand Baht)</i>					
Recognised in other comprehensive income						
Available-for-sale financial assets	-	-	-	(1,733)	347	(1,386)
Defined benefit plan actuarial losses	-	-	-	(28,257)	5,651	(22,606)
Total	-	-	-	(29,990)	5,998	(23,992)

<i>Income tax</i>	Separate financial statements					
	Before tax	2020 Tax benefit	Net of tax	Before tax	2019 Tax benefit	Net of tax
	<i>(in thousand Baht)</i>					
Recognised in other comprehensive income						
Defined benefit plan actuarial losses	-	-	-	(17,862)	3,572	(14,290)
Total	-	-	-	(17,862)	3,572	(14,290)

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<i>Reconciliation of effective tax rate</i>	Consolidated financial statements			
	Rate (%)	2020 (in thousand Baht)	Rate (%)	2019 (in thousand Baht)
Profit before income tax expense		482,087		639,721
Income tax using the Thai corporation tax rate	20.00	96,417	20.00	127,944
Income not subject to tax		(663)		(62,027)
Expenses not deductible for tax purposes		3,176		3,043
Expenses with additional deduction for tax purposes		(29,839)		(25,560)
Current year losses for which no deferred tax asset was recognized		-		155
(Over) Under provided in prior years		-		(118)
Others		(8,240)		493
Total	12.62	60,851	6.87	43,930

<i>Reconciliation of effective tax rate</i>	Separate financial statements			
	Rate (%)	2020 (in thousand Baht)	Rate (%)	2019 (in thousand Baht)
Profit before income tax expense		252,077		788,351
Income tax using the Thai corporation tax rate	20.00	50,415	20.00	157,670
Income not subject to tax		(34,195)		(131,884)
Expenses not deductible for tax purposes		2,223		1,953
Expenses with additional deduction for tax purposes		(28,019)		(23,527)
Total	(3.80)	(9,576)	0.53	4,212

<i>Deferred tax At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Deferred tax assets	204,726	177,762	144,645	120,318
Deferred tax liabilities	(7,987)	-	(6,246)	-
Net deferred tax assets	196,739	177,762	138,399	120,318

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<i>Deferred tax</i>	<i>Note</i>	Consolidated financial statements (Charged) / Credited to:			At 31 December
		At 1 January (Restated)	Profit or loss	Other comprehensive income	
			(in thousand Baht)		
2020					
Deferred tax assets					
Right-of-use assets (depreciation gap)		-	24,672	-	24,672
Accounts receivable and other receivable (allowance for expected credit loss)		3,121	283	-	3,404
Inventories (allowance for decline in value)		11,598	2,994	-	14,592
Inventories (eliminate profit)		42,515	(4,861)	-	37,654
Non-current provision for employee benefits		44,985	1,976	-	46,961
Provisions (customer loyalty program)		5,913	1,867	-	7,780
Investment (impairment)		69,630	-	-	69,630
Derivatives		-	33	-	33
Total		177,762	26,964	-	204,726
Deferred tax liabilities					
Building and improvement (depreciation gap)		-	(6,246)	-	(6,246)
Financial assets measured at FVTPL (increase in fair value) 3(a.1)		(1,607)	(134)	-	(1,741)
Total		(1,607)	(6,380)	-	(7,987)
Net		176,155	20,584	-	196,739
2019					
Deferred tax assets					
Accounts receivable and other receivable (doubtful accounts)		2,312	809	-	3,121
Inventories (allowance for decline in value)		11,214	384	-	11,598
Inventories (eliminate profit)		43,745	(1,230)	-	42,515
Non-current provision for employee benefits		29,500	9,834	5,651	44,985
Provisions (customer loyalty program)		5,801	112	-	5,913
Investment (impairment)		69,630	-	-	69,630
Total		162,202	9,909	5,651	177,762
Deferred tax liability					
Marketable securities		(347)	-	347	-
Total		(347)	-	347	-
Net		161,855	9,909	5,998	177,762

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	At 1 January	Separate financial statements (Charged) / Credited to:		At 31 December
		Profit or loss	Other comprehensive income	
		(in thousand Baht)		
2020				
Deferred tax assets				
Right-of-use assets (depreciation gap)	-	17,799	-	17,799
Accounts receivable and other receivable (allowance for expected credit loss)	2,103	149	-	2,252
Inventories (allowance for decline in value)	11,454	2,615	-	14,069
Non-current provision for employee benefits	31,218	1,863	-	33,081
Investment in subsidiary (impairment)	69,630	-	-	69,630
Provisions (customer loyalty program)	5,913	1,868	-	7,781
Derivatives	-	33	-	33
Total	120,318	24,327	-	144,645
Deferred tax liability				
Building and improvement (depreciation gap)	-	(6,246)	-	(6,246)
Total	-	(6,246)	-	(6,246)
Net	120,318	18,081	-	138,399
2019				
Deferred tax assets				
Accounts receivable and other receivable (doubtful accounts)	1,360	743	-	2,103
Inventories (allowance for decline in value)	10,468	986	-	11,454
Non-current provision for employee benefits	21,026	6,620	3,572	31,218
Investment in subsidiary (impairment)	69,630	-	-	69,630
Provisions (customer loyalty program)	5,801	112	-	5,913
Total	108,285	8,461	3,572	120,318
Unrecognised deferred tax assets				
		2020	2019	2020
		(in thousand Baht)		
Tax losses	-	58,254	-	-

In 2019, the subsidiary of the Group has tax losses amounting Baht 0.62 million. The Group has not been recognized in respect of these item because management considered that the tax losses expire in 2022 - 2023 and it probable that future taxable profits would be available against which such losses can be used.

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23 Basic earnings per share

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
(in thousand Baht / in thousand shares)					
Profit for the year attributable to ordinary shareholders of the Company (basic)		421,234	596,093	261,653	784,139
Number of ordinary shares outstanding					
Number of ordinary shares outstanding at 1 January		505,000	400,000	505,000	400,000
Effect of shares issued (22 July 2019)	17	-	46,890	-	46,890
Weighted average number of ordinary shares outstanding (basic) (in Baht) as at 31 December		505,000	446,890	505,000	446,890
Basic earnings per share (in Baht)		0.83	1.33	0.52	1.75

24 Dividends

The dividends paid by the Group to the shareholders are as follows:

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in million Baht)
2020				
Annual dividend	1 July 2020	July 2020	0.46	232
Interim dividend	10 September 2020	October 2020	0.15	76
Total			0.61	308
2019				
Annual dividend	22 March 2019	April 2019	3.000	1,200
Interim dividend	25 June 2019	July 2019	3.125	1,250
Total			6.125	2,450

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25 Financial instruments

(a) Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

	Consolidated financial statement				
	Carrying amount	Fair value			
	Financial instruments measured at FVTPL	Level 1	Level 2	Level 3	Total
<i>(in thousand Baht)</i>					
At 31 December 2020					
Financial assets					
Other financial assets					
Other non-marketable equity instruments	13,704	-	-	13,704	13,704
Total other financial assets	13,704				
Financial liability					
Other derivatives liabilities	164	-	164	-	164
Total other financial liability	164				

	Separate financial statement				
	Carrying amount	Fair value			
	Financial instruments measured at FVTPL	Level 1	Level 2	Level 3	Total
<i>(in thousand Baht)</i>					
At 31 December 2020					
Financial liability					
Other derivatives liabilities	164	-	164	-	164
Total other financial liability	164				

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	Consolidated financial statements		
	Carrying amount	Fair value	
		Level 3	Total

31 December 2019			
Financial assets / financial liabilities not measured at fair value			
Other non-marketable equity securities	5,000	13,034	13,034
Long-term borrowing from financial institutions	4,248,731	4,248,731	4,248,731
Finance lease liabilities	21,178	17,429	17,429

	Separate financial statements		
	Carrying amount	Fair value	
		Level 3	Total

31 December 2019			
Financial liabilities not measured at fair value			
Long-term borrowing from financial institutions	4,248,731	4,248,731	4,248,731
Finance lease liabilities	19,973	16,224	16,224

Financial instruments not measured at fair value

Type	Valuation technique
Non-marketable of the equity securities	The net asset value as of the reporting date
Long-term borrowing from financial institutions	Discounted cash flows
Finance lease liabilities	Discounted cash flows

(b) Financial risk management policies

Risk management framework

The Group’s board of directors has overall responsibility for the establishment and oversight of the Group’s risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group’s risk management policies. The committee reports regularly to the board of directors on its activities.

The Group’s risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group’s activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group’s risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Note to The Financial Statements

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(b.1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group’s receivables from customers.

(b.1.1) Trade accounts receivables

The Group’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. Detail of concentration of revenue are included in note 19.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group’s standard payment and delivery terms and conditions are offered. The Group’s review includes external ratings, if they are available, financial statements, credit agency information and industry information. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the risk management committee.

The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of three months.

The following table provides information about the exposure to credit risk and ECLs for trade accounts receivables and contract assets.

At 31 December 2020	Consolidated financial statements		Separate financial statements	
	Trade accounts receivables	Allowance for impairment losses	Trade accounts receivables	Allowance for impairment losses
		(in thousand Baht)		
Within credit terms	71,384	-	65,558	-
Overdue:				
Less than 3 months	110,635	(652)	149,982	-
3 to 6 months	16,897	-	16,343	-
6 to 12 months	469	-	205	-
Over 12 months	8,458	(7,850)	7,709	(7,439)
Total	207,843	(8,502)	239,797	(7,439)
Less allowance for expected credit loss	(8,502)		(7,439)	
Net	199,341		232,358	

Loss rates are based on actual credit loss experience over the past three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group’s view of economic conditions over the expected lives of the receivables

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<i>Trade accounts receivables</i>	Consolidated financial statements (in thousand Baht)	Separate financial statements
<i>At 31 December 2019</i>		
Within credit terms	122,555	117,420
Overdue:		
Less than 3 months	148,284	163,514
3 to 6 months	23,606	23,349
6 to 12 months	642	605
Over 12 months	8,153	7,705
Total	303,240	312,593
Less allowance for doubtful accounts	(7,148)	(6,751)
Net	296,092	305,842

The normal credit term granted by the Group ranges from 7 days to 60 days.

<i>Movement of allowance for expected credit loss of trade accounts receivables</i>	Consolidated financial statements (in thousand Baht)	Separate financial statements
At 1 January 2020	7,148	6,571
Addition	1,354	688
At 31 December 2020	8,502	7,439

(b.1.2) Cash and cash equivalent and derivatives

The Group’s exposure to credit risk arising from cash and cash equivalents and derivative is limited because the counterparties are banks and financial institutions which has reliable credit rating assigned by rating agency, for which the Group considers to have low credit risk.

(b.1.3) Guarantees

The Group’s policy is to provide financial guarantees only for subsidiaries’ liabilities. At 31 December 2020, the Group has issued a guarantee to certain banks in respect of credit facilities granted to one subsidiary (see note 6).

(b.2) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group’s operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements

Note to The Financial Statements

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Consolidated financial statements						
Contractual cash flows						
<i>At 31 December 2020</i>	Carrying amount	1 year or less	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total
<i>(in thousand Baht)</i>						
<i>Non-derivative financial liabilities</i>						
Bank overdrafts and short-term borrowings from financial institutions	387,001	387,001	-	-	-	387,001
Trade payables	615,453	615,453	-	-	-	615,453
Long-term borrowings from financial institutions	2,746,417	418,962	467,320	1,245,657	614,478	2,746,417
Lease liabilities	2,745,789	225,827	214,484	583,573	4,828,816	5,852,700
	6,494,660	1,647,243	681,804	1,829,230	5,443,294	9,601,571

		Separate financial statements				
		Contractual cash flows				
<i>At 31 December 2020</i>	Carrying amount	1 year or less	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total
<i>(in thousand Baht)</i>						
<i>Non-derivative financial liabilities</i>						
Bank overdrafts and short-term borrowings from financial institutions	362,000	362,000	-	-	-	362,000
Trade payables	876,561	876,561	-	-	-	876,561
Long-term borrowings from financial institutions	2,746,417	418,962	467,320	1,245,657	614,478	2,746,417
Short-term loans from related parties	190,000	190,000	-	-	-	190,000
Lease liabilities	3,090,728	282,371	258,557	709,798	5,050,442	6,301,168
	7,265,706	2,129,894	725,877	1,955,455	5,664,920	10,476,146

Note to The Financial Statements

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		Consolidated financial statements			
		Maturity period			
At 31 December 2019	Effective interest rate (% per annum)	Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	Total
Financial Liabilities					
Short-term borrowings from financial institutions	1.50	416,000	-	-	416,000
Long-term borrowings from financial institutions	3.75 - 5.60	650,670	2,315,392	1,282,669	4,248,731
Finance lease liabilities	3.70 - 4.10	8,880	12,298	-	21,178
Total		1,075,550	2,327,690	1,282,669	4,685,909
		Separate financial statements			
		Maturity period			
At 31 December 2019	Effective interest rate (% per annum)	Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	Total
Financial assets					
Short-term loans to related parties	1.65	21,000	-	-	21,000
		21,000	-	-	21,000
Financial Liabilities					
Short-term loans from related parties	0.88 - 0.98	337,000	-	-	337,000
Short-term borrowings from financial institutions	1.50	416,000	-	-	416,000
Long-term borrowings from financial institutions	3.75 - 5.60	650,670	2,315,392	1,282,669	4,248,731
Finance lease liabilities	3.70 - 4.10	7,675	12,298	-	19,973
Total		1,411,345	2,327,690	1,282,669	5,021,704

Note to The Financial Statements

Index Living Mall Public Company Limited and its Subsidiaries
For the year ended 31 December 2020

(b.3) Market risk

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivatives for speculative or trading purposes.

(b.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilizes forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

Exposure to foreign currency at 31 December	Consolidated financial statements					
	2020			2019		
	USD	EUR	Total (in thousand Baht)	USD	EUR	Total
Trade accounts receivables	12,045	-	12,045	14,849	-	14,849
Trade payables	(3,868)	(3,460)	(7,328)	(55,832)	(418)	(56,250)
Net statement of financial position exposure	8,177	(3,460)	4,717	(40,983)	(418)	(41,401)
Net forecast transaction exposure	8,177	(3,460)	4,717	(40,983)	(418)	(41,401)
Forward exchange purchase contracts	9,363	-	9,363	-	-	-
Forward exchange selling contracts	(5,973)	-	(5,973)	-	-	-
Net exposure	11,567	(3,460)	8,107	(40,983)	(418)	(41,401)
Exposure to foreign currency at 31 December	Separate financial statements					
	2020			2019		
	USD	EUR	Total (in thousand Baht)	USD	EUR	Total
Trade accounts receivables	9,484	-	9,484	13,477	-	13,477
Trade payables	(2,165)	-	(2,165)	(45,045)	-	(45,045)
Net statement of financial position exposure	7,319	-	7,319	(31,568)	-	(31,568)
Net forecast transaction exposure	7,319	-	7,319	(31,568)	-	(31,568)
Forward exchange purchase contracts	9,363	-	9,363	-	-	-
Forward exchange selling contracts	(5,973)	-	(5,973)	-	-	-
Net exposure	10,709	-	10,709	(31,568)	-	(31,568)

Note to The Financial Statements

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(b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings (see note 14).

<i>Exposure to interest rate risk at 31 December</i>	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Financial instruments with fixed interest rates				
Financial assets				
- Short-term loan to related party	-	-	-	21,000
Financial liabilities				
- Short-term loan from related parties	-	-	(190,000)	(337,000)
- Long-term borrowings from financial institutions	(165,310)	(232,270)	(165,310)	(232,270)
- Lease liabilities <i>(2019: Finance lease liabilities)</i>	<u>(2,745,789)</u>	<u>(21,178)</u>	<u>(3,090,728)</u>	<u>(19,973)</u>
	<u>(2,911,099)</u>	<u>(253,448)</u>	<u>(3,446,038)</u>	<u>(589,273)</u>
Financial instruments with variable interest rates				
Financial liabilities				
- Bank overdrafts and short-term borrowings from financial institutions	(387,001)	(416,000)	(362,000)	(416,000)
- Long-term borrowings from financial institutions	<u>(2,581,107)</u>	<u>(4,016,461)</u>	<u>(2,581,107)</u>	<u>(4,016,461)</u>
	<u>(2,968,108)</u>	<u>(4,432,461)</u>	<u>(2,943,107)</u>	<u>(4,432,461)</u>

26 Capital Management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

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27 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Capital commitments				
Machinery and equipment	-	6,586	-	-
Total	-	6,586	-	-
Other commitments				
Commitment under short term operating leases	673	9,596	-	7,667
Unused letters of credit for goods and supplies	14,455	12,906	14,455	12,906
Bank guarantees	235,309	282,518	215,155	262,818
Security services agreement	25,697	30,962	16,787	20,554
Cleaning services agreement	15,348	9,025	8,670	1,177
Total	291,482	345,007	255,067	305,122

28 Events after the reporting period

As disclosed in note 5, the Group has elected to apply accounting guidance on temporary accounting relief measures for additional accounting options in response to impact from the situation of coronavirus pandemic (COVID-19). The guidance expired on 31 December 2020.

The COVID-19 pandemic continued subsequent to the expiration of the guidance as increasingly affected cases were found and spread all over Thailand. In response to the situation, Thailand has enacted measures to monitor and control the spread, encouraging people to keep social distancing, avoid crowded gathering and travel less. Meanwhile, according to information from the World Health Organization (WHO), vaccines for COVID-19 have become available and are being rolled out around the world. However, it is still not possible to predict for how long and to what extent the vaccines will provide protection and when the spread will be over.

As the situation is highly uncertain and fluid, it is currently not possible to determine the impact of the continued pandemic, government measures and roll out of the vaccination on the business of the Group. Management is closely monitoring the situation and managing to lessen the impact as much as possible.

Dividend Paid

At the board of directors' meeting of the Company held on 22 February 2021, the Board approved to propose the appropriation of dividend from retained earnings as of 31 December 2020 of Baht 0.42 per share in amounting to Baht 212 million. However, during the interim period ended 31 December 2020, the Company has already paid dividends of Baht 0.15 per share, amounting to Baht 76 million. The remaining dividends are Baht 0.27 per share, amounting to Baht 136 million. The Board of Directors will propose this matter to the shareholders' meeting for further approval.

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Long-term borrowing from financial institution

In January 2021, the Company made early repayment in amounted to Baht 245 million without prepayment fee. Under the agreements, the Company can make voluntary prepayment without prepayment fee by giving advanced written notice to the financial institutions.

Significant agreements

Office building and warehouse service contracts

On 2 February 2021, the Company entered into office building and warehouse service contracts with Index Interfurn Co.,Ltd. (subsidiary). The Company has to pay monthly service fee in total amount of Baht 3 million. The period of contracts are 3 years and will be expired in 2023. The contract can be renewable by written notice at least 60 days in advance.

Building and equipment rental contracts

On 21 January 2021, addendum to the building and equipment rental contracts was issued to extend period of rental contracts with The Walk Co., Ltd. (subsidiary). The Company received the rental income per month of Baht 16.1 million. The contracts have the period of 3 years and will be expired in 2023. The contract can be renewable by written notice at least 30 days in advance.

Building service area contracts

On 21 January 2021, addendum to the building service area contracts was issued to extend period of contracts with The Walk Co., Ltd. (subsidiary). The Company has to pay monthly service fee in amount of Baht 4.25 million. The contracts have the period of 3 years and will be expired in 2023. The contract can be renewable by written notice at least 30 days in advance.

Supporting service contract

On 21 January 2020, the Company entered into a supporting service contract with The Walk Co., Ltd. (subsidiary). The Company will provide the supporting service of the Company’s operations. The Company received the supporting service income per month of Baht 4 million. The period of this agreement is 3 years, from 1 January 2021 to 31 December 2023.

Warehouse lease contract

In January 2021, the subsidiary entered into warehouse lease contracts with third party . Subsidiary receive monthly fee in total amount of Baht 2.37 million. The period of contracts are 3 years.

29 Thai Financial Reporting Standards (TFRS) not yet adopted

The amendment to TFRS 16 provides an option for lessees not to assess whether COVID-19-related rent concessions are lease modifications, but to directly decrease the lease liability. The impact from the application of the option shall be adjusted to retained earnings on 1 January 2021 and no adjustments are to be made on comparative financial statement

Management is currently considering whether or not to elect to apply the option.

Note to The Financial Statements

Index Living Mall Public Company Limited and its Subsidiaries
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30 Reclassification of accounts

Certain accounts in the 2019 financial statements have been reclassified to conform to the presentation in the 2020 financial statements.

	2019		
	Consolidated financial statements		
	Before reclassification	Reclassification (in thousand Baht)	After reclassification
Statement of comprehensive income			
Cost of rental and rendering of services	327,739	(23,615)	304,124
Administrative expenses	1,195,849	23,615	1,219,464
		-	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Group’s business.



บริษัท อินดีกซ์ ลิฟวิ่งมอลล์ จำกัด (มหาชน) ๒๐
248
รายงานประจำปี 2563

Index livingmall

Index Living Mall Public Company Limited

Indexlivingmall

Index Living Mall Public Company Limited

147 Soi Rama 2 Soi 50, Rama 2 Road, Samaedam, Bangkhunthien, Bangkok 10150

Tel: 0-2898-6420-5 Email: ir@indexlivingmall.com

